

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

## **CHANGYOU INTERNATIONAL GROUP LIMITED**

**暢由國際集團有限公司**

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

**(Stock Code: 1039)**

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

#### **FINANCIAL HIGHLIGHTS**

- The revenue of the Group decreased by approximately 11.8% to approximately RMB90.4 million for the six months ended 30 June 2025 (30 June 2024: approximately RMB102.4 million).
- The gross merchandise value of Changyou Alliance business amounted to approximately RMB122.7 million for the six months ended 30 June 2025 (30 June 2024: approximately RMB141.5 million), representing a decrease of approximately 13.3%.
- The gross profit of the Group for the six months ended 30 June 2025 amounted to approximately RMB19.6 million (30 June 2024: approximately RMB18.4 million).
- The Group recorded a loss of approximately RMB3.8 million for the six months ended 30 June 2025 (30 June 2024: approximately RMB8.1 million).
- The basic and diluted loss per share amounted to RMB0.26 cent for the six months ended 30 June 2025 (30 June 2024: RMB0.41 cent).
- The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2025.

The board (the “**Board**”) of directors (the “**Directors**”) of Changyou International Group Limited (the “**Company**” or “**Changyou**”) presents herewith the unaudited consolidated interim financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 (the “**Reporting Period**”). The interim financial information has been reviewed by the audit committee of the Company (the “**Audit Committee**”).

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the six months ended 30 June 2025 – unaudited*

*(Expressed in Renminbi (“RMB”))*

	<i>Note</i>	<b>Six months ended 30 June</b>	
		<b>2025</b>	2024
		<b>RMB’000</b>	<b>RMB’000</b>
<b>Revenue</b>	4	<b>90,372</b>	102,429
Cost of sales		<b>(70,739)</b>	(84,040)
<b>Gross profit</b>		<b>19,633</b>	18,389
Other (expenses)/income	5	<b>(50)</b>	365
Selling and distribution expenses		<b>(1,940)</b>	(2,126)
Administrative expenses		<b>(9,829)</b>	(14,558)
Research and development costs		<b>(3,439)</b>	(4,032)
Impairment gain of trade and other receivables		<b>–</b>	26
<b>Profit/(loss) from operations</b>		<b>4,375</b>	(1,936)
Finance costs	6(a)	<b>(5,314)</b>	(6,112)
Loss arising from changes in fair value on trading securities		<b>(16)</b>	(35)
<b>Loss before taxation</b>	6	<b>(955)</b>	(8,083)
Income tax	7	<b>(2,833)</b>	–
<b>Loss for the period</b>		<b>(3,788)</b>	(8,083)
<b>Attributable to:</b>			
Equity shareholders of the Company		<b>(4,657)</b>	(7,394)
Non-controlling interests		<b>869</b>	(689)
<b>Loss for the period</b>		<b>(3,788)</b>	(8,083)
<b>Loss per share</b>			
Basic and diluted (RMB cent)	9	<b>(0.26)</b>	(0.41)

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

	<u>Six months ended 30 June</u>	
	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>Loss for the period</b>	<b>(3,788)</b>	(8,083)
<b>Other comprehensive income for the period (after tax):</b>		
Item that may be reclassified subsequently to profit or loss:		
– Exchange differences on translation of financial statements into the Group's presentation currency	<u>(743)</u>	<u>(799)</u>
<b>Total comprehensive income for the period</b>	<b><u>(4,531)</u></b>	<b><u>(8,882)</u></b>
<b>Attributable to:</b>		
Equity shareholders of the Company	(5,400)	(8,193)
Non-controlling interests	<u>869</u>	<u>(689)</u>
<b>Total comprehensive income for the period</b>	<b><u>(4,531)</u></b>	<b><u>(8,882)</u></b>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*At 30 June 2025 – unaudited*

