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悟喜生活  
— WUXI LIFE —

**Wuxi Life International Holdings Group Limited**

**悟喜生活國際控股集團有限公司**

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

**(Stock Code: 8148)**

**ANNUAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2024  
AND  
RESUMPTION OF TRADING**

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

GEM has been positioned as a market designed to accommodate small and medium-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 medium-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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

*This announcement, for which the directors (the “**Directors**”) of Wuxi Life International Holdings 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.*

## ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of the Company announces that the consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2024 together with the comparative figures for the year ended 31 December 2023 as follows:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the year ended 31 December 2024*

|   | Notes | 2024<br>HK\$'000 | 2023<br>HK\$'000<br>(Restated) |
|---|-------|------------------|--------------------------------|
| <b>Continuing operations</b>                            |       |                  |                                |
| Revenue   | 3     | 57,313           | 24,493                         |
| Cost of sales   |       | (23,380)         | (8,851)                        |
| Gross profit  |       | 33,933           | 15,642                         |
| Other income  | 4     | 582              | 107                            |
| Administrative expenses                                 |       | (14,818)         | (8,516)                        |
| Research and development expenses                       |       | (11,997)         | (11,396)                       |
| Selling and distribution expenses                       |       | (11,027)         | (2,104)                        |
| Impairment loss on goodwill                             |       | –                | (1,728)                        |
| Impairment loss on property, plant and equipment        |       | (142)            | (272)                          |
| Impairment loss on right-of-use assets                  |       | –                | (1,278)                        |
| Impairment loss on other receivables                    |       | (37)             | –                              |
| Impairment loss on trade receivables                    |       | (162)            | (67)                           |
| Loss from operations                                    |       | (3,668)          | (9,612)                        |
| Finance costs   |       | (334)            | (890)                          |
| Loss before taxation from continuing operations         | 5     | (4,002)          | (10,502)                       |
| Income tax (expense)/credit                             | 6     | (166)            | 100                            |
| Loss for the year from continuing operations            |       | (4,168)          | (10,402)                       |
| <b>Discontinued operations</b>                          |       |                  |                                |
| (Loss)/profit for the year from discontinued operations | 7     | (1,423)          | 1,067                          |
| <b>Loss for the year</b>                                |       | <b>(5,591)</b>   | <b>(9,335)</b>                 |

|                                | 2024<br><i>HK\$'000</i> | 2023<br><i>HK\$'000</i><br>(Restated) |
|--------------------------------|-------------------------|---------------------------------------|
| <b>Attributable to:</b>        |                         |                                       |
| Owners of the Company          |                         |                                       |
| – From continuing operations   | (4,091)                 | (10,402)                              |
| – From discontinued operations | <u>(1,419)</u>          | <u>1,860</u>                          |
|                                | <u>(5,510)</u>          | <u>(8,542)</u>                        |
| Non-controlling interests      |                         |                                       |
| – From continuing operations   | (77)                    | –                                     |
| – From discontinued operations | <u>(4)</u>              | <u>(793)</u>                          |
|                                | <u>(81)</u>             | <u>(793)</u>                          |
| <b>Loss for the year</b>       | <u><u>(5,591)</u></u>   | <u><u>(9,335)</u></u>                 |

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

|   | Note | 2024<br>HK\$'000      | 2023<br>HK\$'000<br>(Restated) |
|---|------|-----------------------|--------------------------------|
| <b>Loss per share</b>   | 8    |                       |                                |
| Basic and diluted ( <i>HK cents</i> )   |      |                       |                                |
| From continuing operations  |      | (1.73)                | (7.08)                         |
| From discontinued operations  |      | (0.60)                | 1.26                           |
|   |      | <u>(2.33)</u>         | <u>(5.82)</u>                  |
| <b>Loss for the year</b>  |      | <b>(5,591)</b>        | <b>(9,335)</b>                 |
| <b>Other comprehensive income for the year</b>                                      |      |                       |                                |
| Items that may be reclassified subsequently to profit or loss:                      |      |                       |                                |
| – Exchange differences on translation of financial statements of foreign operations |      | <u>11</u>             | <u>–</u>                       |
| <b>Total comprehensive expense for the year</b>                                     |      | <b><u>(5,580)</u></b> | <b><u>(9,335)</u></b>          |
| <b>Attributable to:</b>   |      |                       |                                |
| Owners of the Company   |      |                       |                                |
| – From continuing operations  |      | (4,081)               | (10,402)                       |
| – From discontinued operations  |      | <u>(1,419)</u>        | <u>1,860</u>                   |
|   |      | <u>(5,500)</u>        | <u>(8,542)</u>                 |
| Non-controlling interests   |      |                       |                                |
| – From continuing operations  |      | (76)                  | –                              |
| – From discontinued operations  |      | <u>(4)</u>            | <u>(793)</u>                   |
|   |      | <u>(80)</u>           | <u>(793)</u>                   |
| <b>Total comprehensive expense for the year</b>                                     |      | <b><u>(5,580)</u></b> | <b><u>(9,335)</u></b>          |

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*As at 31 December 2024*

|  |       | 2024          | 2023           |
|--|-------|---------------|----------------|
|  | Notes | HK\$'000      | HK\$'000       |
| <b>Non-current assets</b>                    |       |               |                |
| Property, plant and equipment                |       | 295           | –              |
| Goodwill                                     |       | 9             | –              |
| Intangible assets                            |       | 33            | –              |
|  |       | <u>337</u>    | <u>–</u>       |
| <b>Current assets</b>                        |       |               |                |
| Inventories                                  |       | 10,034        | –              |
| Trade and other receivables                  | 9     | 18,477        | 5,505          |
| Loans and interest receivables               | 10    | –             | –              |
| Cash and cash equivalents                    |       | 32,897        | 3,198          |
|  |       | <u>61,408</u> | <u>8,703</u>   |
| <b>Current liabilities</b>                   |       |               |                |
| Trade and other payables                     | 11    | 5,527         | 846            |
| Contract liabilities                         |       | 29,578        | 6,641          |
| Interest-bearing borrowings                  | 12    | 740           | 790            |
| Amount due to a director                     | 13    | 2             | 2,852          |
| Lease liabilities                            |       | 526           | 757            |
| Current tax payable                          |       | 29            | –              |
|  |       | <u>36,402</u> | <u>11,886</u>  |
| <b>Net current assets/(liabilities)</b>      |       | <u>25,006</u> | <u>(3,183)</u> |
| <b>Total assets less current liabilities</b> |       | <u>25,343</u> | <u>(3,183)</u> |

|   | <i>Note</i> | <b>2024</b><br><b>HK\$'000</b> | 2023<br><i>HK\$'000</i> |
|---|-------------|--------------------------------|-------------------------|
| <b>Non-current liabilities</b>                            |             |                                |                         |
| Defined benefit plan obligations                          |             | <b>927</b>                     | 852                     |
| Lease liabilities   |             | <u>–</u>                       | <u>526</u>              |
|   |             | <b>927</b>                     | <u>1,378</u>            |
| <b>Net assets/(liabilities)</b>                           |             | <b><u>24,416</u></b>           | <b><u>(4,561)</u></b>   |
| <b>Capital and reserves</b>                               |             |                                |                         |
| Share capital   | <i>14</i>   | <b>3,818</b>                   | 50,906                  |
| Reserves  |             | <b><u>20,473</u></b>           | <u>(50,102)</u>         |
| <b>Total equity attributable to owners of the Company</b> |             | <b>24,291</b>                  | 804                     |
| Non-controlling interests                                 |             | <u>125</u>                     | <u>(5,365)</u>          |
| <b>Total equity/(capital deficiency)</b>                  |             | <b><u>24,416</u></b>           | <b><u>(4,561)</u></b>   |

## NOTES

### 1. COMPANY INFORMATION

Wuxi Life International Holdings Group Limited (the “**Company**”) is an exempted company with limited liability incorporated in the Cayman Islands. Its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Company has its registered office at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, the Cayman Islands. The principal place of business of the Company was Room H, 2/F, Manson Industrial Building, 8 A Kung Ngam Village Lane, Shaukeiwan, Hong Kong with effect from 15 June 2023, and was changed to Room 4801, 48/F, Hopewell Centre, No. 183 Queen’s Road East, Wanchai, Hong Kong with effect from 12 May 2025.

The Company acts as an investment holding company. The principal activities of its subsidiaries are provision of software platform services, advertising e-commerce and supply chain management services, and sales of products.

The consolidated financial statements for the year ended 31 December 2024 comprise the Company and its subsidiaries (together the “**Group**”).

The consolidated financial statements are presented in thousands of units of Hong Kong dollars (“**HK\$’000**”) which is the Company’s functional currency and the Group’s presentation currency.

### 2. MATERIAL ACCOUNTING POLICY INFORMATION

#### (a) Statement of compliance

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”).

The HKICPA has issued certain new and amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Group as set out in note 2(c).

#### (b) Basis of preparation of the consolidated financial statements

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis.

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, 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 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.

**(c) Changes in accounting policies**

In the current year, the Group has applied the following amendments to HKFRSs issued by the HKICPA that are first effective for the current accounting period of the Group.

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

The application of the amendments to HKFRSs in the current year had no material effect on the Group's financial performance and positions for the current and prior years and on the disclosures set out in these consolidated financial statements.

***New and amendments to HKFRSs in issue but not yet effective***

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective for the current accounting period. The Group has already commenced an assessment of the impact of these new and amendments to HKFRSs but is not yet in a position to state whether these new and amendments to HKFRSs would have a significant impact on its results of operations and financial position:

|  | <b>Effective for<br/>accounting periods<br/>beginning<br/>on or after</b> |
|--|---|
| • Amendments to HKFRS 10 and HKAS 28, <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> | To be determined  |
| • Amendments to HKAS 21, <i>Lack of Exchangeability</i>  | 1 January 2025  |
| • Amendments to HKFRS Accounting Standards, <i>Annual Improvements to HKFRS Accounting Standards – Volume 11</i>                   | 1 January 2026  |
| • Amendments to HKFRS 9 and HKFRS 7, <i>Amendments to the Classification and Measurement of Financial Instruments</i>              | 1 January 2026  |
| • HKFRS 18, <i>Presentation and Disclosure in Financial Statements</i>   | 1 January 2027  |



### 3. REVENUE AND SEGMENT REPORTING

#### (a) Revenue

Revenue represents the sales value of goods and services supplied to customers from the provision of software platform services, advertising e-commerce, supply chain management services, and sales of products. An analysis of the Group's revenue within the scope of HKFRS 15 "Revenue from Contracts with Customers" disaggregated by major products or service lines is as follows:

|  | 2024<br><i>HK\$'000</i> | 2023<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| <b>From continuing operations:</b>   |                         |                         |
| Provision of software platform services  |                         |                         |
| – Sales of licensed software   | 7,703                   | 5,009                   |
| – Software maintenance services  | 4,558                   | 4,959                   |
| – Software subscription  | 215                     | 213                     |
| – Income from mobile application development,<br>website conversion, website development | 17,795                  | 14,312                  |
|  | <u>30,271</u>           | <u>24,493</u>           |
| Sales of products  |                         |                         |
| – Sales of daily necessities, cosmetics, and personal care<br>products                   | 5,471                   | –                       |
| – Sales of health supplements  | 2,826                   | –                       |
|  | <u>8,297</u>            | <u>–</u>                |
| Commission income from agency sales of products*   | 5,904                   | –                       |
| Advertising e-commerce and supply chain management services                              |                         |                         |
| – Advertising and e-commerce points management and<br>redemption services                | 4,759                   | –                       |
| – Merchant platform services   | 2,050                   | –                       |
| – Conference services  | 6,032                   | –                       |
|  | <u>12,841</u>           | <u>–</u>                |
|  | <u>57,313</u>           | <u>24,493</u>           |

\* *The gross sales amount of approximately HK\$14,687,000 related to arrangements whereby the Group is considered to act as agent.*

Disaggregation of revenue from contracts with customers by the timing of revenue recognition and by geographic markets is disclosed in notes 3(b)(i) and 3(b)(iv) respectively.

