

MR. NEWBIE LIMITED

REPORTS AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

楊明泰會計師行
YEUNG MING TAI & CO.
Certified Public Accountants

MR. NEWBIE LIMITED

DIRECTOR'S REPORT

The sole director hereby presents his annual report and the audited financial statements for the year ended 31 March 2024.

DIRECTOR

The sole director who held office during the year and up to the date of this report is:

CHENG Wing Sun Vincent

Under the provisions of the company's Articles of Association, the sole director shall continue to remain in office.

PRINCIPAL ACTIVITIES

The company continues to be principally engaged in providing information technology consultancy services during the year.

PERMITTED INDEMNITY PROVISION

At no time during the financial year were there any permitted indemnity provisions in force for the benefit of one or more directors of the company.

At the time of approval of this report, there are no permitted indemnity provisions in force for the benefit of one or more directors of the company.

BUSINESS REVIEW

The company falls within reporting exemption for the financial year. Accordingly, the company is exempted from preparing a business review.

EQUITY-LINKED ARRANGEMENTS

During the financial year, the company entered into no equity-linked agreement.

At the end of the financial year, the company subsisted of no equity-linked agreement.

RECOMMENDED DIVIDENDS

The sole director does not recommend the payment of dividend for the financial year.

APPROVAL OF DIRECTOR'S REPORT

This report was approved by the Sole Director on 25 November 2024.

On behalf of the Company

CHENG Wing Sun Vincent

Sole Director

Hong Kong

楊明泰會計師行
YEUNG MING TAI & CO.
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT TO THE SOLE MEMBER OF
MR. NEWBIE LIMITED**

(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of Mr. Newbie Limited ("the company") set out on pages 1 to 7, which comprise the statement of financial position as at 31 March 2024, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the company are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-Sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") and with reference to Practice Note 900 (Revised) Audit of Financial Statements Prepared in Accordance with the Small and Medium-Sized Entity Financial Reporting Standard issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditor's report thereon

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

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

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

Page 1 of 3

香港灣仔莊士敦道181號大有大廈1702室
Room 1702, Tai Yau Building, 181 Johnston Road, Wanchai, Hong Kong.
電話 Tel: (852) 2866 0961 傳真 Fax: (852) 2866 0951
電郵 E-mail: yeungcpa@biznetvigator.com



INDEPENDENT AUDITOR'S REPORT TO THE SOLE MEMBER OF

MR. NEWBIE LIMITED (continued)

(Incorporated in Hong Kong with limited liability)

Responsibilities of directors and those charged with governance for the financial statements

The directors are responsible for the preparation of the financial statements in accordance with the SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of the report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

楊明泰會計師行

YEUNG MING TAI & CO.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT TO THE SOLE MEMBER OF

MR. NEWBIE LIMITED (continued)

(Incorporated in Hong Kong with limited liability)

Auditor's responsibilities for the audit of the financial statements (continued)

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

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

Yeung Ming Tai & Co.
Certified Public Accountants

Hong Kong, 25 November 2024

MR. NEWBIE LIMITED

INCOME STATEMENT

YEAR ENDED 31 MARCH 2024

(Expressed in Hong Kong Dollars)

	<u>Note</u>	<u>2024</u> \$	<u>2023</u> \$
Revenue	4	5,893,276	2,768,728
Cost of sales/services		(4,571,556)	(1,285,798)
 Gross profit		 1,321,720	 1,482,930
Other income	5	1,351	119,626
Administrative expenses		(1,869,528)	(1,449,225)
Finance costs	6	(12,159)	(5,920)
 Profit (Loss) before tax	7	 (558,616)	 147,411
Income tax expense	9	 -	 -
 Profit (Loss) for the year		 (558,616)	 147,411
		=====	=====

The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

MR. NEWBIE LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

(Expressed in Hong Kong Dollars)

