



Ahsay Backup Software Development Company Limited

亞勢備份軟件開發有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8290)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024**

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

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

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board 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 (the “**Directors**”) of Ahsay Backup Software Development Company Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

FINANCIAL HIGHLIGHTS

- The Group's revenue for the year ended 31 December 2024 was approximately HK\$40.0 million, representing a decrease of approximately 4.1% from approximately HK\$41.7 million for the prior year.
- Loss attributable to owners of the parent for the year ended 31 December 2024 was approximately HK\$2.2 million as compared to the profit of approximately HK\$2.6 million for the prior year.
- Segment losses of approximately HK\$4.9 million and HK\$3.2 million were recorded from online backup software and related services segment for the years ended 31 December 2024 and 2023, respectively.
- Segment profit of approximately HK\$0.9 million and HK\$1.1 million were recorded from information platform segment for the year ended 31 December 2024 and 2023, respectively.
- Basic and diluted loss per share were both HK0.11 cent for the year ended 31 December 2024.
- The Board did not recommend the payment of any dividend for the year ended 31 December 2024.

ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The board of Directors (the “**Board**”) of the Company hereby announces the following consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2024 (the “**2024 Annual Results**”) together with the comparative figures for the year ended 31 December 2023 as set out below.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000
Revenue	3	39,955	41,659
Cost of inventories sold		(322)	(47)
Other income	4	2,449	2,367
Other (losses) gains, net	5	(523)	1,982
Staff costs and related expenses	6	(29,032)	(29,869)
Other expenses	7	(14,482)	(13,578)
Finance costs	8	(120)	(245)
		<hr/>	<hr/>
(Loss) profit before tax		(2,075)	2,269
Income tax (expense) credit	9	(112)	349
		<hr/>	<hr/>
(Loss) profit for the year		<u>(2,187)</u>	<u>2,618</u>
Attributable to:			
Owners of the parent		(2,187)	2,644
Non-controlling interests		—	(26)
		<hr/>	<hr/>
		<u>(2,187)</u>	<u>2,618</u>
Other comprehensive (loss) income			
<i>Other comprehensive (loss) income that may be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences arising on translation of foreign operations		(802)	151
Reclassification adjustment of translation reserve upon deconsolidation of a subsidiary		—	(129)
		<hr/>	<hr/>
Net other comprehensive (loss) income for the year		(802)	22
		<hr/>	<hr/>
Total comprehensive (loss) income for the year		<u>(2,989)</u>	<u>2,640</u>
Attributable to:			
Owners of the parent		(2,989)	2,709
Non-controlling interests		—	(69)
		<hr/>	<hr/>
		<u>(2,989)</u>	<u>2,640</u>
(Loss) earnings per share attributable to ordinary equity holders of the parent			
— Basic and diluted (HK cent)	10	<u>(0.11)</u>	<u>0.13</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		6,113	7,297
Investment properties		2,775	2,932
Right-of-use assets		6,896	2,307
Equity investment designated at fair value through other comprehensive income		—	—
Deposits paid	<i>12</i>	418	—
Deferred tax assets		359	355
Total non-current assets		16,561	12,891
CURRENT ASSETS			
Inventories		14	—
Trade and other receivables	<i>12</i>	4,678	3,709
Tax recoverable		7	6
Bank balances and cash		54,885	62,337
Total current assets		59,584	66,052
CURRENT LIABILITIES			
Other payables and accruals	<i>13</i>	2,992	4,915
Contract liabilities		10,466	12,502
Lease liabilities		2,168	2,400
Tax payable		—	41
Total current liabilities		15,626	19,858
NET CURRENT ASSETS		43,958	46,194
TOTAL ASSETS LESS CURRENT LIABILITIES		60,519	59,085
NON-CURRENT LIABILITIES			
Contract and other liabilities		834	1,142
Lease liabilities		4,728	—
Deferred tax liabilities		22	19
Total non-current liabilities		5,584	1,161
NET ASSETS		54,935	57,924
EQUITY			
Equity attributable to owners of the parent			
Share capital		20,000	20,000
Reserves		34,935	37,924
Total equity		54,935	57,924

