

# Goldway Education Group Limited

金滙教育集團有限公司\*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8160)

## ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2025

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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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## **FINANCIAL HIGHLIGHTS**

For the year ended 31 March 2025, operating results of the Group were as follows:

- revenue of approximately HK\$51.2 million, representing an increase of 11.8% comparing to the previous financial year;
- loss for the year of approximately HK\$12.9 million, representing an increase of approximately 117.2% comparing to the previous financial year; and
- the Directors do not recommend the payment of dividend for the year ended 31 March 2025.

## ANNUAL RESULTS

The board of Directors (the “**Board**”) is pleased to announce the results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 March 2025 (the “**Reporting Period**”) together with the comparative figures for the year ended 31 March 2024 as follows:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the year ended 31 March 2025*

	<i>Notes</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i> (Restated)
Revenue	5	<b>51,209</b>	45,793
Other income	5	<b>3,585</b>	2,837
Amortisation of intangible assets		<b>(1,212)</b>	(1,226)
Depreciation		<b>(7,717)</b>	(5,683)
Employee benefits expense		<b>(40,860)</b>	(35,830)
Fair value changes on financial assets at fair value through profit or loss (“ <b>FVTPL</b> ”)		<b>31</b>	(576)
Provision for expected credit loss (“ <b>ECL</b> ”) on accounts receivable		<b>(3,464)</b>	(815)
Provision for ECL on other receivables		<b>(279)</b>	–
Loss arising from derecognition of profit guarantee		<b>(59)</b>	–
Other operating expenses		<b>(11,965)</b>	(9,569)
Finance costs		<b>(827)</b>	(872)
Loss before tax	6	<b>(11,558)</b>	(5,941)
Income tax expense	7	<b>(1,384)</b>	(18)
Loss for the year		<b><u>(12,942)</u></b>	<b><u>(5,959)</u></b>
Other comprehensive expense:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		<b>(76)</b>	(804)
<i>Item that will not be reclassified to profit or loss:</i>			
Fair value loss on financial assets at fair value through other comprehensive income (“ <b>FVTOCI</b> ”)		<b><u>(4,030)</u></b>	<b><u>(349)</u></b>

		<b>2025</b>	2024
	<i>Note</i>	<b><i>HK\$'000</i></b>	<i>HK\$'000</i> (Restated)
Other comprehensive expense for the year, net of tax		<u>(4,106)</u>	<u>(1,153)</u>
Total comprehensive expense for the year		<u><b>(17,048)</b></u>	<u><b>(7,112)</b></u>
(Loss)/profit for the year attributable to:			
– Owners of the Company		(12,875)	(6,400)
– Non-controlling interests		<u>(67)</u>	<u>441</u>
		<u><b>(12,942)</b></u>	<u><b>(5,959)</b></u>
Total comprehensive (expense)/income for the year attributable to:			
– Owners of the Company		(16,947)	(7,191)
– Non-controlling interests		<u>(101)</u>	<u>79</u>
		<u><b>(17,048)</b></u>	<u><b>(7,112)</b></u>
			(Restated)
Loss per share — Basic and diluted ( <i>HK cents</i> )	8	<u><b>(9.04)</b></u>	<u><b>(18.38)</b></u>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Note	2025 HK\$'000	2024 HK\$'000 (Restated)
<b>Non-current Assets</b>			
Property, plant and equipment		1,552	1,484
Right-of-use assets		9,935	9,932
Intangible assets		4,017	5,253
Goodwill		6,283	6,290
Financial assets at FVTOCI		5,010	9,040
Deposits		—	1,507
		<u>26,797</u>	<u>33,506</u>
<b>Current Assets</b>			
Accounts receivable	10	7,754	4,350
Prepayments, deposits and other receivables		8,818	2,122
Financial assets at FVTPL		459	487
Income tax recoverable		—	317
Restricted bank deposits		—	14,559
Cash and cash equivalents		14,319	6,855
		<u>31,350</u>	<u>28,690</u>
<b>Current Liabilities</b>			
Accruals and other payables		3,958	5,248
Contract liabilities		1,831	1,186
Lease liabilities		6,370	6,066
Income tax payable		1,345	—
		<u>13,504</u>	<u>12,500</u>
<b>Net Current Assets</b>		<u>17,846</u>	<u>16,190</u>
<b>Total Assets less Current Liabilities</b>		<u>44,643</u>	<u>49,696</u>

