

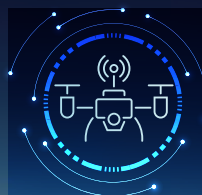


FUTURE DATA GROUP LIMITED

未來數據集團有限公司

(Incorporated in the Cayman Islands with limited liability)

STOCK CODE: 8229



2025

INTERIM REPORT

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

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

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the “**Directors**”) of Future Data 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 and its subsidiaries (collectively refer to as the “**Group**”). The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report 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 report misleading.



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BOARD OF DIRECTORS

Executive Directors

Ms. Tuen Hei Ching
(appointed on 11 June 2025)
Mr. Lee Seung Han
Mr. Cheung Ting Pong
*(Vice Chairman of the Board and
Chief Executive Officer)*
(resigned on 11 June 2025)

Non-executive Director

Ms. Tao Hongxia *(Chairlady of the Board)*

Independent Non-executive Director

Mr. Chan Kin Ming
Mr. Lam Chi Cheung Albert
Mr. Leung Louis Ho Ming

BOARD COMMITTEES

Audit Committees

Mr. Chan Kin Ming *(Chairman)*
Mr. Lam Chi Cheung Albert
Mr. Leung Louis Ho Ming

Remuneration Committee

Mr. Lam Chi Cheung Albert *(Chairman)*
Ms. Tuen Hei Ching
(appointed on 11 June 2025)
Mr. Chan Kin Ming
Mr. Cheung Ting Pong
(resigned on 11 June 2025)

Nomination Committee

Mr. Leung Louis Ho Ming *(Chairman)*
Ms. Tuen Hei Ching
(appointed on 11 June 2025)
Mr. Lam Chi Cheung Albert
Mr. Chan Kin Ming
Mr. Cheung Ting Pong
(resigned on 11 June 2025)

COMPLIANCE OFFICER

Mr. Lee Seung Han

JOINT COMPANY SECRETARIES

Ms. Cheung Yuet Fan
Mr. Pang Kai Cheong
(resigned on 30 April 2025)

AUTHORISED REPRESENTATIVES

Ms. Tuen Hei Ching
(appointed on 11 June 2025)
Ms. Cheung Yuet Fan
Mr. Cheung Ting Pong
(resigned on 11 June 2025)

AUDITOR

Prism Hong Kong Limited
Certified Public Accountants
Units 1903A–1905, 19/F
8 Observatory Road
Tsim Sha Tsui
Kowloon, Hong Kong

Corporate Information

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As to Korean Law:
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Attorneys-at-law, Korea
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HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN KOREA

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Yeongdeungpo-gu
Seoul
Korea

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANK

Woori Bank
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Jung-gu
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COMPANY'S WEBSITE

www.futuredatagroup.com

STOCK CODE

8229

PLACE OF LISTING

GEM of The Stock Exchange of Hong Kong
Limited (the "Stock Exchange")

Financial Highlights

For the six months ended 30 June 2025

- Unaudited revenue of the Group from continuing operations was approximately HK\$160,976,000 for the six months ended 30 June 2025, representing a decrease of approximately HK\$55,983,000, as compared to the six months ended 30 June 2024.
- Unaudited loss from continuing and discontinued operations was approximately HK\$17,901,000 for the six months ended 30 June 2025, representing an increase of net loss of approximately HK\$13,561,000, as compared to the six months ended 30 June 2024.
- Unaudited basic and diluted loss per share from continuing and discontinued operations for the six months ended 30 June 2025 was HK3.27 cents (2024: HK0.79 cents).
- Unaudited basic and diluted loss per share from continuing operations for the six months ended 30 June 2025 was HK3.27 cents (2024: HK0.88 cents).
- The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (2024: Nil).

Interim Results

The board of directors (the “Board”) of the Company presents the unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2025 together with comparative figures as follows.

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
Continuing operations	Notes	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Revenue	4	160,976	216,959
Cost of sales		(150,848)	(194,350)
Gross profit		10,128	22,609
Other income		1,059	1,935
Impairment losses of trade receivables		(1,968)	(1,345)
Selling and distribution expenses		(26,114)	(30,316)
Finance costs		(213)	(92)
Loss before tax	5	(17,108)	(7,209)
Income tax expense	6	(796)	(355)
Loss for the period from continuing operations		(17,904)	(7,564)
Discontinued operation			
Profit for the period from discontinued operation		–	3,252
Loss for the period		(17,904)	(4,312)
(Loss) profit for the period attributable to:			
– Owners of the Company			
– from continuing operations		(17,901)	(4,793)
– from discontinued operation		–	453
		(17,901)	(4,340)
– Non-controlling interests			
– from continuing operations		(3)	(217)
– from discontinued operation		–	245
		(3)	28
		(17,904)	(4,312)
Loss per share attributable to owners of the Company	7		
From continuing and discontinued operations			
– Basic (HK cents)		(3.27)	(0.79)
– Diluted (HK cents)		(3.27)	(0.79)
From continuing operations			
– Basic (HK cents)		(3.27)	(0.88)
– Diluted (HK cents)		(3.27)	(0.88)

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
	(Unaudited)	(Unaudited)
Loss for the period	(17,904)	(4,312)
Other comprehensive income (expense) for the period		
<i>Items that will be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	12,200	(8,485)
Total comprehensive expense for the period	(5,704)	(12,797)
Total comprehensive income (expense) for the period attributable to:		
– Owners of the Company		
– from continuing operations	(5,701)	(13,278)
– from discontinued operation	–	453
	(5,701)	(12,825)
– Non-controlling interests		
– from continuing operations	(3)	(217)
– from discontinued operation	–	245
	(3)	28
	(5,704)	(12,797)

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

		30 June 2025	31 December 2024
	Notes	HK\$'000 (Unaudited)	HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment		26,057	25,279
Intangible assets		7,246	8,361
Goodwill		9,225	9,225
Other financial assets	9	4,351	3,945
Rental and other deposits		418	386
Prepayments		23	21
Defined benefit assets		1,303	232
Deferred tax assets		4,824	4,567
		53,447	52,016
Current assets			
Inventories	10	4,514	476
Trade and other receivables	11	49,937	61,568
Contract assets	12	2,458	1,347
Prepayments		1,344	451
Tax recoverable		79	182
Fixed bank deposits		54,758	22,982
Cash and cash equivalents		51,583	81,807
		164,673	168,813
Current liabilities			
Trade and other payables	13	46,918	57,263
Contract liabilities	12	9,899	148
Amount due to a shareholder		1,376	1,376
Amount due to a shareholder of a subsidiary		188	188
Lease liabilities		642	1,420
Convertible notes	14	2,160	2,026
Derivative components embedded in convertible notes	14	25	25
		61,208	62,446
Net current assets		103,465	106,367
Total assets less current liabilities		156,912	158,383

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

		30 June 2025	31 December 2024
	<i>Note</i>	HK\$'000 (Unaudited)	HK\$'000 (Audited)
Non-current liabilities			
Lease liabilities		1,583	1,211
Loan from a shareholder		9,610	5,800
		11,193	7,011
Net assets		145,719	151,372
Capital and reserves			
Share capital	17	5,467	5,467
Reserves		140,312	145,962
Equity attributable to owners of the Company		145,779	151,429
Non-controlling interests		(60)	(57)
Total equity		145,719	151,372