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Attributable to owners of the parent						Total	Non-controlling interests	Total equity
	Share capital	Share premium	Capital and other reserves	Asset revaluation reserve	Translation reserve	Accumulated losses			
	HK\$'000	HK\$'000	HK\$'000 (Note i)	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
At 1 January 2023	20,000	72,435	3,395	535	(609)	(40,541)	55,215	(1,345)	53,870
Profit for the year	—	—	—	—	—	2,644	2,644	(26)	2,618
Other comprehensive income (loss) for the year									
Exchange differences arising on translation of foreign operations	—	—	—	—	194	—	194	(43)	151
Reclassification adjustment of translation reserve upon deconsolidation of a subsidiary	—	—	—	—	(129)	—	(129)	—	(129)
Total comprehensive income (loss) for the year	—	—	—	—	65	2,644	2,709	(69)	2,640
Deconsolidation of a subsidiary	—	—	702	—	—	(702)	—	1,414	1,414
At 31 December 2023 and 1 January 2024	20,000	72,435*	4,097*	535*	(544)*	(38,599)*	57,924	—	57,924
Loss for the year	—	—	—	—	—	(2,187)	(2,187)	—	(2,187)
Other comprehensive loss for the year									
Exchange differences arising on translation of foreign operations	—	—	—	—	(802)	—	(802)	—	(802)
Total comprehensive loss for the year	—	—	—	—	(802)	(2,187)	(2,989)	—	(2,989)
At 31 December 2024	<u>20,000</u>	<u>72,435*</u>	<u>4,097*</u>	<u>535*</u>	<u>(1,346)*</u>	<u>(40,786)*</u>	<u>54,935</u>	—	<u>54,935</u>

* These reserve accounts comprise the consolidated reserves of HK\$34,935,000 (2023: HK\$37,924,000) in the consolidated statement of financial position.

Note:

- i. Capital and other reserves comprise:
 - (a) a debit amount of HK\$5,000 representing the difference between the fair value of the consideration paid in the amount of HK\$205,000 to Mrs. Chong Li Sau Fong, Mr. Chong Siu Pui, and Mr. Chong Siu Ning (the “**Controlling Shareholders**”) and the carrying amount of HK\$200,000 of the net assets attributable to the 100% equity interests in CloudBacko Corporation (“**CloudBacko BVI**”) and Ahsay Service Centre Limited (“**ASCL**”), upon transfer of the 100% equity interests in CloudBacko BVI and ASCL from the Controlling Shareholders in April 2015;
 - (b) a credit amount of HK\$1,000,000 representing the difference between the par value of the share issued by Alpha Heritage Holdings Limited (“**Alpha Heritage**”), a wholly-owned subsidiary of the Company, and the share capital of Ahsay Systems Corporation Limited (“**Ahsay HK**”), upon transfer of the 100% equity interest in Ahsay HK to Alpha Heritage in May 2015;
 - (c) a credit amount of HK\$2,000,000 representing the deemed capital contribution from the Controlling Shareholders with regard to a waiver of amounts due to shareholders in March 2015; and
 - (d) a credit amount of HK\$1,102,000 representing the deemed capital contribution from the Controlling Shareholders upon disposal of the entire equity interest in Million Victory Investment Management Limited, a then subsidiary of the Group, to a related company controlled by the Controlling Shareholders in April 2015.

1. GENERAL INFORMATION

Ahsay Backup Software Development Company Limited (the “**Company**”) is a publicly listed company incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares were listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Its immediate holding company is All Divine Investments Limited, a private company incorporated in the British Virgin Islands (the “**BVI**”) with limited liability; and, in the opinion of the directors, its ultimate holding company is Able Future Investments Limited, a private company incorporated in the BVI with limited liability. The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of the principal place of business of the Company is 28th Floor, Ford Glory Plaza, 37 Wing Hong Street, Lai Chi Kok, Hong Kong.

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of online backup software solutions to clients via the internet.