	<i>Note</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000 (Restated)
<b>Non-current Liabilities</b>			
Deferred tax liabilities		<b>222</b>	525
Lease liabilities		<b>3,922</b>	5,129
Promissory note		<u>—</u>	<u>2,227</u>
		<b>4,144</b>	<u>7,881</u>
<b>Net Assets</b>			
		<b>40,499</b>	<b>41,815</b>
<b>EQUITY</b>			
Share capital	<i>11</i>	<b>73</b>	18
Reserves		<b>37,160</b>	<u>38,430</u>
Equity attributable to owners of the Company		<b>37,233</b>	38,448
Non-controlling interests		<b>3,266</b>	<u>3,367</u>
<b>Total Equity</b>			
		<b>40,499</b>	<b>41,815</b>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Attributable to owners of the Company									
	Share capital HK\$'000 (Note 11)	Share premium HK\$'000	Share option reserve HK\$'000	Fair value reserve of financial assets at FVTOCI HK\$'000	Capital reserve HK\$'000	Foreign currency translation reserve HK\$'000	Accumulated losses HK\$'000	Total reserve HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
At 1 April 2023	6,270	26,763	114	–	3,372	(6)	(4,180)	26,063	3,288	35,621
(Loss)/profit for the year	–	–	–	–	–	–	(6,400)	(6,400)	441	(5,959)
Other comprehensive expense:										
Exchange differences arising on translation of foreign operations	–	–	–	–	–	(442)	–	(442)	(362)	(804)
Fair value loss on financial assets at FVTOCI	–	–	–	(349)	–	–	–	(349)	–	(349)
Total comprehensive (expense)/income for the year	–	–	–	(349)	–	(442)	(6,400)	(7,191)	79	(7,112)
Issue of consideration shares for acquisition of financial assets at FVTOCI (Note 11(ii))	1,296	6,069	–	–	–	–	–	6,069	–	7,365
Placing of shares (Note 11(i))	1,513	3,632	–	–	–	–	–	3,632	–	5,145
Expenses related to placing of shares (Note 11(i))	–	(26)	–	–	–	–	–	(26)	–	(26)
Recognition of share-based payments	–	–	822	–	–	–	–	822	–	822
Transfer of share option reserve upon cancellation of share options	–	–	(936)	–	–	–	936	–	–	–
Capital reorganisation (Note 11(iii))	(9,061)	9,061	–	–	–	–	–	9,061	–	–
At 31 March 2024 and 1 April 2024	18	45,499	–	(349)	3,372	(448)	(9,644)	38,430	3,367	41,815
Loss for the year	–	–	–	–	–	–	(12,875)	(12,875)	(67)	(12,942)
Other comprehensive expense:										
Exchange differences arising on translation of foreign operations	–	–	–	–	–	(42)	–	(42)	(34)	(76)
Fair value loss on financial assets at FVTOCL	–	–	–	(4,030)	–	–	–	(4,030)	–	(4,030)
Total comprehensive expense for the year	–	–	–	(4,030)	–	(42)	(12,875)	(16,947)	(101)	(17,048)
Issue of rights shares (Note 11(iv))	55	15,677	–	–	–	–	–	15,677	–	15,732
At 31 March 2025	73	61,176	–	(4,379)	3,372	(490)	(22,519)	37,160	3,266	40,499

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

Goldway Education Group Limited (the “**Company**”) was incorporated as an exempted company with limited liability in the Cayman Islands on 19 October 2015 and its shares have been listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**GEM Board**”) by way of placing and public offer of shares (the “**Share Offer**”) on 2 December 2016 (the “**Listing**”). The Company’s registered office and the principal place of business are situated at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and Shop B10, 1/F, Goodrich Shopping Arcade, Tuen Mun, New Territories, Hong Kong, respectively.

The Group is principally engaged in the provision of tutoring services, franchising services and management services in Hong Kong and in Mainland (“**Mainland China**”) of the People’s Republic of China (the “**PRC**”). The Group provides private tutoring services including primary and secondary tutoring services under the trade name of “Logic Tutorial Centre” and “Pedagog Education Centre”.

For the year ended 31 March 2025, the Group has re-presented certain line items in its consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position to better reflect the function and nature of those items. Certain comparative figures in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the consolidated statement of cash flows, and the related disclosure notes, have been restated to conform with the current year’s presentation. Such re-presentation did not have any impact on the Group’s profit or loss and total comprehensive income for the comparative year ended 31 March 2024; non-current assets, current assets, non-current liabilities, current liabilities, and total equity as at 31 March 2024, and cash flows for the comparative year ended 31 March 2024.

The following table highlights the re-presentation from the aforesaid changes on certain line items in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position as at 31 March 2024.

### Consolidated Statement of Profit or Loss and Other Comprehensive Income (Extracted)

	<b>2024</b> <b>Previously</b> <b>presented</b> <b>HK\$’000</b>	<b>2024</b> <b>Adjustments</b> <b>HK\$’000</b>	<b>2024</b> <b>Restated</b> <b>HK\$’000</b>
Advertising expenses	(98)	98	—
Building management fee	(816)	816	—
Short term lease expenses	(303)	303	—
Other operating expenses	(8,352)	(1,217)	(9,569)



## Consolidated Statement of Financial Position (Extracted)

	2024 Previously presented HK\$'000	2024 Adjustments HK\$'000	2024 Restated HK\$'000
<b>Current liabilities</b>			
Accruals, other payables and contract liabilities	6,434	(6,434)	–
Accruals and other payables	–	5,248	5,248
Contract liabilities	–	1,186	1,186

## 2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“**HKFRS**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosure required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange (“**GEM Listing Rules**”) and with the disclosure requirements of the Hong Kong Company Ordinance.