For the provision of software platform services, IT service contracts in existence as at 31 December 2024 for which the performance obligations in the contracts were unsatisfied or partially satisfied as at that date, the Group will recognise the expected revenue in the future when the remaining performance obligations under the contracts are satisfied.

**(b) Segment reporting**

The Group determines its operating segments based on the reports reviewed by the directors who are the chief operating decision makers (the “CODM”) of the Group, which are used to make strategic decisions.

For the year ended 31 December 2024, the Group has three (2023: one) reportable and operating segments in its continuing operations. The segments are managed separately as each business offers different products and services and requires different business strategies. No operating segments identified by the chief operating decision-maker have been aggregated in arriving at the reportable segments of the Group. The following summary describes the operations in each of the Group’s reportable segments:

**Continuing operations**

- Software platform : Developing and marketing of patented server based technology and the provision of communications software platform and software related services.

**Sales of licensed software**

The Group is engaged in the sales of proprietary licensed solutions, such as real time website translation software, telephony solution and enterprise management system, available both on-premises or on the cloud.

**Software maintenance services**

The Group provides post-sale software maintenance services, including regular updates, system patches, bug fixes, and technical support. These services ensure the continued functionality and compliance of the software during the contract period. The services are delivered evenly over the maintenance term.

**Software subscription**

The Group offers access to software applications and web-based platforms through subscription arrangements. Customers receive continuous access to the software and its functionalities throughout the subscription period, typically under a fixed-term contract.

**Income from mobile application development, website conversion, website development**

The Group provides customised development services for mobile applications, website conversion, and website development projects, including client-specific software tools. These services are tailored to individual customer requirements and are delivered over the term of the service contract development period.

- Sales of products : Sales of a wide spectrum of product categories, mainly including skin care products, agricultural products, daily necessities, etc. on an e-commerce platform. The “Sales of products” is a new operating segment during the year ended 31 December 2024.

The Group recognises revenue from the sales of products when the performance obligations are satisfied, which typically occurs upon the delivery of products to the customer’s designated location, such as the customer’s premises, warehouse, or port of discharge. Revenue is recognised at a point in time when control of the goods has been transferred to the customer, signifying the customer’s ability to direct the use of and obtain substantially all the benefits from the goods.

For transactions in which the Group acts as a principal, the Group assumes primary responsibility for fulfilling the contractual obligations, bears the inventory risk, and has discretion in establishing prices. In such cases, revenue is recognised on a gross basis, representing the total consideration to which the Group expects to be entitled.

In certain transactions, the Group is regarded for financial reporting purposes as acting as an agent in arranging for the provision of products by third-party suppliers to customers. In such arrangements, the Group is not considered to have obtained control of the underlying products and therefore is considered to earn a commission or fee in exchange for facilitating the transaction. Accordingly, revenue is recognised on a net basis, representing only the fee or commission income earned by the Group.

Transportation and other related activities undertaken prior to the transfer of control are considered fulfilment activities and do not affect the timing of revenue recognition.

- Advertising e-commerce and supply chain management services : Provision of combination of promotion and supply chain management services which aim to provide a fast and cost-effective channel to link up merchants, platforms and end users. The “Advertising e-commerce and supply chain management services” is a new operating segment during the year ended 31 December 2024.

#### **Advertising and e-commerce points management and redemption service**

The Group provides cash redemption service to a customer on an e-commerce platform, in connection with the platform’s advertising and e-commerce points management program. Under this arrangement, the Group facilitates the conversion of reward points accumulated by end users on the platform into cash, which is subsequently disbursed to the users on behalf of the platform.

## Merchant platform services

The Group provides merchant platform services to a customer on an e-commerce platform, by introducing merchants to list their products or services on the platform. The Group earns revenue in the form of referral fees for successful merchant onboarding and commissions based on the sales generated by the referred merchants on the platform.

## Conference services

The Group provides conference services to a customer on a e-commerce platform, which include the planning, organisation, and execution of promotional events and conferences aimed at enhancing the visibility and market presence of the platform.

In previous years, the Group had a reportable segment, which is presented as discontinued operations, as follows:

### Discontinued operations

- Mobile games and applications (“**Mobile Game and Application Business**”) : Game publishing, development of mobile games and related intellectual property and platform, mobile applications.
- First Surplus Investments Ltd (“**First Surplus**”), which was engaged in Mobile Game and Application Business, ceased to be a subsidiary of the Company on 31 December 2024.

### (i) Segment revenues and results

|   | For the year ended 31 December 2024 |                               |   |                       |
|---|-------------------------------------|-------------------------------|---|-----------------------|
|   | Continuing operations               |                               |   |                       |
|   | Software platform<br>HK\$'000       | Sales of products<br>HK\$'000 | Advertising e-commerce and supply chain management services<br>HK\$'000 | Total<br>HK\$'000     |
| <b>Disaggregated by timing of revenue recognition</b> |                                     |                               |   |                       |
| Point in time   | 7,733                               | 14,201                        | 12,841  | 34,775                |
| Over time   | 22,538                              | –                             | –   | 22,538                |
| Segment revenue from external customers               | <u>30,271</u>                       | <u>14,201</u>                 | <u>12,841</u>   | <u>57,313</u>         |
| Segment profit/(loss)                                 | <u>3,490</u>                        | <u>222</u>                    | <u>(1,858)</u>  | <u>1,854</u>          |
| Unallocated administration costs                      |                                     |                               |   | (5,654)               |
| Unallocated finance costs                             |                                     |                               |   | <u>(202)</u>          |
| Loss before tax from continuing operations            |                                     |                               |   | <u><u>(4,002)</u></u> |

|   | For the year ended 31 December 2023     |                          |
|---|---|--------------------------|
|   | Continuing<br>operations                |                          |
|   | Software<br>platform<br><i>HK\$'000</i> | Total<br><i>HK\$'000</i> |
| <b>Disaggregated by timing of revenue recognition</b> |   |                          |
| Point in time   | 7,517                                   | 7,517                    |
| Over time   | 16,976                                  | 16,976                   |
| Segment revenue from external customers               | 24,493                                  | 24,493                   |
| Segment loss  | (3,979)                                 | (3,979)                  |
| Unallocated income                                    |   | 101                      |
| Unallocated administration costs                      |   | (5,761)                  |
| Unallocated finance costs                             |   | (863)                    |
| Loss before tax from continuing operations            |   | (10,502)                 |

Revenue and costs are allocated to the reportable segments with reference to sales generated by those segments and the costs incurred by those segments without allocation of unallocated depreciation of property, plant and equipment and right-of-use assets, certain finance costs, certain sundry income, and unallocated expenses (including corporate expenses).

(ii) **Segment assets and liabilities**

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

|   | At 31 December<br>2024<br>HK\$'000 | At 31 December<br>2023<br>HK\$'000<br>(Restated) |
|---|------------------------------------|--|
| <b>Reportable segment assets<br/>from continuing operations</b> |                                    |  |
| Software platform   | 11,776                             | 7,794  |
| Sales of products   | 19,912                             | –  |
| Advertising e-commerce and supply<br>chain management services  | 4,924                              | –  |
|   | <hr/>                              | <hr/>  |
| Total segment assets  | 36,612                             | 7,794  |
| <br>Assets of discontinued operation –                          |                                    |  |
| Mobile games and applications                                   | –                                  | 5  |
| Unallocated bank balances and<br>cash                           | 21,054                             | 572  |
| Goodwill (Note)   | 9                                  | –  |
| Other receivables (Note 9)                                      | 3,841                              | –  |
| Other unallocated assets  | 229                                | 332  |
|   | <hr/>                              | <hr/>  |
| Consolidated total assets                                       | <u>61,745</u>                      | <u>8,703</u>                                     |

*Note:* Goodwill is not included in the measures of segment assets, but impairment loss on goodwill is included in the measures of segment results. The effects of this asymmetrical allocations to reportable segments are shown in the tables above.

|  | At 31 December<br>2024<br>HK\$'000 | At 31 December<br>2023<br>HK\$'000<br>(Restated) |
|--|------------------------------------|--|
| <b>Reportable segment liabilities<br/>from continuing operations</b>     |                                    |  |
| Software platform  | 9,401                              | 8,905  |
| Sales of products  | 18,009                             | –  |
| Advertising e-commerce and supply<br>chain management services           | 6,216                              | –  |
|  | <hr/>                              | <hr/>  |
| Total segment liabilities  | 33,626                             | 8,905  |
| Liabilities of discontinued operation – Mobile games<br>and applications | –                                  | 179  |
| Interest-bearing borrowings  | 740                                | 790  |
| Other unallocated liabilities  | 2,963                              | 3,390  |
|  | <hr/>                              | <hr/>  |
| Consolidated total liabilities   | <u>37,329</u>                      | <u>13,264</u>                                    |

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

- all assets are allocated to operating segments other than assets of discontinued operation, certain bank balances and cash, goodwill and certain other receivables; and
- all liabilities are allocated to operating segments other than liabilities of discontinued operation, interest bearing borrowings, tax liabilities, deferred tax liabilities and certain other payables.