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

2.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements have been prepared under the historical cost convention, except for investment properties and an equity investment which have been measured at fair value. The financial statements are presented in HK\$ and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of the subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or accumulated losses, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i> (the “ 2020 Amendments ”)
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i> (the “ 2022 Amendments ”)
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The nature and the impact of the revised HKFRSs are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

- (c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

3. REVENUE AND SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker ("CODM"), for the purpose of resource allocation and assessment of segment performance, focuses on types of goods or services delivered or provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments under HKFRS 8 *Operating Segments* are as follows:

Online backup software and related services segment	— Software license sales and leasing, provision of software upgrades and maintenance services and provision of other services
Information platform segment	— Provision of information sharing services and an analysis tool, sale of hardware devices and provision of other services

Segment revenue and results

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent the (loss) profit from each segment without allocation of other income and other (losses) gains, net that are not directly attributable to the segment as disclosed in the table below. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

The following is an analysis of the Group's revenue and results by reportable and operating segment:

	For the year ended 31 December 2024			For the year ended 31 December 2023		
	Online backup software and related services <i>HK\$'000</i>	Information platform <i>HK\$'000</i>	Total <i>HK\$'000</i>	Online backup software and related services <i>HK\$'000</i>	Information platform <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue — External						
Software license sales	1,746	—	1,746	2,124	—	2,124
Software license leasing	14,672	—	14,672	14,673	—	14,673
Software upgrades and maintenance services	17,044	—	17,044	18,412	—	18,412
Other services	1,065	430	1,495	1,079	526	1,605
Sale of hardware devices	—	236	236	—	36	36
Information sharing service income	—	26	26	—	38	38
Subscription fees	361	4,375	4,736	130	4,641	4,771
Total revenue	34,888	5,067	39,955	36,418	5,241	41,659
Segment (loss) profit	(4,885)	884	(4,001)	(3,228)	1,148	(2,080)
Unallocated income and expenses						
Other income			2,449			2,367
Other (losses) gains, net			(523)			1,982
(Loss) profit before tax			(2,075)			2,269

Segment assets and liabilities

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

	At 31 December 2024			At 31 December 2023		
	Online backup software and related services <i>HK\$'000</i>	Information platform <i>HK\$'000</i>	Total <i>HK\$'000</i>	Online backup software and related services <i>HK\$'000</i>	Information platform <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reportable segment assets						
Segment assets	20,373	887	21,260	15,801	805	16,606
Reconciliation:						
Unallocated assets						
Bank balances and cash			54,885			62,337
Consolidated assets			76,145			78,943
Reportable segment liabilities						
Segment liabilities	19,104	2,106	21,210	18,566	2,453	21,019

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

- all assets are allocated to operating segments other than bank balances and cash that are managed on a group basis.
- all liabilities are allocated to operating segments.

Other segment information

	For the year ended 31 December 2024			For the year ended 31 December 2023		
	Online backup software and related services <i>HK\$'000</i>	Information platform <i>HK\$'000</i>	Total <i>HK\$'000</i>	Online backup software and related services <i>HK\$'000</i>	Information platform <i>HK\$'000</i>	Total <i>HK\$'000</i>
Capital expenditure (<i>Note</i>)	248	—	248	173	—	173
Depreciation	3,463	9	3,472	3,728	13	3,741
Fair value loss on investment properties	—	—	—	16	—	16
Write-down of inventories to net realisable value	—	—	—	—	16	16
Write-off of items of property, plant and equipment	—	1	1	—	—	—

Note: Capital expenditure consists of additions to property, plant and equipment.

Non-current assets by geographical location

An analysis of the Group's non-current assets is presented based on the geographical location of the assets as detailed below:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Hong Kong	7,311	3,101
Philippines	8,473	9,435
	<u>15,784</u>	<u>12,536</u>

Non-current assets exclude deposits paid and deferred tax assets.

Revenue by geographical location

An analysis of the Group's revenue from external customers by geographical location, determined based on the locations of the customers, is detailed below:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
United States of America	7,009	7,280
Hong Kong	5,457	5,645
Others (<i>Note</i>)	27,489	28,734
	<u>39,955</u>	<u>41,659</u>

Note: Including other countries which individually contribute less than 10% of the total revenue of the Group for each respective year

Information about major customers

There were no sales to a single customer contributing over 10% of the total revenue of the Group in both years.

