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MILLENNIUM PACIFIC GROUP HOLDINGS LIMITED

匯思太平洋集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8147)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

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

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

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board 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 Millennium Pacific Group Holdings 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.*

The board of Directors (the “**Board**”) of the Company is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 June 2025 together with the unaudited comparative figures for the corresponding period in 2024 as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
		HK\$'000	HK\$'000
	<i>Notes</i>	(unaudited)	(unaudited)
Revenue	4	34,362	24,760
Cost of sales		(30,950)	(22,662)
Gross profit		3,412	2,098
Other income		1	1
Selling expenses		(42)	–
Administrative expenses		(4,340)	(3,782)
Loss from operation		(969)	(1,683)
Finance costs		(267)	(844)
Loss before tax		(1,236)	(2,527)
Income tax expense	5	–	–
Loss for the period		(1,236)	(2,527)
Other comprehensive (loss)/income for the period net of tax:			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		(122)	98
Total comprehensive loss for the period		(1,358)	(2,429)

		Six months ended 30 June	
		2025	2024
		HK\$'000	HK\$'000
<i>Notes</i>		(unaudited)	(unaudited)
Loss for the period attributable to:			
— Owners of the Company		(1,313)	(2,135)
— Non-controlling interests		77	(392)
		<u>(1,236)</u>	<u>(2,527)</u>
Total comprehensive loss for the period attributable to:			
— Owners of the Company		(1,459)	(2,066)
— Non-controlling interests		101	(363)
		<u>(1,358)</u>	<u>(2,429)</u>
Loss per Share (cents)			
— Basic	7	<u>(0.81)</u>	<u>(2.07)</u>
— Diluted	7	<u>(0.81)</u>	<u>(2.07)</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
	<i>Notes</i>		
Non-current assets			
Property, plant and equipment	8	3	4
Goodwill		<u>73</u>	<u>70</u>
		<u>76</u>	<u>74</u>
Current assets			
Inventories		1,268	842
Trade receivables	9	49,408	41,489
Other receivables, prepayments and deposits		5,933	4,770
Bank and cash balances		<u>133</u>	<u>4,664</u>
		<u>56,742</u>	<u>51,765</u>
Current liabilities			
Trade payables	10	16,510	15,521
Other payables, deposits received and accrued expenses		23,860	18,779
Other borrowing		<u>7,297</u>	<u>7,166</u>
		<u>47,667</u>	<u>41,466</u>
Net current assets		<u>9,075</u>	<u>10,299</u>
Total assets less current liabilities		<u>9,151</u>	<u>10,373</u>

		30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
	<i>Notes</i>		
Non-current liabilities			
Convertible bonds	11	—	6,541
NET ASSETS		9,151	3,832
Capital and reserves			
Share capital	12	2,763	2,443
Reserves		5,617	719
		8,380	3,162
Non-controlling interests		771	670
TOTAL EQUITY		9,151	3,832

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to the owners of the Company									
	Share capital	Share premium	Foreign currency translation reserve	Option reserve	Statutory reserve	Equity component of convertible bonds	Accumulated losses	Total reserve	Non-controlling interests	Total equity/ (deficiency)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 January 2024 (audited)	1,649	110,537	(147)	3,373	166	2,240	(130,221)	(14,052)	(1,498)	(13,901)
Recognition of share-based payments (unaudited)	–	–	–	262	–	–	–	262	–	262
Total comprehensive loss for the period (unaudited)	–	–	69	–	–	–	(2,135)	(2,066)	(363)	(2,429)
Balance at 30 June 2024 (unaudited)	1,649	110,537	(78)	3,635	166	2,240	(132,356)	(15,856)	(1,861)	(16,068)
Balance at 1 January 2025 (audited)	2,443	125,969	170	1,315	166	430	(127,331)	719	670	3,832
Conversion of convertible bonds (unaudited)	320	6,787	–	–	–	(430)	–	6,357	–	6,677
Total comprehensive loss for the period (unaudited)	–	–	(146)	–	–	–	(1,313)	(1,459)	101	(1,358)
Balance at 30 June 2025 (unaudited)	2,763	132,756	24	1,315	166	–	(128,644)	5,617	771	9,151

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Net cash used in operating activities	(4,410)	(851)
Net cash from investing activities	–	1
Net cash used in financing activities	–	(5)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(4,410)	(855)
Effect of foreign exchange rate changes	(121)	(14)
Cash and cash equivalents at beginning of the period	4,664	1,864
	<hr/>	<hr/>
Cash and cash equivalents at end of the period	133	995
	<hr/>	<hr/>
Analysis of cash and cash equivalents:	133	995
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempt company with limited liability under the Company Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 10 September 2013. The address of its registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of its principal place of business is located at A709-A22, 7/F., Block A, Jiangsu Building, 6013 Yitian Road, Fuxin Community, Lianhua Street, Futian District, Shenzhen, Guangdong Province, the People's Republic of China (the “**PRC**”). The principal place of its business in Hong Kong is located at Unit 5, 4/F, Energy Plaza No. 92 Granville Road Tsim Sha Tsui East, Kowloon, Hong Kong. The shares of the Company (the “**Shares**”) are listed on GEM of the Stock Exchange since 18 July 2014.

The Company is an investment holding company. The principal activities of its subsidiaries are research and development, manufacture, sale of electronic devices, sales of cigars and sales and distribution of specialized milk products and health food.

2. BASIS OF PRESENTATION

The unaudited condensed consolidated financial statements of the Group have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange.

The unaudited condensed consolidated financial statements of the Group are presented in Hong Kong dollars, which is the functional currency of the Company.

The unaudited condensed consolidated results of the Group for the six months ended 30 June 2025 do not include all the information and disclosures required in the annual financial statements of the Group and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2024 (the “**2024 Consolidated Financial Statements**”). The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated results are consistent with those used in the 2024 Consolidated Financial Statements, except for those new and revised HKFRS Accounting Standards and interpretation issued by the HKICPA that are adopted for the first time in the unaudited condensed consolidated financial statements for the six months ended 30 June 2025. The adoption of these new and revised HKFRS Accounting Standards had no significant effects on the results and financial position of the Group for the current and prior periods.