The consolidated financial statements have been prepared on the historical cost convention, unless indicated otherwise.

It should be noted that accounting estimates and assumptions are used in the preparation of the consolidated financial statements. Although these estimates are based on the management’s best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates.

The consolidated financial statements are presented in Hong Kong Dollars (“**HK\$**”) which is also the functional currency of the Company. All values are rounded to the nearest thousand except when otherwise indicated.

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

### 3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

#### **New and Amendments to HKFRSs that are mandatorily effective for the current year**

In the current year, the Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual periods beginning on or after 1 April 2024 for the preparation of the consolidated 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 new and amendments to HKFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

#### **New and Amendments to HKFRSs in issue but not yet effective**

The Group has not early applied the followings new and amendments to HKFRSs 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 <sup>3</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards- Volume 11 <sup>3</sup>
Amendments to HKAS 21	Lack of Exchangeability <sup>2</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2027

Except for the amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

## ***HKFRS 18 Presentation and Disclosure in Financial Statements***

HKFRS 18 *Presentation and Disclosure in Financial Statements*, 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, and amendments to other standards, 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 statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

### **4. SEGMENT INFORMATION**

An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is identified on the basis of the internal management reporting information that is provided to and regularly reviewed by the Group's chief operating decision maker ("CODM") in order to allocate resources and assess performance of the segment. For the reporting period, management of the Company has determined that the Group has one single operating segment as the Group is only engaged in the provision of tutoring services, which is the basis used by the CODM to allocate resources and assess performance. Provision of tutoring services includes primary school tutoring services, secondary school tutoring services, franchising services and management services. The Group's revenue from external customers is further disclosed in Note 5 to the consolidated financial statements.

Information about the Group's non-current assets based on the geographical location is presented as follows:

	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
Hong Kong	<b>11,487</b>	11,416
Mainland China	<b>10,300</b>	11,543
Consolidated total	<b>21,787</b>	22,959

Non-current assets include property, plant and equipment, right-of-use assets, intangible assets and goodwill.

Information about the Group's revenue from external customers presented based on the geographical location where the Group operates is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong	42,411	37,144
Mainland China	8,798	8,649
Consolidated total	<u>51,209</u>	<u>45,793</u>

For the year ended 31 March 2025, the Group's total revenue included approximately HK\$8,798,000 (2024: HK\$8,649,000) from a single external customer, who accounted for 10% or more of the revenue.

## 5. REVENUE AND OTHER INCOME

Revenue from the Group's principal activities represents income from provision of tutoring services, franchising services and management services. Revenue and other income are analysed as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue from contracts with customers, recognised over time		
Income from tutoring services	40,913	36,146
Income from continuing franchising	1,498	998
Income from management services	8,798	8,649
	<u>51,209</u>	<u>45,793</u>
Other income		
Interest income	75	66
Rental concession	7	158
Gain on early termination of lease	62	–
Others ( <i>note</i> )	3,441	2,613
	<u>3,585</u>	<u>2,837</u>

*Note:* Others mainly represents income from outsourcing human resources to franchisee for the year ended 31 March 2025 and 2024.

## Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) under management service contract as at 31 March 2025 and the expected timing of recognising revenue as follows:

	Management service contract	
	2025 HK\$'000	2024 HK\$'000
Within one year	8,798	8,898
More than one year but not more than two years	8,798	8,898
More than two years	11,732	20,762
	<u>29,328</u>	<u>38,558</u>

Performance obligations under the contracts for tutorial and franchising services that are unsatisfied (or partially unsatisfied) as of the end of the reporting period are part of a contract with an original expected duration of one year or less. Therefore, the Group has applied the practical expedient in paragraph 121 of HKFRS 15, which exempts the transaction price allocated to such performance obligations from disclosure.

## 6. LOSS BEFORE TAX

Loss before tax is arrived at after charging:

	2025 HK\$'000	2024 HK\$'000
Auditor's remuneration		
– Audit services	488	500
Amortisation of intangible assets	1,212	1,226
Depreciation of		
– Property, plant and equipment	947	704
– Right-of-use assets	6,770	4,979
	<u>7,717</u>	<u>5,683</u>
Expenses related to short-term leases	742	303
Provision for ECL on accounts receivable	3,464	815
Provision for ECL on other receivables	279	–
Loss arising from derecognition of profit guarantee	59	–
Employee benefits expense (including directors' remuneration)		
– Salaries, allowances and benefits in kind	39,730	33,710
– Pension scheme contributions		
– Defined contribution plan	1,130	1,298
– Share-based payment expenses	–	822
	<u>40,860</u>	<u>35,830</u>

