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**NOIZ GROUP LIMITED**

**聲揚集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8163)**

**ANNOUNCEMENT OF AUDITED ANNUAL RESULTS  
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 NOIZ Group 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 (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.*

## RESULTS

The board (the “**Board**”) of the Directors of NOIZ Group Limited hereby announces that the audited annual results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2024, together with comparative figures from the previous corresponding year, summarised as follows:

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

*For the year ended 31 December 2024*

	<i>Notes</i>	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue	4.1	<b>20,576</b>	18,938
Cost of sales		<b>(15,657)</b>	–
Gross profit		<b>4,919</b>	18,938
Other income and gains/(losses)	5	<b>3,066</b>	583
Operating and administrative expenses		<b>(25,196)</b>	(32,266)
(Impairment loss)/reversal of impairment loss on trade receivables, net	17	<b>(990)</b>	72
(Impairment loss)/reversal of impairment loss on deposits and other receivables, net	18	<b>(196)</b>	3
Reversal of impairment loss/(impairment loss) on loan receivables, net	19	<b>622</b>	(25)
Gain on disposal of a subsidiary	26	<b>3,246</b>	–
Share of loss of associates	14	–	(462)
Finance costs	6	<b>(12,967)</b>	(12,575)
<b>Loss before income tax</b>	7	<b>(27,496)</b>	(25,732)
Income tax credit	8	<b>223</b>	59
<b>LOSS FOR THE YEAR</b>		<b>(27,273)</b>	(25,673)

	<i>Notes</i>	<b>2024</b> <b><i>HK\$'000</i></b>	2023 <i>HK\$'000</i>
<b>Other comprehensive income:</b>			
<i>Item that may be subsequently reclassified to profit or loss:</i>			
Changes in fair value of financial assets at fair value through other comprehensive income	15	<u>2,946</u>	<u>315</u>
<b>Other comprehensive income for the year</b>		<u>2,946</u>	<u>315</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><u>(24,327)</u></u>	<u><u>(25,358)</u></u>
<b>Total comprehensive income attributable to owners of the Company</b>		<u><u>(24,327)</u></u>	<u><u>(25,358)</u></u>
		<b><i>HK\$ cent</i></b>	<b><i>HK\$ cent</i></b>
<b>LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	10		
Basic and diluted		<u><u>(4.51)</u></u>	<u><u>(4.43)</u></u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 31 December 2024*

	<i>Notes</i>	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>622</b>	1,523
Goodwill	11	<b>5,470</b>	5,600
Intangible assets	12	<b>2,900</b>	14,761
Right-of-use assets	13	<b>3,242</b>	2,983
Interests in associates	14	–	–
Financial assets at fair value through other comprehensive income	15	<b>4,419</b>	1,473
Financial assets at fair value through profit or loss	16	<b>547</b>	263
Rental deposits	18	<b>774</b>	1,358
Total non-current assets		<u><b>17,974</b></u>	<u>27,961</u>
<b>Current assets</b>			
Inventories		–	418
Trade receivables	17	<b>3,611</b>	3,867
Contract assets	4.3	<b>196</b>	352
Prepayments, deposits and other receivables	18	<b>4,606</b>	1,293
Loan receivables	19	<b>3,244</b>	4,161
Financial assets at fair value through profit or loss	16	<b>395</b>	4,308
Tax recoverable		–	156
Bank balances – trust accounts		–	70
Bank balances and cash – general accounts		<b>6,375</b>	14,127
Total current assets		<u><b>18,427</b></u>	<u>28,752</u>
<b>Current liabilities</b>			
Trade payables	21	–	188
Contract liabilities	4.3	<b>51</b>	2,658
Other payables and accruals	22	<b>11,455</b>	7,355
Lease liabilities	20	<b>1,735</b>	2,995
Total current liabilities		<u><b>13,241</b></u>	<u>13,196</u>
<b>Net current assets</b>		<u><b>5,186</b></u>	<u>15,556</u>
<b>Total assets less current liabilities</b>		<u><b>23,160</b></u>	<u>43,517</u>

	<i>Notes</i>	<b>2024</b> <b><i>HK\$'000</i></b>	2023 <i>HK\$'000</i>
<b>Non-current liabilities</b>			
Other payables and accruals	22	<b>224</b>	–
Deferred tax liabilities		<b>479</b>	390
Convertible bonds	23	–	77,931
Lease liabilities	20	<b>1,494</b>	–
		<hr/>	<hr/>
Total non-current liabilities		<b>2,197</b>	78,321
		<hr/>	<hr/>
<b>Net assets/(liabilities)</b>		<b>20,963</b>	<b>(34,804)</b>
		<hr/> <hr/>	<hr/> <hr/>
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	24	<b>60,440</b>	60,440
Perpetual convertible securities	25	<b>101,000</b>	–
Reserves		<b>(140,477)</b>	(95,244)
		<hr/>	<hr/>
<b>Total equity/(deficiency)</b>		<b>20,963</b>	<b>(34,804)</b>
		<hr/> <hr/>	<hr/> <hr/>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2024*

## 1. CORPORATE INFORMATION

The Company is a limited company incorporated in the Cayman Islands and its share are listed on GEM. Its registered office is located at the offices of Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business is located at Room 1108, 11/F, Wing On Centre, 111 Connaught Road Central, Central, Hong Kong. The Directors consider the immediate holding Company and ultimate holding company to be Team Sunny International Holdings Limited (“**Team Sunny**”), a company incorporated in the British Virgin Islands which is wholly-owned by Mr. Wong Hin Shek (“**Mr. Wong**”).

During the year ended 31 December 2024, the principal activity of the Company was investment holding. The principal activities of the subsidiaries comprised of financial services business, corporate consulting business and digital business.

Pursuant to the passing of a special resolution at the annual general meeting held on 5 May 2023, the English name of the Company was changed from “Merdeka Financial Group Limited” to “NOIZ Group Limited” and its dual foreign name in Chinese from “領智金融集團有限公司” to “聲揚集團有限公司”. The Certificate of Incorporation on Change of Name was issued by the Registry of Companies in the Cayman Islands with effect from 9 May 2023.

## 2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Report Standards (“**HKFRSs**”), which collective term includes all applicable individual HKFRSs, 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 consolidated financial statements also comply with the applicable disclosure provisions of the GEM Listing Rules.

The consolidated financial statements have been prepared under historical cost convention except for certain financial instruments which are measured at fair values as explained as the material accounting policies set out below.

The financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the same as the functional currency of the Company and all values are rounded to the nearest thousand (“**HK\$’000**”) except when otherwise indicated.

In preparing the consolidated financial statements, the Directors have given consideration to the future liquidity of the Group in light of the Group incurred a net loss of approximately HK\$27,273,000 and operating cash outflow of approximately HK\$11,668,000 for the year ended 31 December 2024.

## **2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION** **(Continued)**

These conditions indicate the existence of uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. The Directors 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.

The consolidated financial statements have been prepared on a going concern basis as the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain measures have been taken to mitigate the liquidity pressure which include, but not limited to, the following:

- 1) Subsequent to the end of reporting period, the loans from a director amounting to approximately HK\$9,776,000 have been extended for a term due more than twelve months from the date these consolidated financial statements are authorised for issue;
- 2) The Group will continue to take active measures to control administrative costs and project costs;
- 3) The Group has significantly reduced its budgets for non-core areas that do not generate revenue, decided to refocus the Group's effort on its core financial industry operations and actively explore other potential business activities;
- 4) The Group will continue to invest cautiously in concerts, events and festivals; and
- 5) The Group will focus on optimising working capital by efficiently managing trade receivables and trade payables to free up cash within the business cycle.

## **2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION** **(Continued)**

The Directors have reviewed the Group's cash flow forecast prepared by the management of the Company for a period covered not less than twelve months from date of the consolidated financial statements are authorised for issue. The Directors are of the opinion that, taking into account the abovementioned plans and measures, the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due in the next twelve months from the date of the consolidated financial statements are authorised for issue. Accordingly, the consolidated financial statements have been prepared on a going concern basis for the year ended 31 December 2024.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the carrying amounts of assets to their recoverable amounts, to provide for future liabilities which might arise and to reclassify non-current assets and non-current liabilities to current respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

The preparation of consolidated financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.



### 3. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS

#### (a) Adoption of amendments to HKFRSs

In the current year, the Group has applied the first time the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are relevant to and effective for the Group’s consolidated financial statements for the annual period beginning on 1 January 2024:

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 HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

Except as described below, the application of the above amendments to HKFRSs in current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or the disclosures set out in these consolidated financial statements.

***Impacts on adoption of Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the “2020 Amendments”) and Amendments to HKAS 1 Non-current Liabilities with Covenants (the “2022 Amendments”)***

The Group has adopted the amendments for the first time in current year.

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the amendments clarify that:

- (i) What is meant by a right to defer settlement;
- (ii) That a right to defer must exist at the end of the reporting period;
- (iii) That classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- (iv) That only if an option at the discretion of the counterparty included in the terms of a convertible liability is itself an equity instrument in accordance with HKAS 32 Financial Instrument: Presentation would not affect the current or non-current classification of the liability.

### 3. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

#### (a) Adoption of amendments to HKFRSs (Continued)

*Impacts on adoption of Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the “2020 Amendments”) and Amendments to HKAS 1 Non-current Liabilities with Covenants (the “2022 Amendments”) (Continued)*

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the 2022 Amendments specify that only covenants with which an entity is required to comply with on or before the end of the reporting period affect the entity’s right to defer settlement of a liability for at least twelve months after the reporting date, even if compliance with the covenant is assessed only after the reporting date. Covenants with which an entity must comply after the reporting date do not affect the classification of a liability as current or non-current at the reporting date.

In addition, the 2022 Amendments specify the disclosure requirements about information that enables users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period, if an entity classifies liabilities arising from loan arrangements as non-current when the entity’s right to defer settlement of those liabilities is subject to the entity complying with covenants within twelve months after the reporting period.

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

#### (b) New or amendments to HKFRSs that have been issued but not yet effective

The following new or amendments to HKFRSs, potentially relevant to the Group’s consolidated financial statements, have been issued but are not yet effective and have not been early adopted by the Group.

### 3. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

#### (b) New or amendments to HKFRSs that have been issued but not yet effective (Continued)

Amendments to HKAS 21	Lack of Exchangeability <sup>2</sup>
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 <sup>3</sup>
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>
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.

The Group will apply the above new and amendments to HKFRSs when they become effective. Except as described below, the application of the new or 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 was issued by the HKICPA in April 2024 supersedes HKAS 1 and will result in major consequential amendments to HKFRS Accounting Standards including HKAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though HKFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

The Group is in the progress of making assessments of the potential impact of this new standard upon initial application.

#### 4. REVENUE AND SEGMENT REPORTING

- 4.1 Revenue represents income from financial services operations, income from corporate consulting operations and income from digital operations during the year.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Revenue from contracts with customers within the scope of HKFRS 15 recognised over time:</b>		
Financial service business	9,991	9,457
Corporate service business	5,512	4,025
Digital business	—	2,822
	<u>15,503</u>	<u>16,304</u>
<b>Revenue from contracts with customers within the scope of HKFRS 15 recognised at a point in time:</b>		
Financial service business	—	1,455
Digital business	4,362	—
	<u>4,362</u>	<u>1,455</u>
<b>Revenue from other sources:</b>		
Interest income from financial services business	466	523
Profit on investments in concerts from digital business, net	245	656
	<u>711</u>	<u>1,179</u>
	<u><u>20,576</u></u>	<u><u>18,938</u></u>

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 and does not disclose information about the remaining performance obligation that have original expected durations of one year or less.

#### 4. REVENUE AND SEGMENT REPORTING (Continued)

##### 4.2 Segment reporting

###### (a) *Reportable segments*

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions. The chief operating decision-maker has been identified as the executive Directors.