4. OTHER INCOME

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Bank interest income	2,190	2,139
Interest income on refundable rental deposits	20	19
Rental income	144	117
Sundry income	95	92
	<u>2,449</u>	<u>2,367</u>

5. OTHER (LOSSES) GAINS, NET

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Foreign exchange differences, net	(523)	(79)
Fair value loss on investment properties	—	(16)
Gain on deconsolidation of a subsidiary	—	2,077
	<u>(523)</u>	<u>1,982</u>

6. STAFF COSTS AND RELATED EXPENSES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Directors' emoluments	5,495	6,064
Other staff costs		
— Salaries, allowances and benefits in kind and performance bonus	22,558	22,913
— Retirement benefit scheme contributions (defined contribution scheme), excluding directors' retirement benefit scheme contributions*	541	576
Total directors' and staff costs	28,594	29,553
Staff-related expenses	438	316
Staff costs and related expenses	<u>29,032</u>	<u>29,869</u>
Research and development costs included in staff costs and related expenses	<u>10,478</u>	<u>10,527</u>

* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions. As at 31 December 2024, the Group had no forfeited contributions available to reduce its contributions to the pension scheme in future years (2023: Nil).

7. OTHER EXPENSES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Auditor's remuneration	860	860
Advertising and marketing expenses	1,412	432
Content acquisition cost	1,022	1,534
Charitable donations	271	5
Depreciation of property, plant and equipment	1,165	1,383
Depreciation of right-of-use assets	2,307	2,358
Electricity and water	446	433
Expenses related to short-term leases	151	106
Insurance expenses	712	627
Internet expenses	356	371
Legal and professional fees	1,221	1,421
Merchant credit card charges	1,268	1,259
Rates and property management fees	592	567
Web hosting expenses	778	648
Write-off of items of property, plant and equipment	1	—
Write-down of inventories to net realisable value	—	16
Others	1,920	1,558
	<u>14,482</u>	<u>13,578</u>

8. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest expense on:		
Lease liabilities	120	238
Other borrowings	—	7
	<u>120</u>	<u>245</u>

9. INCOME TAX EXPENSE (CREDIT)

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current — Hong Kong:		
Charge for the year	119	136
Overprovision in prior years	(6)	(12)
	<u>113</u>	<u>124</u>
Deferred tax	<u>(1)</u>	<u>(473)</u>
	<u>112</u>	<u>(349)</u>

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

Under the two-tiered profits tax rates regime, one of the subsidiaries of the Company is subject to Hong Kong profit tax at the rate of 8.25% for the first HK\$2 million of estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million. Other Hong Kong subsidiaries of the Company are subject to Hong Kong profit tax at the rate of 16.5% for the years ended 31 December 2024 and 2023, respectively.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

10. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company for both years, nor has any dividend been proposed since the end of the reporting period.

11. (LOSS) EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic and diluted (loss) earnings per share attributable to ordinary equity holders of the parent is based on the following data:

	2024 HK\$'000	2023 HK\$'000
(Loss) profit for the year attributable to ordinary equity holders of the parent	<u>(2,187)</u>	<u>2,644</u>
	2024 '000	2023 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted (loss) earnings per share calculation	<u>2,000,000</u>	<u>2,000,000</u>

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2024 and 2023.

12. TRADE AND OTHER RECEIVABLES AND DEPOSITS PAID

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current assets		
Trade receivables — aged within 30 days, based on the invoice date	1,697	1,864
Rental and utility deposits	163	641
Prepaid operating expenses and other receivables	<u>2,818</u>	<u>1,204</u>
Total	<u><u>4,678</u></u>	<u><u>3,709</u></u>
Non-current assets		
Deposits paid	<u><u>418</u></u>	<u><u>—</u></u>

The Group's trade receivables consist of receivables from customers and credit card companies. The Group's sales are generally made through the internet when payment is normally required before the delivery of software licenses, subscription and the provision of services. For software license leasing which charges the customers monthly license fees on a pay-as-you-go basis, the Group offers a credit period of 14–30 days to these customers.