3. SEGMENT INFORMATION

Operating segment information

The Group is principally engaged in a single type business of research, development, manufacturing and trading of electronic devices, while the revenue from sales and distribution of specialized milk products and health food items and sales of cigars, contributed approximately 11% and 8% respectively, to the Group's consolidated revenue. However, the revenue from sale and distribution of specialized milk products and health food items and sales of cigars are not separately monitored by the chief operating decision maker for strategic decision-making purposes. As such, discrete financial information related is not presented in these financial statements. Information reported to the board of directors, being the chief operating decision maker, for the purposes of resources allocation and assessment focuses on revenue analysis by products. No other discrete financial information is provided other than the Group's results and financial position as a whole. Accordingly, only entity-wide disclosure, major customers and geographical information are presented.

Geographical information

Non-current assets of the Group is presented based on the following geographical location:

	As at 30 June 2025 HK\$'000 (unaudited)	As at 30 June 2024 HK\$'000 (audited)
PRC	<u>3</u>	<u>6</u>

Non-current assets include property, plants and equipment and right-of-use assets.

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

	Six months ended 30 June 2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Hong Kong	30,781	22,774
PRC	<u>3,581</u>	<u>1,986</u>
	<u>34,362</u>	<u>24,760</u>

Information about major customers

Revenues from customers contributing over 10% of the total revenue of the Group are as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Customer A	<u>27,870</u>	<u>22,774</u>

4. REVENUE

Disaggregation of revenue from contracts with customers by major products or service line for the period is as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<i>Products transferred at a point in time:</i>		
Sales and distribution of specialized milk products and health food items	3,581	1,986
Sales of cigars	2,911	–
Sales on trading of electronic products, accessories and raw materials	<u>27,870</u>	<u>22,774</u>
	<u>34,362</u>	<u>24,760</u>

5. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current tax:		
Provision for the period	<u>–</u>	<u>–</u>

No provision for Hong Kong Profits Tax has been made for the six months ended 30 June 2025 and 2024 as the Group's Hong Kong subsidiaries did not generate any assessable profit for the six months ended 30 June 2025 and 2024.

No provision for the PRC Enterprise Income Tax is required for the six months ended 30 June 2025 and 2024 as the Group's PRC subsidiaries did not generate any assessable profit for the six months ended 30 June 2025 and 2024.

6. DIVIDEND

No dividend was declared or paid during the six months ended 30 June 2025 and 2024, respectively.

7. LOSS PER SHARE

(a) Basic loss per Share

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Loss		
Loss for the purpose of calculating basic and diluted loss per Share (HK\$'000)	<u>(1,313)</u>	<u>(2,135)</u>
Number of Shares		
Issued ordinary shares at the beginning of the period	152,693,597	103,073,897
Effect of conversion of shares	<u>8,508,287</u>	<u>–</u>
Weighted average number of ordinary Shares for the purpose of calculating basic loss per Share	<u>161,201,884</u>	<u>103,073,897</u>

(b) Diluted loss per Share

The effects of the potential ordinary Shares in respect of the outstanding share options and convertible bonds of the Company are anti-dilutive for the periods ended 30 June 2025 and 2024.

8. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025 and 2024, the Group did not record spending on additions to property, plant and equipment.

9. TRADE RECEIVABLES

An ageing analysis of trade receivables, based on the invoice date, and net of allowance, is as follows:

	As at 30 June 2025 <i>HK\$'000</i> (unaudited)	As at 31 December 2024 <i>HK\$'000</i> (audited)
0 to 30 days	9,510	5,820
31 to 60 days	5,631	4,722
61 to 90 days	4,617	6,869
Over 90 days	29,650	24,078
	49,408	41,489

10. TRADE PAYABLES

An ageing analysis of trade payables based on invoice date as at the reporting dates are as follows:

	As at 30 June 2025 <i>HK\$'000</i> (unaudited)	As at 31 December 2024 <i>HK\$'000</i> (audited)
0 to 30 days	3,835	4,336
31 to 60 days	5,717	3,572
61 to 90 days	2,642	4,945
Over 90 days	4,316	2,668
	16,510	15,521

11. CONVERTIBLE BONDS

2024 Convertible bonds (“2024 CB”)

The convertible bonds were issued on 9 September 2024. The bonds are convertible into ordinary bonds of the Company at any time commencing from the issue date and till the fifth business day prior to the maturity date. The bonds are convertible to an aggregate of 20,000,000 ordinary shares of the Company at HK\$0.34 per share. The maturity date is on the second anniversary of the issue date.

If the bonds are not converted, they will be redeemed at par on 9 August 2026. Interest of 5% per annum will be settled with the outstanding principal at maturity date.

Movements of the liability component during the reporting period are as follows:

	2024CB <i>HK\$'000</i>
At 1 January 2025	6,541
Conversion	(6,677)
Interest charged	136
	<hr/>
At 30 June 2025	—
	<hr/> <hr/>

The interest charged for the six months ended 30 June 2025 is calculated by applying an effective interest rate of 8.36% (six months ended 30 June 2024: 13.32% to 21.60%) to the liability component for the 24 months period since the bonds were issued.

12. SHARE CAPITAL

	Ordinary shares	
	<i>Number of shares</i>	<i>HK\$'000</i>
Authorised		
At 31 December 2024 (audited), 1 January 2025	<u>625,000,000</u>	<u>10,000</u>
As at 30 June 2025 (unaudited)	<u><u>625,000,000</u></u>	<u><u>10,000</u></u>
Issued		
At 31 December 2024 (audited), 1 January 2025	152,693,597	2,443
Conversion of convertible bonds	<u>20,000,000</u>	<u>320</u>
As at 30 June 2025 (unaudited)	<u><u>172,693,597</u></u>	<u><u>2,763</u></u>

13. CONTINGENT LIABILITIES

Saved for disclosed, as at 30 June 2025 and 31 December 2024, the Group did not have any other contingent liabilities.

