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# PACIFIC ONLINE LIMITED

## 太平洋網絡有限公司

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

**(Stock Code: 543)**

### INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board of directors (the “Board”) of Pacific Online Limited (the “Company”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2025 together with the comparative figures for the corresponding period of last year, as follows:

#### CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

*For the six months ended 30 June 2025*

		<b>Unaudited</b>	
		<b>Six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
	<i>Note</i>	<b>RMB'000</b>	<b>RMB'000</b>
<b>Revenue</b>	4	<b>272,860</b>	276,378
Cost of revenue		<u>(192,464)</u>	<u>(170,936)</u>
<b>Gross profit</b>		<b>80,396</b>	105,442
Selling and marketing costs		(51,819)	(53,657)
Administrative expenses		(29,469)	(27,900)
Product development expenses		(19,745)	(16,186)
Net reversal/(charges) of impairment losses on financial assets		3,455	(4,539)
Other income	5	5,581	9,463
Other gains/(losses) — net		<u>3,174</u>	<u>(2,195)</u>
<b>Operating (loss)/gain</b>		<b>(8,427)</b>	10,428
Finance income		1,161	2,225
Finance cost		<u>(192)</u>	<u>(947)</u>
Finance income — net	6	<u><b>969</b></u>	<u>1,278</u>

		<b>Unaudited</b>	
		<b>Six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
<i>Note</i>		<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(Loss)/profit before income tax</b>	<b>(7,458)</b>	11,706
	Income tax expense	<b>(1,113)</b>	<b>(1,576)</b>
	<b>(Loss)/profit for the period</b>	<b><u>(8,571)</u></b>	<b><u>10,130</u></b>
	<b>Attributable to:</b>		
	— Equity holders of the Company	<b>(8,571)</b>	10,130
	— Non-controlling interests	<b>—</b>	<b>—</b>
		<b><u>(8,571)</u></b>	<b><u>10,130</u></b>
	<b>(Losses)/earnings per share for (loss)/profit attributable to equity holders of the Company for the period</b>		
	— Basic and diluted ( <i>RMB</i> )	<b><u>(0.76) cents</u></b>	<b><u>0.89 cents</u></b>

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

*For the six months ended 30 June 2025*

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
<b>(Loss)/profit for the period</b>	<u><b>(8,571)</b></u>	<u><b>10,130</b></u>
<b>Other comprehensive income</b>	<u><b>—</b></u>	<u><b>—</b></u>
<b>Total comprehensive (loss)/income for the period</b>	<u><b>(8,571)</b></u>	<u><b>10,130</b></u>
<b>Attributable to:</b>		
— Equity holders of the Company	<b>(8,571)</b>	<b>10,130</b>
— Non-controlling interests	<u><b>—</b></u>	<u><b>—</b></u>
	<u><b>(8,571)</b></u>	<u><b>10,130</b></u>

# CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

As at 30 June 2025

		Unaudited 30 June 2025 RMB'000	Audited 31 December 2024 RMB'000
	Note		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Right-of-use assets	10	10,313	9,875
Property and equipment	10	158,599	160,553
Investment property	10	51,622	52,552
Intangible assets	10	8,777	9,004
Deferred income tax assets	11	29,287	30,398
Investment in financial assets	13	28,768	25,594
		<u>287,366</u>	<u>287,976</u>
<b>Current assets</b>			
Trade and notes receivables, other receivables and prepayments	12	339,689	430,833
Cash and cash equivalents		240,030	263,488
		<u>579,719</u>	<u>694,321</u>
<b>Total assets</b>		<u><u>867,085</u></u>	<u><u>982,297</u></u>

		<b>Unaudited</b>	<b>Audited</b>
		<b>30 June</b>	<b>31 December</b>
		<b>2025</b>	<b>2024</b>
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the Company</b>			
Ordinary shares	14	<b>10,504</b>	10,504
Reserves		<b>626,699</b>	685,328
<b>Total equity</b>		<b>637,203</b>	695,832
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities		<b>360</b>	52
<b>Current liabilities</b>			
Accruals and other payables	15	<b>195,006</b>	250,258
Contract liabilities		<b>9,441</b>	9,001
Current income tax liabilities		<b>24,488</b>	26,791
Lease liabilities		<b>587</b>	363
		<b>229,522</b>	286,413
<b>Total liabilities</b>		<b>229,882</b>	286,465
<b>Total equity and liabilities</b>		<b>867,085</b>	982,297