13. OTHER PAYABLES AND ACCRUALS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Accrued staff costs and related expenses	1,633	3,586
Other payables and accrued operating expenses	<u>1,359</u>	<u>1,329</u>
Total	<u><u>2,992</u></u>	<u><u>4,915</u></u>

Other payables are non-interest bearing. The ageing of other payables was less than one year, based on the invoice date.

BUSINESS REVIEW

The global economy has undergone unusual crises over the past years and further slowed down due to high interest rate and uncertain external risks. The worsening economy has also impacted consumption and market sentiment remained cautious during the year. Price competition is still keen for the online backup software market. As a result, revenue derived from the Group's online backup software and its related services decreased by approximately HK\$1.5 million or 4.1% from approximately HK\$36.4 million for the year ended 31 December 2023 to approximately HK\$34.9 million for the year ended 31 December 2024.

On the other side, the rising trend of cross-border consumption for people in Hong Kong has led to a decrease in local spending, which resulted in a lower demand for leisure activities in Hong Kong, including horse racing. Thus, the revenue derived from the Group's information platform slightly decreased by approximately HK\$0.1 million or 1.9% from approximately HK\$5.2 million for the year ended 31 December 2023 to approximately HK\$5.1 million for the year ended 31 December 2024.

Total revenue of the Group decreased by approximately HK\$1.7 million or 4.1% from approximately HK\$41.7 million for the year ended 31 December 2023 to approximately HK\$40.0 million for the year ended 31 December 2024.

In response to market fluctuations and uncertainty, the Group has proactively strengthened the customer base via investing in different advertising and marketing channels and enhancing the features of current version of Ahsay™ Backup Software — Version 9. The Group has also supported the backup of database systems such as Tiberio Database Server, PostgreSQL Server and Linux Bare Metal Backup throughout the year.

Meanwhile, traveling northbound from Hong Kong to the Greater Bay Area is becoming increasingly popular for Hong Kong residents. With the change in customers' consumption pattern and lifestyle, local consumption has decreased inevitably. The revenue derived from information platform business also dropped slightly. The Group will hold more marketing activities in order to strength communication with potential customers and seek business opportunities. The Group will also continue its prudent and flexible approach in managing its financial position.

OUTLOOK

Core Backup Business

The current version of Ahsay™ Backup Software — Version 9 (“**Version 9**”) is an advanced client-server based on-premises and cloud backup software solution for businesses and managed service providers (“**MSPs**”).

In terms of the major enhancement of Version 9, the “In-File Data” feature was replaced with “Data Deduplication” which is part of the backup process that identifies and eliminates duplicate copies of repeating data, storing the data only once in order to save storage space. “Data Deduplication” plays a major role in managing storage space, particularly when performed over large volumes of data.

Other major enhancement including “Immutable Backup” and “Restore Drill” being launched in 2023 are mainly related to cybersecurity and data protection. “Immutable Backup” provides MSPs an unaltered copy of backup data that remains in a protected state, immune to accidental or malicious alterations. While facing the threats of ransomware and cyberattacks, MSPs can rebuild the data by using the unaltered copy. It can help combat the threat by ensuring that a secure and unchangeable copy of the backup is always available for data restoration when needed.

“Restore Drill” enables MSPs to conduct periodic and automated disaster recovery drills to test the restoration of data from backups in order to ensure the backup copies are usable. It also allows MSPs to identify potential problems such as missing or corrupted backup data and will make the best effort to correct the problems to ensure the backup data is recoverable or an alert is issued to MSPs.

Version 9 can be deployed within a company to back up all virtual machines or physical servers. MSPs can also use this software solution to offer secure managed backup service to their clients. Version 9 comes with a web based central management console for system administrator to easily manage the whole backup system through any web browser. It supports various solutions such as Microsoft 365 Backup including SharePoint Online, Outlook, Teams, OneDrive etc. In addition to the above, Linux Bare Metal Backup, Tiberio Database Server and PostgreSQL Server are currently supported.

With the enhancement of functionalities, the Company believes Version 9 provides improved user experience for its customers. The Company will continue to pay close attention to the changes in the market and the direction for future development.