14. CAPITAL COMMITMENTS

Saved for disclosed, as at 30 June 2025 and 31 December 2024, the Group did not have any other capital commitments.

15. RELATED PARTY TRANSACTIONS

Saved as disclosed, the Group had the following material transactions with its related parties during the reporting periods.

Key management compensation

Key management mainly represents the Company's Directors. Remuneration for key management personnel of the Group is as follows:

	Six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Fees, salaries and allowances	<u>270</u>	<u>211</u>

MANAGEMENT DISCUSSION AND ANALYSIS

The Group continued to engage in the research and development, manufacture and sales of electronic devices, sales of cigars and sales and distribution of specialized milk products and health food.

The Group has been actively conducting and developing the business of consumer products and exploring various opportunities for investment projects to broaden the scope of investment according to the market conditions to enhance the value of its shareholders. In the first half of 2025, while consolidating its existing businesses, the Group is also investigating other consumer product sectors to expand its business segments and diversify its revenue.

BUSINESS ENVIRONMENT

The manufacturing and trading businesses of the Group and its operating companies face fierce competition in the international consumer electronics market. In the first half of 2025, the global electronics manufacturing industry showed signs of cautious recovery amid the dual impacts of ongoing supply chain restructuring and geopolitical tensions. In Europe and the United States, consumer electronics demand saw a moderate rebound supported by easing inflation pressures and stabilizing interest rate policies. However, trade barriers and technological restrictions continued to constrain export growth, prompting companies to accelerate the diversification of their production capacity to Southeast Asia, Mexico, and other regions to mitigate tariff risks. The Sino-US competition in the technology sector continued to intensify. While Hong Kong, as an international financial center, has benefited from capital market opening policies of the PRC, Western capital's cautious sentiment toward the Hong Kong market has not fully subsided. The specialized milk products and health food segments experienced growth in cost-effective products and pressure on high-end categories amid a trend toward downgraded consumption. Cross-border e-commerce and community group-buying channels have emerged as growth engines.

BUSINESS REVIEW

The Group engages in the research and development, manufacture and sales of electronic devices in Hong Kong. The revenue of the Group in this segment increased by approximately HK\$5.1 million from approximately HK\$22.8 million in the first half of 2024 to approximately HK\$27.9 million in the same period of 2025. The revenue of sales on specialized milk products and health food in PRC increased by approximately HK\$1.6 million in the first half of 2025 as compared with the same period of 2024. In the first half of 2025, the newly added revenue from cigar sales was approximately HK\$2.9 million. Total revenue of the Group increased by approximately HK\$9.6 million from approximately HK\$24.8 million in the first half of 2024 to approximately HK\$34.4 million in the same period of 2025. The increase in total revenue was mainly due to the increase in sales on trading of electronic products, accessories and raw materials and sales of cigars.

The gross profit margin rose from 8.5% for the first half of 2024 to 9.9% for the first half of 2025. The gross profit also rose from approximately HK\$2.1 million for the first half of 2024 to approximately HK\$3.4 million for the first half of 2025. The increase in gross profit and gross profit margin was mainly due to the increase in sales on trading of electronic products, accessories and raw materials and sales of cigars.

FINANCIAL REVIEW

Staff costs represented one of the major components of the Group's administrative expenses, which mainly consisted of directors' emoluments, salaries, retirement benefit scheme contribution, share-based expense and other benefits. Staff costs decreased slightly by approximately HK\$1.0 million from approximately HK\$2.4 million in the first half of 2024 to approximately HK\$1.4 million in the same period of 2025. The decrease was mainly contributed by cost control measures implemented by the Group.

Our total administrative expenses increased from approximately HK\$3.8 million in the first half of 2024 to approximately HK\$4.3 million in the first half of 2025.

Finance costs represented imputed interest on convertible bonds and remained fairly stable at around HK\$0.3 million.

Loss Attributable to Owners of the Company

The Group recorded a loss attributable to owners of the Company of approximately HK\$1.3 million in the first half of 2025, representing a decrease of approximately HK\$0.8 million from approximately HK\$2.1 million in the same period of 2024. The decrease was mainly due to the disposal of loss-making associated companies by the Group in the fourth quarter of 2024, which reduced its financial burden.

Disposal and Acquisition

There were neither significant investments held as at 30 June 2025 nor material acquisitions and disposals of subsidiaries during the six months ended 30 June 2025. There is no plan for material investments of capital assets at the date of this announcement.

Outlook

Against the backdrop of a slowing global economy and ongoing geopolitical risks, the Group will adhere to prudent business principles, dynamically adjust resource allocation priorities, and enhance tactical flexibility. In response to the impact of trade barriers in Europe and the United States, in relation to the electronic devices business, the Group will focus more on developing other overseas markets. In relation to the specialized milk products and health food segments, the Group will prioritize the development of high-protein functional dairy products and healthy foods for the elderly, leveraging vertical supply chain integration to enhance cost resilience. As a one-stop solution partner for our clients, we will integrate our customized R&D capabilities in electronic devices with value-added services in health foods, leveraging a dual-engine approach of “technology empowerment + consumption upgrading” to drive the evolution of our business ecosystem and capture structural growth opportunities amid uncertainty.

While the Group will develop and explore ways to improve its financial performance and broaden the sources of revenue, it is the Group’s strategy to do so within acceptable risk level and capital requirement. It will continue to control its costs of operation and select the appropriate product mix and regions that the Group should focus on and devote its resources to. We will also review the performance of our existing business portfolio and make suitable investment decisions. Subject to the review results, we do not preclude the possibility that we may dispose of the whole or part of our existing business portfolio and/or change the asset allocation of our businesses.