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Equity attributable to owners of the Company									Non-controlling interests	Total equity
	Share capital HK\$'000	Share premium HK\$'000	Share-based payment reserve* HK\$'000 (Note 15)	Capital reserve* HK\$'000	Research and development reserve* HK\$'000	Foreign exchange reserve* HK\$'000	Legal reserve* HK\$'000	Retained earnings* HK\$'000	Sub-total HK\$'000 (Note)		
At 1 January 2024 (audited)	5,467	103,862	3,542	13,855	3,674	(19,987)	3,124	68,567	182,104	895	182,999
Loss for the period	-	-	-	-	-	-	-	(4,340)	(4,340)	28	(4,312)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	(8,485)	-	-	(8,485)	-	(8,485)
Total comprehensive expense	-	-	-	-	-	(8,485)	-	(4,340)	(12,825)	28	(12,797)
Recognition of equity-settled share-based payments	-	-	2,977	-	-	-	-	-	2,977	-	2,977
Lapse of share options	-	-	(479)	-	-	-	-	479	-	-	-
Disposals of subsidiaries	-	-	-	-	-	-	-	-	-	398	398
Appropriation	-	-	-	-	-	-	91	(91)	-	-	-
At 30 June 2024 (unaudited)	5,467	103,862	6,040	13,855	3,674	(28,472)	3,215	64,615	172,256	1,321	173,577
At 1 January 2025 (audited)	5,467	103,862	7,315	13,855	3,674	(37,460)	3,124	51,592	151,429	(57)	151,372
Loss for the period	-	-	-	-	-	-	-	(17,901)	(17,901)	(3)	(17,904)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	12,200	-	-	12,200	-	12,200
Total comprehensive expense	-	-	-	-	-	12,200	-	(17,901)	(5,701)	(3)	(5,704)
Recognition of equity-settled share-based payments	-	-	51	-	-	-	-	-	51	-	51
Lapse of share options	-	-	(2,524)	-	-	-	-	2,524	-	-	-
Appropriation	-	-	-	-	-	-	312	(312)	-	-	-
At 30 June 2025 (unaudited)	5,467	103,862	4,842	13,855	3,674	(25,260)	3,436	35,903	145,779	(60)	145,719

* The total of these balances represents "Reserve" in the condensed consolidated statement of financial position.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
	(Re-presented)	
OPERATING ACTIVITIES		
Cash used in operations activities	(10,685)	(35,042)
Income tax paid	(637)	(82)
NET CASH USED IN OPERATING ACTIVITIES	(11,322)	(35,124)
INVESTING ACTIVITIES		
Increase in fixed bank deposits	(31,776)	(9,926)
Other cash from (used in) investing activities	2,679	(1,533)
NET CASH USED IN INVESTING ACTIVITIES	(29,097)	(11,459)
FINANCING ACTIVITIES		
Proceeds on issue of convertible notes, net of transactions costs	–	1,918
Increase in loan from a shareholder	5,000	–
Repayment of shareholder's loan	(1,190)	–
Other cash used in financing activities	(989)	(404)
NET CASH FROM FINANCING ACTIVITIES	2,821	1,514
Net decrease in cash and cash equivalents	(37,598)	(45,069)
Cash and cash equivalents at the beginning of the period	81,807	122,708
Effect of exchange rate changes on cash and cash equivalents	7,374	(6,115)
Cash and cash equivalents at the end of the period	51,583	71,524

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

1. GENERAL INFORMATION

Future Data Group Limited (the “**Company**”) was incorporated in the Cayman Islands on 4 January 2016 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as revised and consolidated) of the Cayman Islands and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Company’s registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company’s principal place of business is located at Room 1703, 17/F., Office Tower, Convention Plaza, No. 1 Harbour Road, Wan Chai, Hong Kong.

The principal place of business of Global Telecom Company Limited (“**Global Telecom**”), the Company’s indirect wholly-owned subsidiary, is located at Units A1304–1310, 13/F., 150 Yeongdeungpo-ro, Yeongdeungpo-gu, Seoul, Korea.

The principal activity of the Company is investment holding. The Company and its subsidiaries (together the “**Group**”) are engaged in the provision of (i) integration of systems with network connectivity, cloud computing and security elements, and (ii) maintenance services.

In the opinion of the directors of the Company, Gorgeous Real Investment Holding Limited, a company incorporated in the British Virgin Islands (“**BVI**”), is the immediate and ultimate holding company of the Company. Ms. Tao Hongxia (“**Ms. Tao**”) is the ultimate controlling party of the Company.

The functional currency of the Company’s principal operating subsidiary in Korea is the South Korean Won (“**KRW**”), and that of its Hong Kong subsidiary is the Hong Kong Dollar (“**HK\$**”). The Company’s own functional currency is HK\$. Given that its shares are listed on GEM of the Stock Exchange, the directors consider HK\$ to be the appropriate presentation currency for the Group’s condensed consolidated interim financial statements. The amounts stated are rounded to the nearest HK\$1,000 unless otherwise stated.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The condensed consolidated interim financial statements for the six months ended 30 June 2025 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 GEM Listing Rules.

The accounting policies and methods of computation used in the preparation of the condensed consolidated interim financial statements for the six months ended 30 June 2025 are consistent with those adopted in the annual financial statements for the year ended 31 December 2024. The condensed consolidated interim financial statements for the six months ended 30 June 2025 should be read in conjunction with the annual financial statements for the year ended 31 December 2024.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period’s financial information.

Amendments to HKAS 21

Lack of Exchangeability

The nature and impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

4. REVENUE AND SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (the "CODM"), being the executive directors of the Company, for the purposes of allocating resources and assessing performance.

Specifically, the Group's reportable and operating segments under HKFRS 8 Operating Segments are as follow:

- (i) System integration;
- (ii) maintenance services; and
- (iii) Cybersecurity services (discontinued operation in January 2024).

Segment revenues and results

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

For the six months ended 30 June 2025

Continuing operations

	System integration HK\$'000 (Unaudited)	Maintenance services HK\$'000 (Unaudited)	Other services HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Segment revenue from external customers	59,635	99,101	2,240	160,976
Segment results	1,036	7,553	1,539	10,128
Other income				1,059
Corporate expenses				(28,082)
Finance costs				(213)
Loss before tax				(17,108)
Income tax expenses				(796)
Loss for the period				(17,904)

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

For the six months ended 30 June 2024

Continuing operations

	System integration HK\$'000 (Unaudited)	Maintenance services HK\$'000 (Unaudited)	Other services HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Segment revenue from external customers	131,262	82,040	3,657	216,959
Segment results	(1,057)	20,803	2,863	22,609
Other income				1,935
Corporate expenses				(31,661)
Finance costs				(92)
Loss before tax				(7,209)
Income tax expenses				(355)
Loss for the period				(7,564)

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

Geographical information

An analysis of the Group's revenue from external customers is presented based on the location of customers as below:

	Six months ended 30 June	
	2025	2024
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Continuing operations		
Korea	158,736	213,302
Hong Kong	2,240	3,657
	160,976	216,959

The Group's property, plant and equipment are solely located in Korea.