Information Platform

The Group has developed information platforms, named KINBOY (堅仔) (“**KINBOY**“) which is an information analysis tool and KINTIPS (堅料) (“**KINTIPS**“) for information sharing. Such platforms are mainly accessible via mobile-application.

KINBOY is an all-in-one online platform for horse racing information, which provides users an alternative way to access information electronically. The subscription service is tiered and structured such that free members can access the latest race cards, results and dividends, entries lists, chance table of horse racing and other detailed information such as finesse of horses, sharp moves, odds trend and forecast of first two races for catch-up viewing; while paid members can access detailed information including “Cloud Data” and “AI tips” for full day races. “Cloud Data” has collected the public information of The Hong Kong Jockey Club and combined with information from overseas for computer analysis to narrow the range of racing outcomes.

Artificial intelligence development has continued to progress rapidly in recent years. Given the Group’s extensive experience in IT industry and professional developer, “AI tips” feature has also been added in KINBOY during 2023–2024 horse racing season. “AI tips” is a prediction tool of horse racing result by collecting and analysing relevant horse racing data.

Also, multimedia features of KINBOY such as videos of horse racing key opinion leader (“**KOL**”) make users a more engaging and interactive way to consume news and information. With up-to-date information and comprehensive analysis on horse racing, KINBOY members would gain an in-depth insight into horse racing. The management is expecting a stable growth for the information platform segment in the future.

Apart from KINBOY, minimal revenue contributions are derived from information sharing platform KINTIPS, which is a platform designed to allow information providers and subscribers to share information via its website and mobile application.

FINANCIAL REVIEW

Overview

During the years ended 31 December 2024 and 2023, the Group recorded revenues of approximately HK\$40.0 million and HK\$41.7 million respectively, representing a decrease of approximately 4.1%. The Group recorded a loss attributable to owners of the parent of approximately HK\$2.2 million for the year ended 31 December 2024 as compared to a profit attributable to owners of the parent of approximately HK\$2.6 million for the prior year.

Revenue

The Group's revenue was principally derived from income from software license sales and leasing, software upgrades and maintenance services, subscription fees and other services. Revenues of approximately HK\$40.0 million and HK\$41.7 million were recognised for the years ended 31 December 2024 and 2023, respectively, representing a decrease of approximately 4.1%.

The decrease in revenue for the year ended 31 December 2024 was mainly due to the decrease in revenue derived from the Group's online backup business as affected by (i) the overall weak global economy and (ii) sluggish demand for the Group's services, compared with the prior year.

Other Income

Other income remained unchanged at approximately HK\$2.4 million for the year ended 31 December 2024 and 2023. The other income for the year ended 31 December 2024 and 2023 mainly represented bank interest income.

Other (Losses) Gains, net

Other losses, net increased by approximately HK\$2.5 million, to approximately HK\$0.5 million for the year ended 31 December 2024 from other gains, net of approximately HK\$2.0 million for the year ended 31 December 2023. The increase in other losses for the year ended 31 December 2024 was mainly due to a one-off gain on deconsolidation of a subsidiary recognised in 2023.

Staff Costs and Related Expenses

Staff costs and related expenses primarily comprised salaries, performance bonuses, directors' fee, mandatory provident fund contributions, staff welfare and other related expenses. Staff costs and related expenses decreased by approximately HK\$0.9 million or 3.0%, to approximately HK\$29.0 million for the year ended 31 December 2024 from approximately HK\$29.9 million for the year ended 31 December 2023.

The decrease in staff costs and related expenses for the year ended 31 December 2024 was mainly due to the net effect of the decrease in performance bonus and the increase in average headcount as compared with the prior year.

Other Expenses

Other expenses primarily comprised depreciation, advertising and marketing expenses, merchant credit card charges, legal and professional fees and other regular office expenses such as utilities. Other expenses increased by approximately HK\$0.9 million, or 6.6%, to approximately HK\$14.5 million for the year ended 31 December 2024 from approximately HK\$13.6 million for the year ended 31 December 2023.

The increase in other expenses was mainly from advertising and marketing expenses as compared with the prior year.