The Group may restructure its existing debts and implement debt and/or equity fundraising plan(s) to satisfy the financing needs and improve its financial position in the event suitable fundraising opportunities arise. In these regards, the Company will publish announcements as and when appropriate according to the requirements under the applicable listing rules.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Below is a summary of the key financial ratio:

	<i>Notes</i>	As at 30 June 2025	As at 31 December 2024
Current ratio	<i>1</i>	1.19	1.25
Quick ratio	<i>2</i>	1.16	1.23
Gearing ratio	<i>3</i>	0.80	3.58

Notes:

1. Current ratio is calculated by dividing total current assets by total current liabilities as at the respective period end.
2. Quick ratio is calculated by dividing total current assets less inventories by total current liabilities as at the respective period end.
3. Gearing ratio is calculated by dividing total debt by total equity as at the respective period end. For the avoidance of doubt, total debt includes other borrowing, liability component of convertible bonds and lease liabilities.

Historically, the Group has funded its liquidity and capital requirements primarily through operating cash flows, borrowings and funds from the listing of the Company's shares on the GEM of the Stock Exchange. The Group requires cash primarily for working capital needs.

Convertible Bonds and Share Consolidation

On 2 July 2021, convertible bonds in an aggregate principal amount of HK\$20,000,000 with 4% interest per annum and two-year lifespan were issued to Mr. Wu Xiongbín, under the general mandate granted to the Directors. Assuming full conversion at the conversion price of HK\$0.12, the convertible bonds will be convertible into 166,666,667 conversion Shares ("**2021 CB**").

The 2021 CB was matured in July 2023. The Company redeemed HK\$15 million in principal and reached an agreement with the holder of the 2021 CB that the remaining principal shall continue to bear an interest rate of 4% per annum until repayment.

On 14 June 2023, the Company issued convertible bonds in an aggregate principal amount of HK\$6,500,000 with 4% interest per annum and two-year lifespan to Viva Gain Investments Limited, under the general mandate granted to the Directors, assuming full conversion of the 2023 Convertible Bonds (“**2023 CB I**”) at the initial conversion price of HK\$0.032, the 2023 Convertible Bonds will be convertible into 203,125,000 conversion shares. The conversion price of HK\$0.032 represented a premium of approximately 18.5% to the closing price of HK\$0.027 per Share as quoted on the Stock Exchange on 22 May 2023, being the date of the relevant subscription agreement.

As a result of the share consolidation of every 10 issued and unissued ordinary Shares into 1 consolidated Share effective on 30 June 2023 (the “**Share Consolidation**”), the conversion prices of the 2023 CB I have been adjusted to HK\$0.32. The 2023 CB I will be convertible into 20,312,500 conversion shares.

On 16 July 2024, the Company received a conversion notice from Viva Gain in relation to the exercise of the conversion rights attaching to the 2023 CB I to convert the convertible bonds in the principal amount of HK\$6,500,000.00 into 20,312,500 conversion shares at the conversion price of HK\$0.32 per conversion share (“**VG Conversion**”). Accordingly, on 19 July 2024, 20,312,500 conversion shares, representing approximately 19.71% of the total number of issued Shares immediately before the Conversions (as defined below) and approximately 14.17% of the total number of issued Shares as enlarged by the issue of the conversion shares after the Conversions (as defined below), were allotted to Viva Gain under the relevant general mandate in accordance with the terms and conditions of the 2023 CB I. The conversion shares shall rank pari passu with, and carry the same rights in all aspects (including the rights to dividends) as, the other Shares in issue as at the date of the allotment and among themselves in all respects. For more details, please refer to the announcement of the Company dated 19 July 2024.

On 14 September 2023, the Company issued convertible bonds in an aggregate principal amount of HK\$3,000,000 with 4% interest per annum and two-year lifespan were issued to Mr. Wei Haiquan (“**Mr. Wei**”), under the general mandate granted to the Directors, assuming full conversion of the 2023 Convertible Bonds II (“**2023 CB II**”) at the conversion price of HK\$0.15, the 2023 CB II will be convertible into 20,000,000 conversion shares. The conversion price of HK\$0.15 represented a premium of approximately 10.3% to the closing price of HK\$0.136 per Share as quoted on the Stock Exchange on 30 August 2023, being the date of the relevant subscription agreement.

On 16 July 2024, the Company received a conversion notice from Mr. Wei in relation to the exercise of the conversion rights attaching to the 2023 CB II to convert the convertible bonds in the principal amount of HK\$3,000,000.00 into 20,000,000 conversion shares at the conversion price of HK\$0.15 per conversion share (“**Mr. Wei Conversion**”, and together with VG Conversion, the “Conversions”). Accordingly, on 19 July 2024, 20,000,000 conversion shares, representing approximately 19.40% of the total number of issued Shares immediately before the Conversions and approximately 13.95% of the total number of issued Shares as enlarged by the issue of the conversion shares after the Conversions, were allotted to Mr. Wei under the relevant general mandate in accordance with the terms and conditions of the 2023 CB II. The conversion shares shall rank pari passu with, and carry the same rights in all aspects (including the rights to dividends) as, the other Shares in issue as at the date of the allotment and among themselves in all respects. For more details, please refer to the announcement of the Company dated 19 July 2024.

On 9 September 2024, the Company issued convertible bonds in an aggregate principal amount of HK\$6,800,000 with 5% interest per annum and two-year lifespan to Lucky Most Investments Limited (“**Lucky Most**”), under the general mandate granted to the Directors (the “**2024 CB**”). Based on the initial conversion of each conversion share price of HK\$0.34, the 2024 CB can be converted into 20,000,000 conversion shares. The conversion price of HK\$0.34 represented a premium of approximately 17.24% to the closing price of HK\$0.29 per Share as quoted on the Stock Exchange on 9 August 2024, being the date of the relevant subscription agreement.

The gross proceeds from the issue of the 2024 CB were HK\$6,800,000 and the net proceeds from the issue of the 2024 CB were approximately HK\$6.8 million (after deducting the related expenses and professional fees). The Group intended to use the net proceeds from the subscription for general working capital purposes including staff costs, legal and professional fees, auditor’s remuneration and rental expenses. The Directors were of the view that (i) the subscription agreement was entered into upon normal commercial terms following arm’s length negotiations between the Company and the subscriber; (ii) the conversion price represented a premium to the recent price of the Shares; and (iii) the interest payable by the Company to the bondholder was comparatively lower than the market interest rate provided by the banks. Accordingly, the Directors considered that the subscription (including terms of the 2024 CB) was fair and reasonable and in the interests of the Company and the Shareholders as a whole. Details are disclosed in the announcements of the Company dated 9 August 2024, 30 August 2024 and 9 September 2024.