The Group currently has three reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies as follows:

- (a) The financial services business includes provision of corporate finance advisory services, asset management and advising on securities business and money lending business;
- (b) The corporate consulting business segment is engaged in the provision of company secretarial services, accounting and financial reporting services and management consulting services; and
- (c) The digital business segment is engaged to leverage blockchain, artificial intelligence, and immersive interaction technologies to create value and protection to individuals, creators, artists, businesses and brand owners, and offer various opportunities within the entertainment sector, including the organisation/production of and investment in concerts, events and festivals.

There were no inter-segment transactions between different operating segments for the year (2023: Nil). Certain expenses are not allocated to the operating segments as they are not included in the measure of the segments' results that is used by the chief operating decision-maker for assessment of segment performance.

#### 4. REVENUE AND SEGMENT REPORTING (Continued)

##### 4.2 Segment reporting (Continued)

###### (b) Segment revenue and results

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

For the year ended 31 December 2024

	Financial services business	Corporate consulting business	Digital business	Total
<i>HK\$'000</i>				
Segment revenue	<u>10,457</u>	<u>5,512</u>	<u>4,607</u>	<u>20,576</u>
Segment profit/(loss)	<u>6,399</u>	<u>3,009</u>	<u>(14,768)</u>	(5,360)
Finance costs				(12,945)
Gain on disposal of a subsidiary				3,246
Unallocated corporate expenses <sup>(Note)</sup>				<u>(12,437)</u>
Loss before income tax				<u>(27,496)</u>

For the year ended 31 December 2023

	Financial services business	Corporate consulting business	Digital business	Total
<i>HK\$'000</i>				
Segment revenue	<u>11,435</u>	<u>4,025</u>	<u>3,478</u>	<u>18,938</u>
Segment profit/(loss)	<u>3,307</u>	<u>2,265</u>	<u>(3,484)</u>	2,088
Finance costs				(12,525)
Unallocated corporate expenses <sup>(Note)</sup>				<u>(15,295)</u>
Loss before income tax				<u>(25,732)</u>

*Note:* Unallocated corporate expenses mainly included staff salaries, directors' remuneration and depreciation of property, plant and equipment and right-of-use assets for the years ended 31 December 2024 and 2023.

#### 4. REVENUE AND SEGMENT REPORTING (Continued)

##### 4.2 Segment reporting (Continued)

###### (c) Segment assets and liabilities

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

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
<b>Segment assets</b>		
Financial services business	<b>16,078</b>	20,807
Corporate consulting business	<b>6,534</b>	6,728
Digital business	<b>1,647</b>	20,674
	<hr/>	<hr/>
Total segment assets	<b>24,259</b>	48,209
Unallocated bank balances and cash	<b>413</b>	2,098
Unallocated corporate assets <sup>(Note)</sup>	<b>11,729</b>	6,406
	<hr/>	<hr/>
<b>Consolidated total assets</b>	<b><u>36,401</u></b>	<b><u>56,713</u></b>
<b>Segment liabilities</b>		
Financial services business	<b>2,002</b>	3,901
Corporate consulting business	<b>135</b>	1,000
Digital business	<b>121</b>	2,107
	<hr/>	<hr/>
Total segment liabilities	<b>2,258</b>	7,008
Convertible bonds	–	77,931
Unallocated corporate liabilities <sup>(Note)</sup>	<b>13,180</b>	6,578
	<hr/>	<hr/>
<b>Consolidated total liabilities</b>	<b><u>15,438</u></b>	<b><u>91,517</u></b>

*Note:* Unallocated corporate assets mainly comprised of unallocated right-of-use assets, financial assets at fair value through profit or loss (“FVPL”) and financial assets at fair value through other comprehensive income (“FVOCI”).

Unallocated corporate liabilities mainly comprised of unallocated lease liabilities and amounts due to a director.

#### 4. REVENUE AND SEGMENT REPORTING (Continued)

##### 4.2 Segment reporting (Continued)

###### (d) Other segment information

For the year ended 31 December 2024

	Financial services business <i>HK\$'000</i>	Corporate consulting business <i>HK\$'000</i>	Digital business <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Amounts included in the measure of segment profit or loss or segment assets:</b>					
Additions to non-current assets (other than financial assets)	1,253	–	–	2,420	3,673
Depreciation of property, plant and equipment	–	–	(292)	(740)	(1,032)
Depreciation of right-of-use assets	(766)	–	–	(2,512)	(3,278)
Amortisation of intangible assets	–	(38)	(1,446)	–	(1,484)
Impairment loss on trade receivables	(954)	(36)	–	–	(990)
Reversal of impairment loss/(impairment loss) on deposits and other receivables	1	–	(40)	(157)	(196)
Reversal of impairment loss on loan receivables	622	–	–	–	622
Interest income	17	–	–	–	17
	<u>17</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>17</u>



#### 4. REVENUE AND SEGMENT REPORTING (Continued)

##### 4.2 Segment reporting (Continued)

###### (d) Other segment information (Continued)

For the year ended 31 December 2023

	Financial services business <i>HK\$'000</i>	Corporate consulting business <i>HK\$'000</i>	Digital business <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Amounts included in the measure of segment profit or loss or segment assets:</b>					
Additions to non-current assets (other than financial assets)	–	–	861	–	861
Depreciation of property, plant and equipment	–	–	(79)	(1,162)	(1,241)
Depreciation of right-of-use assets	(794)	–	–	(2,785)	(3,579)
Amortisation of intangible assets	–	(228)	(1,478)	–	(1,706)
Reversal of impairment loss/(impairment loss) on trade receivables	128	(26)	(30)	–	72
Reversal of impairment loss on deposits and other receivables	–	–	–	3	3
Impairment loss on loan receivables	(25)	–	–	–	(25)
Written off of deposits and other receivables	–	–	–	(151)	(151)
Interest income	<u>71</u>	<u>–</u>	<u>–</u>	<u>118</u>	<u>189</u>

#### 4. REVENUE AND SEGMENT REPORTING (Continued)

##### 4.2 Segment reporting (Continued)

###### (e) *Geographical information*

For the years ended 31 December 2024 and 2023, the Group's revenue from external customers is derived solely from its operations in Hong Kong (place of domicile), where all of the Group's non-current assets are located in Hong Kong. The geographical location of external customers is based on the location at which the goods are delivered and services rendered.

###### (f) *Major customers*

Revenue from a customer contributing over 10% of the total revenue of the Group is as follow:

	Year ended 31 December	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Customer A – Financial services business	<b>4,000</b>	4,060
Customer B – Financial services and corporate consulting business	<b>2,630</b>	N/A *
Customer C – Digital business	<b>N/A *</b>	<b>2,000</b>

\* The corresponding revenue from this customer contributed less than 10% of the total revenue of the Group.

#### 4. REVENUE AND SEGMENT REPORTING (Continued)

##### 4.3 Contract balances

The following table shows movements in contract assets and contract liabilities:

	Contract assets		Contract liabilities	
	2024	2023	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 January	352	349	(2,658)	(88)
Transfers in the year from contract assets to trade receivables	(352)	(349)	–	–
Amounts included in contract liabilities at the beginning of the year that was recognised as revenue during the year	–	–	2,658	88
Excess of revenue recognised over cash (or rights to cash) being recognised during the year	196	352	–	–
Cash received in advance of performance and not recognised as revenue during the year	–	–	(51)	(2,658)
At 31 December	<u>196</u>	<u>352</u>	<u>(51)</u>	<u>(2,658)</u>

#### 5. OTHER INCOME AND GAINS/(LOSSES)

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Bank interest income	17	189
Changes in fair value of financial assets at FVPL ( <i>Note 16(a), (b) &amp; (c)</i> )	272	(14)
Written off of deposits and other receivables	–	(151)
Gain on co-operator of investment in concert	1,744	–
Gain on derecognition of other payable	750	–
Sundry income	283	559
	<u>3,066</u>	<u>583</u>

## 6. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Imputed interest on convertible bonds <sup>(Note)</sup>	11,829	12,310
Interest on lease liabilities	79	226
Other borrowing costs	<u>1,059</u>	<u>39</u>
	<u><b>12,967</b></u>	<u><b>12,575</b></u>

*Note:* It represents the imputed interest on the liability component of the convertible bonds for both years.

## 7. LOSS BEFORE INCOME TAX

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
(a) Staff costs (including directors' emoluments):		
Salaries, wages and other benefits	11,074	13,637
Pension scheme contributions	<u>324</u>	<u>529</u>
	<u><b>11,398</b></u>	<u><b>14,166</b></u>
(b) Other items:		
Auditor's remuneration	750	988
Depreciation expenses in respect of:		
Property, plant and equipment	1,032	1,241
Right-of-use assets	3,278	3,579
Amortisation of intangible assets	1,484	1,706
Impairment loss/(reversal of impairment loss) on trade receivables	990	(72)
Impairment loss/(reversal of impairment loss) on deposits and other receivables	196	(3)
(Reversal of impairment loss)/impairment loss on loan receivables	<u>(622)</u>	<u>25</u>

## 8. INCOME TAX CREDIT

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying corporations will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of group entities in Hong Kong that are not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. No provision for Hong Kong profits tax has been made for the current and prior years as the Group has tax loss brought forward which are available for offset against the estimate assessable profits for the year.

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Current tax		
Hong Kong profits tax:		
– Over-provision in prior years	(214)	(18)
Deferred tax	<u>(9)</u>	<u>(41)</u>
	<b><u>(223)</u></b>	<b><u>(59)</u></b>

Income tax for the year can be reconciled to the loss before income tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Loss before income tax	<u>(27,496)</u>	<u>(25,732)</u>
Tax calculated at the domestic rate of 16.5% (2023: 16.5%)	(4,537)	(4,245)
Tax effect of income not taxable for tax purpose	(705)	(352)
Tax effect of expenses not deductible for tax purposes	2,737	2,736
Tax effect of tax losses not recognised	3,074	1,946
Utilisation of tax losses previously not recognised	(627)	(126)
Tax effect of other temporary differences	49	–
Over-provision in prior year	<u>(214)</u>	<u>(18)</u>
Total income tax credit	<b><u>(223)</u></b>	<b><u>(59)</u></b>

As at 31 December 2024, the Group has unused tax losses of approximately HK\$73,156,000 (2023: HK\$60,566,000) available for offset against future profits that may be carried forward indefinitely. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams.

## 9. DIVIDEND

The Board does not recommend the payment of any dividend for the year ended 31 December 2024 (2023: Nil).

## 10. LOSS PER SHARE

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

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Loss attributable to owners of the Company for the purpose of calculating basic and diluted loss per share	<u><b>(27,273)</b></u>	<u>(25,673)</u>
	<b>Number of shares</b>	
	<b>2024</b>	2023
	<b><i>'000</i></b>	<i>'000</i>
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	<u><b>604,396</b></u>	<u>579,422</u>

The calculation of basic and diluted loss per share is based on the loss attributable to ordinary equity shareholders of the Company, and the weighted average number of 604,396,000 (2023: 579,422,000) ordinary shares in issue.

Diluted loss per share amount for both years were not presented because the impact of the exercise of the share options and conversion of convertible bonds was anti-dilutive. Potential ordinary shares are dilutive when and only when their conversion into ordinary shares would increase loss per share attributable to owners of the Company.

## 11. GOODWILL

HK\$'000

### COST:

At 1 January 2023, 31 December 2023 and 1 January 2024	11,403
Disposal of a subsidiary ( <i>Note 26</i> )	<u>(130)</u>

At 31 December 2024	<u>11,273</u>
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### ACCUMULATED IMPAIRMENT LOSSES:

At 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	<u>5,803</u>
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### NET CARRYING AMOUNT:

At 31 December 2024	<u>5,470</u>
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At 31 December 2023	<u>5,600</u>
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For the purpose of impairment testing, goodwill is allocated to the cash-generating unit (“CGU”) identified as follows:

	2024	2023
	HK\$'000	HK\$'000
Corporate consulting business	5,470	5,470
Digital business	<u>–</u>	<u>130</u>
	<u>5,470</u>	<u>5,600</u>

*Notes:*

#### Corporate consulting business

The goodwill was arising from the acquisition of corporate consulting business in the financial year of 2019. The carrying amount of goodwill is HK\$5,470,000 (2023: HK\$5,470,000) as at 31 December 2024.