	<u>Note</u>	<u>2024</u> \$	<u>2023</u> \$
Non-current assets			
Property, plant and equipment	10	175,000	-
Current assets			
Trade receivables		3,097,140	63,200
Deposits, prepayment and other receivables		550,980	980
Due from sole director	11	3,305	358,232
Due from related company	12	20,000	20,000
Income tax recoverable		4,981	27,455
Cash at bank		208,937	537,786
		<u>3,885,343</u>	<u>1,007,653</u>
Less: Current liabilities			
Trade payables		2,976,580	-
Bank loan	13	300,056	388,634
Accrued expenses		69,088	69,321
Receipt in advance		713,960	-
Due to related company	14	9,577	-
		<u>4,069,261</u>	<u>457,955</u>
Net current assets (liabilities)		<u>(183,918)</u>	<u>549,698</u>
Net assets (liabilities)		<u>(8,918)</u>	<u>549,698</u>
Equity	15		
Share capital	16	20	20
Retained earnings (Accumulated losses)		<u>(8,938)</u>	<u>549,678</u>
		<u>(8,918)</u>	<u>549,698</u>

Approved by:

CHENG Wing Sun Vincent
Sole Director

The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

MR. NEWBIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

1. General information

Mr. Newbie Limited is a company incorporated in Hong Kong with limited liability. The company's registered office is located at Room 12, 7/F., Kingsford Industrial Centre, 13 Wang Hoi Road, Kowloon, Hong Kong. The company is not required to deliver its specified financial statements to the Registrar of Companies and has not done so. The principal activity of the company is providing information technology consultancy services during the year.

2. Basis of preparation

The company qualifies for the reporting exemption as a small private company under section 359(1)(a) and 361 of the Hong Kong Companies Ordinance and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting.

In view of the financial support confirmed by the sole member, the financial statements have been prepared on a going concern basis notwithstanding the fact that there were operating losses during the year. The validity of the going concern basis depends upon future funding and profitable operation being attained. The financial statements do not include any adjustments that would result from a failure to attain such funding or operation.

The measurement base adopted is the historical cost convention.

3. Summary of significant accounting policies

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements:

(a) Revenue

Revenue is recognised when it is probable that the economic benefits will flow to the company and when the revenue can be measured reliably, on the following bases:

- Service fee income is recognised when the services are rendered to customers.
- Sale of goods is recognised when the goods are delivered and the risks and rewards of ownership have passed to the customer.
- Interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

(b) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

(c) Taxation

Income tax expense represents current tax expense. The income tax payable represents the amounts expected to be paid to the taxation authority, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is not provided.

MR. NEWBIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

3. Summary of significant accounting policies (continued)

(d) Property, plant and equipment

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

The depreciable amount of an item of property, plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as follows:

Furniture and fixtures	20%
Office equipment	20%
Motor vehicle	30%

(e) Impairment of assets

An assessment is made at the end of each reporting period to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment, intangible assets and long-term investments. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognised in the income statement. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

(f) Trade and other receivables

Trade and other receivables are stated at estimated realisable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

4. Revenue

Revenue, which is also the company's turnover, is analysed as follows:	<u>2024</u>	<u>2023</u>
	\$	\$
Service fee income	2,099,776	2,768,728
Sales	<u>3,793,500</u>	<u>-</u>
	<u>5,893,276</u>	<u>2,768,728</u>

<u>5. Other income</u>	<u>2024</u>	<u>2023</u>
	\$	\$
Employment Support Scheme subsidies – Anti-epidemic Fund	-	87,200
Interest income	1,351	983
SME Export Marketing Fund	-	31,033
Sundry income	-	410
	<u>1,351</u>	<u>119,626</u>

MR. NEWBIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

6. <u>Finance costs</u>	<u>2024</u> \$	<u>2023</u> \$
Interest on bank loan	(12,159)	(5,920)

7. Profit (Loss) before tax

Profit (Loss) before tax has been arrived at	<u>2024</u> \$	<u>2023</u> \$
After crediting (charging) the following items:		
Cost of sales	(3,793,500)	-
Depreciation	(75,000)	(396)
Key management personnel's remuneration	(378,000)	(378,000)
Other staff costs	(434,660)	(478,997)

8. Directors' remuneration

Remuneration of the directors of the company disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follow:

<i>Emoluments (including benefit in kind)</i>	<u>2024</u> \$	<u>2023</u> \$
Acting as directors	-	-
Provision of management services	(378,000)	(378,000)
	(378,000)	(378,000)

9. Income tax expense

No provision for Hong Kong profits tax has been made as the company has no assessable profits for the year (2023: Nil).