As at the date of this announcement, the net proceeds were fully utilised as intended. The table below sets out the detailed breakdown and description of the actual use of the net proceeds:

Actual use of net proceeds	Allocation of net proceeds (HK\$)	Percentage to the total net proceeds (%)	Amount utilised up to 31 December 2024 (HK\$)	Amount utilised from 1 January 2025 to 30 June 2025 (HK\$)	Remaining balance as of 30 June 2025 (HK\$)
Staff costs	approximately 4,000,000	58.8	approximately 1,470,000	approximately 2,530,000	0
Legal and professional fees	approximately 1,000,000	14.7	approximately 510,000	approximately 490,000	0
Auditor's remuneration	approximately 1,000,000	14.7	approximately 500,000	approximately 500,000	0
Rental expenses	approximately 800,000	11.8	approximately 320,000	approximately 480,000	0
Total	approximately 6,800,000	100.0	approximately 2,800,000	approximately 4,000,000	0

On 10 April 2025, the Company received a conversion notice from Lucky Most in relation to the exercise of the conversion rights attached to the 2024 CB to convert the convertible bonds in the principal amount of HK\$6,800,000.00 into 20,000,000 conversion shares at the conversion price of HK\$0.34 per conversion share. Accordingly, on 15 April 2025, 20,000,000 conversion shares, representing approximately 13.10% of the total number of issued Shares immediately before the conversion and approximately 11.58% of the total number of issued Shares as enlarged by the issue of the conversion shares after the conversion, were allotted to Lucky Most under the relevant general mandate in accordance with the terms and conditions of the 2024 CB. The conversion shares shall rank pari passu with, and carry the same rights as, the other Shares in issue as at the date of the allotment and among themselves in all respects (including the rights to dividends). For more details, please refer to the announcement of the Company dated 15 April 2025.

As at 30 June 2025, there were outstanding convertible bonds with the aggregate principal amount of HK\$nil (31 December 2024: HK\$6.8 million). As at 30 June 2025, the Group had approximately HK\$0.1 million in bank and cash balances (31 December 2024: HK\$4.7 million).

As at the date of this announcement, on 20 August 2024, 12 employees of the Company exercised the share options granted to them on 10 June 2022. The number of shares issued in relation to such exercise of share options was 9,307,200.

During the six months ended 30 June 2025 and up to the date of this announcement, saved as disclosed, there was no other material change to the capital structure of the Group. The Board kept monitoring the cash level of the Group and would consider different ways of financing in order to strengthen the Group's capital base and liquidity, including but not limited to issuance of bonds, obtaining additional financial assistance from shareholders or Directors, negotiating new banking facilities and carrying out further cost controls.

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

Saved for those disclosed in this announcement, the Group did not have any other contingent liabilities or capital commitments as at 30 June 2025 and 31 December 2024.

CAPITAL EXPENDITURE

Save for those disclosed in this announcement, the Group did not have any other significant capital expenditure during the six months ended 30 June 2025 and 2024.

CHARGES ON ASSETS

As at 30 June 2025 and 31 December 2024, the Group did not have any charges on its assets.

FOREIGN EXCHANGE EXPOSURE

The Group's reporting currency is Hong Kong dollars and the functional currencies of the Group's entities are principally denominated in Hong Kong dollars and Renminbi. A portion of the Group's transactions are denominated and settled in United States dollars, which has very limited exchange fluctuation with Hong Kong dollars historically. The Group currently has not implemented any foreign currency hedging policy and we will consider hedging against significant foreign exchange exposure should the need arise.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save for those disclosed in this announcement, there were no other significant investments held by the Group as at 30 June 2025, nor were there other material acquisitions and disposals of subsidiaries by the Group during the period.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had a total of 18 employees (as at 31 December 2024: 17 employees). The Group's staff costs for the six months ended 30 June 2025 amounted to approximately HK\$1.4 million (six months ended 30 June 2024: HK\$2.4 million). The Group's remuneration policies are in line with the prevailing market practice and are determined on the basis of qualification, responsibility, experience and performance of the individual and the performance of the Group. The Group recognises the importance of a good relationship with its employees. The remuneration payable to its employees includes salaries and allowances. Other benefits and incentives include training and share options.

In Hong Kong, the Group has participated in the mandatory provident fund prescribed by the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong). In the PRC, the Group has participated in the basic pension insurance, basic medical insurance, unemployment insurance, occupational injury insurance, maternity insurance prescribed by the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), and housing fund prescribed by the Regulations on the Administration of Housing Fund (住房公積金管理條例). All PRC based employees have the right to participate in the social insurance and housing provident fund schemes.

SHARE SCHEME

2014 Share Option Scheme

The share option scheme (the “**Scheme**”) adopted by the Company on 20 June 2014 is a share incentive scheme and is established to recognize and acknowledge the contributions that eligible participants (as defined therein, including employees) have made or may make to the Group. The Scheme shall be valid and effective for a period of 10 years commencing from the adoption date (i.e. 20 June 2014) pursuant to its terms. The Scheme expired on 19 June 2024.

The total number of Shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Scheme and any other share option schemes of the Company must not in aggregate exceed 30% of the Shares in issue from time to time.

A share option may be exercised in accordance with the terms of the Scheme at any time during a period as the Board may determine which shall not exceed 10 years from the date of grant subject to the provisions of early termination thereof. The acceptance amount for the share option is determined by the Board from time to time. The exercise price per share under the Scheme (the “**Exercise Price**”) shall be a price determined by the Board, but shall not be less than the highest of:

- (i) the closing price of a Share as stated in the Stock Exchange’s daily quotations sheet on the date of grant of the relevant share option, which must be a day on which the Stock Exchange is open for the business of dealing in securities (the “**Trading Day**”);
- (ii) an amount equivalent to the average closing price of a Share as stated in the Stock Exchange’s daily quotations sheets for the five Trading Days immediately preceding the date of grant of the relevant share option; and
- (iii) the nominal value of a Share on the date of grant.