## 11. GOODWILL (Continued)

*Notes: (Continued)*

### **Corporate consulting business (Continued)**

For the year ended 31 December 2024, the recoverable amount of the cash-generating unit of corporate consulting business (the “**Corporate Consulting Business CGU**”) is determined by the Directors with reference to a valuation report issued by an independent qualified valuer. The recoverable amount of the Corporate Consulting Business CGU has been determined from value-in-use calculation. The calculation used cash flow projections based on latest financial budgets approved by the management covering a period of 5 years and at a pre-tax discount rate of 19.19% (2023: 19.46%). The cash flow projections beyond the 5 years periods are extrapolated using a terminal growth rate at 2.5% (2023: 3%). Cash flow projections during the budget period are based on past performance and the Group management’s expectations for the market development and future performance of the Corporate Consulting Business CGU. The discount rate is determined based on the cost of capital adjusted by the specific risk associated with the Corporate Consulting Business CGU. As the recoverable amount of the Corporate Consulting Business CGU is significantly higher than its carrying amount, the Directors are in opinion that no impairment loss was considered for the year ended 31 December 2024 (2023: Nil). Management believes that any reasonably possible change in any of these assumptions would not result in impairment.

### **Digital business**

The goodwill was arising from the acquisition of digital business in the financial year of 2022. The goodwill with the net carrying amount of HK\$130,000 as at 31 December 2023 was allocated to the cash-generating unit of digital business (the “**Digital Business CGU**”).

For the year ended 31 December 2023, the recoverable amount of the Digital Business CGU was determined by the Directors with reference to a valuation report issued by an independent qualified valuer. The recoverable amount of the Digital Business CGU had been determined from value-in-use calculation. The calculation used cash flow projections based on latest financial budgets approved by the management covering a period of 5 years and at a pre-tax discount rate of 20.52%. The cash flow projections beyond the 5 years periods were extrapolated using a terminal growth rate at 3%. Cash flow projections during the budget period were based on the Group management’s expectations for the market development and future performance of the Digital Business CGU. The discount rate was determined based on the weighted average cost of capital reflecting the specific risk associated with the Digital Business CGU. As the recoverable amount of the Digital Business CGU was higher than its carrying amount, the Directors were in opinion that no impairment loss was considered for the year ended 31 December 2023. Management believed that any reasonably possible change in any of these assumptions would not result in impairment.

On 23 December 2024, the Group served the option notice on the Vendors (as defined in Note 26) to exercise the put option which shall require the Vendors to repurchase the entire issued share capital of the NOIZChain Limited (“**NOIZChain**”) at the repurchase consideration. The disposal was completed on 23 December 2024. Details were set out in the Company’s announcements dated 13 June 2022, 4 July 2022, 22 July 2024, 23 December 2024 and Note 26 to the consolidated financial statements.



## 12. INTANGIBLE ASSETS

	<b>Trading right</b> <i>(Note (a))</i> <i>HK\$'000</i>	<b>Customer relationship</b> <i>(Note (c))</i> <i>HK\$'000</i>	<b>Blockchain technology</b> <i>(Note (d))</i> <i>HK\$'000</i>	<b>Total</b> <i>HK\$'000</i>
<b>COST:</b>				
At 1 January 2023, 31 December 2023 and 1 January 2024	<b>5,705</b>	<b>1,140</b>	<b>14,040</b>	<b>20,885</b>
Disposal of a subsidiary <i>(Note 26)</i>	–	–	<b>(14,040)</b>	<b>(14,040)</b>
Cessation of trading right <i>(Note (b))</i>	<b>(2,805)</b>	–	–	<b>(2,805)</b>
At 31 December 2024	<b>2,900</b>	<b>1,140</b>	–	<b>4,040</b>
<b>ACCUMULATED AMORTISATION AND IMPAIRMENT LOSSES:</b>				
At 1 January 2023	2,805	874	739	4,418
Amortisation for the year	–	228	1,478	1,706
At 31 December 2023 and 1 January 2024	<b>2,805</b>	<b>1,102</b>	<b>2,217</b>	<b>6,124</b>
Amortisation for the year	–	<b>38</b>	<b>1,446</b>	<b>1,484</b>
Disposal of a subsidiary <i>(Note 26)</i>	–	–	<b>(3,663)</b>	<b>(3,663)</b>
Cessation of trading right <i>(Note (b))</i>	<b>(2,805)</b>	–	–	<b>(2,805)</b>
At 31 December 2024	–	<b>1,140</b>	–	<b>1,140</b>
<b>NET CARRYING AMOUNT:</b>				
At 31 December 2024	<b>2,900</b>	–	–	<b>2,900</b>
At 31 December 2023	2,900	38	11,823	14,761

## 12. INTANGIBLE ASSETS (Continued)

### Notes:

- (a) The Group holds one trading right of the business carrying on the regulated activities of Type 4 (advising on securities) and Type 9 (asset management) (“**Type 4 & 9**”) as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Trading right has indefinite useful life and therefore no amortisation has been provided. The recoverable amount of the trading right of Type 4 & 9 is determined by the Directors with reference to a valuation report issued by an independent qualified valuer and has been determined by value in use calculation by using cash flow projections based on the latest financial budgets approved by the management covering a period of 5 years and at a pre-tax discount rate of 23.60% (2023: 23.42%). The cash flow projections beyond the 5 years periods are extrapolated using a growth rate at 2.50% (2023: 3%). As the recoverable amount of trading right of Type 4 and 9 is significantly higher than its carrying amount, the Directors are in the opinion that no impairment loss was considered for the year ended 31 December 2024 and 2023. Management believes that any reasonably possible change in any of these assumptions would not result in impairment.
- (b) On 31 July 2023, the Group applied to the Securities and Futures Commission (the “**SFC**”) for the cessation of securities brokerage business and requested the SFC to revoke the Type 1 license. The Type 1 license was revoked by the SFC on 19 July 2024.
- (c) Customer relationship of HK\$1,140,000 represented the intangible assets arose from the acquisition of corporate consulting business and was valued as of the respective date of acquisition by an independent qualified valuer on the basis of the excess earnings method under the income approach. The management of the Group considered customer relationship has finite useful lives of 5 years and is amortised on a straight-line basis. It has been fully amortised during the year.
- (d) Blockchain technology of HK\$14,040,000 represented the intangible assets arose from the acquisition of digital business in the financial year of 2022.

As at 31 December 2023, blockchain technology with the net carrying amount of HK\$11,823,000 was attributable to the Digital Business CGU with which the goodwill amount was recognised. The management of the Group considered blockchain technology had finite useful lives and was amortised on a straight-line basis over 9.5 years. As the recoverable amount of the Digital Business CGU was approximately HK\$14.4 million, which exceeded its carrying amount, there is a headroom of approximately HK\$2.3 million. Therefore, no impairment loss was recognised for the year ended 31 December 2023. Details of the impairment assessment of that cash-generating unit are set out in Note 11 to the consolidated financial statements.

On 23 December 2024, the Group served the option notice on the Vendors (as defined in Note 26) to exercise the put option which shall require the Vendors to repurchase the entire issued share capital of the NOIZChain at the repurchase consideration. The disposal was completed on 23 December 2024. Details were set out in the Company’s announcements dated 13 June 2022, 4 July 2022, 22 July 2024, 23 December 2024 and Note 26 to the consolidated financial statements.

### 13. RIGHT-OF-USE ASSETS

HK\$'000

#### COST:

At 1 January 2023, 31 December 2023, and 1 January 2024	10,498
Derecognition upon expiration of lease	(10,498)
Addition	<u>3,537</u>
At 31 December 2024	<u>3,537</u>

#### ACCUMULATED DEPRECIATION:

At 1 January 2023	3,936
Depreciation for the year	<u>3,579</u>
At 31 December 2023 and 1 January 2024	7,515
Depreciation for the year	3,278
Derecognition upon expiration of lease	<u>(10,498)</u>
At 31 December 2024	<u>295</u>

#### NET CARRYING AMOUNT:

At 31 December 2024	<u><u>3,242</u></u>
At 31 December 2023	<u><u>2,983</u></u>

	2024	2023
	HK\$'000	HK\$'000
Payment for lease regarding right-of-use assets	3,382	4,056
Expenses relating to short-term leases	<u>79</u>	<u>80</u>
Total cash outflow for leases	<u><u>3,461</u></u>	<u><u>4,136</u></u>

The right-of-use assets represent the Group's right to use underlying leased premises under operating lease arrangements over the lease terms, which are stated at cost less accumulated depreciation, and adjusted for any remeasurement of the lease liabilities.

For both years, the Group leases various offices for its operations. Lease contracts are entered into for fixed term of 2 years (2023: 3 years). Lease terms are negotiated on an individual basis and contain different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

#### 14. INTERESTS IN ASSOCIATES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
At beginning of the year	–	522
Dividend income from an associate	–	(60)
Share of loss for the year	–	(462)
	<hr/>	<hr/>
At end of the year	<u>–</u>	<u>–</u>

#### 15. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group has financial assets classified as FVOCI, which was investment of ordinary shares in a private company, a company incorporated in Hong Kong in year 2019. Subsequently, following a series of reorganisation with additions of shell intermediate holding companies, the Group indirectly holds ordinary shares with 5.75% (2023: 9.55%) ownership of a company incorporated in the British Virgin Islands, with carrying amount of approximately HK\$4,419,000 (2023: HK\$1,473,000) as at 31 December 2024. The increase in fair value of this financial asset of approximately HK\$2,946,000 (2023: decrease in fair value of HK\$315,000) has been dealt with in other comprehensive income and FVOCI reserve for the year ended 31 December 2024.

On 22 February 2022, the Group acquired 43.75% of the issued share capital of a private company, with the aim of involving in the investment in special purpose acquisition company (“SPAC”) projects with 2.88% effective equity interest, at a consideration of US\$350,000 (equivalent to approximately HK\$2,730,000). On 6 October 2023, the SPAC projects is terminated and the Group is entitled to a refund of US\$242,900 (equivalent to approximately HK\$1,895,000), which represents 69.4% of the original US\$350,000 (equivalent to approximately HK\$2,730,000) subscription funds. The increase in fair value of this financial asset of approximately HK\$630,000 has been dealt with in other comprehensive income and FVOCI reserve for the year ended 31 December 2023.

## 16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 <b>HK\$'000</b>	2023 <b>HK\$'000</b>
Investment in a private company <sup>(Note (a))</sup>	547	263
Put option in relation to acquisition of a subsidiary <sup>(Note (b))</sup>	–	–
Listed equity instrument in Hong Kong at market value <sup>(Note (c))</sup>	395	407
Investments in concert <sup>(Note (d))</sup>	–	3,901
	<u>942</u>	<u>4,571</u>
Less: Non-current portion	<u>(547)</u>	<u>(263)</u>
Current portion	<u><b>395</b></u>	<u><b>4,308</b></u>

### Notes:

- (a) On 29 October 2020, the Group entered into a simple agreement for future equity with a private company to grant the Group the future right to acquire certain shares of the private company at a consideration of US\$150,000 (equivalent to approximately HK\$1,170,000). The right is classified as financial asset at FVPL. During the year ended 31 December 2024, the private company allotted preference shares to the Group, and the Group holds 0.86% of the private company indirectly through an intermediate structure. The increase in fair value of this financial asset of HK\$284,000 (2023: decrease in fair value of HK\$56,000) has been recognised in profit or loss for the year ended 31 December 2024.
- (b) The put option has been exercised following the Group disposed the entire issued share capital of NOIZChain. Details were set out in the Company's announcements dated 13 June 2022, 4 July 2022, 22 July 2024 and 23 December 2024 and Note 26 to the consolidated financial statements. The decrease in fair value of this financial assets of HK\$53,000 has been recognised in profit or loss for the year ended 31 December 2023.
- (c) Fair value of the listed equity instrument in Hong Kong has been determined by reference to its quoted market price at the reporting date in an active market. Fair value of the listed trading portfolio investment is Level 1 recurring fair value measurement. The decrease in fair value of this financial asset of HK\$12,000 has been recognised in profit or loss for the year ended 31 December 2024 (2023: increase in fair value of HK\$95,000).