(iii) **Other segment information**

|   | Software<br>platform<br>HK\$'000 | Sales of<br>products<br>HK\$'000 | Advertising<br>e-commerce<br>and supply<br>chain<br>management<br>services<br>HK\$'000 | Unallocated<br>HK\$'000 | Consolidated –<br>continuing<br>operations<br>HK\$'000 |
|---|----------------------------------|----------------------------------|--|-------------------------|--|
| <b>For the year ended 31 December 2024</b>                                      |                                  |                                  |  |                         |  |
| <b>Amounts included in measure of segment profit or loss or segment assets:</b> |                                  |                                  |  |                         |  |
| Depreciation  | 11                               | 6                                | 69   | –                       | 86   |
| Research and development expenses   | 11,997                           | –                                | –  | –                       | 11,997   |
| Interest on:  |                                  |                                  |  |                         |  |
| – lease liabilities   | 47                               | –                                | –  | –                       | 47   |
| – other loan  | 85                               | –                                | –  | 202                     | 287  |
| Impairment loss on trade and other receivables                                  | 151                              | 24                               | 24   | –                       | 199  |
| Impairment loss recognised in respect of PPE                                    | –                                | 35                               | 107  | –                       | 142  |
| Additions to non-current assets   | –                                | 40                               | 480  | –                       | 520  |

|   | Software<br>platform<br>HK\$'000 | Unallocated<br>HK\$'000 | Consolidated –<br>continuing<br>operations<br>HK\$'000 |
|---|----------------------------------|-------------------------|--|
| <b>For the year ended 31 December 2023</b>                                      |                                  |                         |  |
| <b>Amounts included in measure of segment profit or loss or segment assets:</b> |                                  |                         |  |
| Depreciation and amortisation   | 921                              | 38                      | 959  |
| Research and development expenses   | 11,396                           | –                       | 11,396   |
| Interest on:  |                                  |                         |  |
| – lease liabilities   | 27                               | 1                       | 28   |
| – other loan  | –                                | 862                     | 862  |
| Impairment loss recognised in respect of goodwill                               | 1,728                            | –                       | 1,728  |
| Impairment loss recognised in respect of property, plant and equipment          | 272                              | –                       | 272  |
| Impairment loss recognised in respect of right-of-use assets                    | 1,278                            | –                       | 1,278  |
| Impairment loss recognised on trade and other receivables                       | 67                               | –                       | 67   |
| Additions to non-current assets   | 1,675                            | –                       | 1,675  |

(iv) **Geographical information and major customers**

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, right-of-use assets, intangible assets and goodwill (“**specified non-current assets**”). The geographical location of the revenue is based on location of the customers, and the specified non-current assets is based on the physical location of the assets, in case of property, plant and equipment and right-of-use assets, and the location of the operation to which they are allocated, in case of intangible assets and goodwill.



|                | Revenue from<br>external customers<br>– continuing operations |               | Specified<br>Non-current assets |          |
|----------------|---|---------------|---------------------------------|----------|
|                | 2024  | 2023          | 2024                            | 2023     |
|                | HK\$'000  | HK\$'000      | HK\$'000                        | HK\$'000 |
| Hong Kong      | 30,172  | 24,474        | –                               | –        |
| Mainland China | 27,042  | –             | 337                             | –        |
| Others         | 99  | 19            | –                               | –        |
|                | <u>57,313</u>   | <u>24,493</u> | <u>337</u>                      | <u>–</u> |

Others mainly cover Macau and Taiwan.

Revenue from major customer which accounted for 10% or more of the total revenue of the Group is set out below:

|            | 2024          | 2023       |
|------------|---------------|------------|
|            | HK\$'000      | HK\$'000   |
| Customer A | N/A           | 3,274      |
| Customer B | 14,450        | N/A        |
| Customer C | <u>10,790</u> | <u>N/A</u> |

Revenue from customers A, B and C are arising from software platform business, sales of products business and software platform business respectively.

#### 4. OTHER INCOME

|                                       | 2024       | 2023       |
|---------------------------------------|------------|------------|
|                                       | HK\$'000   | HK\$'000   |
| <b>From continuing operations</b>     |            |            |
| Bank interest income                  | 2          | –*         |
| Gain on disposal of subsidiaries, net | –          | 6          |
| Government grants ( <i>Note</i> )     | 575        | –          |
| Sundry income                         | <u>5</u>   | <u>101</u> |
|                                       | <u>582</u> | <u>107</u> |

\* Below HK\$1,000.

*Note:*

Government grants mainly represented subsidies granted to the key supported enterprises under the sales of products segment by the PRC Government, as one of the Group's subsidiaries is on the list of PRC Government's key supported enterprises. The subsidies were recognised in profit or loss when received. There are no unfulfilled conditions or contingencies in relation to the grants and the grants were determined at the sole discretion of the relevant government authorities in the PRC.

## 5. LOSS BEFORE TAXATION FROM CONTINUING OPERATIONS

Loss before taxation from continuing operations is arrived at after charging:

|  | 2024<br>HK\$'000 | 2023<br>HK\$'000 |
|--|------------------|------------------|
| <b>(a) Finance costs:</b>                                  |                  |                  |
| Interest on lease liabilities                              | 47               | 28               |
| Interest on other borrowings                               | 287              | 862              |
|  | <u>334</u>       | <u>890</u>       |
| <b>(b) Staff costs (including directors' emoluments)*:</b> |                  |                  |
| Salaries, wages and other benefits                         | 20,568           | 17,263           |
| Contributions to defined contribution retirement plan      | 956              | 710              |
| Expenses recognised in respect of defined benefit plans:   |                  |                  |
| – long service payments                                    | 75               | 101              |
|  | <u>21,599</u>    | <u>18,074</u>    |
| <b>(c) Other items:</b>                                    |                  |                  |
| Auditor's remuneration                                     | 1,000            | 420              |
| Cost of inventories sold                                   | 4,664            | –                |
| Cost of services**   | 18,716           | 8,851            |
| Depreciation of property, plant and equipment              | 86               | 169              |
| Depreciation of right-of-use assets                        | –                | 790              |
| Expense relating to short-term leases                      | 1,595            | 44               |
| Impairment loss on property, plant and equipment           | 142              | 272              |
| Platform service fee***                                    | 4,620            | 25               |
| Marketing expense****                                      | 5,240            | –                |
| Legal and professional fee                                 | 670              | 3,169            |

\* Staff costs of approximately HK\$1,809,000, HK\$5,247,000, HK\$2,546,000, and HK\$11,997,000 were recognised as cost of sales, administrative expenses, selling and distribution expenses, and research and development expenses, respectively.

\*\* The cost of service includes subcontracting costs of HK\$4,759,000 (2023: HK\$5,870,000) and conference related cost of HK\$6,032,000 (2023: HK\$ Nil).

\*\*\* The platform service fee mainly includes information service fees paid by the Group to the operator of an e-commerce platform, as well as fees for using the sales platform.

\*\*\*\* Marketing expense mainly includes the advertising service fees paid by the Group for participating in the promotional activities on an e-commerce platform.

**6. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS RELATING TO CONTINUING OPERATIONS**

**(a) Taxation in the consolidated statement of profit or loss represents:**

|   | 2024<br><i>HK\$'000</i> | 2023<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| <b>Current tax</b>                                  |                         |                         |
| – PRC Enterprise Income Tax                         | 166                     | –                       |
| <b>Deferred tax</b>                                 |                         |                         |
| – Origination and reversal of temporary differences | –                       | (100)                   |
| Income tax expense/(credit)                         | <u>166</u>              | <u>(100)</u>            |

**(i) Hong Kong Profits Tax**

No provision for Hong Kong Profits Tax has been made for 2024 (2023: HK\$Nil) as the subsidiaries incorporated in Hong Kong have no assessable profits for the year.

**(ii) PRC Enterprise Income Tax**

The subsidiaries incorporated in the People's Republic of China ("PRC") are subject to the PRC Enterprise Income Tax rate of 25% (2023: 25%) for the year.

Certain subsidiaries of the Group in the PRC are qualified as small and micro businesses and enjoy preferential income tax rate of 5% (2023: Nil).

**(iii) Income tax from other tax jurisdictions**

Pursuant to the income tax rules and regulations, the Group is not subject to income tax in Cayman Islands and the British Virgin Islands (the "BVI").

**(b) Reconciliation between tax expenses/(credit) and accounting loss at applicable tax rates:**

|   | 2024<br><i>HK\$'000</i> | 2023<br><i>HK\$'000</i><br>(Restated) |
|---|-------------------------|---------------------------------------|
| Loss before taxation from continuing operations                   | (4,002)                 | (10,502)                              |
| Notional tax credit on loss before taxation at statutory tax rate | (799)                   | (1,732)                               |
| Tax effect of non-deductible expenses                             | 433                     | 1,483                                 |
| Tax effect of non-taxable income                                  | (25)                    | (1)                                   |
| Tax effect of unused tax losses not recognised                    | 1,814                   | 145                                   |
| Tax effect of utilisation of tax losses previously not recognised | (597)                   | –                                     |
| Tax effect of temporary differences not recognised                | –                       | 5                                     |
| Tax effects of preferential tax treatment                         | <u>(660)</u>            | <u>–</u>                              |
| Income tax charge/(credit)  | <u>166</u>              | <u>(100)</u>                          |

## 7. DISCONTINUED OPERATIONS

The Group's Mobile Game and Application Business relates to provision of services of games publishing, development of mobile games and related intellectual property and platform, and mobile applications carried out by First Surplus, a non-wholly-owned subsidiary of the Company.

On 31 December 2024, the Company deregistered First Surplus and ceased the operation of the Mobile Games and Application Business with effect from 31 December 2024.

As the Mobile Game and Application Business represented a separate major line of business of the Group, the financial performance of the Mobile Game and Application Business is presented separately in the consolidated statement of profit or loss as discontinued operation. The comparative figures have been restated to re-present the financial performance of the Mobile Game and Application Business for the year ended 31 December 2023 as discontinued operation. The loss for the years ended 31 December 2024 and 2023 from the discontinued operation are set out below.

|  | 2024<br><i>HK\$'000</i> | 2023<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| <b>(a) Results of discontinued operation:</b>  |                         |                         |
| Other administrative expenses  | (11)                    | (1,982)                 |
| Loss from operations   | (11)                    | (1,982)                 |
| Finance costs  | –                       | –                       |
| Loss before and after taxation   | (11)                    | (1,982)                 |
| Loss on disposal of subsidiaries, constituting as discontinued operations, net         | (5,253)                 | –                       |
| Loss for the year  | (5,264)                 | (1,982)                 |
| <b>(b) Loss for the year from discontinued operation is arrived at after charging:</b> |                         |                         |
| Write-off of deposits  | –                       | 1,969                   |
| <b>(c) Cash flows from discontinued operation:</b>                                     |                         |                         |
| Net cash used in operating activities, net   | (11)                    | (7)                     |
| Net cash used in investing activities  | –                       | –                       |
| Net cash used in financing activities  | –                       | –                       |
|  | (11)                    | (7)                     |

The Group's loans and interest receivables as at 31 December 2023 arose from the Money Lending Business of providing loans in Hong Kong with the money lenders licence granted under Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) held by Aurum Pacific Finance Limited (“**AP Finance**”), the then wholly-owned subsidiary of the Company.