The 2019 and 2022 Grants

The maximum number of Shares which may be issued upon exercise of all share options granted under the Scheme and any other schemes must not, in aggregate, exceed 10% of the Shares in issue unless approved by the Shareholders. Share options lapsed in accordance with the terms of the Scheme will not be counted for the purpose of calculating such limit. The limit may be renewed by the Shareholders in general meeting from time to time provided always that the limit so renewed must not exceed 10% of the Shares in issue as at the date of approval of such renewal by Shareholders in general meeting. Upon such renewal, all share options granted under the Scheme and any other share option schemes of the Company (including those exercised, outstanding, cancelled, lapsed in accordance with the terms of the Scheme or any other share option schemes of the Company) prior to the approval of such renewal shall not be counted for the purpose of calculating the limit as renewed. The total number of Shares issued and to be issued upon exercise of all share options granted to an Eligible Participant (including exercised and outstanding share options) in any 12-month (i.e. maximum entitlement) period must not exceed 1% of the Shares in issue from time to time, unless approved by the Shareholders in general meeting.

(i) 2019 Grant

Upon the refreshment of the limit of the Scheme by the Shareholders in general meeting on 21 June 2018, the number of Shares which may be issued upon the exercise of all share options granted or to be granted under the Scheme and any other share option schemes of the Company is 68,722,500 Shares, representing 10% of the issued Shares as at 21 June 2018. On 4 June 2019, it was resolved by the Company to grant 68,720,000 share options with exercise price of HK\$0.2412 per Share entitling the grantees to subscribe for 68,720,000 Shares. Details are set out in the announcement of the Company dated 4 June 2019. As at 30 June 2025, there were 2,519,200 effective share options outstanding with an exercise price of HK\$2.412 per share after the Share Consolidation.

(ii) 2022 Grant

Upon the refreshment of the limit of the Scheme by the Shareholders in general meeting on 26 June 2020, the number of Shares which may be issued upon the exercise of all share options granted or to be granted under the Scheme and any other share option schemes of the Company is 103,073,897 Shares, representing 10% of the issued Shares as at 26 June 2020. On 10 June 2022, it was resolved by the Company to grant 103,072,000 share options with exercise price of HK\$0.032 per Share entitling the grantees to subscribe for 103,072,000 Shares. The closing price of the Shares immediately before the grant date was HK\$0.032 per Share. Details are set out in the announcement of the Company dated 10 June 2022.

Adjustments to the share options

As a result of the share consolidation in 2023 (the “**Share Consolidation**”), the exercise price of the share options granted on 4 June 2019 is adjusted from HK\$0.2412 per Share to HK\$2.412 per Share, and the aggregate number of Shares to be issued upon exercise of the outstanding share options granted on 4 June 2019 under the share option scheme is adjusted from 25,192,000 Shares to 2,519,200 Shares. The exercise price of the share options granted on 10 June 2022 is adjusted from HK\$0.032 per Share to HK\$0.32 per Share, and the aggregate number of Shares to be issued upon exercise of the outstanding share options granted on 10 June 2022 under the share option scheme is adjusted from 103,072,000 Shares to 10,307,200 Shares. Details are set out in the announcement of the Company dated 28 June 2023.

As at 30 June 2025, options to subscribe for a total of 2,519,200 option shares were still outstanding under the Scheme which represents approximately 1.46% of the issued ordinary shares of the Company.

Pursuant to Rules 23.07 of the GEM Listing Rules, particulars and movements of share options under the Scheme during the six months ended 30 June 2025 are set out as follows:

Grantee	Date of grant of the options	On 1 January 2025 ⁽¹⁾	Granted during the period	Exercised during the period	Lapsed/ cancelled during the period	On 30 June 2025	Vesting period ⁽²⁾	Exercise period	Exercise price per share option (HK\$)
Employees	4 June 2019	1,259,600	–	–	–	1,259,600	4 June 2019–3 June 2020	4 June 2020–3 June 2029	2.412
Employees	4 June 2019	<u>1,259,600</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>1,259,600</u>	4 June 2019–3 June 2021	4 June 2021–3 June 2029	2.412
Total		<u>2,519,200</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>2,519,200</u>			

Notes:

- (1) The figures were adjusted by the Share Consolidation.
- (2) The options granted to the director were vested immediately. The options granted to the employees have a vesting period of 2 years, i.e. one-half of the options were vested on the first (1st) anniversary (round down to the nearest option) and the remaining one-half of the options were vested on the second (2nd) anniversary of the date of grant respectively.

2025 Share Scheme

The 2025 Share Scheme (the “**2025 Share Scheme**”) was approved and adopted by the Company during the annual general meeting of the Company on 23 June 2025. The purpose of the 2025 Share Scheme is to provide the Company with a flexible means of, attracting, remunerating, incentivising, retaining, rewarding, compensating and/or providing benefits to eligible participants through aligning the interests of eligible participants with those of the Company and shareholders of the Company by providing them with an opportunity to become shareholders of the Company, and thereby, encouraging eligible participants to contribute to the long-term growth, performance and profits of the Company and to enhance the value of the Company and the shares of the Company (the “**Shares**”) for the benefit of the Company and Shareholders as a whole.

Awards (the “**Awards**”) under the 2025 Share Scheme may take the form of a share option or a share award, which can be funded by Shares or an equivalent value determined by prevailing market prices.

As at the date of this announcement, no trustee has been appointed to administer and implement the 2025 Share Scheme. The Listing Committee of the Stock Exchange has approved the listing of and granted permission to deal in the Shares to be allotted and issued pursuant to the Awards.