## 16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes: (Continued)

- (d) The Group entered into several investment agreements to invest in the production/organisation of certain concerts, which entitle the Group to, among others, the rights to share the net profit or loss of the respective concerts and entertainment events attributable to the Group, as appropriate, in accordance with the terms of the respective investment agreements. The Group measured, at initial recognition, the cost of these investments based on the cash considerations for these investments. Their carrying amounts at the end of the reporting period represented the fair values of the estimated net future cash flows from these investments attributable to the Group. All production and organisation of concerts have been completed as of 31 December 2024. The financial asset at FVPL for investments in concerts amounted to HK\$790,000 (2023: Nil) was transferred to other receivables. The fair value of investments in concerts as at 31 December 2023 were determined by reference to a valuation report issued by independent qualified valuer. The increase in fair value of this financial assets of HK\$181,000 had been recognised in profit or loss for the year ended 31 December 2023.

## 17. TRADE RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	5,673	4,969
Less: Provision for impairment losses	<u>(2,062)</u>	<u>(1,102)</u>
	<u><b>3,611</b></u>	<u><b>3,867</b></u>

As at 1 January 2023, trade receivables from contracts with customers amounted to approximately HK\$6,280,000.

The Group's trading terms with its customers are mainly on credit. The credit period is generally one month. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has credit control procedures established to monitor credit risk. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

The Group does not hold collateral over the trade receivables.

On 31 July 2023, the Group applied to the SFC for the cessation of securities brokerage business and requested the SFC to revoke the Type 1 license. The Type 1 license was revoked by the SFC on 19 July 2024. As a result, no trade receivables from cash clients and HKSCC were recorded as of the years ended 31 December 2024 and 2023.

## 17. TRADE RECEIVABLES (Continued)

Details of trade receivables as at the end of reporting period, are as follows:

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Trade receivables from financial services		
business other than dealing in securities	<b>2,941</b>	2,253
Trade receivables from corporate consulting business	<b>637</b>	508
Trade receivables from digital business	<b>33</b>	988
	<u><b>3,611</b></u>	<u>3,749</u>
Trade receivables from the business of		
dealing in securities		
– Brokers	<u>–</u>	<u>118</u>
	<u>–</u>	<u>118</u>
	<u><b>3,611</b></u>	<u><b>3,867</b></u>

An ageing analysis of the trade receivables, net of impairment losses, arising from business other than dealing in securities as at the end of the reporting period, based on the invoice date are as follows:

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Within 30 days	<b>885</b>	2,346
31 to 60 days	<b>1,145</b>	1,163
61 to 120 days	<b>93</b>	88
Over 120 days	<b>1,488</b>	152
	<u><b>3,611</b></u>	<u><b>3,749</b></u>

**17. TRADE RECEIVABLES (Continued)**

The movement in the expected credit loss under lifetime expected credit loss for trade receivables for the years ended 31 December 2024 and 2023 are as follows:

	<b>Lifetime ECL (not credit impaired) <i>HK\$'000</i></b>	<b>Lifetime ECL (credit impaired) <i>HK\$'000</i></b>	<b>Total <i>HK\$'000</i></b>
At 1 January 2023	–	3,897	3,897
Impairment loss/(reversal of impairment loss) for the year	13	(85)	(72)
Written off of trade receivables	–	(2,723)	(2,723)
	<hr/>	<hr/>	<hr/>
At 31 December 2023 and 1 January 2024	<b>13</b>	<b>1,089</b>	<b>1,102</b>
Impairment loss for the year	<b>429</b>	<b>561</b>	<b>990</b>
Disposal of a subsidiary	–	(30)	(30)
	<hr/>	<hr/>	<hr/>
<b>At 31 December 2024</b>	<b><u>442</u></b>	<b><u>1,620</u></b>	<b><u>2,062</u></b>



## 18. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Prepayments	410	1,062
Deposits and other receivables <i>(Note)</i>	<u>5,183</u>	<u>1,606</u>
	5,593	2,668
Less: Provision for impairment losses	<u>(213)</u>	<u>(17)</u>
	5,380	2,651
Less: Non-current portion	<u>(774)</u>	<u>(1,358)</u>
Current portion	<u><u>4,606</u></u>	<u><u>1,293</u></u>

*Note:*

Included in the balance is an amount due from a former subsidiary amounted to approximately HK\$3,531,000 (2023: Nil).

The movements in the expected credit loss under 12-months expected credit loss for the deposits and other receivables for the years ended 31 December 2024 and 2023 are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
At 1 January	17	20
Impairment loss/(reversal of impairment loss) for the year	<u>196</u>	<u>(3)</u>
At 31 December	<u><u>213</u></u>	<u><u>17</u></u>

## 19. LOAN RECEIVABLES

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Gross loans and interest receivables	3,733	5,272
Less: Provision for impairment loss	<u>(489)</u>	<u>(1,111)</u>
	<b><u>3,244</u></b>	<b><u>4,161</u></b>

### *Note:*

As at 31 December 2024, loan receivables with gross principal amount of HK\$3,710,000 (2023: HK\$5,170,000) in aggregate and related gross interest receivables of HK\$23,000 (2023: HK\$102,000) were due from two (2023: four) independent third parties. These loans are interest-bearing at fixed rates ranging from 8% to 12% (2023: 8% to 15%) per annum and was repayable within twelve months from the end of the reporting period and therefore were classified as current assets as at 31 December 2024 and 2023.

As at 31 December 2024, the Group held collateral over loan receivables with gross amount of HK\$1,727,000 (2023: Nil). Reversal of impairment loss of HK\$622,000 (2023: impairment loss of HK\$25,000) has been recognised in the profit or loss for the year ended 31 December 2024.

The movements in the expected credit loss for loan receivables for the years ended 31 December 2024 and 2023 are as follows:

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
At 1 January	1,111	1,086
(Reversal of impairment loss)/impairment loss for the year	<u>(622)</u>	<u>25</u>
At 31 December	<b><u>489</u></b>	<b><u>1,111</u></b>

## 19. LOAN RECEIVABLES (Continued)

Reconciliation of gross carrying amount for loan receivables for the years ended 31 December 2024 and 2023 is as follows:

	<b>Stage 1</b> <i>HK\$'000</i>	<b>Stage 2</b> <i>HK\$'000</i>	<b>Total</b> <i>HK\$'000</i>
At 1 January 2023	–	4,789	4,789
New loans originated	2,121	603	2,724
Repayment	<u>(101)</u>	<u>(2,140)</u>	<u>(2,241)</u>
At 31 December 2023 and 1 January 2024	<b>2,020</b>	<b>3,252</b>	<b>5,272</b>
New loans originated	–	465	465
Repayment	–	(2,004)	(2,004)
Transfer	<u>(2,020)</u>	<u>2,020</u>	<u>–</u>
At 31 December 2024	<u><b>–</b></u>	<u><b>3,733</b></u>	<u><b>3,733</b></u>

The movements in the expected credit loss in respect of loan receivables for the years ended 31 December 2024 and 2023 is as follows:

	<b>Stage 1</b> <i>HK\$'000</i>	<b>Stage 2</b> <i>HK\$'000</i>	<b>Total</b> <i>HK\$'000</i>
At 1 January 2023	–	1,086	1,086
Impairment loss/(reversal of impairment loss) for the year	<u>421</u>	<u>(396)</u>	<u>25</u>
At 31 December 2023 and 1 January 2024	<b>421</b>	<b>690</b>	<b>1,111</b>
Reversal of impairment loss for the year	–	(622)	(622)
Transfer	<u>(421)</u>	<u>421</u>	<u>–</u>
At 31 December 2024	<u><b>–</b></u>	<u><b>489</b></u>	<u><b>489</b></u>

## 19. LOAN RECEIVABLES (Continued)

An ageing analysis of the loan receivables, net of impairment losses as at the end of the reporting period, based on the remaining contractual maturity date is set out below:

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Overdue	–	688
Due within 3 months	–	880
Due after 3 months but within 6 months	<b>1,768</b>	2,593
Due after 6 months but within 9 months	<b>1,476</b>	–
	<u><b>3,244</b></u>	<u>4,161</u>

## 20. LEASE LIABILITIES

The amount included in the consolidated statement of financial position in respect of the carrying amounts of lease liabilities and the movements during the years are as follows:

	<b>Land and buildings</b>
	<i>HK\$'000</i>
At 1 January 2023	6,825
Interest expenses	226
Lease payments	<u>(4,056)</u>
At 31 December 2023 and 1 January 2024	<b>2,995</b>
Addition of lease liabilities	<b>3,537</b>
Interest expenses	<b>79</b>
Lease payments	<u><b>(3,382)</b></u>
At 31 December 2024	<u><b>3,229</b></u>

**20. LEASE LIABILITIES (Continued)**

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Minimum lease payment due		
– Within one year	<b>1,864</b>	3,043
– In the second to fifth years, inclusive	<b>1,525</b>	–
	<u><b>3,389</b></u>	<u>3,043</u>
Less: Future finance charges	<u><b>(160)</b></u>	<u>(48)</u>
Present value of lease liabilities	<u><b>3,229</b></u>	<u>2,995</u>

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Within one year	<b>1,735</b>	2,995
In the second to fifth years, inclusive	<b>1,494</b>	–
	<u><b>3,229</b></u>	<u>2,995</u>

The weighted average incremental borrowing rates applied to lease liabilities at 5.82% (2023: 4.89%) for the year ended 31 December 2024.

***Other lease disclosures***

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Aggregate undiscounted commitments for short-term leases	<u><b>34</b></u>	<u>4</u>

## 21. TRADE PAYABLES

Details of trade payables as at the end of reporting period are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade payables from the business of dealing in securities		
– Cash clients	<u>–</u>	<u>188</u>

On 31 July 2023, the Group applied to the SFC for the cessation of securities brokerage business and requested the SFC to revoke the Type 1 license. The Type 1 license was revoked by the SFC on 19 July 2024. As a result, no trade payables from cash clients were recorded as of the year ended 31 December 2024.

## 22. OTHER PAYABLES AND ACCRUALS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Other payables <sup>(Note (a))</sup>	10,211	3,579
Accruals	<u>1,468</u>	<u>3,776</u>
	<u>11,679</u>	<u>7,355</u>
Less: Non-current portion <sup>(Note (c))</sup>	<u>(224)</u>	<u>–</u>
Current portion	<u>11,455</u>	<u>7,355</u>

*Note:*

- (a) Other payables and accruals mainly comprised of amount due to a director of approximately HK\$9,776,000 (2023: HK\$1,889,000), accrued office expenses and provision of long service payment.

The amounts due to a director is unsecured, interest bearing at 5% to 11% per annum and repayable within one year. Subsequent to the end of the reporting period, the amounts due to a director have been extended for a term due more than twelve months from the date these consolidated financial statements are authorised for issue.

## 22. OTHER PAYABLES AND ACCRUALS (Continued)

*Note: (Continued)*

### **(b) Defined contribution plan**

The Group participates in a MPF Scheme established under the Mandatory Provident Fund Schemes Ordinance in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the scheme, which contribution is matched by the employee.

There are not any forfeited contributions that may be used by the Group to reduce the existing level of contributions.

### **(c) Defined benefit plan obligations**

Hong Kong employees that have been employed continuously for at least five years are entitled to Long Service and Severance Payments (“LSP”) in accordance with the Hong Kong Employment Ordinance under certain circumstances. These circumstances include where an employee is dismissed for reasons other than serious misconduct or redundancy, that employee resigns at the age of 65 or above, or the employment contract is of fixed term and expires without renewal. The amount of LSP payable is determined with reference to the employee’s final salary (capped at HK\$22,500) and the years of service, reduced by the amount of any accrued benefits derived from the Group’s contributions to MPF scheme, with an overall cap of HK\$390,000 per employee. Currently, the Group does not have any separate funding arrangement in place to meet its LSP obligation.