## 7. INCOME TAX EXPENSE

	<i>Note</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Current tax</b>			
Hong Kong Profits Tax	<i>b</i>		
– Provision for the year		–	–
– Under-provision in respect of prior years		<u>18</u>	–
		<b>18</b>	–
PRC Enterprise Income Tax (“EIT”)	<i>c</i>		
– Provision for the year		<u>1,669</u>	<u>141</u>
		<b><u>1,687</u></b>	<b><u>141</u></b>
<b>Deferred tax</b>			
Deferred tax credit for the year		<u>(303)</u>	<u>(123)</u>
Income tax expense		<b><u>1,384</u></b>	<b><u>18</u></b>

### *Notes:*

- (a) Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.
- (b) Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of a qualifying corporation established in Hong Kong will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The two-tiered profits tax rates regime was applicable to the Group for the year.

No provision for Hong Kong profits tax has been made for the years ended 31 March 2025 and 2024 since the Group’s entities either had no assessable profit for the years or had sufficient tax losses brought forward to set off against assessable profit.

- (c) For the year ended 31 March 2024, one of the Group’s PRC subsidiaries has been classified as a small low-profit enterprise under the Law of the PRC on EIT and its Implementation Regulation. The subsidiary is entitled to EIT rates of 5% on taxable profits not exceeding RMB1,000,000 and 10% (2023: 10%) on taxable profits exceeding RMB1,000,000 but not exceeding RMB3,000,000.

The tax rate applicable to the Group’s other PRC subsidiaries were 25% during the years ended 31 March 2025 and 2024.

Income tax expense can be reconciled to loss before tax as follows:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss before tax	<u>(11,558)</u>	<u>(5,941)</u>
Tax at Hong Kong Profits Tax of 16.5% (2024: 16.5%)	(1,907)	(980)
Tax effect of expenses not deductible for tax purpose	1,747	832
Tax effect of income not taxable for tax purpose	(13)	(10)
Tax effect of temporary difference not recognised	–	37
Effect of tax reduction	–	(1)
Utilisation of tax losses previously not recognised	–	(77)
Tax effect of tax losses not recognised	932	393
Under-provision of tax in prior years	18	–
Effect of different tax rates of subsidiaries operating in other jurisdictions	<u>607</u>	<u>(176)</u>
Income tax expense	<u><u>1,384</u></u>	<u><u>18</u></u>

## 8. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the following data:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Loss for the purpose of basic loss per share</b>		
Loss for the year attributable to the owners of the Company	<u>(12,875)</u>	<u>(6,400)</u>
		(Restated)
<b>Number of shares for the purpose of basic loss per share</b>		
Weighted average number of ordinary shares	<u>142,374,761</u>	<u>34,824,406</u>

Diluted loss per share was the same as the basic loss per share, as the effects of the Company's potential ordinary shares in respect of the outstanding share options are anti-dilutive for the years ended 31 March 2025 and 2024.

The weighted average number of ordinary shares for the prior year ended 31 March 2024 has been adjusted for the share consolidation and rights issue of shares implemented during the year. The basic and diluted loss per share for the year ended 31 March 2024 has been restated accordingly.



## 9. DIVIDENDS

The board of directors does not recommend the payment of any final dividend for the year ended 31 March 2025 (2024: Nil).

## 10. ACCOUNTS RECEIVABLE

	2025 HK\$'000	2024 HK\$'000
Accounts receivable arising from:		
– Tutoring service income	679	676
– Franchising income	209	–
– Management service income	11,113	4,481
Less: provision for ECL	(4,247)	(807)
	<u>7,754</u>	<u>4,350</u>

For tutoring service income, there is no credit period granted as it is normally received in advance.

For franchising income, there is 5 days credit period, in general, granted to franchisees.

For management service income, there is no credit period granted.

Ageing analysis of the Group's accounts receivable, based on the revenue recognition dates, which also presented the ageing analysis of accounts receivable which are past due but not impaired, at 31 March 2025 and 2024.

	2025 HK\$'000	2024 HK\$'000
1 to 90 days past due	2,230	2,656
Over 90 days past due	5,524	1,694
	<u>7,754</u>	<u>4,350</u>

The Group's accounts receivable were interest-free. As at 31 March 2025, the Group has significant concentration of credit risk as 89% (2024: 84%) of the Group's accounts receivable were due from one (2024: one) customer in the Management Service CGU, the remaining balance of accounts receivable were related to a large number of diversified customers.

The maximum exposure to credit risk at the reporting date is the carrying value of the receivables. The Group does not hold any collateral as security.