Due to keen market competition, and the challenging environment together with the consideration of the risks associated with the possible default by the loan borrowers, owing to prolonged impact of COVID-19 pandemic, the Group did not renew its money lender licence after the licence expiration on 2 June 2021 and ceased the operation of the Money Lending Business with effect from September 2021.

As the business operation of the Money Lending Business was a separate reportable segment prior to the cessation of operation and considered as a separate major line of business segment of the Group, it was accounted for as a discontinued operation of the Group with effect from the year ended 31 December 2021.

On 14 December 2023, the Group entered into a sale and purchase agreement to dispose of a wholly-owned subsidiary, Major Worldwide Holdings Limited (“**Major Worldwide**”) which held the entire interest in AP Finance. The disposal was effected in order to generate cash flows for the expansion of the Group’s other businesses. The disposal was completed on 14 December 2023, on which date control of Major Worldwide passed to the acquirer.

|   | 2024<br><i>HK\$'000</i> | 2023<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| <b>(a) Results of discontinued operations:</b>  |                         |                         |
| Other income, net   | –                       | 80                      |
| Reversal of impairment loss on loans and interest receivables                             | 3,841                   | 228                     |
| Other administrative expenses   | –                       | (1,044)                 |
|   | <hr/>                   | <hr/>                   |
| Profit/(loss) from operations   | 3,841                   | (736)                   |
| Finance costs   | –                       | –                       |
|   | <hr/>                   | <hr/>                   |
| Profit/(loss) before and after taxation   | 3,841                   | (736)                   |
|   | <hr/>                   | <hr/>                   |
| Gain on disposal of subsidiaries constituting the discontinued operations, net            | –                       | 3,785                   |
|   | <hr/>                   | <hr/>                   |
| Profit for the year   | 3,841                   | 3,049                   |
|   | <hr/>                   | <hr/>                   |
| <b>(b) Profit for the year from discontinued operation is arrived at after crediting:</b> |                         |                         |
| Gain on disposal of subsidiaries, net   | –                       | (3,785)                 |
| Reversal of impairment loss on loans and interest receivables                             | –                       | (228)                   |
|   | <hr/>                   | <hr/>                   |
| <b>(c) Cash flows from discontinued operations:</b>                                       |                         |                         |
| Net cash used in operating activities, net  | –                       | (7)                     |
| Net cash from investing activities  | –                       | 5,700                   |
| Net cash used in financing activities   | –                       | –                       |
|   | <hr/>                   | <hr/>                   |
|   | –                       | 5,693                   |
|   | <hr/> <hr/>             | <hr/> <hr/>             |

## 8. LOSS PER SHARE

### (a) Basic loss per share

The calculation of basic (loss) or earning per share is based on the following loss or profit attributable to owners of the Company and the weighted average number of ordinary shares in issue during the year.

|  | <b>2024</b><br><b>HK\$'000</b>                                  | 2023<br>HK\$'000<br>(Restated)                    |
|--|---|---|
| (Loss)/profit for the year attributable to owners of the Company       |   |   |
| – From continuing operations   | <b>(4,091)</b>  | (10,402)  |
| – From discontinued operations   | <b>(1,419)</b>  | 1,860   |
|  | <b>(5,510)</b>  | (8,542)   |
|  | <b>2024</b><br><b>Number of</b><br><b>shares</b><br><b>'000</b> | 2023<br>Number of<br>shares<br>'000<br>(Restated) |
| Weighted average number of ordinary<br>shares in issue during the year | <b>236,072</b>  | 146,843   |

The weighted average number of ordinary shares for the year ended 31 December 2024 for the purpose of basic loss per share has been retrospectively adjusted for the effects of the Share Consolidation under Capital Reorganisation (as defined in note 14) completed on 8 July 2024 and the bonus element of the rights issue of shares during the year ended 31 December 2024 which was completed in August 2024. The basic loss per share for the year ended 31 December 2023 was restated, as the weighted average number of ordinary shares has been retrospectively adjusted for the effects of the Share Consolidation under Capital Reorganisation completed on 15 August 2024 and the bonus element of the rights issue of shares in August 2024.

### (b) Diluted loss per share

The diluted loss per share for the years ended 31 December 2024 and 2023 is the same as the basic loss per share as there were no potential ordinary shares in issue.

## 9. TRADE AND OTHER RECEIVABLES

|                                   | 2024<br><i>HK\$'000</i> | 2023<br><i>HK\$'000</i> |
|-----------------------------------|-------------------------|-------------------------|
| Gross amount of trade receivables | 2,313                   | 6,535                   |
| Less: loss allowance              | (245)                   | (3,958)                 |
|                                   | <u>2,068</u>            | <u>2,577</u>            |
| Gross amount of other receivables | 4,082                   | 323                     |
| Less: loss allowance              | (37)                    | –                       |
|                                   | <u>4,045</u>            | <u>323</u>              |
| Deposits                          | 566                     | 222                     |
| Value added tax receivables, net  | 562                     | –                       |
| Prepayments                       | 11,236                  | 2,383                   |
|                                   | <u>18,477</u>           | <u>5,505</u>            |

All of the Group's trade and other receivables are expected to be recovered or recognised as expenses within one year (2023: except certain deposits and prepayments of HK\$222,000 which were expected to be recovered in 2025).

In addition, as disclosed in note 10, loan receivables amounting to HK\$3,841,000 were fully impaired prior to the disposal of the money lending segment during the year ended 31 December 2023. Pursuant to the terms of the sale and purchase agreement for disposal of such segment, any subsequent recovery of these loan receivables by the acquirer shall be returned to the Group. During the year ended 31 December 2024, the acquirer recovered the full amount of HK\$3,841,000. Accordingly, the amount was reclassified from loan receivables to other receivables in the consolidated financial statements.

The prepayments include HK\$3,863,000 for hardware procurement, licenses and testing fees related to the software platform business segment (2023: HK\$1,085,000) and HK\$7,056,000 for sales of products business (2023: HK\$Nil).

### Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

|                                     | 2024<br><i>HK\$'000</i> | 2023<br><i>HK\$'000</i> |
|-------------------------------------|-------------------------|-------------------------|
| Within 1 month                      | 443                     | 987                     |
| More than 1 but less than 3 months  | 522                     | 988                     |
| More than 3 but less than 6 months  | 365                     | 331                     |
| More than 6 but less than 12 months | 738                     | 271                     |
|                                     | <u>2,068</u>            | <u>2,577</u>            |

## 10. LOANS AND INTEREST RECEIVABLES

The Group's loans and interest receivables at the beginning of the year ended 31 December 2023 arose from the Money Lending Business, which has been classified as discontinued operation in September 2021 as a result of the Group's cessation of the operation.

During the year ended 31 December 2023, the balances were recognised upon the completion of disposal of subsidiaries. Under the terms set out in the disposal agreement, a loan receivable of principal amount of HK\$3,841,000 was assigned from AP Finance to the Group upon the completion of the disposal.

Loan receivables amounting to HK\$3,841,000 were fully impaired prior to the disposal of the money lending segments during the year ended 31 December 2023. Pursuant to the terms of the sale and purchase agreement for such disposal, any subsequent recovery of these loan receivables by the acquirer shall be returned to the Group. During the year ended 31 December 2024, the acquirer recovered the full amount of HK\$3,841,000. Accordingly, the amount was reclassified from loan receivables to other receivables in the consolidated financial statements.

|                      | 2024                        |                                 |                   | 2023                        |                                 |                   |
|----------------------|-----------------------------|---------------------------------|-------------------|-----------------------------|---------------------------------|-------------------|
|                      | Loan<br>Portion<br>HK\$'000 | Interest<br>Portion<br>HK\$'000 | Total<br>HK\$'000 | Loan<br>Portion<br>HK\$'000 | Interest<br>Portion<br>HK\$'000 | Total<br>HK\$'000 |
| Unsecured loans      | —                           | —                               | —                 | 3,841                       | —                               | 3,841             |
|                      | —                           | —                               | —                 | 3,841                       | —                               | 3,841             |
| Less: loss allowance | —                           | —                               | —                 | (3,841)                     | —                               | (3,841)           |
|                      | —                           | —                               | —                 | —                           | —                               | —                 |

Loan receivables as at 31 December 2023 were interest free and repayable on maturity dates under the terms in contractual agreements or on demand in writing by the Group.

The credit quality of loans and interest receivables that are neither past due nor impaired was assessed by reference to historical information about counterparties' default rates.

## 11. TRADE AND OTHER PAYABLES

|                             | 2024<br>HK\$'000 | 2023<br>HK\$'000 |
|-----------------------------|------------------|------------------|
| Trade payables              | 1,806            | —                |
| Accruals and other payables | 3,721            | 846              |
|                             | 5,527            | 846              |

All trade and other payables are expected to be settled within one year or repayable on demand.

Included in trade payables, amount of approximately HK\$1,412,000 was related to sales of products business as at 31 December 2024 (2023: nil).

Included in other payables, amount of approximately HK\$2,440,000 was related to unpaid legal and professional fee as at 31 December 2024 (2023: HK\$449,000).



## 12. INTEREST-BEARING BORROWINGS

The interest-bearing borrowings are repayable within one year or on demand (including those with repayable on demand clause).

|                         | 2024<br><i>HK\$'000</i> | 2023<br><i>HK\$'000</i> |
|-------------------------|-------------------------|-------------------------|
| Loan from a third party | <u>740</u>              | <u>790</u>              |

The maturity of interest-bearing borrowings, based on the scheduled repayment dates set out in the loan agreements, is as follows:

|               | 2024<br><i>HK\$'000</i> | 2023<br><i>HK\$'000</i> |
|---------------|-------------------------|-------------------------|
| Within 1 year | <u>740</u>              | <u>790</u>              |
|               | <u>740</u>              | <u>790</u>              |

The interest-bearing borrowings at 31 December 2024 and 2023 were unsecured.

## 13. AMOUNT DUE TO A DIRECTOR

|                          | 2024<br><i>HK\$'000</i> | 2023<br><i>HK\$'000</i> |
|--------------------------|-------------------------|-------------------------|
| Amount due to a director | <u>2</u>                | <u>2,852</u>            |

The amount due to director, who is also a shareholder with 57.95% (2023: 29.07%) shareholding interest in the Company, is unsecured, non-interest bearing and without fixed repayment terms.