The offsetting mechanism between MPF and LSP will be abolished on 1 May 2025 (the “**Transition Date**”). Among other things, once the abolition of the offsetting mechanism takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory MPF contributions (irrespective of the contributions made before, on or after the Transition Date) to reduce the LSP in respect of an employee’s service from the Transition Date. However, where an employee’s employment commenced before the Transition Date, the employer can continue to use the above accrued benefits to reduce the LSP in respect of the employee’s service up to that date; in addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee’s monthly salary immediately before the Transition Date and the years of service up to that date.

The Group has determined that the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 primarily impacts the Group’s LSP liability with respect to Hong Kong employees.

## 22. OTHER PAYABLES AND ACCRUALS (Continued)

Note: (Continued)

### (c) Defined benefit plan obligations (Continued)

The present value of unfunded obligations and its movements are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Balance at 1 January	171	–
Expenses recognised in profit or loss:		
Current service cost	13	38
Interest cost	40	7
Past service cost	–	126
	<hr/>	<hr/>
Balance at 31 December	<u>224</u>	<u>171</u>

The above expenses are included in the employee benefits expenses in the consolidated statement of profit or loss and other comprehensive income (Note 7). In the opinion of the directors of the Company, there is no significant actuarial assumptions for the determination of the LSP obligation.



## 23. CONVERTIBLE BONDS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
2008 CBs (as defined below) <i>(Note (a))</i>	–	–
2022 CBs (as defined below) <i>(Note (b))</i>	–	70,214
2023 CB (as defined below) <i>(Note (c))</i>	–	7,717
	<hr/>	<hr/>
	–	77,931
	<hr/> <hr/>	<hr/> <hr/>

*Notes:*

### (a) 2008 CBs

On 12 August 2008, the Company issued a convertible bonds as part of the consideration for the acquisition of forest concessions in Papua, Indonesia (the “**2008 CBs**”).

Subject to the restrictions specified below (the “**Conversion Restriction**”), the 2008 CBs are convertible at the option of the bondholders into ordinary shares in the Company at the initial conversion price of HK\$0.1 per share (subject to adjustments as provided in the terms and conditions of the 2008 CBs) at any time from the date of issue and ending on the fifth business day before the third anniversary of the date of issue:

- The bondholders do not have the right to convert any principal amount of the 2008 CBs into new shares of the Company thereof, if upon such conversion, Merdeka Commodities Limited and the parties acting in concert with it will be interested in 30% (or such amount as may from time to time be specified in the Codes on Takeovers and Mergers and Share Repurchases as being the level for triggering a mandatory general offer) or more of the enlarged issued share capital of the Company at the date of relevant conversion;
- The conversion of the 2008 CBs shall not cause the Company to be in breach of the minimum public float requirement as stipulated under Rule 11.23 of the GEM Listing Rules; and
- The bondholders do not have the right to convert any 2008 CBs with the principal amount falling between the range of HK\$350,000,000 to HK\$776,880,000 at any time during the period from the issue date up to and inclusive of the date that falls on the first anniversary of the issue date.

## 23. CONVERTIBLE BONDS (Continued)

*Notes: (Continued)*

### (a) 2008 CBs (Continued)

The 2008 CBs are unsecured, interest-free and have an initial maturity date at 12 August 2011. Unless converted into the shares of the Company (the “**Shares**”), the outstanding balance of the 2008 CBs would be redeemed in full on maturity.

By the first supplemental deed dated 30 May 2011, the maturity date of the 2008 CBs was extended for 3 years and the conversion period was accordingly extended from 12 August 2011 to 12 August 2014. Upon becoming effective of the first supplemental deed, the Company might at any time during the period commencing from the date of extension to the new maturity date to redeem the whole or part of the outstanding 2008 CBs at par on a pro rata basis. Also, the Conversion Restriction was removed. Apart from the extension of the maturity date, the conversion period, the early redemption right and the removal of the Conversion Restriction, all terms of the 2008 CBs remain unchanged.

By the second supplemental deed dated 9 July 2014, the maturity date of the 2008 CBs was extended for 3 years and the conversion period was accordingly extended from 12 August 2014 to 12 August 2017. Upon becoming effective of the second supplemental deed, the Company might at any time during the period commencing from the date of extension to the new maturity date to redeem the whole or part of the outstanding 2008 CBs on a pro rata basis.

Upon effective of the second supplemental deed, the 2008 CBs was valued by the Directors with reference to a valuation report issued by Roma Appraisal Limited, an independent qualified valuer not connected with the Group. Gain on extinguishment of convertible bonds of approximately HK\$39,480,000 was recognised in the profit or loss for the year ended 31 December 2014.

By the third supplemental deed dated 20 January 2017, the maturity date of the 2008 CBs was extended for 3 years and the conversion period was accordingly extended from 12 August 2017 to 12 August 2020 (the “**Previous Maturity Date**”). Upon becoming effective of the third supplemental deed, the Company might at any time during the period commencing from the date of extension to the Previous Maturity Date to redeem the whole or part of the outstanding 2008 CBs on a pro rata basis. Also, the conversion price and the adjustment events to the conversion price had been changed. The conversion price have been adjusted to HK\$0.095 per share.

## 23. CONVERTIBLE BONDS (Continued)

*Notes: (Continued)*

### (a) 2008 CBs (Continued)

Upon effective of the third supplemental deed, the 2008 CBs was valued by the Directors of the Company with reference to a valuation report issued by International Valuation Limited, an independent qualified valuer not connected with the Group. Gain on extinguishment of convertible bond of approximately HK\$31,162,000 was recognised in the profit or loss for the year ended 31 December 2017.

Upon effective of the share consolidation on the basis that every ten issued and unissued Shares of par value of HK\$0.001 each in the share capital of the Company will be consolidated into one consolidated share of par value of HK\$0.01 each, the conversion price of 2008 CBs adjusted to HK\$0.95 per Share.

By the fourth supplemental deed dated 10 January 2020, the maturity date of the 2008 CBs was extended for a further term of three years from 13 August 2020 to 12 August 2023. Upon becoming effective of the third supplemental deed, the Company might at any time during the period commencing from the date of extension to the Previous Maturity Date to redeem the whole or part of the outstanding 2008 CBs on a pro rata basis. Also, the conversion price of the 2008 CBs be revised from HK\$0.95 per conversion share to HK\$0.110 per conversion share with effect from 13 August 2020 (subject to adjustments). Save for the above amendments, all other terms of the 2008 CBs remain unchanged and valid. On 29 June 2020, the Company made a partial redemption in the principal amount of HK\$55,000,000 on part of the 2008 CBs.

Upon effective of the fourth supplemental deed, the 2008 CBs was valued by the Directors with reference to a valuation report issued by an independent qualified valuer not connected with the Group. Gain on modification of terms of convertible bonds of HK\$2,502,000 and loss on redemption of convertible bonds of HK\$2,444,000 were recognised in the profit or loss for the year ended 31 December 2020.

On 17 June 2021, upon the effective of the share consolidation on the basis that every ten issued and unissued Shares of par value of HK\$0.01 each in the share capital of the Company be consolidated into one consolidated share of par value of HK\$0.1 each, the conversion price of 2008 CBs adjusted to HK\$1.100 per conversion share.

## 23. CONVERTIBLE BONDS (Continued)

Notes: (Continued)

### (a) 2008 CBs (Continued)

On 22 July 2021, the Company completed a rights issue (the “**2021 Rights Issue**”) and allotted and issued 346,310,897 Shares, on the basis of five (5) rights shares for every two (2) Shares held on 28 June 2021 at the subscription price of HK\$0.15 per rights share. Upon the completion of the 2021 Rights Issue, the conversion price of 2008 CBs was adjusted to HK\$0.90 per conversion share.

On 28 December 2022, upon the completion of the subscription and issue of 2022 CBs (as defined below), the principal amount of HK\$55,000,000 of 2008 CBs was offset and settled with the subscription price of 2022 CBs (as defined below).

On 14 July 2023, the Company entered into the subscription agreement with Team Sunny, pursuant to which Team Sunny conditionally agreed to subscribe and the Company conditionally agreed to issue the convertible bond (the “**2023 CB**”) in the principal amount of HK\$10,000,000 (which are convertible into conversion shares at the conversion price of HK\$0.108 per conversion share (subject to adjustments)) for the settlement of the outstanding debts due from the Company to the holders of 2008 CBs in aggregate of HK\$10,000,000. The subscription amount payable by Team Sunny under the subscription agreement shall be satisfied by way of offsetting the aggregate principal amount of HK\$10,000,000 under the convertible bonds as part of the consideration for the 2008 CBs and payable by the Company to the holders of 2008 CBs.

On 31 August 2023, upon the completion of the subscription and issue of 2023 CB and the completion of share subscription, all the outstanding principal amount of 2008 CBs was duly settled.

The 2008 CBs contain two components, the liability and equity components. The equity component is presented in equity as an “Equity component of convertible bonds”.

The effective interest rate of the liability component is as follow:

	<b>Fourth supplemental deed</b>	<b>Third supplemental deed</b>	<b>Second supplemental deed</b>	<b>First supplemental deed</b>
Effective interest rate	<u>14.72%</u>	<u>10.11%</u>	<u>14.13%</u>	<u>11.66%</u>

The effective interest rate of liability component was adjusted to 14.59% upon the modification of the terms of convertible bonds on 28 December 2022.

## 23. CONVERTIBLE BONDS (Continued)

Notes: (Continued)

### (a) 2008 CBs (Continued)

The movement of the liability component of the convertible bonds for the year ended 31 December 2023 was set out below:

	2023 HK\$'000
At the beginning of the year	12,935
Interest charged	1,133
Derecognition by subscription of shares	(4,068)
Derecognition by subscription of 2023 CB (as defined below)	<u>(10,000)</u>
At the end of the year	<u><u>–</u></u>

### (b) 2022 CBs

On 14 November 2022, the Company entered into the subscription agreement with Team Sunny, pursuant to which Team Sunny conditionally agreed to subscribe and the Company conditionally agreed to issue the convertible bonds (the “2022 CBs”) in the principal amount of HK\$91,000,000 for the settlement of the outstanding debts due from the Company to Team Sunny in aggregate of HK\$91,000,000. The subscription amount payable by Team Sunny under the subscription agreement shall be satisfied by way of offsetting (i) the principal amount of HK\$55,000,000 under the 2008 CBs and payable by the Company to Team Sunny; and (ii) the outstanding principal amount of HK\$36,000,000 under Team Sunny CB and payable by the Company to Team Sunny.

The conversion price per conversion share for HK\$55,000,000 of the principal amount of the 2022 CBs for the period from the date of issue of the 2022 CBs up to and including 12 August 2023 shall be HK\$0.90 per conversion share and for the period from 13 August 2023 up to and including the maturity date shall be HK\$0.186 per conversion share; and The conversion price per conversion share for HK\$36,000,000 of the principal amount of the 2022 CBs for the period from the date of issue of the 2022 CBs up to and including 21 May 2023 shall be HK\$0.903 per conversion share and for the period from 22 May 2023 up to and including the maturity date shall be HK\$0.186 per conversion share.

## 23. CONVERTIBLE BONDS (Continued)

Notes: (Continued)

### (b) 2022 CBs (Continued)

On 28 December 2022, the subscription took place and the 2022 CBs in the principal amount of HK\$91,000,000 were issued to Team Sunny.

On 14 July 2023, the Company and the bondholder of 2022 CBs entered into the deed of amendment, the maturity date of the 2022 CBs was extended to 31 August 2025.

As at 31 December 2023, the Company had 2022 CBs with principal amount of HK\$91,000,000, which conferring rights to convert into 489,247,311 shares with the conversion price of HK\$0.186 per conversion share.

The convertible bonds contained two components, the liability and equity components. The equity component is presented in equity as an “Equity component of convertible bonds”. As at 31 December 2023, the effective interest rate of the liability component is approximately 16.83% per annum.