(a) Analysis of the Group's revenue by business segments and timing of revenue recognition:

	Six months ended 30 June	
	2025	2024
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Continuing operations		
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major services		
System integration services	59,635	131,262
System maintenance services	99,101	82,040
Other services	2,240	3,657
	160,976	216,959
Disaggregated by timing of revenue recognition		
Over time	160,976	216,959

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

(b) Disaggregation of revenue

The following table disaggregates the Group's revenue from contracts with customers:

For the six months ended 30 June 2025

Continuing operations

	System integration HK\$'000 (Unaudited)	Maintenance services HK\$'000 (Unaudited)	Other services HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Type of goods or services:				
– Cloud infrastructure	55,233	98,364	–	153,597
– Security	4,402	737	–	5,139
– Others	–	–	2,240	2,240
	59,635	99,101	2,240	160,976
Type of customers:				
– Public sector	38,240	91,121	–	129,361
– Private sector	21,395	7,980	2,240	31,615
	59,635	99,101	2,240	160,976
Type of contract duration:				
– Within twelve months	43,185	54,444	2,240	99,869
– Over 1 year but less than 2 years	63	8,885	–	8,948
– Over 2 years	16,387	35,772	–	52,159
	59,635	99,101	2,240	160,976

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

The following table disaggregates the Group's revenue from contracts with customers:

For the six months ended 30 June 2024

Continuing operations

	System integration HK\$'000 (Unaudited)	Maintenance services HK\$'000 (Unaudited)	Other services HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Type of goods or services:				
– Cloud infrastructure	129,810	80,693	–	210,503
– Security	1,452	1,347	3,527	6,326
– Other	–	–	130	130
	131,262	82,040	3,657	216,959
Type of customers:				
– Public sector	63,465	66,110	–	129,575
– Private sector	67,797	15,930	3,657	87,384
	131,262	82,040	3,657	216,959
Type of contract duration:				
– Within twelve months	128,822	42,634	3,657	175,113
– Over 1 year but less than 2 years	2,440	9,861	–	12,301
– Over 2 years	–	29,545	–	29,545
	131,262	82,040	3,657	216,959

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

5. LOSS BEFORE TAX FROM CONTINUING OPERATIONS

Loss before tax from continuing operations has been arrived at after charging the following items:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Employee costs	41,930	42,036
Cost of inventories recognised as expenses (included in cost of sales)	108,989	118,885
Subcontracting costs	13,699	51,225
Impairment loss on trade receivables	1,968	1,345
Depreciation of property, plant and equipment	679	1,107
Depreciation of right-of-use assets	599	809
Research and development costs	–	2,778
Interest on lease liabilities	59	80
Short term lease expenses	–	233

6. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Continuing operations		
Deferred tax credit/(expense)		
– Korea	–	(300)
– Hong Kong	184	(53)
	184	(353)
Current income tax		
– Korea	(473)	(2)
Withholding tax		
– Korea	(507)	–
	(796)	(355)

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

7. LOSS PER SHARE

The calculation of basic and diluted loss per share attributable to owners of the Company is based on the following:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss:		
Loss for the purpose of basic and diluted loss per share		
– Continuing operations	(17,901)	(4,793)
– Discontinued operation	–	453
From continuing and discontinued operations	(17,901)	(4,340)
Number of shares: ('000)		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	546,680	546,680

The diluted loss per share is equal to the basic loss per share as the Company's outstanding share options where applicable had an anti-dilutive effect to the basic loss per share calculation, the exercise of the above potential dilutive shares is not assumed in the calculation of diluted loss per share for both periods.

8. DIVIDEND

No dividend was paid, declared or proposed during the six months ended 30 June 2025 and 2024, nor has any dividend been proposed since the end of the reporting periods.

9. OTHER FINANCIAL ASSETS

	30 June 2025	31 December 2024
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Financial assets measured at fair value through profit or loss:		
Unlisted equity securities		
– Korea Software Financial Cooperative ("KSFC")	4,315	3,913
– Korea Broadcasting & Communication Financial Cooperative	35	32
	4,351	3,945

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

10. INVENTORIES

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Hardware and software	4,514	476

11. TRADE AND OTHER RECEIVABLES

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Trade receivables	49,651	57,973
Less: allowance for impairment of trade receivables	(16,981)	(13,611)
	32,670	44,362
Accrued interest	369	144
Rental and other deposits	16,385	14,493
Other receivables	513	2,569
	49,937	61,568

The credit terms granted by the Group to its trade customers are normally 90 days. Based on the invoice dates, the ageing analysis of the Group's trade receivables, net of impairment provision, is as follows:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
0 to 90 days	15,504	34,737
91 to 180 days	2,124	5,257
181 to 365 days	14,432	4,368
Over 365 days	610	–
	32,670	44,362

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

12. CONTRACT ASSETS AND CONTRACT LIABILITIES

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Contract assets		
– Arising from performance under system integration	2,458	1,347
Contract liabilities		
– Billing in advance of performance under system integration	9,899	148

13. TRADE AND OTHER PAYABLES

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Trade payables	36,983	42,693
Accruals and other payables	9,377	10,193
Advance receipts	558	598
Value-added tax payables	–	3,779
	46,918	57,263

Credit periods granted by suppliers normally range from 30 days to 90 days. Based on the invoice dates, the ageing analysis of the trade payables is as follows:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
0 to 30 days	26,432	34,212
31 to 60 days	1,409	3,640
61 to 90 days	918	667
91 to 180 days	2,893	1,767
181 to 365 days	4,809	1,933
Over 365 days	522	474
	36,983	42,693

14. CONVERTIBLE NOTES

On 17 June 2024, the Company issued convertible notes with an aggregate principal amount of HK\$2,000,000, carrying interest at a rate of 8% per annum, payable in arrears on the maturity date of 17 June 2025 (the “**Maturity Date**”). The convertible notes entitled the noteholder to convert them into ordinary shares of the Company at any time after expiry of six calendar months from the date of issue of the convertible notes up to the business day immediately before the Maturity Date, at a conversion price of HK\$0.50 per conversion share, subject to clauses of adjustments to conversion price (the “**Conversion Option**”).

The convertible notes may be early redeemed at 100% of the outstanding principal amount of the notes (in whole or in part) at any time and from time to time at the option of the Company prior to the Maturity Date. Any amount of the convertible notes that remains outstanding on the Maturity Date shall be redeemed at its then outstanding principal amount.

The conversion price will be subject to adjustments in the events of subdivision or consolidation of shares, capitalisation of profits or reserves, capital distributions, issue of shares or convertible securities at less than 80% of market price of shares or underlying shares of the Company.

If, as a result of adjustments to the conversion price, additional ordinary shares of the Company are required to be issued upon the noteholder exercising their rights to the Conversion Option, and the total number of conversion shares would otherwise exceed the maximum number of the ordinary shares that the Company may issue at the time pursuant to the general mandate under which the conversion shares are to be allotted and issued (the “**Exceeded Shares**”), the Company will settle the Exceeded Shares in cash. This cash amount will be calculated by the market price of the ordinary shares on the relevant exercise date of the Conversion Option.

The convertible notes are regarded as combined instruments consisting of a liability and derivative liability components. At the date of issue, the fair values of the derivative components are determined using an option pricing model; this amount is carried as derivative liabilities that is subsequently measured at fair value through profit or loss until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the liability component and is carried as a liability at amortised cost using the effective interest method until extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and derivative components of the convertible notes based on the allocation of proceeds to the liability and derivative components on initial recognition. The portion related to the derivative components is expensed immediately.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

The net proceeds received from the issue of the convertible notes has been split between the liability element and the derivative components, as follows:

	Derivatives HK\$'000	Liability HK\$'000
Nominal value of convertible notes issued	–	2,000
Transaction cost related to liability component	–	(82)
Derivative components	37	(37)
	37	1,881
Fair value gain	(12)	–
Interest charged	–	145
At 31 December 2024 and 1 January 2025 (audited)	25	2,026
Interest charged	–	134
At 30 June 2025 (unaudited)	25	2,160

The interest charged for the period is calculated by applying an effective interest rate of 14.85% to the liability component since the notes were issued.

This fair value of liability component has been calculated by discounting the future cash flows at the market interest rate (level 2 fair value measurement).