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Note	Unaudited			
		Attributable to equity holders of the Company			Total equity
		Ordinary shares	Reserves	Subtotal	
		RMB'000	RMB'000	RMB'000	RMB'000
<b>Six months ended 30 June 2025</b>					
Balance at 1 January 2025		10,504	685,328	695,832	—
<b>Comprehensive loss</b>					
Loss for the period		—	(8,571)	(8,571)	—
Other comprehensive income		—	—	—	—
<b>Total comprehensive loss</b>		—	(8,571)	(8,571)	—
<b>Transactions with equity holders</b>					
Cash dividends relating to 2024 Share Award Scheme	9	—	(51,095)	(51,095)	—
— value of employee services		—	1,358	1,358	—
— purchase of shares held for share award scheme		—	(321)	(321)	—
<b>Balance at 30 June 2025</b>		<u>10,504</u>	<u>626,699</u>	<u>637,203</u>	<u>—</u>
<b>Six months ended 30 June 2024</b>					
Balance at 1 January 2024		10,504	687,252	697,756	5,023
<b>Comprehensive income</b>					
Profit for the period		—	10,130	10,130	—
Other comprehensive income		—	—	—	—
<b>Total comprehensive income</b>		—	10,130	10,130	—
<b>Transactions with equity holders</b>					
Cash dividends relating to 2023 Share Award Scheme	9	—	(45,414)	(45,414)	—
— value of employee services		—	1,182	1,182	—
— purchase of shares held for share award scheme		—	(661)	(661)	—
Dividends paid to non-controlling interest in a subsidiary		—	—	—	(2,046)
Disposal of a subsidiary		—	35	35	(2,977)
<b>Balance at 30 June 2024</b>		<u>10,504</u>	<u>652,524</u>	<u>663,028</u>	<u>—</u>

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

		<b>Unaudited</b>	
		<b>Six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
	<i>Note</i>	<b>RMB'000</b>	<b>RMB'000</b>
<b>Cash flows from operating activities</b>			
Cash generated from operations		<b>30,960</b>	11,506
Income tax paid		<b>(2,305)</b>	(37)
		<hr/>	<hr/>
Net cash generated from operating activities		<b>28,655</b>	11,469
		<hr/>	<hr/>
<b>Cash flows from investing activities</b>			
Purchase of property and equipment		<b>(1,472)</b>	(696)
Disposals of property and equipment		<b>62</b>	209
Purchase of intangible assets		<b>(10)</b>	—
Net cash inflow from disposal of subsidiary , net of cash disposed of		—	1,371
Receipt from redemption of investment		—	15,252
Interest received		<b>1,248</b>	2,126
		<hr/>	<hr/>
Net cash (used in)/generated from investing activities		<b>(172)</b>	18,262
		<hr/>	<hr/>
<b>Cash flows from financing activities</b>			
Cash dividends paid	11	<b>(51,095)</b>	(45,414)
Lease payments		<b>(351)</b>	(341)
Purchase of shares held for share award scheme		<b>(321)</b>	(661)
Dividends paid to non-controlling interest in a subsidiary		—	(2,046)
		<hr/>	<hr/>
Net cash used in financing activities		<b>(51,767)</b>	(48,462)
		<hr/>	<hr/>
<b>Net decrease in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of period		<b>263,488</b>	271,819
Exchange loss on cash and cash equivalents		<b>(174)</b>	(946)
		<hr/>	<hr/>
Cash and cash equivalents at end of period		<b>240,030</b>	252,142
		<hr/>	<hr/>

## **NOTES TO THE INTERIM FINANCIAL INFORMATION**

### **1. GENERAL INFORMATION**

Pacific Online Limited (the “Company”) was incorporated on 27 August 2007 as an exempted company with limited liability under the Company Law, Cap.22 (Law 3 of 1961, as combined and revised) of the Cayman Islands. The address of its registered office is Vistra (Cayman) Limited, P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

The Company and its subsidiaries (together, the “Group”) are principally engaged in the provision of internet advertising services in the People’s Republic of China (the “PRC”).

The Company has its shares listed on The Stock Exchange of Hong Kong Limited since 18 December 2007.

This condensed consolidated interim financial information (the “Interim Financial Information”) is presented in Renminbi (“RMB”), unless otherwise stated.