Movements in ECL allowance of accounts receivable are as follows:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At beginning of the year	<b>807</b>	–
Provision of ECL for the year	<b>3,464</b>	815
Exchange realignments	<b>(24)</b>	(8)
	<hr/>	<hr/>
At end of the year	<b><u>4,247</u></b>	<b><u>807</u></b>

At the end of the reporting period, accounts receivable of the Group are denominated in the following currencies:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
HK\$	<b>877</b>	676
Renminbi (“RMB”)	<b>6,877</b>	3,674
	<hr/>	<hr/>
	<b><u>7,754</u></b>	<b><u>4,350</u></b>

## 11. SHARE CAPITAL

Movements in the Company's authorised and issued share capital during the years ended 31 March 2025 and 2024 are as follows:

	2025		2024	
	Number of ordinary shares '000	Amount HK\$'000	Number of ordinary shares '000	Amount HK\$'000
<b>Authorised:</b>				
At beginning of the year, ordinary shares of HK\$0.0001 each (2024: HK\$0.01 each)	200,000,000	20,000	2,000,000	20,000
Share consolidation ( <i>note (iii)</i> )	(160,000,000)	–	(1,600,000)	–
Share sub-division ( <i>note (iii)</i> )	–	–	199,600,000	–
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
At end of the year, ordinary shares of HK\$0.0005 each (2024: HK\$0.0001 each)	<u>40,000,000</u>	<u>20,000</u>	<u>200,000,000</u>	<u>20,000</u>
<b>Issued and fully paid:</b>				
At beginning of the year, ordinary shares of HK\$0.00011 each (2024: HK\$0.01 each)	181,590	18	627,000	6,270
Placing of shares ( <i>note (i)</i> )	–	–	151,320	1,513
Issue of consideration shares ( <i>note (ii)</i> )	–	–	129,630	1,296
Share consolidation ( <i>note (iii)</i> )	(145,272)	–	(726,360)	(9,061)
Issue of rights shares ( <i>note (iv)</i> )	108,954	55	–	–
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
At end of the year, ordinary shares of HK\$0.0005 each (2024: HK\$0.0001 each)	<u>145,272</u>	<u>73</u>	<u>181,590</u>	<u>18</u>

*Notes:*

- (i) On 25 August 2023, the Company and a placing agent entered into a placing agreement in respect of the placement 151,325,926 ordinary shares of HK\$0.01 each at a price of HK\$0.034 per share under general mandate, to not less than six places who are independent third parties to the Group (the “**2023 Placement**”). The 2023 Placement was completed on 19 September 2023. A total of 151,320,000 placing shares were issued. The net proceeds from the 2023 Placement amounted to approximately HK\$5,119,000 after deducting expense of approximately HK\$26,000 under which approximately HK\$1,513,000 and HK\$3,606,000 were credited to share capital and share premium respectively upon the issue of the new shares. The net proceeds of approximately HK\$5,119,000 from the 2023 Placement would be utilised for the Group’s general working capital. Details of the placing are set out in the Company’s announcement dated 25 August 2023 and 19 September 2023.
- (ii) On 15 February 2023, the Company and Grand Popular Limited, a wholly owned subsidiary of the Company, entered into agreement with the vendor for the acquisition of 7.43% of the issued shares of Orange Financial Printing Limited at the consideration of HK\$9 million to be settled in cash and by the allotment and issue of the consideration shares. The transaction was completed on 30 June 2023 and a total of 129,629,630 shares were issued and approximately HK\$1,296,000 and HK\$6,069,000 were credited to share capital and share premium respectively upon issue the new shares. Details of the acquisition are set out in the Company’s announcement dated 15 February 2023, 22 February 2023 and 30 June 2023 and circular dated 25 April 2023.
- (iii) On 26 October 2023, the Company implemented a share consolidation of every five (5) existing shares of par value of HK\$0.01 each in the ordinary shares of the Company into one (1) consolidated share of par value of HK\$0.05 each with effect from 27 October 2023. Immediately following the share consolidation, the par value of each issued consolidated share of HK\$0.05 was reduced to HK\$0.0001 by cancelling the paid-up share capital to the extent of HK\$0.0499 on each issued consolidated share from HK\$0.05 to HK\$0.0001. Besides, each authorised but unissued consolidated share of HK\$0.05 each were sub-divided into 500 new ordinary shares of HK\$0.0001 each. The capital reorganisation was completed on 9 February 2024. Details of the which are set out in the Company’s circular dated 9 October 2023 and announcement dated 11 September 2023, 26 October 2023 and 21 December 2023.

On 17 June 2024, the Company implemented a share consolidation of every five (5) existing shares of par value of HK\$0.0001 each in the ordinary shares of the Company into one (1) consolidated share of par value of HK\$0.0005 each with effect from 19 June 2024. Details of the share consolidation are set out in the Company’s circular dated 5 May 2024 and announcement dated 30 April 2024, 17 June 2024 and 20 June 2024.