Income Tax (Expense) Credit

The Group recorded income tax expense of approximately HK\$0.1 million for the year ended 31 December 2024. The increase in income tax expense was mainly due to the lack of recognition of deferred tax credit in relation to the unused tax losses arisen in a subsidiary recognised in 2023.

(Loss) Profit for the Year

The Group recorded a loss of approximately HK\$2.2 million for the year ended 31 December 2024 as compared to a profit of approximately HK\$2.6 million for the prior year. The loss for the year consisted of an approximately HK\$4.9 million segment loss from the Group's online backup software and related services segment, and a segment profit of approximately HK\$0.9 million generated by the information platform segment and unallocated income of approximately HK\$1.9 million.

Financial Position, Liquidity and Financial Resources

The Group adopts a prudent cash and financial management policy. In order to achieve better cost control and minimise the costs of funds, the Group's treasury activities are centralised and substantial amount of cash denominated mainly in United States Dollar ("US\$") are generally deposited with licensed banks in Singapore. As the Group's cash and bank balances are substantially denominated in US\$, risk in exchange rate fluctuation would not be material.

The Group is in a sound financial position. As at 31 December 2024, the Group's current assets were approximately HK\$59.6 million (31 December 2023: approximately HK\$66.1 million). The Group remained at a net cash position as at 31 December 2024 and 2023, respectively. Based on 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.

Charges on Assets of the Group

As at 31 December 2024, there was no charge on assets of the Group (31 December 2023: nil).

Capital Structure

The capital structure of the Company comprised of ordinary shares only. As at 31 December 2024, the Company's issued share capital was HK\$20.0 million with 2,000,000,000 issued shares of HK\$0.01 each.

Financial Management Policies

The Group in its ordinary course of business is exposed to market risks such as foreign currency risk and interest rate risk. The Group's risk management strategy aims to minimise the adverse effects of these risks on its financial performance.

The Group's cash is primarily deposited at licensed banks in Singapore denominated mainly in US\$. As at 31 December 2024, no related hedges were made by the Group (31 December 2023: nil).

As most of the Group's trading transactions, monetary assets and liabilities are denominated in HK\$, the impact of foreign exchange exposure to the Group during the year ended 31 December 2024 was minimal and there was no significant adverse effect on normal operations.

The carrying amounts of the Group's monetary assets denominated in currencies other than the Group's operating units' functional currencies at the end of the reporting period are mainly denominated in US\$. As HK\$ is pegged to the US\$ within a narrow band, the Group does not expect any significant movements in the US\$/HK\$ exchange rate. Accordingly, management considers that the Group's foreign currency risk exposure for US\$ is not significant.

After consideration of the benefit and cost, the Group has not entered into any interest rate hedging contracts or any other interest rate related derivative financial instruments. However, the Group continues to monitor its interest rate exposure closely.

Capital Commitments and Contingent Liabilities

The Group had no significant capital commitments and contingent liabilities as at 31 December 2024 and 2023.

MATERIAL ACQUISITIONS AND DISPOSALS

There was no material acquisition or disposal of subsidiaries, associates or joint ventures during the year ended 31 December 2024 and 2023, respectively.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2024, the Group had a workforce of 68 employees (2023: 65). Total directors and staff costs for the year ended 31 December 2024 was approximately HK\$29.0 million, representing a decrease of approximately HK\$0.9 million or 3.0% as compared to that of the corresponding period in 2023.

Remuneration is determined with reference to the duties, responsibilities, experience, performance and competence of individual employee and Director. In addition to salaries and discretionary bonuses relating to the performance of the Group, employee benefit included the mandatory provident fund prescribed by the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong). The Group has not participated in any other pension schemes for the employees in Hong Kong. Most of the employees engaged outside Hong Kong are covered by appropriate local arrangements. The emoluments of the Directors are reviewed annually by the remuneration committee of the Board ("**Remuneration Committee**").

As incentives and rewards for their contributions to the Group, the employees of the Group and all the Directors (including the independent non-executive Directors ("**INEDs**") and non-executive Director) may also be granted share options by the Company from time to time pursuant to the share option scheme adopted on 4 September 2015.

The Group provides various training to its employees to enhance their technical skills and knowledge relevant to the employees' responsibilities.