The derivative components are measured at their fair values at the date of issue and at the end of each reporting period. The fair values are estimated using Binomial Model (level 3 fair value measurement). The key assumptions used are as follows:

	31 December 2024	Date of issue
Weighted average share price	0.445	0.500
Weighted average exercise price	0.500	0.500
Expected volatility	75.28%	88.98%
Expected life	0.5 year	1 year
Risk-free rate	3.80%	4.12%
Expected dividend yield	0.00%	0.00%

On 9 June 2025, the Company received a form of transfer from the original noteholder in relation to the transfer of the convertible notes to a new noteholder, an independent third party.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

Subsequent to the reporting period and on 31 July 2025, the Company received a conversion notice from the new noteholder in relation to the exercise of the conversion rights attached to the convertible notes to convert the convertible notes in the principal amount of HK\$2,000,000 into 4,000,000 conversion shares at the conversion price of HK\$0.5 (the “**Conversion**”). Accordingly, on 4 August 2025, 4,000,000 conversion shares, representing approximately 0.73% of the total number of issued shares immediately before the conversion and approximately 0.73% of the total number of issued shares as enlarged by the issue of the conversion shares after the conversion, were allotted to the new noteholder under the relevant general mandate in accordance with the terms and conditions of the convertible notes.

15. RELATED PARTY TRANSACTIONS AND BALANCES

In addition to the transactions and balances detailed elsewhere in the condensed consolidated financial statements, the Group has entered into the following significant transactions with related parties during the six months ended 30 June 2025.

(a) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management personnel during the period was as follows:

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Remuneration of directors and other members of key management	4,477	8,980

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

16. EQUITY SETTLED SHARE-BASED PAYMENT TRANSACTIONS

A share option scheme was approved and adopted by the Company on 21 June 2016 (the “Scheme”), for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Eligible participants include the full-time and part-time employees, executives, officers, directors, business consultants, agents, legal and financial advisers of the Company and the Company’s subsidiaries.

The Scheme is effective for a period of 10 years commencing on the listing date of 8 July 2016 of the Company. Under the Scheme, the board of directors may in its absolute discretion determine at the time of grant of the relevant option but the subscription price shall not be less than whichever is the highest of: (i) the closing price of the shares as stated in the Stock Exchange’s daily quotations sheet on the date of the granting of the option; (ii) the average closing prices of the shares as stated in the Stock Exchange’s daily quotation sheets for the five business days immediately preceding the date of the granting of the option; and (iii) the nominal value of a share. An offer of grant of an option may be accepted by a participant within the date as specified in the offer letter issued by the Company, being a date not later than 21 days from the date upon which it is made, by which the participant must accept the offer or be deemed to have declined it, provided that such date shall not be more than 10 years after the date of adoption of the Scheme. A consideration of HK\$1.00 is payable on acceptance of the offer of grant of an option.

The period as the board of directors may in its absolute discretion determine and specify in relation to any particular option holder in his option agreement during which the option may be exercised (subject to such restriction on exercisability specified therein), which shall be not greater than the period prescribed by the GEM Listing Rules from time to time (which is, as at the date of adoption of the Scheme, a period of 10 years from the date of the granting of the option).

The limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes must not exceed 30% of the shares in issue from time to time. No options may be granted under any schemes of the Company if this will result in the limit being exceeded. The total number of shares which may be issued upon exercise of all options to be granted under the Scheme and any other schemes of the Company must not in aggregate exceed 10% of the shares in issue. Options lapsed in accordance with the terms of the Scheme or any other schemes will not be counted for the purpose of calculating the 10% limit.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

Share options do not confer rights on the holder to dividends or to vote at shareholders' meetings.

Details of the specific categories of share options are as follows:

Date of grant	Vesting period	Exercise period	Exercise price per share HK\$	Number of share options granted
Employees				
3 April 2023	3 April 2023 to 2 April 2024	3 April 2024 to 2 April 2033	0.656	19,200,000 ^(Note 1)
16 May 2023	16 May 2023 to 15 May 2024	16 May 2024 to 15 May 2033	0.810	4,800,000 ^(Note 1)
5 October 2023	5 October 2023 to 4 October 2024	5 October 2024 to 4 October 2033	0.840	5,800,000 ^(Note 1)
15 January 2024	15 January 2024 to 14 January 2025	15 January 2025 to 14 January 2034	0.600	4,800,000 ^(Note 2)

Notes:

1. There is no performance target attached to the above share options granted.
2. The grant and the vesting of the share options are subject to the performance target to be achieved by the Grantee. Such performance target is classified as a non-market condition and shall not be taken into account when estimating the fair value of the share options as at the measurement date.

If the options remain unexercised after a period of 10 years from the date of grant, the options expire.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

Options are forfeited if the employee leaves the Group. Details of the movement of share options during the period are as follows:

	30 June 2025		30 June 2024	
	Number of share options	Weighted average exercise price HK\$	Number of share options	Weighted average exercise price HK\$
Outstanding at the beginning of the period	19,200,000	0.72	17,800,000	0.76
Granted during the period	–	N/A	4,800,000	0.60
Lapsed during the period	(4,800,000)	0.81	(2,400,000)	0.66
Exercised during the period	–	N/A	–	N/A
Cancelled during the period	–	N/A	–	N/A
Outstanding at the end of the period	14,400,000	0.72	20,200,000	0.73

The options outstanding at the end of the period have a weighted average remaining contractual life of 8.19 years (2024: 8.61 years).

The exercise prices range from HK\$0.60 to HK\$0.83 (2024: HK\$0.60 to HK\$0.84).

These fair values were calculated using the Binomial Option Pricing Model. The inputs into the model were as follows:

	3 April 2023	16 May 2023	5 October 2023	15 January 2024
Date of grant				
Weighted average share price	0.640	0.810	0.810	0.520
Weighted average exercise price per option	0.656	0.810	0.826	0.600
Expected volatility	78.66%–84.71%	84.54%	87.18%	84.63%
Risk free rate	3.17%–3.33%	3.02%	4.30%	3.20%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

Expected volatility was determined by using the historical volatility of the Company's share price over the previous 2 years. The expected life used in the model has been adjusted, based on the Group's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised equity-settled share-based payments of approximately HK\$51,000 (30 June 2024: HK\$2,977,000) for the period 30 June 2025 in relation to share options granted by the Company.

17. SHARE CAPITAL

Details of movements of authorised and issued share capital of the Company are as follows:

	Number of shares		Share capital	
	30 June 2025 '000 (Unaudited)	31 December 2024 '000 (Audited)	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Ordinary shares of HK\$0.01 each				
Authorised:				
At the beginning and end of period/year	5,000,000	5,000,000	50,000	50,000
Issued and fully paid:				
At the beginning and end of period/year	546,680	546,680	5,467	5,467

Management Discussion and Analysis

BUSINESS REVIEW

The Group is principally engaged in the provision of (i) integration of systems with network connectivity, cloud computing and security elements; and (ii) maintenance services. In recent years, an unstable global economic environment and reduced budgets in both the public and private sectors for cyber security services has led to a decline in the Group's revenue from cyber security services.

In the fiscal year ended December 31, 2024, we served a diverse client base across manufacturing, finance, and telecommunications sectors in Korea and select Asian markets. As a technology enabler, our performance is closely tied to global digital transformation trends and macroeconomic conditions. For the six months ended 30 June 2025, the Company recorded revenue from continuing operations of approximately HKD161 million, representing a decline of approximately 25.8% from approximately HKD217 million in the prior period. This downturn was primarily driven by the aforementioned global macro challenges, which resulting in reduced client spending and delays in project execution.

Set out below were the details of the movement of backlog for the six months ended 30 June 2025:

	HK\$'000
Opening backlog as at 1 January 2025	150,137
New booking during the period	296,261
Revenue recognised during the period	160,976
Closing backlog as at 30 June 2025	285,422

The global economy in 2024 and early 2025 has been characterized by persistent uncertainty, marked by inflationary pressures, geopolitical tensions, and uneven recovery from prior disruptions. According to the International Monetary Fund's (IMF) World Economic Outlook update in July 2024, global GDP growth is projected to be 3.2% for 2025, down from earlier estimates due to lingering effects of high interest rates and supply chain fragilities. This subdued growth has been exacerbated by escalating trade frictions, particularly between the US and China, which have ripple effects on Asia-Pacific technology supply chains.