- (iv) On 29 July 2024, the Company completed a rights issue of shares on the basis of three rights shares for every one share then held, at the subscription price of HK\$0.145 per share. This resulted in the issuance by the Company of 108,953,956 new shares of HK\$0.0005 each. The gross proceeds raised from the rights issue were approximately HK\$15,800,000, while the net proceeds (after deducting all relevant expenses) amounted to approximately HK\$15,000,000. The Company intends to apply the net proceeds from the rights issue towards the development of the new business, administrative expenses for opening sales office in China, and general working capital of the Group.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

### Tutorial Business

During the year ended 31 March 2025 (the “**Year**”), the Group remained to focus on provision of tutoring services to secondary school students and primary school students in Hong Kong.

During the Year, the revenue generated from tutoring services has increased to approximately HK\$40.9 million, representing an increase of approximately 13.2% comparing to that of the same period last financial year.

As at 31 March 2025, the Group had a total of 12 centres.

### Franchising Business

The Group recorded franchising income of approximately HK\$1.5 million for the Year, representing an increase of 50.1%. The significant increase was mainly due to the further recovery from pandemic situation and thus more enrolments was resulted. As at 31 March 2025, we have 7 franchise centres covering Kowloon, the New Territories and Hong Kong Island.

### Management Service Business

The Group is principally engaged in the provision of management services to 深圳借山館藝術有限公司 (Shenzhen Jieshanguan Art Co. Ltd.\*) (“**JSG**”), a company incorporated in the PRC with limited liability. JSG is principally engaged in the provision of art and painting education services to children under the brand “借山畫館” (“**Jieshan Gallery**”) in Shenzhen, China.

The Group recorded approximately HK\$8.8 million of revenue for the Year, representing an increase of approximately 1.7%.

### Environmental Policies and Performance

The Board admits the responsibility to environmental protection. Over the years, the Group has committed to reduce pollution and waste with a view of efficient and effective resources utilisation in our tutorial centres. Staff are reminded from time to time to this direction of the Group in this respect.

## **Compliance with the Relevant Laws and Regulations**

The Group endeavours to comply with all legal and regulatory requirements, especially Education Ordinance, Copyright Ordinance and Trade Descriptions Ordinance. In relation to the human resources, the Group is committed to comply with the requirements of the applicable laws and regulations, such as the Employment Ordinance, Mandatory Provident Fund Schemes Ordinance, ordinances in relation to discrimination, the Personal Data (Privacy) Ordinance and the Minimum Wage Ordinance.

During the Year, there was no material breach of or non-compliance with the applicable laws and rules by the Group.

## **Relationships with Employees, Customers and Suppliers**

The Group recognises importance of retaining talents to ensure the continuity of business. The Group has established all-rounded staff policy and guidelines for staff welfare, support the development of talent and provide a safe workplace for staff. The Group encouraged employees to update their work-related knowledge, skill by providing training offered by external organisations. As at 31 March 2025, the number of employee was 97, which represented an increase of headcount compared to that of 96 as at 31 March 2024. During the Year, no violation of labour law was recorded. The customers of the Group included students and their parents considering the services are always paid by either one of them. During the Year, there was no material dispute between the Group and the customers/suppliers.

## **OUTLOOK**

Hong Kong and Mainland China's economic outlooks are closely intertwined yet distinct. Hong Kong's faces challenges from geopolitical tensions. Growth is projected to be modest. Mainland China has set an economic growth target of 5% for 2025. According to the student enrolment statistics published by the Hong Kong Education Bureau, the number of student enrolment for primary and secondary school exhibited a downward trend in recent years. The impact of decreasing number of students was reflected in the soft demand for tutoring services in Hong Kong for primary and secondary education. Therefore the Group expects that the market for primary and secondary education tutoring services in Hong Kong to remain challenging in the coming years. In view of the uncertain prospects of the tutoring market in Hong Kong, the Group is always mindful to seek new business opportunities to diversify the income source of the Group.

The Group intends to engage in the new business which involves the provision of automated parking systems and related services in China. Initially the Group intends to engage in the sale/distribution of automated parking systems to car park owners in China through its connections with parking system suppliers and end customers.

Our experienced management team will also look for suitable investment opportunities continuously including but not limited to tutoring businesses and management service in Hong Kong and China to maintain the competitiveness of the Group and creating value for all stakeholders.

## **FINANCIAL REVIEW**

### **Revenue**

For the Year, the Group recorded total revenue of approximately HK\$51.2 million, representing an increase of approximately 11.8% as compared to approximately HK\$45.8 million for the year ended 31 March 2024. The increase was mainly due to the tutorial business income increased of approximately HK\$4.8 million.

### **Depreciation expenses**

Depreciation of property, plant and equipment comprises depreciation for right-of-use asset, leasehold improvements and other equipment. Depreciation of property, plant and equipment increased by approximately HK\$0.2 million from approximately HK\$0.7 million for the year ended 31 March 2024 to approximately HK\$0.9 million for the Year. Depreciation for right-of-use asset increased by approximately HK\$1.8 million for the year ended 31 March 2024 to approximately HK\$6.8 million for the Year.