The Interim Financial Information has been approved for issue by the board of directors (the “Board”) of the Company on 27 August 2025.

### **2. BASIS OF PREPARATION AND ACCOUNTING POLICIES**

The Interim Financial Information has been prepared in accordance with Hong Kong Accounting Standard 34 “Interim financial reporting”. The Interim Financial Information does not include all the notes of the type normally included in an annual financial report. Accordingly, the Interim Financial Information is to be read in conjunction with the annual report for the year ended 31 December 2024 and any public announcements made by the Company during the interim reporting period.

### **3. ACCOUNTING POLICIES**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2024, as described in those annual financial statements, except for the estimation of income tax using the tax rate that would be applicable to expected total annual earnings and the adoption of amendments to Hong Kong Financial Reporting Standards (“HKFRS”) effective for the financial year ending 31 December 2025.

New standards, amendments to existing standards and interpretations effective for the financial year beginning on 1 January 2025 do not have a material impact on the Group’s financial statements.

### **4. SEGMENT INFORMATION**

The chief operating decision-makers have been identified as the executive directors who make strategic decisions.

The Group is principally engaged in the provision of internet advertising services for different commodities. The chief operating decision-makers review the Group’s internal reports in order to assess performance and allocate resources. Management has determined the operating segments based on these internal reports.



The chief operating decision-makers consider the advertising business from the perspective of the different internet portals which it operates. As all revenues of the Group are generated from customers in the PRC, they are not further evaluated on a geographic basis.

The chief operating decision-makers assess the performance of the operating segments based on revenues generated. The reportable operating segments are grouped into PCauto, PConline and others. The Company currently does not allocate cost of revenue, operating costs or assets to its segments, as its chief operating decision-makers do not use this information to allocate resources to or evaluate the performance of the operating segments. Therefore, the Company does not report a measure of profit or total assets for each reportable segment.

Revenues of other segments relate to those generated from other portals, including baby and home products and other services.

There were no inter-segment sales for the six months ended 30 June 2025 (six months ended 30 June 2024: same). The revenue from external parties reported to the chief operating decision-makers is measured in a manner consistent with that in the condensed consolidated interim income statement.

	<b>PCauto</b> <i>RMB'000</i> (Unaudited)	<b>PConline</b> <i>RMB'000</i> (Unaudited)	<b>Others</b> <i>RMB'000</i> (Unaudited)	<b>Group</b> <i>RMB'000</i> (Unaudited)
<b>For the six months ended 30 June 2025</b>				
Timing of revenue recognition				
— Over time	163,697	38,059	5,200	206,956
— At a point in time	60,384	5,520	—	65,904
Revenue	<u>224,081</u>	<u>43,579</u>	<u>5,200</u>	<u>272,860</u>
<b>For the six months ended 30 June 2024</b>				
Timing of revenue recognition				
— Over time	165,162	22,189	11,291	198,642
— At a point in time	71,657	5,946	133	77,736
Revenue	<u>236,819</u>	<u>28,135</u>	<u>11,424</u>	<u>276,378</u>

Though the Company is domiciled in the Cayman Islands. For the six months ended 30 June 2025, all revenues of the Group were derived from external customers and they were all generated from the PRC (six months ended 30 June 2024: same).

As at 30 June 2025, other than club membership included in the intangible assets and investment in financial assets, majority of the other non-current assets of the Group were located in the PRC (31 December 2024: same).

During the six months ended 30 June 2024 and 2025, revenue derived from customers who accounted for more than 10% of total revenue were set out below.

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
Customer A	20%	21%
Customer B	*	10%
	<u>20%</u>	<u>31%</u>

*Note\*:* The revenue of the customer was less than 10% of the Group's revenue for the respective period.

## 5. OTHER INCOME

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Rental income	3,145	3,870
Government grants	196	1,997
Additional deduction of input value-added tax	—	3,596
Dividend income on investment in financial assets	2,240	—
	<u>5,581</u>	<u>9,463</u>

## 6. FINANCE INCOME — NET

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Finance income		
— Interest income	<u>1,161</u>	<u>2,225</u>
Finance cost		
— Interest expense related to lease liabilities	(18)	(1)
— Net foreign exchange losses	<u>(174)</u>	<u>(946)</u>
	<u>(192)</u>	<u>(947)</u>
	<u>969</u>	<u>1,278</u>

## 7. INCOME TAX EXPENSE

	Unaudited	
	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
PRC current tax	2	56
Deferred taxation	1,111	1,520
	<u>1,113</u>	<u>1,576</u>

Income tax expense is recognised based on management's best estimate of the projected full year annual effective income tax rate.