## 14. SHARE CAPITAL

### Authorised and issued share capital

|  | Number of<br>shares<br>'000 | Amount<br>HK\$'000 |
|--|-----------------------------|--------------------|
| <b>Authorised:</b>   |                             |                    |
| At 1 January 2023 and 31 December 2023,<br>ordinary shares of HK\$0.04 each                | 3,000,000                   | 120,000            |
| Decrease in number of authorized shares upon<br>Share Consolidation ( <i>note (i)(a)</i> ) | (2,700,000)                 | –                  |
| Increase in number of authorized shares upon<br>Share Sub-division ( <i>note (i)(b)</i> )  | 11,700,000                  | –                  |
|  | <hr/>                       | <hr/>              |
| At 31 December 2024, ordinary shares of HK\$0.01 each                                      | 12,000,000                  | 120,000            |
|  | <hr/>                       | <hr/>              |
| <b>Issued and fully paid:</b>  |                             |                    |
| At 1 January 2023 and 31 December 2023,<br>Ordinary shares of HK\$0.04 each                | 1,272,640                   | 50,906             |
| Decrease in number of shares upon Share Consolidation ( <i>note (i)(a)</i> )               | (1,145,376)                 | –                  |
| Decrease in share capital upon Capital Reduction ( <i>note (i)(b)</i> )                    | –                           | (49,633)           |
| Rights issue ( <i>note (ii)</i> )  | 254,528                     | 2,545              |
|  | <hr/>                       | <hr/>              |
| At 31 December 2024, ordinary shares of HK\$0.01 each                                      | 381,792                     | 3,818              |
|  | <hr/>                       | <hr/>              |

### Notes:

- (i) On 8 July 2024, the capital reorganisation (“**Capital Reorganisation**”) implemented by the Company was completed which involved:
- (a) share consolidation whereby every ten issued and unissued existing shares of par value of HK\$0.04 each would be consolidated into one consolidated share of par value of HK\$0.4 each (the “**Share Consolidation**”);
  - (b) capital reduction whereby any fractional consolidated share in the issued share capital of the Company arising from the share consolidation would be cancelled, and the par value of each issued consolidated share would be reduced from HK\$0.4 to HK\$0.01 by cancelling the paid-up capital to the extent of HK\$0.39 on each issued consolidated share (“**Capital Reduction**”);

- (c) share sub-division whereby immediately following the capital reduction, each of the authorised but unissued Consolidated Share of par value of HK\$0.4 each would be sub-divided into 40 Adjusted Shares of par value of HK\$0.01 each (“**Share Sub-division**”);
- (d) the credit arising from the Capital Reduction would be applied towards offsetting the accumulated losses. The balance of the credit (if any) after offsetting the accumulated losses would be transferred to a distributable reserve account of the Company which may be applied by the Company; and
- (e) On 15 August 2024, the Company raised gross proceeds of approximately HK\$30.5 million before expenses by way of a rights issue for a total of 254,528,000 new shares at a price of HK\$0.12 per rights share on the basis of two (2) rights shares for every one (1) existing share held by the qualifying shareholders on the record date. Details of the results of the rights issue were set out in the announcement of the Company dated 14 August 2024.

The net proceeds from the rights issue, after deducting direct expenses of approximately HK\$1.6 million for the rights issue, were approximately HK\$28.9 million.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL REVIEW

#### Revenue

For the year ended 31 December 2024 (the “**Year**”), the Group recorded a total revenue of approximately HK\$57,313,000, representing an increase of approximately HK\$32,820,000 or 134% as compared with that of approximately HK\$24,493,000 in 2023. The revenue of the Group was derived from continuing operations as follow:

- Developing and marketing of the patented server based technology and the provision of communications software platform and software related services (the “**Software Platform Business**”);
- Provision of combination of promotion and supply chain management services which aim to provide a fast and cost effective channel to link up merchants, platforms and end users (the “**Advertising e-commerce and Supply Chain Management Services Business**”); and
- Sales of a wide spectrum of product categories, mainly including skin care products, agricultural products, daily necessities, etc. on the e-commerce platform (the “**Sales of Products Business**”).

The game publishing, development of mobile game and related intellectual property and platform, mobile application and data solutions and provision of IT related solutions (the “**Mobile Games and Applications Business**”) was discontinued during the Year and the business had been disposed of during the Year.

The increment in the Group’s revenue was attributed by the increase in segment revenue from the Software Platform Business by approximately HK\$5,778,000, which recorded a segment revenue of approximately HK\$30,271,000 for the Year as compared with that of approximately HK\$24,493,000 in 2023, and new segment revenue from the Advertising e-commerce and Supply Chain Management Services Business and the Sales of Products Business of approximately HK\$12,841,000 and HK\$14,201,000 respectively.

#### Cost of Sales

For the Year, the cost of sales of the Group amounted to approximately HK\$23,380,000 (2023: approximately HK\$8,851,000), which represented an increase by approximately 164%, mainly due to the increase in the cost of new business operation in the PRC for the Year.

#### Gross Profit

As a result of the aforementioned increase in the total revenue and increase in cost of sales, gross profit of the Group for the Year increased by approximately HK\$18,291,000 to approximately HK\$33,933,000 (2023: approximately HK\$15,642,000).

## **Administrative and other operating expenses**

The administrative and other operating expenses of the Group for the Year amounted to approximately HK\$37,842,000 (2023: approximately HK\$22,016,000), which comprised of administrative expenses, research and development expenses and selling and distribution expenses. The increase in overall expenses was mainly due to the increase in staff costs and administrative expenses incurred for the new business operation in the PRC for the Year.

## **Finance Costs**

Finance costs was approximately HK\$334,000 for the Year (2023: approximately HK\$890,000), which mainly comprised of interest on borrowing from a third party and interest on lease liabilities.

## **Discontinued operation**

Mobile Games and Applications Business was discontinued during the Year and was disposed of during the Year.

Money lending business was discontinued during the year ended 31 December 2021 and was disposed of to an independent third party on 14 December 2023.

Loss for the Year from discontinued operation was approximately HK\$1,423,000 compared with profit of approximately HK\$1,067,000 in 2023, mainly due to the loss on disposal of subsidiaries during the Year.

## **Loss for the Year**

The consolidated net loss attributable to owners of the Company for the Year from continuing operations amounted to approximately HK\$4,091,000, compared with a loss of approximately HK\$10,402,000 in 2023. The significant change in results was mainly due to (i) the increase in gross profit as a result of the increase in revenue of the Software Platform Business; (ii) the significant decrease in the impairment loss on goodwill; (iii) the significant decrease in the impairment loss on right-of-use assets and (iv) partly set off by the increase in administrative and other operating expenses.

## **DIVIDEND**

The board of Directors (the “**Board**”) does not recommend the payment of any final dividend for the year ended 31 December 2024 (2023: Nil).

## **BUSINESS REVIEW AND PROSPECT**

For the Year, the Group focused on three principal businesses, they are (i) Software Platform Business; (ii) Advertising e-commerce and Supply Chain Management Services Business and (iii) Sales of Products Business.

## **Software Platform Business**

During the Year, our project progress gradually returned to normal after the pass of the impact from COVID-19. In addition, the Hong Kong Government promulgated the Hong Kong Innovation and Technology Development Blueprint at the end of 2022 and is determined to allocate resources for developing Hong Kong into an international information and technology centre, which are reflected in both the Chief Executive 2023 Policy Address and the 2023-24 Budget. As a result, the Group's business has been positively impacted by the gradual recovery of the economy and the increased investment in technology by the Hong Kong government, which is considered as the major customer of the Company.

This segment performed satisfactorily and achieved significant increase of revenue during the Year. Facing the competition in the fiercely competitive and ever-changing market, the Group will continue to put in enough resources to meet the increasingly innovative industry standards for customer's demand.

## **Advertising e-commerce and Supply Chain Management Service Business**

Recognizing the growing significance of e-commerce platform economy, the Company has commenced advertising e-commerce and supply chain management service business during the year. The Company aims to provide a combination of promotion and supply chain management services, acts as a cost effective channel to link up merchants, platforms and end users.

Supply chain management services constitute a comprehensive, integrated service system covering procurement, inventory management and logistics distribution, under which the Company is enabled to reduce its inventory burden, improve its product and capital turnover rate, and provide fast and accurate delivery services. It is expected to expand the upstream and downstream industrial chains and make national presences through digital empowerment of the entire logistics chain, thus broadening room for profitability in revenue. At the same time, this system helps small and medium-sized businesses to promote their products to the platform and have access to a large customer base.

## **Sales of Products Business**

During the Year, the Company commenced the business of sales of a wide spectrum of product categories, mainly including skin care products, agricultural products, daily necessities, etc. on the e-commerce platform.

## **Discontinued Operation**

The Directors, upon reviewed the operation of the Advertising e-commerce and Supply Chain Management Services Business and Sales of Products Business in the PRC and assessed their prospect, decided to discontinue the Mobile Games and Applications Business. The future operation environment of the Mobile Games and Applications Business was uncertain. The Directors opined that it was the suitable time for the Group to concentrate the resources to the operations with better prospect.

## **OUTLOOK**

2024 has been revolutionary in all tech space and software development, with several trends shaking up the industry.

Keeping up with these tech stack trends is essential for anyone in the field, whether a seasoned pro or starting out.

The Group will continue to strengthen its competitiveness and develop its software platform in the context of the advancement in technology. The Group will also continue to maintain a long-term relationship with the existing clients while actively participate in tendering for different projects with an aim of expanding its customer base as well as securing more sales orders from existing customers. In addition, the Group will continue to put in enough resources to meet the increasingly innovative industry standards for customer's demand.

The surge in Big Data adoption is a pivotal trend in Hong Kong's IT landscape.

### **Financial Resource and Liquidity**

The Group's main business operations and investments are in Hong Kong and in the PRC. At 31 December 2024, the Group had cash and cash equivalents of approximately HK\$32,897,000 (2023: approximately HK\$3,198,000). Most of the cash and cash equivalents are denominated in Hong Kong dollars. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk.

### **Gearing Ratio**

At 31 December 2024, total assets of the Group were approximately HK\$61,745,000 (2023: approximately HK\$8,703,000) whereas total liabilities were approximately HK\$37,329,000 (2023: approximately HK\$13,264,000). The gearing ratio of the Group, calculated as total liabilities over total assets, was approximately 60% (2023: approximately 152%) and the current ratio, calculated as current assets over current liabilities, was approximately 1.70 (2023: approximately 0.73). The Directors will continue to take measures to further improve the liquidity and gearing position of the Group.

### **Material Acquisition, Disposal and Significant Investment**

During the Year, except for the disposal disclosed in note 7, the Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures nor were there material investments authorised by the Board at the date of this announcement.