FINANCIAL REVIEW

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

	Six months ended			
	30 June	30 June		
	2025	2024	Change	Change
	HK\$'000	HK\$'000	HK\$'000	%
	(unaudited)	(unaudited)		
Continuing operations				
Revenue	160,976	216,959	(55,983)	(25.8)
Cost of services	(150,848)	(194,350)	(43,502)	(22.4)
Gross profit	10,128	22,609	(12,481)	(55.2)
Other income, net	1,059	1,935	(876)	(45.3)
Impairment losses of trade receivables	(1,968)	(1,345)	(623)	46.3
Selling and administrative expenses	(26,114)	(30,316)	(4,202)	13.9
Finance costs	(213)	(92)	121	131.5
Loss before income tax from continuing operations	(17,108)	(7,209)	9,899	137.3
Income tax expense	(796)	(355)	441	124.2
Loss for the period from continuing operations	(17,904)	(7,564)	10,340	136.7
Discontinued operation				
Profit for the period from discontinued operation	–	3,252	(3,252)	(100.0)
Loss for the period	(17,904)	(4,312)	13,592	315.2

REVENUE

For the six months ended 30 June 2025, the Group posted a revenue of HK\$161.0 million which represented a decrease by HK\$56.0 million or 25.8% when compared to a revenue of HK\$217.0 million in the corresponding period in 2024, such decrease was because of the postponing implementation of system integration projects in private sector in Korea.

Management Discussion and Analysis

An analysis on the Group's revenue is presented below:

- Korea contributed HK\$158.7 million for the six months ended 30 June 2025, decreased by HK\$54.6 million or 25.6% compared to HK\$213.3 million a year ago. Eliminating the effect of translation of reporting currency, there was a decrease in revenue of KRW9.2 billion or 25.0% from KRW36.8 billion for the six months ended 30 June 2024 to KRW27.6 billion for the six months ended 30 June 2025. Business in Hong Kong contributed HK\$2.3 million for the six months ended 30 June 2025, which was HK\$1.5 million or 40.5% lower as compared to HK\$3.7 million in the corresponding period in 2024.
- Segment revenue of system integration, maintenance services and other services were HK\$59.6 million, HK\$99.1 million and HK\$2.3 million respectively (2024: HK\$131.3 million, HK\$82.0 million and HK\$3.7 million respectively), accounting for 37.0%, 61.6% and 1.4% of the Group's revenue for the six months ended 30 June 2025 (2024: 60.5%, 37.8% and 1.7%).
- For the six months ended 30 June 2025, public sector contributed HK\$129.4 million in revenue, which was HK\$0.2 million or 0.2% decrease; and private sector contributed HK\$31.6 million which was HK\$55.8 million or 63.8% decrease as compared to the corresponding period in 2024.

GROSS PROFIT

The Group's gross profit decreased by approximately HK\$12.5 million or 55.2% from HK\$22.6 million for the six months ended 30 June 2024 to HK\$10.1 million for the six months ended 30 June 2025, such decrease was mainly attributable to the decrease in revenue exceeded the decline in cost of services.

SELLING AND ADMINISTRATIVE EXPENSES

The Group's selling and administrative expenses decreased by approximately HK\$4.2 million or 13.9% to HK\$26.1 million for the six months ended 30 June 2025 compared to the corresponding period a in 2024 (2024: approximately HK\$30.3 million). Such decrease was mainly attributable to no share based payment being incurred in this period.

LOSS FOR THE PERIOD

The Group recorded a loss for the six months ended 30 June 2025 of approximately HK\$17.9 million, representing an increase in loss of HK\$13.6 million as compared to the corresponding period in 2024.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	As at 30 June 2025 HK\$'000 (unaudited)	As at 31 December 2024 HK\$'000 (audited)	Change HK\$'000	Change %
ASSETS AND LIABILITIES				
Non-current assets				
Property, plant and equipment	26,057	25,279	778	3.1
Intangible assets	7,246	8,361	(1,115)	(13.3)
Goodwill	9,225	9,225	–	–
Other financial assets	4,351	3,945	406	10.3
Rental and other deposits	418	386	32	8.3
Prepayments	23	21	2	9.5
Defined benefit assets	1,303	232	1,071	461.6
Deferred tax assets	4,824	4,567	257	5.6
	53,447	52,016	1,431	(2.8)
Current assets				
Inventories	4,514	476	4,038	848.3
Trade and other receivables	49,937	61,568	(11,631)	(18.9)
Contract assets	2,458	1,347	1,111	82.5
Prepayments	1,344	451	893	198.0
Tax recoverable	79	182	(103)	(56.6)
Fixed bank deposits	54,758	22,982	31,776	138.3
Cash and cash equivalents	51,583	81,807	(30,224)	(36.9)
	164,673	168,813	(4,140)	(2.5)
Current liabilities				
Trade and other payables	46,918	57,263	(10,343)	(18.1)
Contract liabilities	9,899	148	9,751	6,588.5
Amount due to a shareholder	1,376	1,376	–	–
Amount due to a shareholder of a subsidiary	188	188	–	–
Lease Liabilities	642	1,420	(778)	(54.8)
Convertible notes	2,160	2,026	134	6.6
Derivative embedded in convertible notes	25	25	–	–
	61,208	62,446	(1,236)	(2.0)
Net current assets	103,465	106,367	(2,904)	(2.7)
Total assets less current liabilities	156,912	158,383	(1,473)	(0.9)
Non-current liabilities				
Lease liabilities	1,583	1,211	372	30.7
Loans from shareholders	9,610	5,800	3,810	65.7
	11,193	7,011	4,182	59.6
Net assets	145,719	151,372	(5,655)	(3.7)
EQUITY				
Share capital	5,467	5,467	–	–
Reserves	140,312	145,962	(5,652)	(3.9)
Equity attributable to owners of the Company	145,779	151,429	(5,652)	(3.7)
Non-controlling interests	(60)	(57)	3	5.3
Total equity	145,719	151,372	(5,655)	(3.7)

Management Discussion and Analysis

NON-CURRENT ASSETS

The Group recorded non-current assets of approximately HK\$53.4 million as at 30 June 2025, which represented a slight increase by HK\$1.4 million when compared to the balance of HK\$52.6 million as at 31 December 2024. The variance represented by the increase in property, plant and equipment by HK\$0.8 million, increase in defined benefit assets by HK\$1.1 million, increase in deferred tax assets by HK\$0.3 million and decrease in intangible assets by HK\$1.1 million.

CURRENT ASSETS

The Group's current assets stood at HK\$164.7 million as at 30 June 2025, which represented a decrease of approximately HK\$4.1 million, this was mainly due to decreases in trade and other receivables mitigated by the increase in inventories.

CURRENT LIABILITIES

Current liabilities decreased by HK\$1.2 million from HK\$62.4 million as at 31 December 2024 to HK\$61.2 million as at 30 June 2025 mainly resulted from the repayment of trade and other payables.

NON-CURRENT LIABILITIES

The Group's non-current liabilities increased by approximately HK\$4.2 million or 59.6% from approximately HK\$7.0 million as at 31 December 2024 to approximately HK\$11.2 million as at 30 June 2025 which were mainly comprised of loans from shareholders of approximately HK\$9.6 million (31 December 2024: approximately HK\$5.8 million), lease liabilities of approximately HK\$1.6 million (31 December 2024: approximately HK\$1.2 million).