The Company, which is a Cayman Islands corporation, is not subject to any profits tax. The subsidiaries of the Group incorporated in Hong Kong were not subject to Hong Kong profits tax as they had no assessable income arising in or derived from Hong Kong during the six months ended 30 June 2025 (six months ended 30 June 2024: same).

Current taxation primarily represented the provision for the PRC Corporate Income Tax ("CIT") for subsidiaries operating in the PRC. These subsidiaries are subject to CIT on their taxable income as reported in their respective statutory financial statements adjusted in accordance with the relevant tax laws and regulations in the PRC.

Pursuant to the PRC Corporate Income Tax Law ("CIT Law"), the CIT rate for domestic enterprises and foreign invested enterprises is 25%. In addition, the CIT Law provides for, among others, a preferential tax rate of 15% for enterprises qualified as High and New Technology Enterprises ("HNTE").

GZP Computer, a PRC operating subsidiary of the Company, was successfully renewed as HNTE in 2023 and the applicable income tax rate is 15% for the three years from 2023 to 2025 (2024:15%). Guangzhou Yurui Information Technology Co., Ltd. (廣州裕睿信息科技有限公司, "GZ Yurui"), a PRC operating subsidiary of the Company, was in the process of application for renewal of the certificate. All the other PRC entities of the Group are subject to CIT at a rate of 25% in accordance with CIT Law.

Assuming that there is no change to the relevant laws and regulations, the directors consider two subsidiaries, including GZP Computer and GZ Yurui, will be granted the preferential tax treatment through an application of renewal. Accordingly, tax rate of 15% has been applied when considering the deferred income tax of GZP Computer and GZ Yurui.

According to CIT Law, a withholding income tax of 10% will be levied on the immediate holding companies outside the PRC when their PRC subsidiaries declare dividends out of profits earned after 1 January 2008. A lower 5% withholding income tax rate may be applied when the immediate holding companies of the PRC subsidiaries are established in Hong Kong and fulfil requirements under the tax treaty agreements between the relevant authorities of the PRC and Hong Kong. Hence, the Group used 5% as its withholding tax rate for certain Hong Kong intermediate holding companies which are expected to fulfill the aforesaid conditions.

## 8. (LOSSES)/PROFITS PER SHARE

### (a) Basic

Basic (losses)/profits per share is calculated by dividing the (losses)/profits attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period (excluding the ordinary shares purchased by the Group and held for the Share Award Scheme).

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
(Loss)/profit attributable to equity holders of the Company (RMB'000)	<u>(8,571)</u>	<u>10,130</u>
Weighted average number of ordinary shares for basic (losses)/profits per share (thousand shares)	<u>1,133,795</u>	<u>1,134,030</u>
Basic (losses)/profits per share (RMB)	<u><u>(0.76) cents</u></u>	<u><u>0.89 cents</u></u>

### (b) Diluted

Diluted (losses)/profits per share adjusts the figures used in the determination of basic (losses)/profits per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Diluted (losses)/profits per share equals to basic (losses)/profits per share as there were no potential diluted share options outstanding for the six months ended 30 June 2025 and 2024.

## 9. DIVIDENDS

A final dividend in respect of the year ended 31 December 2024 of RMB4.5 cents per ordinary share (2023: RMB4.00 cents per ordinary share) was approved by the shareholders at the annual general meeting on 6 May 2025. Such final dividend for 2024 totalling RMB51,102,000 was paid in 2025 (2023: RMB45,414,000 was paid in 2024), which has already excluded the dividend related to the ordinary shares held for the Share Award Scheme of RMB7,000 (2023: RMB10,000).

The directors did not recommend any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: same).