On 27 November 2024, upon the completion of the subscription and issue of Perpetual Convertible Securities (as defined in Note 25), all the outstanding principal amount of 2022 CBs was offset and settled with the subscription price of Perpetual Convertible Securities (as defined in Note 25).

The movement of the liability component of the convertible bonds for the year was set out below:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
At the beginning of the year	70,214	72,175
Interest charged	10,658	10,786
Derecognition by subscription of Perpetual Convertible Securities (as defined in Note 25)	(80,872)	–
Modification of the terms of convertible bonds	–	(12,747)
At the end of the year	<u>–</u>	<u>70,214</u>

## 23. CONVERTIBLE BONDS (Continued)

Notes: (Continued)

### (c) 2023 CB

On 14 July 2023, the Company entered into the subscription agreement with Team Sunny, pursuant to which Team Sunny conditionally agreed to subscribe and the Company conditionally agreed to issue the convertible bond in the principal amount of HK\$10,000,000 (which are convertible into conversion shares at the conversion price of HK\$0.108 per conversion share (subject to adjustments)) for the settlement of the outstanding debts due from the Company to the holders of 2008 CBs in aggregate of HK\$10,000,000. The subscription amount payable by Team Sunny under the subscription agreement shall be satisfied by way of offsetting the aggregate principal amount of HK\$10,000,000 under the 2008 CBs and payable by the Company to the holders of 2008 CBs.

On 31 August 2023, the subscription took place and the 2023 CB in the principal amount of HK\$10,000,000 were issued to Team Sunny.

As at 31 December 2023, the Company had 2023 CB conferring rights to convert into 92,592,592 Shares with the conversion price of HK\$0.108 per conversion share.

The convertible bonds contained two components, the liability and equity components. The equity component is presented in equity as an “Equity component of convertible bonds”. As at 31 December 2023, the effective interest rate of the liability component is approximately 16.83% per annum.

On 27 November 2024, upon the completion of the subscription and issue of Perpetual Convertible Securities (as defined in Note 25), all the outstanding principal amount of 2023 CB was offset and settled with the subscription price of Perpetual Convertible Securities (as defined in Note 25).

The movement of the liability component of the convertible bonds for the year was set out below:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
At the beginning of the year	7,717	–
Issuance of convertible bonds	–	7,326
Interest charged	1,171	391
Derecognition by subscription of Perpetual Convertible Securities (as defined in Note 25)	<u>(8,888)</u>	<u>–</u>
At the end of the year	<u>–</u>	<u>7,717</u>

## 24. SHARE CAPITAL

	<i>Note</i>	<b>Number of shares in '000</b>	<b>Nominal values HK\$'000</b>
<b>Authorised:</b>			
At 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024			
Ordinary shares of HK\$0.1 each		<u>2,000,000</u>	<u>200,000</u>
<b>Issued and fully paid:</b>			
At 1 January 2023			
Ordinary shares of HK\$0.1 each		566,729	56,673
Issuance of shares upon subscription	1	<u>37,667</u>	<u>3,767</u>
<b>At 31 December 2023, 1 January 2024 and 31 December 2024</b>			
<b>Ordinary shares of HK\$0.1 each</b>		<b><u>604,396</u></b>	<b><u>60,440</u></b>

*Note:*

1. On 31 August 2023, the Company completed a share subscription with Team Sunny, the subscriber, by allotment and issue of 37,666,666 Shares at the subscription price of HK\$0.108 per subscription share.



## 25. PERPETUAL CONVERTIBLE SECURITIES

On 10 October 2024, the Company entered into the subscription agreement with Team Sunny, pursuant to which the Company conditionally agrees to issue and the Team Sunny conditionally agrees to subscribe for the perpetual convertible securities in the principal amount of HK\$101,000,000 (the “**Perpetual Convertible Securities**”) (which are convertible into conversion shares at the conversion price of HK\$0.10 per conversion share (subject to adjustments)). The subscription amount payable by Team Sunny under the subscription agreement shall be satisfied by way of offsetting the outstanding principal amount of HK\$91,000,000 under the 2022 CBs and HK\$10,000,000 under the 2023 CB, details as set out in notes 23(b) and 23(c).

On 27 November 2024, the subscription took place and the Perpetual Convertible Securities in the principal amount of HK\$101,000,000 were issued to Team Sunny, variance between the total carrying amount of 2022 CB and 2023 CB, relevant equity component of convertible bonds and the fair value of the Perpetual Convertible Securities of approximately HK\$17,737,000 is recognised in other reserve.

The Company may, at its sole discretion, elect to defer in whole or in part of any distribution (the “**Deferred Distribution**”) which is otherwise scheduled to be paid on a distribution payment date to the next distribution payment date by giving notice to the Subscriber not less than five business days prior to the relevant distribution payment date. The numbers of distribution and deferral of distributions are not subject to any limitation. If there is any Deferred Distribution outstanding, the Company shall not declare or pay any discretionary dividends or distributions or make any other payment, and will procure that no dividend, distribution or other payment is made, on any Shares of the Company; or at its discretion repurchase, redeem or otherwise acquire for any consideration any Shares prior to its stated maturity of the Company, unless and until the Company has satisfied in full all outstanding arrears of the Deferred Distribution.

Based on the conversion price of HK\$0.10 per conversion share, a maximum number of 1,010,000,000 conversion shares will be allotted and issued upon exercise of the conversion rights attaching to the Perpetual Convertible Securities in full.

## 25. PERPETUAL CONVERTIBLE SECURITIES (Continued)

The Perpetual Convertible Securities have no fixed redemption date. The Company shall be entitled at its sole discretion, by giving not less than seven days' notice to the holder of the Perpetual Convertible Securities, propose to the holder to redeem the outstanding Perpetual Convertible Securities, and in certain specified circumstances specified in the agreements.

As the Perpetual Convertible Securities bear no obligation of principal repayment and the Company has a deferral option for the distributions, the Perpetual Convertible Bonds do not apply to the definition for classification of financial liabilities. Consequently, the Perpetual Convertible Securities are classified as an equity instrument.

As at 31 December 2024, the Company had the Perpetual Convertible Securities conferring rights to convert into 1,010,000,000 Shares with the conversion price of HK\$0.10 per conversion share.

## 26. DISPOSAL OF A SUBSIDIARY

Pursuant to the terms of the sale and purchase agreement dated 13 June 2022 entered into between Benefit Palace Limited, a direct wholly-owned subsidiary of the Group (the "**Purchaser**") and the six vendors (the "**Vendors**"), each of the Vendors hereby irrevocably and unconditionally grants the Purchaser (or its nominee(s) or its successor(s)) the put option (the "**Put Option**"), pursuant to which the Purchaser (or its nominee(s) or its successor(s)) shall be entitled to require the Vendors to buy back all the entire issued share capital in NOIZChain held by the Purchaser (or its nominee(s) or its successor(s)) (the "**Repurchase**"). The consideration for the Repurchase will be the same as the acquisition consideration, an aggregate of 66,666,663 consideration shares (the "**Acquisition Consideration Shares**").

On 22 July 2024, the Purchaser and Vendors entered into a put option deed (the "**Put Option Deed**"), each of the Vendors had irrevocably and unconditionally further granted to the Purchaser a put option from the date of the Put Option Deed up to the later of (i) 31 December 2024; or (ii) if extended by the Purchaser at its sole and absolute discretion, 30 June 2025.

On 23 December 2024, the Group served the option notice (the "**Option Notice**") to the Vendors to exercise the Put Option which shall require the Vendors to repurchase the entire issued share capital of the NOIZChain at the repurchase consideration (the "**Repurchase Consideration**"), satisfied by transfer of all the Acquisition Consideration Shares received by the Vendors (the "**Repurchase Consideration Shares**"). The Purchaser intends to engage a placing agent for the placing of the Repurchase Consideration Shares to independent third parties with the placing proceeds retained by the Purchaser. Pursuant to the terms and conditions of the Put Option Deed, completion of the disposal has taken place on 23 December 2024 upon serving of the Option Notice.

## 26. DISPOSAL OF A SUBSIDIARY (Continued)

Details were set out in the Company's announcements dated 13 June 2022, 4 July 2022, 22 July 2024 and 23 December 2024.

Gain on disposal of a subsidiary amounting to approximately HK\$3,246,000 were analysed as follows:

	<i>HK\$'000</i>
Goodwill ( <i>Note 11</i> )	130
Property, plant and equipment	5
Intangible assets ( <i>Note 12</i> )	10,377
Trade receivables	989
Bank balances and cash	1
Deferred tax assets	98
Other payables and accruals	<u>(5,180)</u>
	6,420
Less: Repurchase Consideration	<u>(9,666)</u>
Gain on disposal of a subsidiary	<u><u>(3,246)</u></u>
Cash consideration received	—
Less: Bank balances and cash disposed of	<u>(1)</u>
Net cash outflow arising on disposal	<u><u>(1)</u></u>

## 27. RELATED PARTY DISCLOSURES

Save as disclosed in elsewhere to the consolidated financial statements, the Group have the following material related party transactions.

### Transactions with related party

Name of related party	Relationship	Nature of transaction	2024	2023
			<i>HK\$'000</i>	<i>HK\$'000</i>
Mr. Wong	Director	Financial service income	400	–
		Commission income from dealing in securities	–	7
		Loan interest charged	(1,059)	(39)
			<u>(659)</u>	<u>(32)</u>
Related Companies	Common director	Corporate consulting service income	503	523
		<u>Digital business income</u>	–	2,700
			<u>503</u>	<u>3,223</u>

### Compensation of key management personnel of the Group

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Short term employee benefits	2,310	3,130
Post-employment benefits	18	36
Total compensation paid to key management personnel	<u>2,328</u>	<u>3,166</u>

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL AND BUSINESS REVIEW

During the year ended 31 December 2024, the Group is principally engaged in (i) financial services business including provision of corporate finance advisory services, asset management and advising on securities business and money lending services; (ii) corporate consulting business including company secretarial services, accounting and financial reporting services and management consulting services; and (iii) digital business that leverages blockchain, artificial intelligence, and immersive interaction technologies to create value and protection to individuals, creators, artists, businesses and brand owners, and offer various opportunities within the entertainment sector, including the organisation/production of and investment in concerts, events and festivals.

For the year ended 31 December 2024, the Group recorded revenue of approximately HK\$20.6 million (2023: approximately HK\$18.9 million). Loss for the year attributable to owners of the Company was approximately HK\$27.3 million (2023: approximately HK\$25.7 million). Basic and diluted loss per share was approximately HK\$4.51 cents (2023: approximately HK\$4.43 cents).

### Financial services business

The revenue for the year ended 31 December 2024 of the financial services business was approximately HK\$10.5 million (2023: approximately HK\$11.4 million) and a segment profit of approximately HK\$6.4 million (2023: approximately HK\$3.3 million).

During the year ended 31 December 2024, the corporate financial advisory services generated revenue of approximately HK\$7.5 million (2023: approximately HK\$8.4 million), represented approximately 36.4% of the total revenue of the Group. The provision of corporate financial advisory services continuously enhanced the income stream of the Group.

In the course of preparing the financial statements for the year ended 31 December 2024, the Company had engaged an independent qualified valuer to determine the recoverable amount of the trading right of the business carrying on the regulated activities of Type 4 (advising on securities) and Type 9 (asset management) as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”). The recoverable amount of the trading right has been determined by the higher of fair value less cost of disposal, which is primarily making reference to the recent sales of similar transactions in the market, and value-in-use which is calculated using cash flow projections based on the latest financial budgets approved by the management. During the year ended 31 December 2024 and 2023, no impairment loss on the trading right was recognised.

The Group's money lending business was conducted through its wholly-owned subsidiary, Merdeka Credit Limited ("MCL"), to grant loans to individuals and corporate entities. The Group strived to adhere to a set of comprehensive policy and procedural manual in respect of loan approval, loan renewal, loan recovery, loan compliance, monitoring and anti-money laundering.