NET ASSETS

As a result, our Group recorded a slight decrease in net assets of approximately HK\$5.7 million to HK\$145.7 million as at 30 June 2025 from HK\$151.4 million as at 31 December 2024.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2025, the Group's net current assets were HK\$103.5 million showing a strong liquidity.

The Group expresses its gearing ratio as a percentage of total borrowings (i.e. loan from a shareholder, amounts due to a shareholder and a shareholder of a subsidiary, lease liabilities and convertible notes) over total equity. As at 30 June 2025, the gearing ratio was 10.5% (31 December 2024: 7.9%), such increase was due to the increase in loan from a shareholder.

As at 30 June 2025, the liquidity ratio, represented by a ratio of current assets over current liabilities, was 2.7 times (31 December 2024: 2.7 times), reflecting the adequacy of financial resources.

As at 30 June 2025, the Group recorded cash and cash equivalents of approximately HK\$51.6 million (31 December 2024: approximately HK\$81.8 million), which included approximately KRW7,962 million, HK\$3.0 million and small amount of US dollars ("US\$") and Singapore dollars.

As at 30 June 2025, the Group had no bank borrowings (31 December 2024: Nil).

FOREIGN EXCHANGE EXPOSURE

The Group's business in Korea is exposed to currency risk that mainly arose from the currency difference between our revenue receipts (which are denominated in KRW) and some of our payments for purchases (which are in US\$). In preparing the costing of our system integration project in which procurement of components in US\$ is required, we would add on a margin to the relevant cost items of the project as a cushion to safeguard against any unfavourable foreign exchange movement between the costing date and the relevant settlement date.

Revenue and cost of our Hong Kong operation are both denominated in HK\$. Hence, there is no currency risk arising from it.

CHARGES ON GROUP'S ASSETS

As at 30 June 2025, the Group had no charges on Group's assets (31 December 2024: Nil).

MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group did not have any material investments and capital assets for the six months ended 30 June 2025.

SIGNIFICANT ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

The Group had no significant acquisitions or disposals of subsidiaries for the six months ended 30 June 2025.

CONTINGENT LIABILITIES

As at 30 June 2025, the Group did not have any significant contingent liabilities (31 December 2024: Nil).

CAPITAL COMMITMENT

As at 30 June 2025, the Group did not have any significant capital commitments (31 December 2024: Nil).

Management Discussion and Analysis

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2025, the Group had an aggregate of 245 (31 December 2024: 206) employees.

The employees of the Group are remunerated according to their job scope and responsibilities. The employees are also entitled to discretionary bonus depending on their respective performance. Total employee costs, including Directors' emoluments, amounted to approximately HK\$29.9 million for the six months ended 30 June 2025 (2024: approximately HK\$42.0 million).

The Group has adopted a share option scheme (the "**Share Option Scheme**") for the purpose of providing incentives and rewards to eligible persons who contributed to the success of the Group's operation. On 3 April 2023, 16 May 2023, 5 October 2023 and 15 January 2024, the Company offered to grant 19,200,000 share options, 4,800,000 share options, 5,800,000 share options and 4,800,000 share options, respectively, to those grantees including certain employees and one Director under the Share Option Scheme. Further details of the above grant of share options are set out in the Company's announcements dated 3 April 2023, 16 May 2023, 5 October 2023 and 15 January 2024 respectively.

In enhancing the competitiveness and improving staff quality through continuous learning, the Group provides our staff with regular technical and on-the-job trainings and encourages our staff to attend external seminars and sit for examinations to develop their knowledge continuously.

SUBSCRIPTION OF CONVERTIBLE NOTES UNDER GENERAL MANDATE TOOK PLACE ON 7 JUNE 2024

On 7 June 2024, the Company entered into a subscription agreement (the “**CN Subscription Agreement**”) with Mr. Huang Zhenxiu (the “**Mr. Huang**”), an independent third party to the Group, pursuant to which Mr. Huang has conditionally agreed to subscribe for, and the Company has conditionally agreed to issue the convertible notes (the “**Convertible Notes**”) in the aggregate principal amount of HK\$2,000,000 (the “**Subscription of CN**”). The conversion rights embedded with the Convertible Notes are exercisable into ordinary Shares at the price of HK\$0.50 per ordinary Share and the Convertible Notes bear an interest at the rate of 8.00% per annum which will be due for repayment on the anniversary of the issue date of the Convertible Note. Assuming all the conversion Shares are converted in full at the initial conversion price of HK\$0.50, an aggregate of 4,000,000 conversion Shares will be issued.

Details of the terms and conditions of the CN Subscription Agreement are set out in the Company’s announcement dated 7 June 2024.

The estimated net proceeds from the Subscription of CN after deductions of expenses, will amount to approximately HK\$1,900,000, which is intended to be used to fund the operation and business expansion of Vantage Asset Management Limited (“**VAML**”) after completion of the acquisition of the entire issued share capital of VAML by the Company (“**VAML Acquisition**”). In the event the VAML Acquisition does not materialised, the net proceeds will be used by the Company as the Group’s general working capital.

The Directors are of the view that the Subscription of CN shows the confidence of Mr. Huang in the business and future development of the Group and the terms of the CN Subscription Agreement are on normal commercial terms and are fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

The Company has on 17 June 2024, after all the conditions precedent to the CN Subscription Agreement have been fulfilled, issued the Convertible Notes in the aggregate principal amount of HK\$2,000,000 to Mr. Huang.

On 9 June 2025, the Company received a form of transfer (the “**Form of Transfer**”) from Mr. Huang Zhenxiu (“**Mr. Huang**”), the original bondholder, in relation to the transfer of the Convertible Notes to Mr. Guo Hongjing (“**Mr. Guo**”), an independent third party. Subsequently, the Convertible Notes was transferred to Mr. Guo.

During the period for the six months ended 30 June 2025, no conversion has been made under the Convertible Notes. As at 30 June 2025, 4,000,000 ordinary Shares are issuable under the conversion rights of the Convertible Notes.

Management Discussion and Analysis

The summary of the Convertible Notes as follows:

1. reasons for making the issue	Mr. Huang has confidence in the Group's business and the Group intended to use the net proceed to fund the operation and business expansion of VAML after completion of VAML Acquisition
2. class of conversion shares	ordinary Share(s)
3. number of conversion shares to be issued/aggregate nominal value	4,000,000 ordinary Shares/HK\$40,000
4. conversion price	HK\$0.50
5. net price to the Company per conversion share	HK\$0.50
6. name of subscriber	Huang Zhenxiu, an independent third party to the Group
7. market price of the securities concerned on a named date, being the date on which the terms of the issue	The closing price of HK\$0.50 per Share as quoted on the Stock Exchange on the date of the CN Subscription Agreement
8. total fund raised from the issue	HK\$2,000,000. The estimated net proceeds from the issue of Convertible Notes after deductions of expenses will amount to approximately HK\$1,900,000. The net proceeds are intended to be used to fund the operation and business expansion of VAML after completion of VAML Acquisition. In the event the VAML Acquisition does not materialised, the net proceeds will be used by the Company as the Group general working capital. As at the date of this interim report, the Group has not yet utilised the entire net proceeds from the issue of the convertible notes as the VAML Acquisition has not yet been completed.