## **Capital Structure**

As at 31 December 2024, the authorised share capital of the Company was HK\$120,000,000 divided into 12,000,000,000 shares of HK\$0.01 each, of which 381,792,000 ordinary shares were in issue and fully paid.

## **Funding and Treasury Policies**

The Group consistently adopts a conservative treasury policy during its development and generally finances its operations and business development with internally generated resources and equity and/or debt financing activities in order to maintain a healthy liquidity position. To manage liquidity risk, the Board closely monitors the financial position of the Group to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements from time to time.

## **Foreign Exchange Exposure**

The Directors consider that the Group had no material foreign exchange exposure.

## **Contingent Liabilities**

The Group did not have any significant contingent liabilities as at 31 December 2024.

## **Employees and Remuneration Policies**

As at 31 December 2024, the Group had 71 employees (2023: 55 employees) in Hong Kong and the PRC. The staff costs (including directors' remuneration) were approximately HK\$21,599,000 for the year ended 31 December 2024 (2023: approximately HK\$18,074,000).

The Group's remuneration policy is revised periodically and determined by reference to market terms, company performance, individual qualifications and performance, and in accordance with the statutory requirements of the respective jurisdiction where the employees are employed.

## **EVENTS AFTER THE REPORTING PERIOD**

There is no significant event happened after the reporting period.

## **REVISED 2024 INTERIM RESULTS**

Reference is made to the interim results announcements dated 1 August 2024 (the “**Interim Results Announcement**”), and the interim report released on 9 August 2024 (the “**Interim Report**”) of the Group for the six months ended 30 June 2024.



The Company wishes to clarify that due to the adoption of revised revenue calculation basis under the advertising e-commerce and supply chain management services business and sales of products business, certain adjustments were made to the condensed consolidated interim results of the Group for the six months ended 30 June 2024 (the “**2024 Interim Results**”).

Below is a table that sets out the differences between the revised interim condensed consolidated statement of profit or loss, and the revised interim condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2024 (the “**Revised Interim Results**”), and that disclosed (i) in the Interim Results Announcement and (ii) in the Interim Report of the Group, in relation to 2024 Interim Results:

## **REVISED INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

**For the six months ended 30 June 2024**

|  | <b>2024 Interim<br/>Results<br/>For the six<br/>months ended<br/>30 June 2024<br/>HK\$'000<br/>(unaudited)<br/>(a)</b> | <b>Revised<br/>Interim<br/>Results<br/>For the six<br/>months ended<br/>30 June 2024<br/>HK\$'000<br/>(unaudited)<br/>(b)</b> | <b>Differences<br/>HK'000<br/>(b)-(a)</b> |
|--|--|---|---|
| <b>Continuing operations</b>                               |  |   |   |
| Revenue  | 36,749   | 28,783  | (7,966)                                   |
| Cost of sales  | (20,471)   | (10,066)  | 10,405                                    |
| Gross profit   | 16,278   | 18,717  | 2,439                                     |
| Other income   | 1  | 1   | –   |
| Administrative expenses                                    | (5,769)  | (5,769)   | –   |
| Research and development expenses                          | (5,954)  | (5,954)   | –   |
| Selling and distribution expenses                          | (1,402)  | (4,468)   | (3,066)                                   |
| Profit/(loss) from operations                              | 3,154  | 2,527   | (627)                                     |
| Finance costs  | (119)  | (119)   | –   |
| Profit/(loss) before taxation                              | 3,035  | 2,408   | (627)                                     |
| Income tax   | (81)   | (81)  | –   |
| Profit/(loss) for the period from<br>continuing operations | 2,954  | 2,327   | (627)                                     |

|                                       | <b>2024 Interim<br/>Results<br/>For the six<br/>months ended<br/>30 June 2024<br/><i>HK\$'000</i><br/>(unaudited)<br/>(a)</b> | <b>Revised<br/>Interim<br/>Results<br/>For the six<br/>months ended<br/>30 June 2024<br/><i>HK\$'000</i><br/>(unaudited)<br/>(b)</b> | <b>Differences<br/><i>HK'000</i><br/>(b)-(a)</b> |
|---------------------------------------|---|--|--|
| <b>Discontinued operation</b>         |   |  |  |
| Loss for the period from discontinued | —   | —  | —  |
| Profit/(loss) for the period          | <u>2,954</u>  | <u>2,327</u>   | <u>(627)</u>                                     |
| <b>Attributable to:</b>               |   |  |  |
| Owners of the Company                 |   |  |  |
| – From continuing operations          | 2,957   | 2,330  | (627)  |
| – From discontinued operation         | <u>—</u>  | <u>—</u>   | <u>—</u>   |
|                                       | <u>2,957</u>  | <u>2,330</u>   | <u>(627)</u>                                     |
| Non-controlling interests             |   |  |  |
| – From continuing operations          | (3)   | (3)  | —  |
| – From discontinued operation         | <u>—</u>  | <u>—</u>   | <u>—</u>   |
|                                       | <u>(3)</u>  | <u>(3)</u>   | <u>—</u>   |
| Profit/(loss) for the period          | <u>2,954</u>  | <u>2,327</u>   | <u>(627)</u>                                     |
|                                       | <i>HK cents</i><br>(unaudited)  | <i>HK cents</i><br>(unaudited)   | <i>HK cents</i><br>(unaudited)                   |
| <b>Earning/(loss) per share</b>       |   |  |  |
| Basic and diluted (HK cents)          |   |  |  |
| – From continuing operations          | 0.23  | 0.18   | (0.05)   |
| – From discontinued operation         | <u>—</u>  | <u>—</u>   | <u>—</u>   |
|                                       | <u>0.23</u>   | <u>0.18</u>  | <u>(0.05)</u>                                    |

# REVISED INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2024

|  | 2024 Interim<br>Results<br>For the six<br>months ended<br>30 June 2024<br><i>HK\$'000</i><br>(unaudited)<br>(a) | Revised<br>Interim<br>Results<br>For the six<br>months ended<br>30 June 2024<br><i>HK\$'000</i><br>(unaudited)<br>(b) | Differences<br><i>HK'000</i><br>(b)-(a) |
|--|---|---|---|
| <b>Profit/(loss) for the period</b>  | 2,954   | 2,327   | (627)                                   |
| <b>Other comprehensive income/(expense)<br/>for the period, net of nil tax</b>       |   |   |   |
| Item that may be classified subsequently to<br>profit or loss:                       | —   | —   | —                                       |
| Exchange differences on translation of<br>financial statements of foreign operations | —   | —   | —                                       |
| <b>Total comprehensive income/(expense)<br/>for the period</b>                       | <u>2,954</u>  | <u>2,327</u>  | <u>(627)</u>                            |
| <b>Attributable to:</b>  |   |   |   |
| Owners of the Company  |   |   |   |
| – From continuing operations   | 2,957   | 2,330   | (627)                                   |
| – From discontinued operation  | —   | —   | —                                       |
|  | <u>2,957</u>  | <u>2,330</u>  | <u>(627)</u>                            |
| Non-controlling interests  |   |   |   |
| – From continuing operations   | (3)   | (3)   | —                                       |
| – From discontinued operation  | —   | —   | —                                       |
|  | <u>(3)</u>  | <u>(3)</u>  | <u>—</u>                                |
| <b>Total comprehensive income/(expense)<br/>for the period</b>                       | <u>2,954</u>  | <u>2,327</u>  | <u>(627)</u>                            |

## REVISED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

Below is a table that sets out the differences between the interim condensed consolidated statement of financial position as at 30 June 2024 as disclosed in the Revised Interim Results and that disclosed in the 2024 Interim Results:

|                               | 2024 Interim<br>Results<br>At 30 June<br>2024<br>HK\$'000<br>(unaudited)<br>(a) | Revised<br>Interim<br>Results<br>At 30 June<br>2024<br>HK\$'000<br>(unaudited)<br>(b) | Differences<br>HK'000<br>(b)-(a) |
|-------------------------------|---|---|----------------------------------|
| <b>Non-current assets</b>     |   |   |                                  |
| Property, plant and equipment | 435   | 435   | —                                |
| Intangible assets             | —   | —   | —                                |
| Goodwill                      | —   | —   | —                                |
| Right-of-use assets           | —   | —   | —                                |
| Loan receivable               | —   | —   | —                                |
|                               | <u>435</u>  | <u>435</u>  | <u>—</u>                         |
| <b>Current assets</b>         |   |   |                                  |
| Inventories                   | 6,073   | 6,073   | —                                |
| Trade and other receivables   | 21,110  | 21,110  | —                                |
| Loan receivable               | —   | —   | —                                |
| Interest receivables          | —   | —   | —                                |
| Cash and cash equivalents     | 10,210  | 10,210  | —                                |
|                               | <u>37,393</u>   | <u>37,393</u>   | <u>—</u>                         |

|   | <b>2024 Interim<br/>Results<br/>At 30 June<br/>2024<br/>HK\$'000<br/>(unaudited)<br/>(a)</b> | <b>Revised<br/>Interim<br/>Results<br/>At 30 June<br/>2024<br/>HK\$'000<br/>(unaudited)<br/>(b)</b> | <b>Differences<br/>HK'000<br/>(b)-(a)</b> |
|---|--|---|---|
| <b>Current liabilities</b>                                    |  |   |   |
| Trade and other payables                                      | 22,133   | 2,528   | (19,605)                                  |
| Contract liabilities  | 10,651   | 30,883  | 20,232                                    |
| Interest-bearing borrowing                                    | 740  | 740   | –   |
| Amount due to a director                                      | 4,069  | 4,069   | –   |
| Lease liabilities   | 776  | 776   | –   |
| Current tax payables  | 81   | 81  | –   |
|   | <u>38,450</u>  | <u>39,077</u>   | <u>627</u>                                |
| <b>Net current liabilities</b>                                | <u>(1,057)</u>   | <u>(1,684)</u>  | <u>(627)</u>                              |
| <b>Total assets less current liabilities</b>                  | <u>(622)</u>   | <u>(1,249)</u>  | <u>(627)</u>                              |
| <b>Non-current liabilities</b>                                |  |   |   |
| Defined benefit plan obligations                              | 852  | 852   | –   |
| Lease liabilities   | 133  | 133   | –   |
|   | <u>985</u>   | <u>985</u>  | <u>–</u>                                  |
| <b>NET LIABILITIES</b>  | <u><u>(1,607)</u></u>  | <u><u>(2,234)</u></u>   | <u><u>(627)</u></u>                       |
| <b>Capital and reserves</b>                                   |  |   |   |
| Share capital   | 50,906   | 50,906  | –   |
| Reserves  | <u>(47,145)</u>  | <u>(47,772)</u>   | <u>(627)</u>                              |
| <b>Total equity attributable to owners of<br/>the Company</b> | <u>3,761</u>   | <u>3,134</u>  | <u>(627)</u>                              |
| Non-controlling interests                                     | <u>(5,368)</u>   | <u>(5,368)</u>  | <u>–</u>                                  |
| <b>TOTAL CAPITAL DEFICIENCY</b>                               | <u><u>(1,607)</u></u>  | <u><u>(2,234)</u></u>   | <u><u>(627)</u></u>                       |