MR. NEWBIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

10. <u>Property, plant and equipment</u>	Furniture and fixtures	Office equipment	Motor vehicle	Total
		\$	\$	\$
Cost				
At 1 April 2023	41,979	86,194	-	128,173
Additions	-	-	250,000	250,000
At 31 March 2024	41,979	86,194	250,000	378,173
Less: Aggregate depreciation				
At 1 April 2023	41,979	86,194	-	128,173
Charge for the year	-	-	75,000	75,000
At 31 March 2024	41,979	86,194	75,000	203,173
Net book value				
At 31 March 2024	-	-	175,000	175,000
At 31 March 2023	-	-	-	-

11. Due from sole director

Loans, quasi-loans and other dealings in favour of directors of the company disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follow:

Name of director	: CHENG Wing Sun Vincent
Balance at 31 March 2024	: \$ 3,305
Balance at 1 April 2023	: \$ 358,232
Maximum amount outstanding during the year	: \$ 358,232

The advances are unsecured, interest free and have no fixed terms of repayment.

12. Due from related company

Loans, quasi-loans and other dealings in favour of a controlled body corporate of such directors of the company disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follow:

Name of borrower	: Store 365 Limited
Name of related director	: CHENG Wing Sun Vincent
Balance at 31 March 2024	: \$ 20,000
Balance at 1 April 2023	: \$ 20,000
Maximum amount outstanding during the year	: \$ 20,000

The advances are unsecured, interest free and have no fixed terms of repayment.

MR. NEWBIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

13. Bank loan

The bank loan is fully repayable by November 2027. The bank loan was classified as current liabilities as the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

14. Due to related company

The advances are unsecured, interest free and have no fixed terms for repayment.

15. Changes in equity

	<u>Share capital</u> \$	<u>Retained earnings</u> \$	<u>Total</u> \$
Balance at 1 April 2023	20	549,678	549,698
Loss for the year	-	(558,616)	(558,616)
Balance at 31 March 2024	20	(8,938)	(8,918)

16. Share capital

	<u>2024</u> \$	<u>2023</u> \$
Issued and fully paid 20 ordinary shares	20	20

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the general meeting of the company. All ordinary shares rank equally with regard to the company's residual assets.

17. Other related party transactions

In addition to the transactions and balances detailed elsewhere in these financial statements, the company had the following transactions with related parties:

	<u>2024</u> \$	<u>2023</u> \$
Service fee income received from Parkston Limited	96,000	96,000

CHENG Wing Sun Vincent, director and member of the company, is also the director and member of the related company.

18. Approval of financial statements

These financial statements were authorised for issue by the company's Sole Director on 25 November 2024.

(For management purposes only)

MR. NEWBIE LIMITED

DETAILED INCOME STATEMENT

YEAR ENDED 31 MARCH 2024

(Expressed in Hong Kong Dollars)

	<u>2024</u> \$	<u>2023</u> \$
Sales	3,793,500	-
Less: Purchases	<u>3,793,500</u>	<u>-</u>
Gross profit	<u>-</u>	<u>-</u>
Service fee income	<u>2,099,776</u>	<u>2,768,728</u>
Less: Direct cost of services		
Domain fee	154,280	113,802
Cloud storage	18,000	-
Purchases	256,442	266,814
Sub-contracting fee	214,800	759,682
Web hosting	<u>134,534</u>	<u>145,500</u>
	<u>778,056</u>	<u>1,285,798</u>
Gross profit	1,321,720	1,482,930
Employment Support Scheme subsidies – Anti-epidemic Fund	-	87,200
Interest income	1,351	983
SME Export Marketing Fund	-	31,033
Sundry income	<u>-</u>	<u>410</u>
	<u>1,323,871</u>	<u>1,602,556</u>
Less: Expenses	<u>1,881,687</u>	<u>1,455,145</u>
Profit (Loss) before tax	<u>(558,616)</u>	<u>147,411</u>
	<u>=====</u>	<u>=====</u>

The above financial information relating to the years ending 31 March 2023 and 2024 does not constitute the company's specified financial statements for those years as defined in section 436 of the Hong Kong Companies Ordinance but is derived therefrom.