### **Employee benefits expense**

Employee benefits expense mainly consist of wages and salaries, pension costs, share-based payment expenses and other benefits to the staff and the Directors. Employee benefits expense increased by 14.0% from approximately HK\$35.8 million for the year ended 31 March 2024 to approximately HK\$40.9 million for the Year, which was primarily resulted from the increase in staff working hours for extend business hours.

### **Other Operating Expenses**

Other operating expenses for the year ended 31 March 2025 were approximately HK\$12.0 million (2024: approximately HK\$9.6 million) representing an increase of approximately 25.0%. The increase was primary due to short-term operating lease expenses, advertising expenses and repair and maintenance increased.

## **Net loss for the year**

The Group recorded a loss attributable to owners of the Company amounting to approximately HK\$12.9 million for the Year (2024: Loss of approximately HK\$6.4 million). Such change was primarily due to (i) depreciation of right-of-use asset increased to approximately HK\$6.8 million (2024: approximately HK\$5.0 million); (ii) employee benefit expenses increased to approximately HK\$40.9 million (2024: approximately HK\$35.8 million; and (iii) provision for ECL on account receivable increased to approximately HK\$3.5 million (2024: approximately HK\$0.8 million).

## **Cash and cash equivalents**

As at 31 March 2025, the cash and cash equivalents amounted to approximately HK\$14.3 million. The increase comparing to the balance as at 31 March 2024 was mainly due to cash inflow for the restricted bank deposits.

## **CONTINGENT LIABILITIES**

As at 31 March 2025, the Group did not have any significant contingent liabilities.

## **LIQUIDITY AND FINANCIAL RESOURCES**

During the Year, the Group mainly financed its operations with its own working capital. As at 31 March 2024 and 31 March 2025, the Group had net current assets of approximately HK\$16.2 million and HK\$17.8 million respectively.

As at 31 March 2025, the gearing ratio (calculated on the basis of promissory notes divided by the total equity) of the Group was Nil (2024: approximately 5.3%).

## **FOREIGN CURRENCY EXPOSURE**

The Group's business is principally conducted in Hong Kong dollar. The Directors consider that potential foreign exchange exposure of the Group is limited. However, the management will monitor the foreign exchange exposure should the need arise.

## **SEGMENTAL INFORMATION**

An analysis of the Group's performance for the Year by business segment is set out in note 4 to the consolidated financial statements.



## CAPITAL STRUCTURE

Saved as disclosed in note 11 of the consolidated financial statements, no other changes in the capital structure of the Group during the year.

## CHARGES ON THE GROUP'S ASSETS

As at 31 March 2025, the Group did not have charges on its assets (2024: Nil).

## SIGNIFICANT INVESTMENT, ACQUISITIONS AND DISPOSALS

On 15 February 2023, Grand Popular Limited, a wholly owned subsidiary of the Company, entered into the sale and purchase agreement with Rainbow Kingdom Limited for the acquisition of 7.43% of the issued shares of Orange Financial Printing Limited (“OFP”), a company incorporated in Hong Kong at the consideration of approximately HK\$9 million to be settled in cash and 129,629,630 new shares to be issued by the Company at the issue price of HK\$0.054 per share pursuant to the agreement by the allotment and issue of the consideration shares. For details please refer to the announcement dated 15 February 2023, the supplemental announcement dated 22 February 2023 and circular dated 24 April 2023, poll result of the extraordinary general meeting dated 12 May 2023 and announcement of completion of disclosable transaction dated 30 June 2023.

As at 31 March 2025, the investment of OFP held by the Group save as follows:

Name of investee company	Number of shares held	Percentage of interest held	Cost HK\$'000	Fair Value HK\$'000	Accumulated unrealised loss arising on revaluation HK\$'000	Change in fair value for the year HK\$'000
Orange Financial Printing Limited	222,993	7.43%	9,389	5,010	(4,379)	(4,030)

OFP is a private company incorporated in Hong Kong with limited liability. The principal activities of OFP is provision of financial printing services in Hong Kong, specialising in IPO prospectuses, financial reports, circulars, announcements and other financial documents. As at 31 March 2025, the fair value of this investment amount to approximately HK\$5,010,000 which accounted for approximately 8.6% of the total assets of the Group. The Group's investment strategy for this investment is for long-term capital appreciation.

The Group did not process any other significant investment, acquisition or disposal during the year.

## FURTHER PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Saved as disclosed in this announcement, the Group did not have any plans for material investments and capital assets.

## FUND RAISING ACTIVITIES AND USAGE OF FUND PROCEEDS

Reference to announcement of the Company dated on 30 April 2024, the Company and a placing agent entered into a placing agreement in respect of the right issue 108,935,955 ordinary shares of HK\$0.0005 each at a price of HK\$0.145 per right issue, the raise gross proceeds of approximately HK\$15.8 million before deducting the costs and expenses. The estimated net proceeds of the right issue will be up to approximately HK\$15.0 million.