	Planned use of net proceeds from 17 June 2024 up to 30 June 2024 HK\$ million	Actual use of net proceeds up to 30 June 2025 HK\$ million
Fund the operation and business expansion of VAML after VAML Acquisition	1.9	0.0

MATERIAL EVENTS AFTER THE REPORTING PERIOD

(a) CONVERSION OF THE CONVERTIBLE NOTES

On 31 July 2025, the Company received a conversion notice from Mr. Guo in relation to the exercise of the conversion rights attached to the Convertible Notes to convert the Convertible Notes in the principal amount of HK\$2,000,000 into 4,000,000 conversion shares at the conversion price of HK\$0.5 (the “**Conversion**”). Accordingly, on 4 August 2025, 4,000,000 conversion shares, representing approximately 0.73% of the total number of issued Shares immediately before the Conversion and approximately 0.73% of the total number of issued Shares as enlarged by the issue of the conversion shares after the Conversion, were allotted to Mr. Guo under the relevant general mandate in accordance with the terms and conditions of the Convertible Notes. 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).

Management Discussion and Analysis

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) immediately before the Conversion; and (ii) immediately after the Conversion and as at the date of this report is as follows:

	Immediately before the Conversion		Immediately after the Conversion	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Gorgeous Real Investment Holding Limited ⁽¹⁾	192,411,750	35.20	192,411,750	34.94
Variant Wealth Investment Development Limited ⁽²⁾	50,000,000	9.15	50,000,000	9.08
Mr. Tao Guolin ("Mr. Tao") ⁽²⁾	22,917,327	4.19	22,917,327	4.16
Mr. Guo	14,270,000	2.61	18,270,000	3.32
Public Shareholders	267,080,923	48.86	267,080,923	48.50
Total	546,680,000	100.00	550,680,000	100.00

Notes:

- (1) Gorgeous Real Investment Holding Limited held 192,411,750 Shares of the Company and which is wholly owned by Ms. Tao Hongxia.
- (2) Variant Wealth Investment Development Limited held 50,000,000 Shares of the Company and which is wholly owned by Mr. Tao. Mr. Tao is deemed to be interested in 50,000,000 Shares of the Company held by Variant Wealth Investment Development Limited.

PROSPECTS

The Group's management team will continue to apply and enhance its expertise and technical experience related to digital assets to develop its core business, while also seeking opportunities to launch new projects and conduct new transactions to bring economic value and benefits to Shareholders.

In alignment with the Group's strategy to diversify its business portfolio and capture emerging opportunities in the technology sector, the Group has leveraged its strength in technology and established a new business line focused on digital assets.

Currently, the Company is focused on developing technology related to digital assets, the Company's business model in this segment centers on providing technology solutions and infrastructure support to potential partners involved in digital assets, including but not limited to tokenization of RWA initiatives.

Looking ahead, the Group is of the view that, by participating in transformative technologies proactively and advancing investments prudently, it not only responds to the Hong Kong Government's newly introduced policies and leverages the favorable current environment, but also enhances long-term shareholder value while creating important opportunities for exploring emerging markets.

Other Information

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

As at 30 June 2025, the interests and short positions 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) held by the Directors and chief executives of the Company which have been 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 were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to Section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules are as follows:

Long Positions in the Shares

Name of Directors/ Chief executive(s)	Capacity/Nature of interest	Number of Shares held	Approximate percentage of issued share capital ⁽⁴⁾
Ms. Tao Hongxia ⁽¹⁾ ("Ms. Tao")	Interest in controlled corporation	192,411,750	35.20%

Notes:

- (1) Gorgeous Real Investment Holding Limited ("Gorgeous Real") held 192,411,750 Shares and which is wholly owned by Ms. Tao.
- (2) The percentage of shareholding was calculated based on the Company's total number of issued Shares as at 30 June 2025 (i.e. 546,680,000 Shares).

Save as disclosed above, as at 30 June 2025, none of the Directors and chief executive of the Company had any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations that was notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or was required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES AND UNDERLYING SHARES

As at 30 June 2025, so far as known to the Directors, the following persons (not being Directors or chief executive of the Company) had or were deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO who, are directly or indirectly interested in 5% or more of the Shares.

Long Positions in the Shares

Name of Shareholders	Capacity/Nature of interest	Number of Shares held	Approximate percentage of issued share capital ⁽⁴⁾
Gorgeous Real ⁽¹⁾	Beneficial owner	192,411,750	35.20%
Variant Wealth ⁽²⁾	Beneficial owner	50,000,000	9.15%
Mr. Tao Guolin ⁽²⁾ ("Mr. Tao")	Beneficial owner/Interest in controlled corporation	72,917,327	13.34%
Ms. Han Lerong ⁽³⁾ ("Ms. Han")	Interest of spouse	72,917,327	13.34%

Notes:

- (1) Gorgeous Real held 192,411,750 Shares and which is wholly owned by Ms. Tao.
- (2) Variant Wealth held 50,000,000 Shares and which is wholly owned by Mr. Tao. Mr. Tao is deemed to be interested in 50,000,000 Shares of the Company held by Variant Wealth.
- (3) Ms. Han is the spouse of Mr. Tao. Ms. Han is deemed to be interested in all the Shares in which Mr. Tao is interested under Part XV of the SFO.
- (4) The percentage of shareholding was calculated based on the Company's total number of issued Shares as at 30 June 2025 (i.e. 546,680,000 Shares).

Save as disclosed above, as at 30 June 2025, the Directors were not aware of any other persons who had any interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO, who are directly or indirectly interested in 5% or more of the Shares.

Other Information

SHARE OPTION SCHEME

The Company has Share Option Scheme which was approved and adopted by the written resolutions of the Shareholders of the Company passed on 21 June 2016. On 3 April 2023, 16 May 2023, 5 October 2023 and 15 January 2024, the Company offered to grant 19,200,000 share options, 4,800,000 share options, 5,800,000 share options and 4,800,000 share options, respectively, to those grantees including certain employees and one Director under the Share Option Scheme. Further details of the above grants of share options are set out in the Company's announcements dated 3 April 2023, 16 May 2023, 5 October 2023 and 15 January 2024 respectively.

Details of the Share Option Scheme are as follows:

- | | | |
|----|--|--|
| 1. | Purpose of the Share Option Scheme | To provide an incentive or a reward to eligible participants for their contribution to the Group and/or to enable the Group to recruit and retain high calibre employees and attract human resources that are valuable to the Group or any entity in which the Group holds any equity interest. |
| 2. | Eligible participants to the Share Option Scheme | the full-time and part-time employees, directors (including executive, non-executive and independent non-executive directors), suppliers of goods or services, customers, consultants, adviser, managers, officers or entities that provide research, development or other technological support or person who, in the sole discretion of the Board, has contributed or may contribute to the Company, the Company's subsidiaries and invested entity the Group holds any equity interest. |
| 3. | Total number of Shares available for issue under the Share Option Scheme | 40,000,000 Shares (equivalent to 10% of the total number of Shares in issue on the listing date of the Company, being 8 July 2016). |
| 4. | Maximum entitlement of each participant under the Share Option Scheme | Not exceeding 1% of the total number of Shares in issue for the time being in any 12-month period. Any further grant of share option in excess of such limit must be separately approved by the Shareholders in general meeting.

Any share options granted to a substantial shareholder or an independent non-executive Director or to any of their associates, in excess of 0.1 % of the Shares in issue for the time being or with an aggregate value (based on the closing price of the Shares at the date of grant) in excess of HK\$5 million, in the 12-month period up to and including the date of grant, are subject to Shareholders' approval in a general meeting. |
| 5. | The period within which the option may be exercised by the grantee under the Share Option Scheme | A period which shall not be more than ten (10) years after the offer date and subject to the provisions for early termination as contained in the Share Option Scheme. |
| 6. | The vesting period of options granted under the Share Option Scheme | Unless otherwise determined by the Board in accordance with the provisions of Chapter 23 of the GEM Listing Rules, the vesting period for options granted shall not be less than 12 months. |
| 7. | The amount payable on application or acceptance of the option and the period within which payments or calls must be made | The payment or remittance of HK\$1.00 within 21 days from the offer date or within such other period of time as may be determined by the Board pursuant to the GEM Listing Rules. |

8. The basis of determining the exercise price
- Being determined by the Board and shall be at least the highest of:
- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the offer date;
 - (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five consecutive business days immediately preceding the offer date; and
 - (c) the nominal value of a Share on the offer date.
9. The remaining life of the Share Option Scheme
- The Share Option Scheme is valid and effective for a period of ten (10) years commencing on 21 June 2016 (being the date of adoption of the Share Option Scheme). Accordingly, the remaining life of the Share Option Scheme is approximately 2 years from the date of this interim report.