The major differences of the Revised Interim Results and the 2024 Interim Results in relation to the interim condensed consolidated statement of profit or loss, and interim condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2024 are as follows:

1. Under the advertising e-commerce and supply chain management service business, the Group generated revenue through the supply and shipment of the products that sells on the e-commerce platform Zihonghezi “紫紅盒子” (the “**Platform**”) in the PRC. Due to the ambiguous wordings with regards to the pricing of the products on the framework agreement entered with the platform operator, the Group and the platform operator had deviations on the interpretation of the terms therein and the revenue recognition basis. The Group had originally recognised its sales proceeds based on the product original selling price on the Platform without taking into account that part of the selling price could be settled with rewards points earned by the customers on the Platform, which was not specified in the framework agreement entered. As the reward point formed part of the Platform operator’s marketing campaign for promotion of the Platform, the Group and the Platform operator entered into a supplemental framework agreement (the “**Supplemental Framework Agreement**”) to rectify on the terms, in particular the price payable to the Group when such products are sold on the Platform to the customers. Under the new arrangement, the sales proceeds of the Group’s products shall be based on a negotiated price instead of based on the listed selling price on the Platform such that the impact of the reward points would be removed. The negotiated prices of the products were pre-determined prices that were arrived at arm’s length negotiations between the Group and the platform operator after taking into account the wholesale market price of the relevant similar products on online platforms such as Taobao, Douyin, Pinduoduo and Kuaishou and the margin normally charged in the industry with reference to the Group’s industry experience, as that the Platform operator shall be responsible for the operation costs of the Platform and the variation in actual selling prices due to the reward points. The Company primarily sourced these products from new or emerging brands with growth potential, which generally sell products at a relatively lower price.

As such, revenue was increased by HK\$4,120,000 primarily due to (i) the adjusted price of the products on the Supplemental Framework Agreement, which led to decrease in revenue by HK\$5,560,000; (ii) the netted off of revenue against cost of sales in relation to sales of products that the Group acted as an agent rather than a principal in accounting purpose under sales of products business, which was wrongly booked due to the accounting clerk recorded those sales the Group merely acted as principal as revenue instead of on a net-basis, which led to decrease in revenue by HK\$3,990,000; (iii) certain selling and distribution expenses that were wrongly netted off against revenue has been adjusted to separately booked, which was wrongly booked as the counterparty has paid on a net basis and the accounting clerk had booked the net sum as revenue, which led to increase in revenue by HK\$3,066,000; and (iv) an cut off adjustment was made in relation to sales of products business as the original amount was based on invoices instead of based on the transfer of ownership of the products, which constitute cut off errors and led to increase in revenue by HK\$10,604,000. Consequently, revised revenue calculation basis has been adopted and adjustment was made accordingly;

In addition, the Group has provided exchange services for the Platform customers to cashout the reward points earned from the Platform, and the Group is entitled to a commission based on the amounts of cashback payments the Group handles. Under the original framework agreement entered between the Group and the Platform owner, there was no clear term on the commission as the parties considered the business to be in preliminary stage. After further discussion with the Platform owner, the Group has entered into a revised agreement (the “**Revised Agreement**”) with the Platform owner to fix the rate of the commission with reference to the market rate of similar services, therefore an adjustment of HK\$1,977,000 was made accordingly. Also, the Group wrongly recorded the exchange services under the same basis and mechanism as the sale of products business, with the amount invoiced to the Platform owner as revenue and the amount paid to the Platform customers as cost of sales. Under the Revised Agreement, the revenue is recorded based on the amounts of cashback payments times the commission rate. As such, a net off adjusted against cost of sales of HK\$10,109,000 was made accordingly. Due to the adjustments, revenue was decreased by HK\$12,086,000.

2. Cost of sales were decreased by HK\$10,405,000 primarily due to the reason mentioned above in relation to the net off adjustment of exchanges services and the sales of products business and the cut off adjustment of HK\$3,694,000 from the sales of products business as the original amount of the cost of sales was booked based on the invoices date instead of based on the transfer of ownership of the products. Hence adjustment was made accordingly; and
3. Selling and distribution expenses were increased by HK\$3,066,000 primarily due to adjustment was made and reclassified from revenue to selling and distribution expenses as explained in 1 above.

The major differences of the Revised Interim Results and the 2024 Interim Results in relation to the interim condensed consolidated statement of financial position as at 30 June 2024 are as follows:

1. Trade and other payables were decreased by HK\$19,605,000 primarily due to adjustment was made and reclassified from trade and other payables to contract liabilities as the receipt in advance were not refundable.
2. Contract liabilities were increased by HK\$20,232,000 primarily due to (i) adjustment was made and reclassified from trade and other payables to contract liabilities; (ii) the Group entered into Supplemental Framework Agreement with the Platform operator in Advertising e-commerce which increased contract liabilities by HK\$5,560,000; (iii) the Group entered into Revised Agreement with the Platform owner for the supply chain management service business and Sales of products business which increased contract liabilities by HK\$1,977,000; and (iv) cut off adjustment of HK\$6,910,000 from the sales of products business as the original amount of the revenue was booked based on the invoices instead of based on the transfer of ownership of the products.

## **Internal Control Deficiencies and Remedial Measures**

The Revised Interim Results was mainly due to that the Group failed to appropriately recognise revenue in respect of the new e-commerce platform business and the review of agreements. The Board considers that there are deficiencies in the existing internal control procedures of the Group. In particular, the Group didn't have a proper personnel to handle the accounting record of revenue. Also, the internal control policy on approving the agreements are not specific as to the personnel responsible for reviewing of contracts.

To prevent the recurrence of similar incidents, the Board has replaced the relevant personnel who wrongly interpreted and recorded the data with a qualified accountant and has hired additional personnel with proficiency in handling agreements in 2025. The Group has also engaged SHINEWING Risk Services Limited as the internal control auditor to conduct an internal control review and the internal control review is expected to be completed by September 2025. The major scopes of the internal control review include, among others, approval and management of contracts, revenue recognition and reconciliation, accounts receivable management, accounting record, inventory management, financial results reporting and publication, and controls over invoice, chop and authorization signatory. The Group considers that the scopes of the internal control review will be able to address the deficiencies leading to the Revised Interim Results.



## REVISED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

Below is the revised condensed consolidated statement of change in equity for the six months ended 30 June 2024.

|  | Attributable to the owners of the Company |                           |                             |                             |                              |                           |                                |                   | Non-controlling interests | Total    |
|--|---|---------------------------|-----------------------------|-----------------------------|------------------------------|---------------------------|--------------------------------|-------------------|---------------------------|----------|
|  | Share capital<br>HK\$'000                 | Share premium<br>HK\$'000 | Capital reserve<br>HK\$'000 | Capital surplus<br>HK\$'000 | Exchange reserve<br>HK\$'000 | Other reserve<br>HK\$'000 | Accumulated losses<br>HK\$'000 | Total<br>HK\$'000 | HK\$'000                  | HK\$'000 |
| At 1 January 2023 (audited)  | 50,906                                    | 381,490                   | 2,427                       | 16,699                      | 1                            | (102)                     | (441,224)                      | 10,197            | (4,572)                   | 5,625    |
| Changes in equity for the period:  |   |                           |                             |                             |                              |                           |                                |                   |                           |          |
| Loss for the period  | –   | –                         | –                           | –                           | –                            | –                         | (2,441)                        | (2,441)           | (10)                      | (2,451)  |
| Other comprehensive expense for the period,<br>net of nil tax                          |   |                           |                             |                             |                              |                           |                                |                   |                           |          |
| – Exchange differences on translation of financial<br>statements of foreign operations | –   | –                         | –                           | –                           | 1                            | –                         | –                              | 1                 | –                         | 1        |
| Total comprehensive expense for the period   | –   | –                         | –                           | –                           | 1                            | –                         | (2,441)                        | (2,440)           | (10)                      | (2,450)  |
| At 30 June 2023 (unaudited)  | 50,906                                    | 381,490                   | 2,427                       | 16,699                      | 2                            | (102)                     | (443,665)                      | 7,757             | (4,582)                   | 3,175    |
| At 1 January 2024 (audited)  | 50,906                                    | 381,490                   | 2,427                       | 16,699                      | 1                            | (102)                     | (450,617)                      | 804               | (5,365)                   | (4,561)  |
| Changes in equity for the period:  |   |                           |                             |                             |                              |                           |                                |                   |                           |          |
| Revised profit/(loss) for the period   |   |                           |                             |                             |                              |                           | 2,330                          | 2,330             | (3)                       | 2,327    |
| Other comprehensive income for the period,<br>net of nil tax                           |   |                           |                             |                             |                              |                           |                                |                   |                           |          |
| – Exchange differences on translation of financial<br>statements of foreign operations | –   | –                         | –                           | –                           | –                            | –                         | –                              | –                 | –                         | –        |
| Total comprehensive income/(expense) for the period                                    | –   | –                         | –                           | –                           | –                            | –                         | 2,330                          | 2,330             | (3)                       | 2,327    |
| At 30 June 2024 (unaudited)  | 50,906                                    | 381,490                   | 2,427                       | 16,699                      | 1                            | (102)                     | (448,287)                      | 3,134             | (5,368)                   | (2,234)  |

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

There is no change in the interim condensed consolidated statement of cash flow for the six months ended 30 June 2024.

## REVISED NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Below are the revised notes to the condensed consolidated financial statements.