Eligible participants

Eligible participants of the 2025 Share Scheme are determined by the scheme administrator of the 2025 Share Scheme from time to time to be eligible to participate as grantees under the scheme, and shall fall under the below category:

- Employee participant, being an employee, Director (excluding independent non-executive Director) or officer of the Group on the date of grant of the share options or share awards.

Maximum number of Awards available for grant and new Shares available for issue under the scheme mandate

The total number of Shares that may be issued and the number of treasury shares which may be transferred pursuant to all Awards to be granted under the 2025 Share Scheme and Awards to be granted under any other share schemes of the Company (the “**Scheme Mandate Limit**”):

- (a) must not exceed 10% of the relevant class of Shares of the Company in issue (excluding treasury shares) as at the date of approval of the 2025 Share Scheme (i.e. the adoption date) in accordance with GEM Listing Rule 23.03B(1), being 17,269,359 Shares; and
- (b) may be subsequently refreshed in accordance with the scheme rules of the 2025 Share Scheme (the “**Scheme Rules**”) and the GEM Listing Rules, as further approved by shareholders of the Company at general meeting.

Award shares underlying Awards that have lapsed in accordance with the terms of the Scheme Rules (or the terms of any other share schemes of the Company) shall not be counted for the purpose of calculating the Scheme Mandate Limit.

The 2025 Share Scheme was adopted on 23 June 2025. During the six months ended 30 June 2025, no Shares were issued pursuant to the 2025 Share Scheme. Therefore, as at 30 June 2025, 17,269,359 (representing approximately 10.00% of our total issued share capital (excluding treasury shares) as at 30 June 2025 and as at the date of this announcement) new Shares were available for issue under the scheme mandate.

Maximum entitlement of each eligible participant

Save as to the additional approval requirements as required under the GEM Listing Rules, there is no specific maximum entitlement for each eligible participant under the 2025 Share Scheme. Grants to individuals that exceed the thresholds set out in the GEM Listing Rules will be subject to additional approval requirements as required under the GEM Listing Rules.

Acceptance

The scheme administrator of the 2025 Share Scheme may determine in their absolute discretion the amount (if any) payable on application or acceptance of an Award and the period within which any such payments must be made, and such amounts (if any) and periods shall be set out in the award letter to be issued to the grantee. Unless otherwise specified in the award letter, the grantee shall have 10 business days from the date of grant to accept the Award, following which, the portion not accepted by the grantee shall automatically lapse.

Exercise period

The scheme administrator of the 2025 Share Scheme may determine in its absolute discretion the exercise period for any award of share options and/or share awards and such period shall be set out in the award letter to be issued to the grantee. However, the exercise period for any award of share options shall not be longer than 10 years from the date of grant.

Vesting period

The scheme administrator of the 2025 Share Scheme may determine the vesting period and specify such period in the award letter to be issued to the grantee. The vesting period may not be for a period less than 12 months from the date of grant, except in limited circumstances set out in the Scheme Rules. These circumstances may only apply to employee participants and are consistent with the scenarios contemplated in FAQ13-No.12 issued by the Stock Exchange, including where:

- (a) grants of “make whole” Awards to a new employee participant to replace the awards that the employee participant forfeited when leaving their previous employer;
- (b) grants to an employee participant whose employment is terminated due to death or disability or event of force majeure; or
- (c) grants of Awards that are with performance-based vesting conditions in lieu of time-based vesting criteria (such as 12 months from the grant date).

Issue price and exercise price

The scheme administrator of the 2025 Share Scheme may determine in their absolute discretion the issue price for the exercise of share awards and/or the exercise price for share options for Awards in the form of share awards and/or share option (as the case may be) and such prices shall be set out in the award letter to be issued to the grantee.

- (a) However, the exercise price for share options shall be no less than the higher of: (i) the closing price of the Shares on the date of grant; and (ii) the average closing price of the Shares for the five business days immediately preceding the date of grant.
- (b) The issue price shall be determined on an individual basis for each of the grantee by the scheme administrator of the 2025 Share Scheme, taking into account the purpose of the 2025 Share Scheme, the interests of the Company and the individual circumstances of each grantee.

Number of Shares underlying Awards available for grant

The aggregate number of Shares underlying all grants made or to be made pursuant to the 2025 Share Scheme was 17,269,359. No Shares underlying Awards have been granted under the 2025 Share Scheme since the adoption of the 2025 Share Scheme. It follows that, as at 1 January 2025 and 30 June 2025, there were 17,269,359 Shares remaining to be available for grant under the scheme mandate under the 2025 Share Scheme.

No share options or share awards have been granted or agreed to be granted, exercised, cancelled, expired or lapsed under the 2025 Share Scheme as at the date of this announcement.

Remaining life of the 2025 Share Scheme

The 2025 Share Scheme was approved and adopted by the Company during the annual general meeting of the Company on 23 June 2025. The term of the 2025 Share Scheme is 10 years commencing on the date of adoption unless terminated earlier. It follows that, the remaining life of the 2025 Share Scheme is approximately 9 years and 10 months.

Save as disclosed above in the section headed “2014 Share Option Scheme”, the Company did not have any outstanding share options, warrants and convertible instruments into shares as at the date of this announcement.

Apart from the aforesaid 2014 Share Option Scheme and 2025 Share Scheme, at no time during the six months ended 30 June 2025 was any of the Company and its holding companies, subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercise any such right.