A summary of the movement of share options during the six months ended 30 June 2025 are as follows:

Number of share options												
				Weighted		Granted	Outstanding	Granted	Exercised	Cancelled	Lapsed	Outstanding
	Date of			average	Exercise	at the	as at	during	during	during	during	as at
Grantees	Grant	Vesting period	Exercise period	closing	price per	date of	1 January	the	the	the	the	30 June
				price ⁽⁶⁾	Share	Grant	2025	period	period	period	period	2025
Employee(s)												
Other Employees	3 April 2023	3 April 2023 to 2 April 2024	3 April 2024 to 2 April 2033	0.445	0.656 ⁽¹⁾	19,200,000	4,800,000	–	–	–	(4,800,000) ⁽⁴⁾	–
Other Employee	16 May 2023	16 May 2023 to 15 May 2024	16 May 2024 to 15 May 2033	0.520	0.810 ⁽²⁾	4,800,000	4,800,000	–	–	–		4,800,000
Other Employees	5 October 2023	5 October 2023 to 4 October 2024	5 October 2024 to 4 October 2033	0.395	0.840 ⁽³⁾	5,800,000	4,800,000	–	–	–	–	4,800,000
Other Employee	15 January 2024	15 January 2024 to 14 January 2025	15 January 2025 to 14 January 2034	0.445	0.600 ⁽⁵⁾	4,800,000	4,800,000	–	–	–	–	4,800,000
Total							19,200,000	–	–	–	(4,800,000)	14,400,000

Other Information

Notes:

- (1) The closing price of the Company's share immediately before the date (3 April 2023) on which the share options were granted was HK\$0.640 per share without performance target attached.
- (2) The closing price of the Company's share immediately before the date (16 May 2023) on which the share options were granted was HK\$0.810 per share without performance target attached.
- (3) The closing price of the Company's share immediately before the date (5 October 2023) on which the share options were granted was HK\$0.810 per share without performance target attached.
- (4) The exercise price of the lapsed options was HK\$0.656 per share.
- (5) The closing price of the Company's share immediately before the date (15 January 2024) on which the share options were granted was HK\$0.520 per share. There was a performance target attached, the grantee is subject to the performance target to be achieved by the grantee that the profit before tax of Future Data Space Limited, a wholly owned subsidiary of the Company, for the financial year ended 31 December 2024 shall be not less than RMB3,000,000.
- (6) The weighted average closing price of the Shares immediately before the date of the share options are vested.

During the six months period ended 30 June 2025, there were a total of 4,800,000 share options lapsed; no share option was exercised (2024: Nil) and 14,400,000 share option was exercisable (2024: Nil).

The number of Shares that may be issued in respect of the share options granted under the Share Option Scheme of the Company during the six months period ended 30 June 2025 (being 14,400,000 shares) divided by the weighted average numbers of Shares in issue for the period six months ended 30 June 2025 (being 546,680,000 shares) (excluding treasury shares) was approximately 2.6%.

The number of share options available for grant under the scheme mandate at the beginning and the end of the six months period ended 30 June 2025 were 5,400,000 shares and 5,400,000 respectively.

As at 30 June 2025, 5,400,000 remaining Shares will be available for future grant under the existing scheme mandate limit of the Share Option Scheme representing approximately 1.0% of the share of the Company in issue.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its securities dealing code ("**Securities Dealing Code**") which is no less exacting than the required standard of dealings regarding securities transactions by the Directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Further, the Company had made specific enquiry with all Directors and each of them has confirmed his compliance with the Securities Dealing Code during the six months ended 30 June 2025.

DIRECTORS' INTEREST IN COMPETING BUSINESS

During the six months ended 30 June 2025, none of the Directors or the controlling shareholders or their respective associates (as defined in the GEM Listing Rules) of the Company had an interest in a business which competed with or might compete with the business of the Group.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to fulfilling its responsibilities to its shareholders and protecting and enhancing shareholder value through solid corporate governance.

The Company's corporate governance practices are based on the principles of good corporate governance as set out in the Corporate Governance Code in Part 2 of Appendix C1 to the GEM Listing Rules (the "CG Code") and in relation to, among others, our Directors, Chairlady and Chief Executive Officer, Board composition, the appointment, re-election and removal of Directors, their responsibilities and remuneration and communications with the shareholders of the Company.

To the best knowledge of the Board, the Company had complied with the code provisions in the CG Code during the six months ended 30 June 2025.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S SECURITIES

The Company did not redeem any of its Shares listed on GEM nor did the Company or any of its subsidiaries purchase or sell any such Shares (including sale of treasury shares (as defined under the GEM Listing Rules)) during the six months ended 30 June 2025.

CHANGES IN DIRECTORS' INFORMATION

The changes in Directors' information which were required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules are as follows:

- (1) Mr. Cheung Ting Pong, the executive Director, has resigned as the Vice Chairman of the Board, executive Director, the Chief Executive Officer of the Group and the member of each of the Nomination Committee and the Remuneration Committee of the Company; and ceased to be an authorized representative of the Company with effect from 11 June 2025.
- (2) Ms. Tuen Hei Ching, the executive Director, was appointed as an executive Director, a member of each of the Nomination Committee and the Remuneration Committee as well as the authorized representative of the Company with effect from 11 June 2025.

Other Information

AUDIT COMMITTEE

The Company established an audit committee ("**Audit Committee**") with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and paragraph D.3 of the CG Code. For the six months ended 30 June 2025, the Audit Committee consists of three independent non-executive Directors namely, Mr. Chan Kin Ming, Mr. Lam Chi Cheung Albert and Mr. Leung Louis Ho Ming. Mr. Chan Kin Ming possesses the appropriate professional accounting qualifications and serves as the chairman of the Audit Committee.

The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, risk management and internal control systems and the internal audit function, audit plan and relationship with external auditors, and arrangement to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Audit Committee has reviewed the unaudited consolidated financial statements of the Group for the six months ended 30 June 2025 and is of the opinion that the preparation of such statements complied with the applicable accounting standards and that adequate disclosures have been made. The Audit Committee also monitored the Company's progress in implementing the code provisions of CG Code as required under the GEM Listing Rules.

REVIEW OF INTERIM RESULTS

The Group's interim results for the six months ended 30 June 2025 have not been reviewed by external auditor but have been reviewed by the Audit Committee that the preparation of such results complied with the applicable accounting standards and requirements as well as the GEM Listing Rules and that adequate disclosures have been made.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (2024: nil).

APPRECIATION

Finally, we would like to express our gratitude to the Shareholders, business partners, subconsultants and customers for their continuous support. We would also like to thank our dedicated staff for their contributions to the success of the Group.

DISCLOSURE OF INFORMATION

The interim report of the Company will be published on the websites of both the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.futuredatagroup.com>) and shall be duly dispatched to the shareholders in a timely manner.

By Order of the Board
Future Data Group Limited
Tuen Hei Ching
Executive Director

Hong Kong, 29 August 2025