**10. PROPERTY AND EQUIPMENT, INVESTMENT PROPERTY, INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS**

	<b>Right-of-use assets — land use rights and properties RMB'000 (Unaudited)</b>	<b>Property and equipment RMB'000 (Unaudited)</b>	<b>Investment property RMB'000 (Unaudited)</b>	<b>Intangible assets RMB'000 (Unaudited)</b>
<b>Six months ended 30 June 2025</b>				
Net book amount as at 1 January 2025	<b>9,875</b>	<b>160,553</b>	<b>52,552</b>	<b>9,004</b>
Additions	<b>865</b>	<b>1,470</b>	<b>—</b>	<b>10</b>
Disposals	<b>—</b>	<b>(106)</b>	<b>—</b>	<b>—</b>
Depreciation and amortisation	<b>(427)</b>	<b>(3,318)</b>	<b>(930)</b>	<b>(237)</b>
Net book amount as at 30 June 2025	<b>10,313</b>	<b>158,599</b>	<b>51,622</b>	<b>8,777</b>
<b>Six months ended 30 June 2024</b>				
Net book amount as at 1 January 2024	10,611	167,654	54,412	8,121
Additions	257	683	—	—
Disposals	(22)	(404)	—	—
Depreciation and amortisation	(488)	(4,089)	(930)	(315)
Net book amount as at 30 June 2024	10,358	163,844	53,482	7,806

**11. DEFERRED INCOME TAX ASSETS**

	<b>Unaudited As at 30 June 2025 RMB'000</b>	<b>Audited As at 31 December 2024 RMB'000</b>
Deferred income tax assets:		
— to be recovered within 12 months	<b>2,857</b>	3,530
— to be recovered after more than 12 months	<b>26,430</b>	26,868
	<b>29,287</b>	30,398

The movement of deferred income tax assets during the period is as follows:

	<b>Provision for impairment of financial assets RMB'000 (Unaudited)</b>	<b>Accrued advertising and other expenses RMB'000 (Unaudited)</b>	<b>Tax losses RMB'000 (Unaudited)</b>	<b>Total RMB'000 (Unaudited)</b>
At 1 January 2025	<b>25,220</b>	<b>3,530</b>	<b>1,648</b>	<b>30,398</b>
Credited/(charged) to the condensed consolidated interim income statement	<b>(1,220)</b>	<b>(673)</b>	<b>782</b>	<b>(1,111)</b>
At 30 June 2025	<b>24,000</b>	<b>2,857</b>	<b>2,430</b>	<b>29,287</b>
At 1 January 2024	20,716	6,087	7,111	33,914
Credited/(charged) to the condensed consolidated interim income statement	1,052	(2,572)	—	(1,520)
Disposal of subsidiaries	(22)	(64)	—	(86)
At 30 June 2024	<b>21,746</b>	<b>3,451</b>	<b>7,111</b>	<b>32,308</b>

## 12. TRADE AND NOTES RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

	<b>Unaudited As at 30 June 2025 RMB'000</b>	<b>Audited As at 31 December 2024 RMB'000</b>
Trade receivables, net of impairment provision (a)	<b>307,751</b>	341,959
Notes receivable, net of impairment provision	<b>17,823</b>	73,911
Other receivables, net of impairment provision (b)	<b>7,972</b>	7,742
Prepaid value added tax	<b>5,087</b>	5,890
Prepayments to suppliers	<b>1,056</b>	1,331
	<b>339,689</b>	430,833

As at 30 June 2025, trade and notes receivables, other receivables and prepayments were all denominated in RMB (31 December 2024: same).

**(a) Trade receivables, net of impairment provision**

Credit terms granted by the Group are generally within a period of three months to one year. The ageing analysis of the trade receivables (net of impairment provision of RMB108,071,000 (31 December 2024: RMB109,778,000) based on recognition date is as follows:

	<b>Unaudited</b> <b>As at</b> <b>30 June</b> <b>2025</b> <b>RMB'000</b>	<b>Audited</b> <b>As at</b> <b>31 December</b> <b>2024</b> <b>RMB'000</b>
Current to 6 months	257,154	288,597
6 months to 1 year	43,909	47,534
1 year to 2 years	6,643	5,785
Above 2 years	45	43
	<u>307,751</u>	<u>341,959</u>

The ending loss allowances for trade receivables reconcile to the opening loss allowances as follows:

	<b>Unaudited</b> <b>As at</b> <b>30 June</b> <b>2025</b> <b>RMB'000</b>	<b>Audited</b> <b>As at</b> <b>30 June</b> <b>2024</b> <b>RMB'000</b>
At beginning of the period	109,778	98,171
Impairment (reversal)/charge	(1,707)	4,554
Receivables written off	—	(58)
	<u>108,071</u>	<u>102,667</u>

**(b) Other receivables**

	<b>Unaudited</b> <b>As at</b> <b>30 June</b> <b>2025</b> <b>RMB'000</b>	<b>Audited</b> <b>As at</b> <b>31 December</b> <b>2024</b> <b>RMB'000</b>
Advance to employees	4,549	4,244
Rental receivable	134	268
Others	3,289	3,230
	<u>7,972</u>	<u>7,742</u>

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The Group does not hold any collateral as security.