CORPORATE GOVERNANCE PRACTICES

The Group has recognized the importance of transparency and accountability, and the Board considers that enhanced public accountability and corporate governance are beneficial for the healthy development of the Group, improving customer and supplier confidence. We believe that this can create long-term value for the shareholders of the Company and is beneficial for the Group’s sustainable growth. The Company adopted and complied with the principles and code provisions (“**Code Provision(s)**”) in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the GEM Listing Rules during the year ended 30 June 2025. The Group strives to achieve sound corporate governance standards as far as practicable and utilizes our resources efficiently and effectively.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED COMPANY

As at 30 June 2025, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which are required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, are as follows:

Long positions

Ordinary shares of the Company

Name	Capacity and nature of interest	Class of Shares	Number of Shares (note 1)	Percentage of the Company's issued share capital
Li Qi	Beneficial owner	Ordinary Shares	20,000,000 (L)	11.58%

Notes:

1. The letter "L" denotes a long position in the shareholder's interest in the share capital of the Company.

Save as disclosed above, as at 30 June 2025, none of the Directors and the chief executive of the Company or their associates (as defined in the GEM Listing Rules) had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which fell to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which each of them was taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which fell to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 and 5.67 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2025, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Long positions

Ordinary Shares

Name	Capacity and nature of interest	Class of Shares	Number of Shares (note 1)	Percentage of the Company's issued share capital
Zhang Aiguo	Beneficial owner	Ordinary Shares	20,312,500 (L)	11.76%
Bao Hongsheng	Beneficial owner	Ordinary Shares	20,000,250 (L)	11.58%
Huang Baolin	Beneficial owner	Ordinary Shares	20,000,000 (L)	11.58%
Lucky Most Investments Limited (note 2)	Beneficial owner	Ordinary Shares	8,724,000 (L)	5.05%
Zhou Yihong (note 2)	Interest of controlled corporation	Ordinary Shares	8,724,000 (L)	5.05%

Notes:

1. The letter "L" denotes a long position in the shareholder's interest in the share capital of the Company.
2. Lucky Most Investments Limited is 100% beneficially owned by Mr. Zhou Yihong. Under the SFO, Mr. Zhou Yihong is deemed to be interested in all the shares held by Lucky Most Investments Limited.

Save as disclosed above and so far as is known to the Directors, as at 30 June 2025, no other interests or short positions in the shares or underlying shares of the Company were recorded in the register required to be kept by the Company under section 336 of the SFO.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors of the Company 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 “**Model Code**”). Having made specific enquiries in writing to the Directors, each of the Directors confirmed that he/she had complied with the Model Code in connection with the Company’s securities for the six months ended 30 June 2025.

COMPETING INTERESTS

The Directors confirm that none of the controlling shareholders or Directors and their respective close associates (as defined in the GEM Listing Rules) is interested in any business apart from the business operated by the Group which competes or is likely to compete, directly or indirectly, with the business of the Group during the six months ended 30 June 2025.

UPDATE ON INFORMATION OF DIRECTORS

Pursuant to Rule 17.50A(1) of the GEM Listing Rules, the changes in information of Directors during the six months ended 30 June 2025 are set out below:

Name of Director	Changes
Mr. Li Qi	Appointed as an executive Director, with effect from 10 February 2025. With effect from 3 July 2025, was further appointed as co-chairman of the Board and will continue to serve as an executive Director.
Mr. Pan Xiaodong	Appointed as an executive Director and the chairman of the Board, with effect from 10 February 2025. Redesignated as co-chairman of the Board with effect from 3 July 2025, and will continue to serve as an executive Director.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30 June 2025.

CHANGE OF COMPANY WEBSITE

The website of the Company has been changed to www.8147.hk with effect from 18 March 2025. All announcements, notices or other documents to be submitted by the Company for publication on The Stock Exchange of Hong Kong Limited's website will also be published on this new website of the Company.

AMENDMENT OF CONSTITUTIONAL DOCUMENT

The third amended and restated memorandum and articles of association of the Company was adopted by way of a special resolution passed by the shareholders of the Company at the annual general meeting held on 23 June 2025. The third amended and restated memorandum and articles of association is available on the websites of the Stock Exchange and the Company.

EVENTS AFTER THE SIX MONTHS ENDED 30 JUNE 2025

On 1 August 2025 (after trading hours), the Company entered into a subscription agreement with Viva Gain Investments Limited in relation to the issue of convertible bonds in an aggregate principal amount of HK\$8,634,000. Upon full conversion of the convertible bonds at the initial conversion price of HK\$0.25 per conversion share (subject to adjustments), a total of 34,536,000 conversion shares will be issued, representing approximately 20.00% of the existing issued share capital of the Company and approximately 16.67% of the issued share capital of the Company as enlarged by the issue of the conversion shares. The conversion shares will be allotted and issued pursuant to the general and unconditional mandate granted to the Directors by way of an ordinary resolution of the shareholders of the Company passed at the annual general meeting of the Company held on 23 June 2025. The gross proceeds and net proceeds from the subscription will be HK\$8,634,000 and approximately HK\$8.6 million respectively. The Group intends to use the net proceeds to be raised from the issue of the convertible bonds for general working capital, including ordinary business cash flows, staff costs, legal and professional fees, auditor's remuneration, rental and other operating expenses. As at the date of this announcement, the conditions precedent to the subscription agreement have been fulfilled, and the issue of convertible bonds with a total principal amount of HKD8,634,000 was completed on 22 August 2025. Please refer to the announcements of the Company dated 1 August 2025, 20 August 2025 and 22 August 2025 for more details.

AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control systems of the Group. The Audit Committee comprises three independent non-executive Directors, namely Ms. Zhi Jiangbo (chairlady of the Audit Committee), Mr. Chen Yifan and Mr. Zhou Fenli.

The unaudited condensed consolidated financial statements of the Company for the six months ended 30 June 2025 has been reviewed by the Audit Committee. The Audit Committee is of the opinion that such financial information complies with the applicable accounting standards, the GEM Listing Rules and legal requirements, and that adequate disclosure have been made.

By order of the Board
Millennium Pacific Group Holdings Limited
Chen Yiliang
Executive Director

Hong Kong, 28 August 2025

As at the date of this announcement, the executive Directors are Mr. Chen Yiliang, Mr. Pan Xiaodong (co-chairman) and Mr. Li Qi (co-chairman); and the independent non-executive Directors are Mr. Chen Yifan, Mr. Zhou Fenli and Ms. Zhi Jiangbo.

This announcement will remain on the “Latest Listed Company Information” page of the GEM of the Stock Exchange’s website (www.hkexnews.hk) for at least seven days after the date of publication and on the website of the Company (www.8147.hk).