During the year ended 31 December 2024, the Group did not experience any strikes, work stoppages or significant labour disputes which would have affected its operations in the past and it did not experience any significant difficulties in recruiting and retaining qualified staff.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 December 2024, neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities.

FINAL DIVIDEND

The Board did not recommend the payment of any dividend for the year ended 31 December 2024.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this announcement.

CORPORATE GOVERNANCE PRACTICES

The Group's corporate governance framework is based on two main beliefs:

- the Group is well-committed to maintaining good corporate governance practices and procedures; and
- the Group recognises the need to adopt practices that would help improve the Group continuously and to achieve quality management.

Accordingly, the Group is committed to maintaining high standards of corporate governance with a view to assure the proper conduct of management of the Group as well as protecting the interests of all Shareholders. The corporate governance principles adopted by the Group emphasize a quality Board for leadership, effective internal controls, transparency and accountability to all Shareholders.

The Group has applied the principles and adopted all code provisions, where applicable, of the Corporate Governance Code ("CG Code") as set out in Appendix 15 to GEM Listing Rules as its own code of corporate governance, except Code Provision B.2.4 (b). The Directors consider that the Group has complied with all the code provisions as set out in the CG Code throughout the year ended 31 December 2024, except Code Provision B.2.4 (b).

Pursuant to Code Provision B.2.4 (b), if all independent non-executive directors of an issuer have served more than nine years on the board, the issuer should appoint a new independent non-executive director to the board at the forthcoming annual general meeting. The Company and the Nomination Committee are in the process of identifying a new independent non-executive Director based on the candidates' experience and factors as required under Rule 5.09 of the Listing Rules to meet the requirement under Code Provision B.2.4 (b). Further announcement(s) will be made by the Company in this regard as and when appropriate.

The Group has further adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. In response to specific enquiry made by the Company, each of the Directors gave confirmation that he/she has complied with the required standard of dealings and the code of conduct regarding securities transactions by the Directors throughout the year ended 31 December 2024.

The Group believes through the operation of an effective Board, sound internal controls, and accountability to Shareholders, the Group is able to maximise the value of all Shareholders.

ANNUAL GENERAL MEETING

The forthcoming annual general meeting of the Company will be held on Friday, 2 May 2025 at 9:30 a.m. (the “AGM”), the AGM notice will be published and dispatched to the shareholders of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

For determining the shareholders’ entitlement to attend and vote at the AGM, the Company’s register of members will be closed from Monday, 28 April 2025 to Friday, 2 May 2025 (both dates inclusive), during which period no transfer of shares of the Company can be registered. In order to be eligible to attend the AGM, all transfers of shares documents, accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 25 April 2025.

REVIEW BY THE AUDIT COMMITTEE

The Company has established an audit committee of the Board (the “**Audit Committee**”) with written terms of reference which deal clearly with its authority and duties. The Audit Committee’s principal duties are to review and supervise the Company’s financial reporting process, internal control systems and environmental, social and governance and to provide advice and comments to the Board. The Audit Committee has reviewed the audited consolidated financial statements of the Company for the year ended 31 December 2024.

AUDITOR’S PROCEDURES PERFORMED ON THIS RESULTS ANNOUNCEMENT

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group’s auditors, Ernst & Young, to the amounts set out in the Group’s draft consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the GEM website and the Company's website. The annual report of the Company for the year ended 31 December 2024 will be dispatched to the shareholders of the Company and will be available on the respective websites of the Stock Exchange and the Company in due course.

By Order of the Board
Ahsay Backup Software Development Company Limited
Chong Siu Ning
Chairman and Executive Director

Hong Kong, 14 March 2025

As at the date of this announcement, the executive Directors are Mr. CHONG Siu Ning, Mr. CHONG Siu Pui and Mr. CHONG King Fan; the non-executive Director is Ms. CHONG Siu Fan; and the independent non-executive Directors are Mr. WONG Cho Kei Bonnie, Ms. WONG Pui Man and Mr. WONG Yau Sing.

This announcement will remain on the "Latest Listed Company Information" page on the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its posting and on the Company's website at <http://www.ahsay.com/en/finance>.