### 13. INVESTMENT IN FINANCIAL ASSETS

In June 2014, the Group made an equity investment with an amount of USD5,000,000 in a private fund (the “Fund”) which invested in shares of companies principally engaged in internet business. The Group neither have control nor significant influence over the Fund. As at 30 June 2025, the Group held around 18.18% (31 December 2024: 15.72%) interests of the Fund.

Management assessed the fair value of the Group’s investment in financial assets as at 30 June 2025 based on the net asset value of the Fund provided by the Fund’s administrator and calculated the portion attributable to the Group.

The net asset value of the Fund provided by the Fund’s administrator is based on the fair value of underlying investments held by the Fund, which are mainly referenced to the market information of recent transactions, such as recent fundraising transactions undertaken by the investees.

As at 30 June 2025 and 31 December 2024, the Group’s portion of net asset value of the Fund was attributable to the following:

	<b>Unaudited</b> <b>As at</b> <b>30 June</b> <b>2025</b> <b>RMB’000</b>	<b>Audited</b> <b>As at</b> <b>31 December</b> <b>2024</b> <b>RMB’000</b>
Equity Investments	<u><b>28,768</b></u>	<u><b>25,594</b></u>

During the six months ended 30 June 2025 and 2024, movement on investment in financial assets is as follows:

	<b>Unaudited</b> <b>30 June 2025</b> <b>RMB’000</b>	<b>Unaudited</b> <b>30 June 2024</b> <b>RMB’000</b>
At beginning of the period	<b>25,594</b>	31,106
Changes in fair value	<b>3,174</b>	(4,182)
Redemption	<u>—</u>	<u>(1,372)</u>
At end of the period	<u><b>28,768</b></u>	<u><b>25,552</b></u>



#### 14. ORDINARY SHARES

	Authorised ordinary shares		
	Number of shares ('000)	HKD'000	RMB'000
At 31 December 2024 and 30 June 2025	<u>100,000,000</u>	<u>1,000,000</u>	<u>969,200</u>
	Issued and fully paid up		
	Number of shares ('000) (Unaudited)	HKD'000 (Unaudited)	RMB'000 (Unaudited)
At 1 January 2025 and 30 June 2025	<u>1,135,597</u>	<u>11,356</u>	<u>10,504</u>
At 1 January 2024 and 30 June 2024	<u>1,135,597</u>	<u>11,356</u>	<u>10,504</u>

- (a) As at 30 June 2025, the total number of issued ordinary shares of the Company was 1,135,597,667 shares (31 December 2024: 1,135,597,667 shares) which included 160,000 shares (31 December 2024: 2,440,000 shares) held under the Share Award Scheme.

#### 15. ACCRUALS AND OTHER PAYABLES

	Unaudited As at 30 June 2025 RMB'000	Audited As at 31 December 2024 RMB'000
Accrued expenses (a)	147,217	181,534
Salaries payable	33,304	43,744
Other payables	7,063	7,488
Other tax payables	<u>7,422</u>	<u>17,492</u>
	<u>195,006</u>	<u>250,258</u>

- (a) Accrued expenses of the Group mainly represented accruals of service commission fees payable to advertising agencies, outsourcing production costs and advertising expenses.

## CHAIRMAN'S STATEMENT

On behalf of the Board, I would like to present the interim results of the Group for the six months ended 30 June 2025 to our shareholders.

The total revenue for the first half of the year came out to about RMB272.9 million, a decrease of 1.3% from the year before. However, the loss attributable to equity holders was RMB8.6 million, as compared to a net profit attributable to equity holders of RMB10.1 million for the corresponding period in 2024. During the reporting period, the decrease in gross profit, was largely attributable to an increase in the Company's outsourced production costs. In response to the decline of traditional banner advertising the Company has invested in developing new engagement formats to create more content-driven advertising and establish market differentiation. We believe that as we scale and optimize our processes in the coming months we will be able to more efficiently manage our costs.