As at 31 December 2024, the Group had loan receivables with gross principal amount of approximately HK\$3.7 million (2023: approximately HK\$5.2 million). The Group recorded interest income from loan receivables of approximately HK\$0.5 million for the year ended 31 December 2024 (2023: approximately HK\$0.5 million).

The gross individual loan receivables was accounted for approximately 53.7% of the entire gross loan receivables of the Group as at 31 December 2024 (2023: 61.7%). The interest rates of the individual loans at 8% (2023: 8% to 15%). The gross corporate loan receivables was accounted for approximately 46.3% of the entire gross loan receivables of the Group as at 31 December 2024 (2023: 38.3%). The interest rate of the corporate loans at 12% (2023: 12%). The determination of these interest rates primarily involved credit analysis, considering factors such as the size and duration of the loans, adherence to the Group's credit policies and the ability of borrowers to provide income proof or other sources of income that demonstrate their repayment capabilities.

MCL grants loans to both individual borrowers and corporate borrowers in Hong Kong whom are person(s) or company(ies) and their respective ultimate beneficial owner(s) that are third parties independent of and not connected with the Group and its connected persons (the "**Independent Third Party(ies)**") in accordance with the GEM Listing Rules.

As at 31 December 2024, there were 2 borrowers comprising 1 individual borrower and 1 corporate borrower (2023: 4 borrowers comprising 3 individual borrowers and 1 corporate borrower) for the outstanding loans and interest receivables (net of loss allowance). Loans and interest receivables carrying amount of approximately HK\$1.8 million (2023: HK\$2.6 million) were due from an individual borrower while remaining loans and interest receivables of carrying amount of approximately HK\$1.4 million (2023: HK\$1.6 million) were due from a corporate borrower.

As at 31 December 2024, 3 loans were outstanding, with terms ranging from 24 months to 44 months. Among the 3 loans in the Group's loan portfolio as at 31 December 2024, one of the loan was secured by collaterals and a personal guarantee and had an interest rate of 12%, the remaining two loans were unsecured and had interest rate of 8%. As at 31 December 2024, the aggregated principal amount outstanding from the 2 largest borrowers of the Group amounted to HK\$3.7 million (representing 100% to the total loan receivables of the Group) while the principal amount outstanding from the largest borrower amounted to HK\$2.0 million (representing approximately 54.1% to the total loan receivables of the Group).

As at 31 December 2024, the management had engaged an independent qualified valuer to determine the expected credit losses of the Group's loan receivables (the "**loan receivables ECL**"). In assessing the loan receivables ECL of the Group, a credit rating analysis of the underlying debtors was adopted by reviewing the historical accounting information to estimate the default risk. The Group applied different expected loss rates to different classes of receivables according to their respective risk characteristics. In determining the default risk, factors including but not limited to, the ageing analysis of the receivables, the Group's internal assessment of the debtors' credit worthiness, historical and forecast occurrence of event of default, existence and valuation of the collaterals, the relevant regulatory framework and government policies in Hong Kong and global economic outlook in general and the specific economic condition of Hong Kong would be considered. The rate of loan receivables ECL ranged from 11.9% to 22.3% depending on the nature, probability of default and loss given default of the loan receivables.

The Group has adopted a credit policy to manage its money lending business which includes compliance with all applicable laws and regulations, credit assessment on potential borrower and his/its assets, the credibility of the potential borrower, the necessity in obtaining collaterals and determination of suitable interest rate to reflect the risk level of the provision of loan.

The Group has performed background and credit risk assessment on the potential borrowers before granting the loans by (a) global searching on their identity and background; (b) reviewing and assessing their financial information; and (c) performing an assessment on their creditability.

The Group also assesses and decides the necessity and the value of security/collateral for granting of each loan, whether to an individual or a corporate entity, on a case by case basis considering factors, including but not limited to, the repayment history, results of public search towards the borrower, the value and location of the assets owned by the borrower and the financial condition of the borrower.

In order to monitor the risks associated with loan receivables, subsequent repayment record of each loan receivable will be closely monitored and periodic reviews on loan portfolio will be conducted by the Group. In the event of failure to repay interest or principal amount by the due date, the Group will issue overdue payment reminders to the relevant borrower, instruct its legal advisers to issue demand letters for loans overdue for a longer period of time, negotiate with the borrower for the repayment or settlement of the loan and/or commences legal actions against the borrower.

Details of loan receivables are set out in note 19 to the consolidated financial statements.

## **Corporate consulting business**

The performance of corporate consulting business remained stable that it recorded a revenue of approximately HK\$5.5 million (2023: approximately HK\$4.0 million) and recorded a segment profit of approximately HK\$3.0 million (2023: approximately HK\$2.3 million) during the year ended 31 December 2024.

## **Digital business**

The digital business recorded a revenue of approximately HK\$4.6 million (2023: approximately HK\$3.5 million) and a segment loss of approximately HK\$14.8 million (2023: approximately HK\$3.5 million).

The operating environment has become increasingly challenging for NOIZChain Limited (“**NOIZChain**”) since second half of 2023. Many enterprises, facing economic uncertainties, have significantly reduced their budgets for non-core areas that do not directly generate revenue, which has had a direct and adverse impact on the financial performance of NOIZChain. Despite efforts to adapt to these market conditions, the ongoing challenges, combined with the limited appetite of enterprises to invest in services that do not provide immediate or tangible revenue benefits, have made it difficult for NOIZChain to achieve its anticipated growth and profitability.

Given the uncertain outlook for NOIZChain and the lack of clarity regarding when the broader industry and market conditions may recover, the Board has carefully assessed the situation and determined that it is in the best interest of the Company to cease further losses.

On 23 December 2024, the Group served the Option Notice to the six vendors (the “**Vendor**”) to exercise the Put Option which shall require the Vendors to repurchase the entire issued share capital of the NOIZChain at the repurchase consideration (the “**Repurchase Consideration**”), satisfied by transfer of all the Repurchase Consideration Shares. Benefit Palace Limited, a directly wholly-owned subsidiary of the Group (the “**Purchaser**”) intends to engage a placing agent for the placing of the Repurchase Consideration Shares to independent third parties with the placing proceeds retained by the Purchaser. Pursuant to the terms and conditions of the Put Option Deed, completion of the disposal has taken place on 23 December 2024 upon serving of the Option Notice. NOIZchain was then ceased to be a subsidiary of the Company with effect from 23 December 2024.



## Financial assets at fair value through profit or loss

As at 31 December 2024, the Group managed a listed security investment with fair value of approximately HK\$0.4 million (2023: approximately HK\$0.4 million). In view of the fluctuations in the global and local financial markets, the Board is always cautious of the prospects of the trading performance of the Group's portfolio of listed securities investments.

Details of the listed security investment as at 31 December 2024 and 2023 and gains/(losses) for the years ended 31 December 2024 and 2023 are as below:

### (Losses)/gains for the year ended 31 December 2024

Name of listed securities	Stock code	Realised gains <i>HK\$'000</i>	Unrealised gains/(losses) <i>HK\$'000</i>	Dividend received <i>HK\$'000</i>
ICO Group Limited	1460	–	(42)	–
Evergrande Property Services Group Limited	6666	–	30	–

### Financial assets at fair value through profit or loss as at 31 December 2024

Name of listed securities	Stock code	Brief description of the business	Number of shares held	Proportion of shares held	Investment cost <i>HK\$'000</i>	Market value <i>HK\$'000</i>	Approximate percentage to total assets value of the Group
ICO Group Limited	1460	Integrated IT service business	1,600,000	0.18%	312	310	0.9%
Evergrande Property Services Group Limited	6666	Integrated commercial properties service business	113,000	0.001%	995	85	0.2%

### Gains for the year ended 31 December 2023

Name of listed securities	Stock code	Realised gains <i>HK\$'000</i>	Unrealised gains <i>HK\$'000</i>	Dividend received <i>HK\$'000</i>
ICO Group Limited	1460	–	40	–
Evergrande Property Services Group Limited	6666	–	55	–

## Financial assets at fair value through profit or loss as at 31 December 2023

Name of listed securities	Stock code	Brief description of the business	Number of shares held	Proportion of shares held	Investment cost <i>HK\$'000</i>	Market value <i>HK\$'000</i>	Approximate percentage to total assets value of the Group
ICO Group Limited	1460	Integrated IT service business	1,600,000	0.18%	312	352	0.6%
Evergrande Property Services Group Limited	6666	Integrated commercial properties service business	113,000	0.001%	995	55	0.1%

## OUTLOOK

The Group has been seeking suitable investment and business opportunities in light of the market conditions to create value for its shareholders in a long term and sustainable manner.

### Digital business

Given the uncertain outlook for NOIZChain and the lack of clarity regarding when the broader industry and market conditions may recover, the Board has carefully assessed the situation and determined that it is in the best interest of the Company to cease further losses. This decision reflects the Board's commitment to safeguarding shareholder value and ensuring the Company's resources are allocated to areas with greater potential for sustainable growth and profitability. As such, the Board has decided to refocus the Company's efforts on its core financial industry operations and actively explore other potential business opportunities that align more closely with the Company's strategic priorities and have a higher likelihood of generating meaningful returns for the Company and its shareholders.

The Group is strategically positioning itself to leverage AI-driven technologies within its current financial services framework while simultaneously continuing investments in live concerts and events. By exploring innovative business prospects such as cutting-edge fintech innovations and robust digital transformation strategies, the Group aims to strengthen its digital presence and enhance service offerings. Additionally, the Group will also attempt to explore web 3 projects or blockchain initiatives to expand its business scope. The Group will adapt and innovate in an increasingly digital-centric business environment, capturing opportunities in the digital business industry.

## **Financial services business**

Given the challenging conditions in the Hong Kong financial markets and the competitive landscape in corporate financial advisory services, the Group is strategically considering diversifying into other regional capitals like the United States to broaden its customer reach and potentially boost revenue streams. To actively pursue revenue growth, the Group is also exploring various avenues to enhance the performance of its financial services segment. These initiatives involve actively seeking out new opportunities to increase revenue streams, including negotiating for asset management prospects under the Capital Investment Entrant Scheme (CIES) and working towards expanding its license to include investments in virtual assets.

## **Corporate consulting business**

With the global emphasis on corporate governance, the Group foresees a continued need for professional services from Hong Kong listed companies concerning corporate governance issues and adherence to the pertinent local regulations governing listed entities in Hong Kong, along with other relevant legal and regulatory obligations.

## **CONVERTIBLE BONDS**

### **2022 Convertible Bonds**

On 14 November 2022, the Company entered into the subscription agreement with Team Sunny International Holdings Limited (“**Team Sunny**”), pursuant to which Team Sunny conditionally agreed to subscribe and the Company conditionally agreed to issue the convertible bonds (the “**2022 CBs**”) in the principal amount of HK\$91,000,000 for the settlement of the outstanding debts due from the Company to Team Sunny in aggregate of HK\$91,000,000. The subscription amount payable by Team Sunny under the subscription agreement shall be satisfied by way of offsetting (i) the principal amount of HK\$55,000,000 under the 2008 CBs and payable by the Company to Team Sunny; and (ii) the outstanding principal amount of HK\$36,000,000 under convertible bond issued to Team Sunny on 2020 and payable by the Company to Team Sunny.

The conversion price per conversion share for HK\$55,000,000 of the principal amount of the 2022 CBs for the period from the date of issue of the 2022 CBs up to and including 12 August 2023 shall be HK\$0.90 per conversion share and for the period from 13 August 2023 up to and including the maturity date shall be HK\$0.186 per conversion share; and the conversion price per conversion share for HK\$36,000,000 of the principal amount of the 2022 CBs for the period from the date of issue of the 2022 CBs up to and including 21 May 2023 shall be HK\$0.903 per conversion share and for the period from 22 May 2023 up to and including the maturity date shall be HK\$0.186 per conversion share.

On 28 December 2022, the subscription took place and the 2022 CBs in the principal amount of HK\$91,000,000 were issued to Team Sunny.