As at 31 March 2025, the net proceeds of the right issue had been utilized as follow:

	<b>Allocation net proceeds disclosed in the announcement <i>HK\$ million</i></b>	<b>Actual net proceeds allocation <i>HK\$ million</i></b>	<b>Amount utilised as at 31 March 2025 <i>HK\$ million</i></b>	<b>Balance unutilised as at 31 March 2025 <i>HK\$ million</i></b>
Automated parking business				
– office rental and related expenses	2.0	(0.3)	(0.3)	1.7
– salary and other administrative expenses	2.5	(0.2)	(0.2)	2.3
– working capital	5.5	(3.5)	(3.5)	2.0
General working capital of the Group	5.0	(5.0)	(5.0)	0.0
	<u>15.0</u>	<u>(9.0)</u>	<u>(9.0)</u>	<u>6.0</u>

## DIRECTORS' INTERESTS IN CONTRACTS

No transaction, arrangement or contract of significance, to which the Company, any of its controlling entities or its subsidiaries was a party, and in which a Director or an entity connected with a Director had a material interest, directly or indirectly, subsisted during or at the end of the Year.

## DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the Year, none of the Directors or any of their respective associates has engaged in any business that competes or may compete with the business of the Group, or has any other conflict of interest with the Group.

## **DIVIDENDS**

The Directors do not recommend the payment of final dividend for the year ended 31 March 2025 (2024: Nil).

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

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any securities of the Company during the Year.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers 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 (the “**Model Code**”) as its own code governing securities transactions of the Directors. Specific enquiries have been made to all Directors and all Directors have confirmed that they have fully complied with the required standard of dealings as set out in the Model Code during the Year.

## **CORPORATE GOVERNANCE PRACTICES**

During the Year, the Company has complied with all the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the “**CG Code**”) contained in Appendix 15 to the GEM Listing Rules except the following deviations:

Pursuant to the code provision C.2.1, the roles of Chairman (the “**Chairman**”) and chief executive officer (the “**CEO**”) should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and the CEO should be clearly established and set out in writing.

The Group currently has no Chairman and CEO. The daily operation and management of the Group is monitored by executive Directors. The Board is of the view that although there is no chairman and chief executive officer, the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals who would meet from time to time to discuss issues affecting operation of the Group. This arrangement can still enable the Group to make and implement decisions promptly, and thus achieve the Group's objectives efficiently and effectively in response to the changing environment.

The Group will, the appropriate time, arrange for the election of the new chairman and CEO of the Board.

Besides, the Company announced on 26 July 2024 that with effect from 26 July 2024, Ms. Ip Sin Nam Ingrid has resigned as executive Director of the Company. Following the resignation of Ms. Ip, the Company has a single gender board which does not meet the requirement under Rule 17.104 of the GEM Listing Rules.

On 25 January 2025, Ms. Li Yan Lin was appointed as an executive Director. Following the appointment of Ms. Li Yan Lin, the Company appointed at least a director of a different gender on the board, thus meet the requirement with Rule 17.104 of the GEM Listing Rules.

## **AUDIT COMMITTEE**

The Audit Committee was established with written terms of reference in compliance with Rule 5.28 to 5.33 of the GEM Listing Rules pursuant to a resolution of the Directors passed on 3 November 2016. The primary duties of the audit committee are mainly to make recommendations to the Board on the appointment and removal of the external auditors, review the financial statements and material advice in respect of financial reporting and oversee the internal control procedures of the Company. At present, the audit committee comprises Mr. Yu Lap Pan, Mr. Wong Chi Man and Mr. Wong Ming Fair Victor, all being the independent non-executive Directors. Mr. Yu Lap Pan is the Chairman of the audit committee. The audit committee, together with the Board, has reviewed the draft consolidated financial statements of the Group for the Year and was of the opinion that the preparation of such statements complied with applicable accounting standards and that adequate disclosure has been made in respect thereof.

## **SCOPE OF WORK ON THE ANNUAL RESULTS ANNOUNCEMENT BY THE AUDITOR**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2025 as set out in this announcement have been agreed by the Group's auditor, CCTH CPA Limited, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by CCTH CPA Limited 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 CCTH CPA Limited on this announcement.

## **PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This preliminary results announcement will be published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.goldwayedugp.com](http://www.goldwayedugp.com)). The annual report for the financial year will be dispatched to the shareholders of the Company and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board  
**Goldway Education Group Limited**  
**Leung Wai Tai**  
*Executive Director*

Hong Kong, 27 June 2025

*As at the date of this announcement, the executive Directors are Mr. Leung Wai Tai and Ms. Li Yan Lin; and the independent non-executive Directors are Mr. Yu Lap Pan, Mr. Wong Chi Man and Mr. Wong Ming Fair Victor.*