PCauto's revenue decreased by 5.4% compared to the year before and accounted for 82.1% of the total revenue of the Group in the first half of 2025. The domestic EV price competition continues to have an impact on the overall automobile manufacturers and during the reporting period marketing and advertising spending continues to remain relatively low. While we are uncertain as to when the price competition will ease, we have been confident in building out new products and expanding our offerings to continue to drive growth and position ourselves within an industry niche. Advertising continues to be the primary revenue source, and we are optimistic in developing new content strategies and channel engagement strategies to adapt to the changing nature of the advertising business. In addition, we are continuing to expand our suite of auto industry focused AI-SAAS tools that are marketed towards auto manufacturers to further appeal to more customers downstream including digital influencers and auto dealerships. Online to offline activities continue to be a key focus of PCauto in providing authentic content to manufacturers and a key gateway to building our brand recognition.

PConline's revenue increased by 54.9% compared to the year before and accounted for 16.0% of the total revenue of the Group. Throughout the first half of 2025, the consumer electronics industry was buoyed by national subsidy policies that drove greater advertising spending from manufacturers.

Looking ahead, we acknowledge the uncertain and ambiguous market outlook that continues to cloud our related industries. However, we believe that we are well positioned to explore new market opportunities with our AI development team and to further develop our platforms.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Revenue**

Revenue decreased 1.3% from RMB276.4 million for the six months ended 30 June 2024 to RMB272.9 million for the six months ended 30 June 2025.

Revenue for PCauto, the Group's automobile portal, decreased 5.4% from RMB236.8 million for the six months ended 30 June 2024 to RMB224.1 million during the six months ended 30 June 2025. The decrease in revenue for PCauto was mainly due to decreased advertising spending from automobile manufacturers. As a percentage of revenue, PCauto accounted for 85.7% during the six months ended 30 June 2024 and 82.1% during the six months ended 30 June 2025.

Revenue for PConline, the Group's IT and consumer electronics portal, increased 54.9% from RMB28.1 million during the six months ended 30 June 2024 to RMB43.6 million during the six months ended 30 June 2025. The increase was due to rise in demand from consumer electronics manufacturers. As a percentage of revenue, PConline accounted for 10.2% during the six months ended 30 June 2024 and 16.0% during the six months ended 30 June 2025.

Revenue from other operations decreased by 54.5% from RMB11.4 million during the six months ended 30 June 2024 to RMB5.2 million during the six months ended 30 June 2025. The decrease was mainly from the decline in general consumption of home decoration market. As a percentage of revenue, revenue from other operations accounted for 4.1% during the six months ended 30 June 2024 and 1.9% during the six months ended 30 June 2025.

### **Cost of Revenue**

Cost of revenue increased 12.6% from RMB170.9 million during the six months ended 30 June 2024 to RMB192.5 million during the six months ended 30 June 2025, mainly due to the increase in outsourcing production cost which was the majority item of the total cost of revenue. Gross profit margin was 38.2% during the six months ended 30 June 2024 and 29.5% during the six months ended 30 June 2025.

### **Selling and Marketing Costs**

Selling and marketing costs decreased 3.4% from RMB53.7 million during the six months ended 30 June 2024 to RMB51.8 million during the six months ended 30 June 2025. The decrease was mainly due to decrease in advertising expenses during the period.

### **Administrative Expenses**

Administrative expenses increased by 5.6% from RMB27.9 million during the six months ended 30 June 2024 to RMB29.5 million during the six months ended 30 June 2025, mainly due to increase in staff costs during the period.

### **Product Development Expenses**

Product development expenses increased by 22.0% from RMB16.2 million during the six months ended 30 June 2024 to RMB19.7 million during the six months ended 30 June 2025, mainly due to increase in staff costs and general expenses in the Group's research and development team.

### **Net Reversal/(Charges) of Impairment Losses on Financial Assets**

Net charges of impairment losses on financial assets was RMB4.5 million during the six months ended 30 June 2024 and net reversal of impairment losses on financial assets was RMB3.5 million during the six months ended 30 June 2025. The net reversal of impairment losses on financial assets was mainly due to recover of trade and note receivables and less provision was made during the period.