On 14 July 2023, the Company and the bondholder of 2022 CBs entered into the deed of amendment, the maturity date of the 2022 CBs was extended to 31 August 2025.

On 27 November 2024, upon the completion of the subscription and issue of Perpetual Convertible Securities (as defined below), all the outstanding principal amount of 2022 CBs was offset and settled with the subscription price of Perpetual Convertible Securities (as defined below).

### **2023 Convertible Bonds**

On 14 July 2023, the Company entered into the subscription agreement with Team Sunny, pursuant to which Team Sunny conditionally agreed to subscribe and the Company conditionally agreed to issue the convertible bond in the principal amount of HK\$10,000,000 (which are convertible into conversion shares at the conversion price of HK\$0.108 per conversion share (subject to adjustments)) (the “**2023 CB**”) for the settlement of the outstanding debts due from the Company to the holders of 2008 CBs in aggregate of HK\$10,000,000. The subscription amount payable by Team Sunny under the subscription agreement shall be satisfied by way of offsetting the aggregate principal amount of HK\$10,000,000 under the 2008 CBs and payable by the Company to the holders of 2008 CBs.

On 31 August 2023, the subscription took place and the 2023 CB in the principal amount of HK\$10,000,000 were issued to Team Sunny. The maturity date of the 2023 CB is 31 August 2025.

On 27 November 2024, upon the completion of the subscription and issue of Perpetual Convertible Securities (as defined below), all the outstanding principal amount of 2023 CB was offset and settled with the subscription price of Perpetual Convertible Securities (as defined below).

### **PERPETUAL CONVERTIBLE SECURITIES**

On 10 October 2024, the Company entered into the subscription agreement with Team Sunny, pursuant to which the Company conditionally agrees to issue and Team Sunny conditionally agrees to subscribe for the perpetual convertible securities in the principal amount of HK\$101,000,000 (the “**Perpetual Convertible Securities**”) (which are convertible into conversion shares at the conversion price of HK\$0.10 per conversion share (subject to adjustments)). The subscription amount payable by Team Sunny under the subscription agreement shall be satisfied by way of offsetting the outstanding principal amount of HK\$91,000,000 under the 2022 CBs and HK\$10,000,000 under the 2023 CB.

On 27 November 2024, the subscription took place and the Perpetual Convertible Securities in the principal amount of HK\$101,000,000 were issued to Team Sunny.

The Company may, at its sole discretion, elect to defer in whole or in part of any distribution (the “**Deferred Distribution**”) which is otherwise scheduled to be paid on a distribution payment date to the next distribution payment date by giving notice to the Subscriber not less than five business days prior to the relevant distribution payment date. The numbers of distribution and deferral of distributions are not subject to any limitation. If there is any Deferred Distribution outstanding, the Company shall not declare or pay any discretionary dividends or distributions or make any other payment, and will procure that no dividend, distribution or other payment is made, on any Shares of the Company; or at its discretion repurchase, redeem or otherwise acquire for any consideration any Shares prior to its stated maturity of the Company, unless and until the Company has satisfied in full all outstanding arrears of the Deferred Distribution.

Based on the conversion price of HK\$0.10 per conversion share, a maximum number of 1,010,000,000 conversion shares will be allotted and issued upon exercise of the conversion rights attaching to the Perpetual Convertible Securities in full.

The Perpetual Convertible Securities have no fixed redemption date. The Company shall be entitled at its sole discretion, by giving not less than seven days’ notice to the holder of the Perpetual Convertible Securities, propose to the holder to redeem the outstanding Perpetual Convertible Securities, and in certain specified circumstances specified in the agreements.

As the Perpetual Convertible Securities bear no obligation of principal repayment and the Company has a deferral option for the distributions, the perpetual convertible bonds do not apply to the definition for classification of financial liabilities. Consequently, the Perpetual Convertible Securities are classified as an equity instrument.

As at 31 December 2024, the Company had the Perpetual Convertible Securities conferring rights to convert into 1,010,000,000 Shares with the conversion price of HK\$0.10 per conversion share.

## **DIVIDENDS**

The Board does not recommend the payment of any dividend for the year ended 31 December 2024 (2023: Nil).

## FINANCIAL RESOURCES, LIQUIDITY AND GEARING

As at 31 December 2024, the Group recorded cash and bank balances (including trust accounts) amounting to approximately HK\$6.4 million (2023: approximately HK\$14.2 million) and the net current assets value was approximately HK\$5.2 million (2023: approximately HK\$15.6 million).

The Group's gearing ratio as at 31 December 2024 was approximately 0.27 (2023: approximately 1.41), being a ratio of total interest-bearing debts, including amount due to a director and convertible bonds of approximately HK\$9.8 million (2023: approximately HK\$79.8 million) to the total assets of approximately HK\$36.4 million (2023: approximately HK\$56.7 million).

## USE OF PROCEEDS FROM 2023 SHARE SUBSCRIPTION

The Company completed a share subscription on 31 August 2023, pursuant to which the Company has issued and allotted 37,666,666 Shares at a subscription price of HK\$0.108 per subscription share. The share subscription amount payable by the subscriber of HK\$4.1 million under the share subscription agreement has been satisfied by way of setting off against part of the principal amount of 2008 CBs.

As at 31 December 2023, the intended and actual use of the net proceeds from the share subscription is stated as below:

<b>Amount</b>	<b>Intended use</b>	<b>Actual use</b>
<b>HK\$ million</b>		
<u>4.1</u>	Setting off against part of the principal amount of 2008 CBs	Fully utilised as intended

## PLEDGE OF ASSETS

As at 31 December 2024, the Group had no pledged assets (2023: Nil).

## CAPITAL STRUCTURE

Save as disclosed, the Company had no changes in capital structure during the year ended 31 December 2024.

## **INVESTMENT POSITION AND PLANNING**

During the year, the Group invested as a co-organizer in live concerts/events in Hong Kong, Macau and Taiwan. This allowed the Group to establish connections with industry players, gain insights into the entertainment industry climate and culture and ultimately acquire valuable IP assets for IP asset management. The Group will continue to identify potential investment opportunities to enhance its business portfolio, explore web 3 projects or blockchain initiatives and leverage AI-driven technologies within its current financial service framework.

## **CONTINGENT LIABILITIES**

As at 31 December 2024, the Group had no significant contingent liabilities (2023: Nil).

## **CAPITAL COMMITMENTS**

As at 31 December 2024, the Group had no significant capital commitments (2023: Nil).

## **FOREIGN EXCHANGE RISK**

The Group's business is principally denominated in Hong Kong dollars. As at 31 December 2024, the Group had no foreign exchange risk exposure in US dollars against HK\$ that would significantly affect future profit or loss. No currency hedging arrangement had been made by the Group during the year ended 31 December 2024. The Directors have positive attitude to regular monitor the exposure to foreign exchange so as to reduce the foreign exchange rate risk to minimal.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 December 2024, the Group employed 15 staffs (2023: 18). The Group's remuneration policy is based on principle of equality, motivating, performance-oriented and market-competitiveness. Remuneration packages are normally reviewed on an annual basis. Apart from salary payments, other staff benefits included provident fund contributions, medical insurance coverage and performance related bonuses. A share option scheme is also established to reward and motivate the employees of the Group.

## **CONNECTED TRANSACTIONS**

Save as disclosed, the Company did not have any other connected transactions which were subject to the reporting requirements under Chapter 20 of the GEM Listing Rules for the year ended 31 December 2024.

## **PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES**

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

## **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

The Company has always recognised the importance of the transparency and accountability to its shareholders. It is the belief of the Board that the shareholders of the Company can maximise their benefits from good corporate governance. The Company is committed to maintaining a good and sensible framework of corporate governance and to complying with applicable statutory and regulatory requirements with a view to assuring the conduct of management as well as protecting the interests of the shareholders of the Company.

Throughout the year, to the best knowledge of the Board, the Company has applied the principles and complied with all the applicable code provisions as set out in the Corporate Governance Code in Appendix C1 of the GEM Listing Rules (the “**CG Code**”) except for the deviation as mentioned below.

### ***Code Provision C.2.1***

Pursuant to the code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Mr. Wong Hin Shek is the Chairman and the Chief Executive Officer. This is at variance with code provision C.2.1 of the CG Code which provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

The Board considers that (i) Mr. Wong has substantial experience that is essential to fulfilling the role of the Chairman, at the same time, he has the appropriate management skills and business acumen that are the prerequisites for assuming the role of the Chief Executive Officer in the day-to-day management of the Group; (ii) having the same individual in both roles as the Chairman and the Chief Executive Officer could ensure the leadership consistency and could make and implement the overall strategy of the Group more effectively; and (iii) the powers and authorities of the Group has not been concentrated as all major decisions of the Group have been made in consultation with the Board and appropriate Board committees, as well as senior management. The Board will regularly review the effectiveness of this structure to ensure that it is appropriate to the Group's circumstances.



## COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year, as far as the Company is aware, there were no material breach of or non-compliance with applicable laws and regulations by the Group that had a significant impact on the business and operations of the Group.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding the securities transactions by the Directors and relevant employees of the Company with terms no less exacting than the principles of the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “**Required Standard of Dealings**”).

Having made specific enquiries of all Directors, each of the Directors has confirmed that he/she has complied with the Required Standard of Dealings throughout the year and up to the date of this report.

## AUDIT COMMITTEE

The Company has established the audit committee of the Company (the “**Audit Committee**”) with specific written terms of reference in accordance with the requirements of the GEM Listing Rules. The main duties of the Audit Committee include: (i) reviewing the half-yearly and annual results of the Group; (ii) reviewing the risk management and internal control systems, the effectiveness of the internal audit function of the Group; (iii) ensuring the objectivity and credibility of the Company’s financial reporting and internal control procedures as well as to maintain an appropriate relationship with the external auditor of the Company; and (iv) reviewing and investigation of reports of the whistleblowing policy and systems.

As at the date of this announcement, the Audit Committee comprises of three independent non-executive Directors, namely Ms. Ng Ka Sim, Casina, Mr. Wong Wing Kit and Ms. Yeung Mo Sheung, Ann, with at least one of whom with appropriate professional qualifications or accounting or related financial management expertise as required in rule 5.05(2) of the GEM Listing Rules.

The Audit Committee has reviewed the annual results of the Group for the year ended 31 December 2024 with senior management, and confirmed that the preparation of such complied with applicable accounting standards and practices adopted by the Company and the requirements under the GEM Listing Rules and other applicable statutory and regulatory requirements, and adequate disclosures had been made.

## **SCOPE OF WORK OF MOORE CPA LIMITED**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year as set out in this announcement have been agreed by the Group's auditor, Moore CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by the Group's auditor 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 HKICPA and consequently no opinion or assurance conclusion has been expressed by Moore CPA Limited on this announcement.

## **PUBLICATION OF THE ANNUAL RESULTS AND DESPATCH OF THE ANNUAL REPORT**

This annual results announcement is published on the websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.noiz-group.com](http://www.noiz-group.com). The annual report of the Company for the year ended 31 December 2024 containing all the information required by the GEM Listing Rules will be published on the websites of the Stock Exchange and the Company and despatched to the shareholders of the Company on or before 30 April 2025.

## **ANNUAL GENERAL MEETING**

The notice of the 2025 annual general meeting will be published and despatched to the shareholders of the Company in the manner as required by the GEM Listing Rules in due course.

By order of the Board  
**NOIZ GROUP LIMITED**  
**Wong Hin Shek**  
*Chairman and Chief Executive Officer*

Hong Kong, 28 March 2025

*As at the date of this announcement, the executive Director is Mr. Wong Hin Shek (Chairman and Chief Executive Officer); and the independent non-executive Directors are Ms. Ng Ka Sim, Casina, Mr. Wong Wing Kit and Ms. Yeung Mo Sheung, Ann.*

*This announcement will remain on the "Latest Listed Company Information" page of the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) for at least seven days from the date of its publication and on the Company's website at [www.noiz-group.com](http://www.noiz-group.com).*

*The English text of this announcement shall prevail over the Chinese text in the event of inconsistency.*