## Revenue

|  | <b>Six months ended 30 June</b> |                 |
|--|---------------------------------|-----------------|
|  | <b>2024</b>                     | 2023            |
|  | <b><i>HK\$'000</i></b>          | <i>HK\$'000</i> |
|  | <b>(unaudited)</b>              | (unaudited)     |
|  | <b><i>(revised)</i></b>         |                 |
| <b>From continuing operations</b>  |                                 |                 |
| Provision of software platform services                                  | <b>17,925</b>                   | 13,331          |
| Provision on advertising e-commerce and supply chain management services | <b>3,562</b>                    | —               |
| Sales of products  | <b>7,296</b>                    | —               |
| Mobile games and applications  | <b>—</b>                        | —               |
|  | <hr/>                           | <hr/>           |
|  | <b>28,783</b>                   | 13,331          |
|  | <hr/> <hr/>                     | <hr/> <hr/>     |

## Segment Reporting

### (a) Business segments

|  | 2024 (revised)                                   |                                    |                                     |             |                        |          |          |
|--|--|------------------------------------|-------------------------------------|-------------|------------------------|----------|----------|
|  | Continuing operations                            |                                    |                                     |             | Discontinued operation |          |          |
|  | Advertising<br>e-commerce<br>and supply<br>chain | Sales of<br>products               | Mobile<br>games and<br>applications | Sub-total   | Money<br>lending       | Total    |          |
|  | Software<br>platform<br>HK\$'000                 | management<br>services<br>HK\$'000 | HK\$'000                            | HK\$'000    | HK\$'000               | HK\$'000 | HK\$'000 |
|  | (unaudited)                                      | (unaudited)                        | (unaudited)                         | (unaudited) | (unaudited)            |          |          |
| <b>For the six months ended 30 June</b>                |  |                                    |                                     |             |                        |          |          |
| <b>Disaggregated by timing of revenue recognition</b>  |  |                                    |                                     |             |                        |          |          |
| Point in time  | 6,087  | 3,562                              | 7,296                               | –           | 16,945                 | –        | 16,945   |
| Over time  | 11,838   | –                                  | –                                   | –           | 11,838                 | –        | 11,838   |
| Revenue from external customers                        | 17,925   | 3,562                              | 7,296                               | –           | 28,783                 | –        | 28,783   |
| Reportable segment profit/(loss)<br>("adjusted EBITA") | 4,523  | (818)                              | 1,366                               | (7)         | 5,064                  | –        | 5,064    |
| <b>As at 30 June</b>                                   |  |                                    |                                     |             |                        |          |          |
| Reportable segment assets                              | 15,958   | 7,290                              | 14,416                              | 5           | 37,669                 | –        | 37,669   |
| Additions to non-current assets                        | 12   | 423                                | –                                   | –           | 435                    | –        | 435      |
| Reportable segment liabilities                         | (12,549)   | (7,709)                            | (13,550)                            | (179)       | (33,987)               | –        | (33,987) |

2023

|  | Continuing operations |                               |             | Discontinued operation |          |
|--|-----------------------|-------------------------------|-------------|------------------------|----------|
|  | Software platform     | Mobile games and applications | Sub-total   | Money lending          | Total    |
|  | HK\$'000              | HK\$'000                      | HK\$'000    | HK\$'000               | HK\$'000 |
|  | (unaudited)           | (unaudited)                   | (unaudited) |                        |          |
| <b>For the six months ended 30 June</b>                |                       |                               |             |                        |          |
| <b>Disaggregated by timing of revenue recognition</b>  |                       |                               |             |                        |          |
| Point in time  | 4,427                 | –                             | 4,427       | –                      | 4,427    |
| Over time  | 8,904                 | –                             | 8,904       | –                      | 8,904    |
| Revenue from external customers                        | 13,331                | –                             | 13,331      | –                      | 13,331   |
| Reportable segment profit/(loss)<br>("adjusted EBITA") | 619                   | (24)                          | 595         | (548)                  | 47       |
| <b>As at 30 June</b>                                   |                       |                               |             |                        |          |
| Reportable segment assets                              | 10,130                | 1,974                         | 12,104      | 5,114                  | 17,218   |
| Additions to non-current assets                        | 39                    | –                             | 39          | –                      | 39       |
| Reportable segment liabilities                         | (7,714)               | (178)                         | (7,892)     | (38)                   | (7,930)  |

**(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities**

|  | <b>Six months ended 30 June</b> |                    |
|--|---------------------------------|--------------------|
|  | <b>2024</b>                     | <b>2023</b>        |
|  | <b>HK\$'000</b>                 | <b>HK\$'000</b>    |
|  | <b>(unaudited)</b>              | <b>(unaudited)</b> |
|  | <b>(revised)</b>                |                    |
| <b>Revenue</b>   |                                 |                    |
| Reportable segment revenue from continuing operations      | <b>28,783</b>                   | 13,331             |
| Reportable segment revenue from discontinued operation     | <b>—</b>                        | —                  |
|  | <b>28,783</b>                   | 13,331             |
| <b>Profit/(loss) for the period</b>                        |                                 |                    |
| Reportable segment profit from continuing operations       | <b>5,064</b>                    | 595                |
| Reportable segment loss from discontinued operation        | <b>—</b>                        | (548)              |
| Unallocated corporate income and expenses                  | <b>(2,737)</b>                  | (2,498)            |
|  | <b>2,327</b>                    | (2,451)            |
| <b>Total assets</b>  |                                 |                    |
| Reportable segment assets from continuing operations       | <b>37,669</b>                   | 12,104             |
| Reportable segment assets from discontinued operation      | <b>—</b>                        | 5,114              |
| Unallocated corporate assets                               | <b>159</b>                      | 1,897              |
|  | <b>37,828</b>                   | 19,115             |
| <b>Total liabilities</b>                                   |                                 |                    |
| Reportable segment liabilities from continuing operations  | <b>33,987</b>                   | 7,892              |
| Reportable segment liabilities from discontinued operation | <b>—</b>                        | 38                 |
| Unallocated corporate liabilities                          | <b>6,075</b>                    | 8,010              |
|  | <b>40,062</b>                   | 15,940             |

## Earning/(Loss) per Share

|   | Six months ended 30 June |                 |
|---|--------------------------|-----------------|
|   | 2024                     | 2023            |
|   | <i>HK\$'000</i>          | <i>HK\$'000</i> |
|   | (unaudited)              | (unaudited)     |
|   | (revised)                |                 |
| <b>Profit/(loss) for the period attributable to owners of the Company</b> |                          |                 |
| – From continuing operations  | 2,330                    | (1,893)         |
| – From discontinued operation   | –                        | (548)           |
|   | <u>2,330</u>             | <u>(2,441)</u>  |

## Trade and Other Payables

|                | At 30 June 2024 | At 31 December 2023 |
|----------------|-----------------|---------------------|
|                | <i>HK\$'000</i> | <i>HK\$'000</i>     |
|                | (unaudited)     | (unaudited)         |
|                | (revised)       |                     |
| Trade payables | 589             | –                   |
| Other payables | 1,939           | 846                 |
|                | <u>2,528</u>    | <u>846</u>          |

## Contract Liabilities

|   | At 30 June 2024 | At 31 December 2023 |
|---|-----------------|---------------------|
|   | <i>HK\$'000</i> | <i>HK\$'000</i>     |
|   | (unaudited)     | (unaudited)         |
|   | (revised)       |                     |
| At 1 January  | 6,641           | 7,361               |
| Decrease in contract liabilities as a result of recognising revenue during the period/year that was included in the contract liabilities at the beginning of the year | (4,300)         | (6,138)             |
| Increase in contract liabilities as a result of billing in advance of performance under contracts   | 32,260          | 14,428              |
| Decrease in contract liabilities as a result of recognising revenue in respect of the new contract liabilities entitled during the period/year                        | (3,718)         | (9,010)             |
|   | <u>30,883</u>   | <u>6,641</u>        |

## CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

During the year ended 31 December 2024, the Company had adopted a code of conduct regarding securities transactions (the “**Securities Dealing Code**”) by Directors on terms no less exacting than the required standard of dealings set out in rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiry of all Directors and the Company was not aware of any non-compliance with the required standard of dealings and its Securities Dealing Code.

The Securities Dealing Code also applies to all relevant employees of the Company who are likely to be in possession of inside information of the Company. No incident of non-compliance of the Securities Dealing Code by the relevant employees was noted by the Company.

## CORPORATE GOVERNANCE CODE

The Company is committed to maintain corporate governance of high standards and quality procedures. The Company has put in place governance practices with emphasis on the integrity to shareholders and quality of disclosure, transparency and accountability to shareholders for the sake of maximising returns to shareholders.

The Company has complied with the code provisions set out in the Corporate Governance Code (the “**CG Code**”) as contained in Appendix C1 of the GEM Listing Rules of the Stock Exchange throughout the year ended 31 December 2024 (the “**Reporting Period**”) except the CG Code provision A.2.1.

The chairman is responsible for the leadership of the Board, ensuring its effectiveness in all aspects of its role for setting its agenda and taking into account any matters proposed by other directors for inclusion in the agenda while the chief executive officer (the “**CEO**”) is responsible for the day-to-day management of the Group’s business.

Under the Code provision A.2.1 of the CG Code, the roles of chairman and CEO should be separate and should not be performed by the same individual.

The Company does not have a CEO. The role of CEO is currently shared by the executive directors, who are collectively responsible for management of the business operations of the Group. The Board is of the view that the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals who will from time to time discuss issues affecting operations of the Company and the Group. This arrangement can still enable the Company to make and implement decisions promptly, and thus achieve the Company’s objectives efficiently and effectively. The Company will, at the time when it thinks fit, arrange for new appointment of the CEO.

The Board will continue to regularly review and monitor its corporate governance practices to ensure compliance with the CG Code, and maintain a high standard of corporate governance practices of the Company.

## **REVIEW OF CONSOLIDATED ANNUAL RESULTS BY THE AUDIT COMMITTEE**

The audit committee of the Company (“**Audit Committee**”) consists of three members, namely Mr. Fu Yan Ming (as the chairman), Ms. Lam Yuen Man Maria and Mr. Xia Qiankun, all being independent non-executive Directors.

The Audit Committee has reviewed the audited consolidated financial statements and the annual results of the Group for the year ended 31 December 2024.

## **SCOPE OF WORK OF THE INDEPENDENT AUDITOR**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this preliminary results announcement have been agreed by the Company’s auditor, Fan, Chan & Co. Limited, to the amounts set out in the Group’s draft consolidated financial statements for the year. The work performed by Fan, Chan & Co. Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Fan, Chan & Co. Limited on this preliminary results announcement.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended since 9:00 a.m. on Tuesday, 1 April 2025. Upon the publication of this announcement, an application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on Monday, 30 June 2025.

By Order of the Board of  
**Wuxi Life International Holdings Group Limited**  
**Liu Guanzhou**  
*Chairman*

Hong Kong, 27 June 2025



*As at the date of this announcement, the Board comprises the following Directors:*

*Executive Directors:*

Mr. Liu Guanzhou (*Chairman*)

Ms. Liu Xingmei

Mr. Choi Pun Lap

*Non-executive Directors:*

Ms. Li Hui Ling

Ms. Guan Xiuying

*Independent non-executive Directors:*

Ms. Lam Yuen Man Maria

Mr. Fu Yan Ming

Mr. Xia Qiankun

*This announcement will remain on the “Latest Listed Company Announcements” page of the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its publication and on the website of the Company at [www.wuxilife.com.hk](http://www.wuxilife.com.hk).*