### **Other Income**

Other income was RMB9.5 million during the six months ended 30 June 2024 and was RMB5.6 million during the six months ended 30 June 2025. The decrease was due to no additional deduction of input value added tax during the period.

### **Other Gains/(losses) — net**

Other gains was RMB3.2 million during the six months ended 30 June 2025 and other losses was RMB2.2 million during the six months ended 30 June 2024. The gains was mainly due to the change in fair value of the Fund.

### **Finance Income — net**

Net finance income was RMB1.0 million during the six months ended 30 June 2025 and was RMB1.3 million during the six months ended 30 June 2024. The decrease was mainly due to less interest income during the period.

### **Income Tax Expense**

Income tax expense decreased 29.4% from RMB1.6 million during the six months ended 30 June 2024 to RMB1.1 million during the six months ended 30 June 2025.

### **Net (Loss)/Profit Attributable to Equity Holders**

Net loss attributable to equity holders was RMB8.6 million during the six months ended 30 June 2025 and net profit attributable to equity holders was RMB10.1 million during the six months ended 30 June 2024.

### **Liquidity and Financial Resources**

As of 30 June 2025, the Group had cash and cash equivalents totalling RMB240.0 million, compared with RMB263.5 million as of 31 December 2024. The decline in cash was primarily due to the payment of a cash dividend totalling RMB51.1 million during the six months ended 30 June 2025. The Company had no external debt as of 31 December 2024 and 30 June 2025.

### **Bank Borrowings**

As of 30 June 2025, The Group did not have any bank borrowings and therefore, its gearing ratio, representing the ratio of total bank borrowings to shareholders' equity, was nil. The Group also did not have any bank borrowings as of 31 December 2024.

### **Material Acquisitions and Disposal**

During the six months ended 30 June 2025, the Group had no material acquisitions and disposals of subsidiaries and associates.

### **Charges on Assets**

As of 30 June 2025, the Group had no bank deposits or other assets pledge to secure its banking facilities.

### **Foreign Exchange Risk**

The Group's operating activities were principally carried out in Mainland China, with most of its transactions denominated and settled in Renminbi. Therefore, the overall foreign currency risk was not considered to be significant.

### **Employees and Remuneration Information**

As of 30 June 2025, the Group had 731 employees (31 December 2024: 733), a decrease of 0.3% from the first half of 2025. The Group continues having its internal restructure and streamlining its support operations. The Group determines staff's remuneration based on factors such as performance and years of experience.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

Neither the Company nor its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares) during the six months ended 30 June 2025.

As of 30 June 2025, there were no treasury shares held by the Company.

## **AUDIT COMMITTEE**

The Audit Committee of the Company, which comprises all the four independent non-executive directors of the Company, namely, Mr. Tsui Yiu Wa, Alec (Chairman of the Audit Committee), Mr. Thaddeus Thomas Beczak, Mr. Lam Wai Hon, Ambrose and Ms. Lee Kit Ying, has reviewed the accounting principles and practices adopted by the Group and discussed auditing, risk management and internal control and financial reporting matters, including the review of these interim results.

## **CORPORATE GOVERNANCE**

The Board is of the view that the Company has met the code provisions set out in the Corporate Governance Code as contained in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange during the six months ended 30 June 2025, except that there is no separation of the role of chairman and chief executive as stipulated in the code provision C.2.1. Dr. Lam Wai Yan currently assumes the role of both the Chairman and the Chief Executive Officer of the Company. As Dr. Lam is a co-founder of the Group and has extensive experience in the internet industry, the Board believes that this structure provides the Group with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as execution of long-term business strategies. As such, it is beneficial to the business prospects of the Group.

## **APPRECIATION**

I would like to take this opportunity to express my gratitude, on behalf of the Board, to all our employees for their contribution and to all our shareholders for their continuous support of our Group.

On behalf of the Board  
**Pacific Online Limited**  
**Lam Wai Yan**  
*Chairman*

Hong Kong, 27 August 2025

*As at the date of this announcement, the Board comprises 3 executive directors, namely, Dr. Lam Wai Yan, Mr. Ho Kam Wah and Mr. Wang Ta-Hsing; and 4 independent non-executive directors, namely, Mr. Tsui Yiu Wa, Alec, Mr. Thaddeus Thomas Beczak, Mr. Lam Wai Hon, Ambrose and Ms. Lee Kit Ying.*