*(Expressed in RMB)*

		At 30 June 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
	<i>Note</i>		
<b>Non-current assets</b>			
Property and equipment	10	922	2,514
Deferred tax assets		<u>2,329</u>	<u>5,162</u>
		<u>3,251</u>	<u>7,676</u>
<b>Current assets</b>			
Trading securities	16	183	202
Inventories		28	28
Trade and other receivables	11	115,326	122,688
Cash and cash equivalents	12	<u>26,566</u>	<u>8,230</u>
		<u>142,103</u>	<u>131,148</u>
<b>Current liabilities</b>			
Trade and other payables	13	138,689	127,438
Lease liabilities		290	1,937
Loans from an equity shareholder of the Company	15	<u>56,945</u>	<u>55,765</u>
		<u>195,924</u>	<u>185,140</u>
<b>Net current liabilities</b>		<u>(53,821)</u>	<u>(53,992)</u>
<b>Total assets less current liabilities</b>		<u>(50,570)</u>	<u>(46,316)</u>
<b>Non-current liabilities</b>			
Convertible bonds	14	<u>108,322</u>	<u>108,045</u>
		<u>108,322</u>	<u>108,045</u>
<b>NET LIABILITIES</b>		<u>(158,892)</u>	<u>(154,361)</u>
<b>CAPITAL AND RESERVES</b>			
Share capital		117,812	117,812
Reserves		<u>109,485</u>	<u>114,885</u>
<b>Total equity attributable to equity shareholders of the Company</b>		227,297	232,697
<b>Non-controlling interests</b>		<u>(386,189)</u>	<u>(387,058)</u>
<b>TOTAL EQUITY – DEFICIT</b>		<u>(158,892)</u>	<u>(154,361)</u>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

	Attributable to equity shareholders of the Company							Non-controlling interests	Total equity-deficit
	Share capital	Share premium	Capital reserve	Exchange reserve	Other reserve	Accumulated losses	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Balance at 1 January 2024</b>	117,812	1,265,079	59,212	(3,262)	40,860	(1,245,013)	234,688	(388,007)	(153,319)
<b>Changes in equity for the six months ended 30 June 2024:</b>									
(Loss)/profit for the period	-	-	-	-	-	(7,394)	(7,394)	(689)	(8,083)
Other comprehensive income	-	-	-	(799)	-	-	(799)	-	(799)
Total comprehensive income	-	-	-	(799)	-	(7,394)	(8,193)	(689)	(8,882)
Transfer between reserves	-	-	(59,212)	-	-	59,212	-	-	-
Insurance of convertible bonds	-	-	12,401	-	-	-	12,401	-	12,401
<b>Balance at 30 June 2024 and 1 July 2024</b>	117,812	1,265,079	12,401	(4,061)	40,860	(1,193,195)	238,896	(388,696)	(149,800)
<b>Changes in equity for the six months ended 31 December 2024:</b>									
Loss for the period	-	-	-	-	-	(12,122)	(12,122)	2,040	(10,082)
Other comprehensive income	-	-	-	3,520	-	-	3,520	-	3,520
Total comprehensive income	-	-	-	3,520	-	(12,122)	(8,602)	2,040	(6,562)
Disposal of subsidiaries	-	-	-	-	2,403	-	2,403	(402)	2,001
<b>Balance at 31 December 2024</b>	117,812	1,265,079	12,401	(541)	43,263	(1,205,317)	232,697	(387,058)	(154,361)

# **CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

*For the six months ended 30 June 2025 – unaudited (continued)*

*(Expressed in RMB)*

	Attributable to equity shareholders of the Company							Non-controlling interests	Total equity-deficit
	Share capital	Share premium	Capital reserve	Exchange reserve	Other reserve	Accumulated losses	Total		
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Balance at 1 January 2025	117,812	1,265,079	12,401	(541)	43,263	(1,205,317)	232,697	(387,058)	(154,361)
Changes in equity for the six months ended 30 June 2025:									
Loss for the period	-	-	-	-	-	(4,657)	(4,657)	869	(3,788)
Other comprehensive income	-	-	-	(743)	-	-	(743)	-	(743)
Total comprehensive income	-	-	-	(743)	-	(4,657)	(5,400)	869	(4,531)
Balance at 30 June 2025	117,812	1,265,079	12,401	(1,284)	43,263	(1,209,974)	227,297	(386,189)	(158,892)

# CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2025 – unaudited

(Expressed in RMB)

		Six months ended 30 June	
		2025	2024
	Note	RMB'000	RMB'000
<b>Operating activities</b>			
Cash used in operations		18,875	(11,350)
Income tax paid		—	—
<b>Net cash generated from/(used in) operating activities</b>		<b>18,875</b>	<b>(11,350)</b>
<b>Investing activities</b>			
Payments for purchase of property and equipment		(48)	(222)
Interest received		5	20
<b>Net cash used in investing activities</b>		<b>(43)</b>	<b>(202)</b>
<b>Financing activities</b>			
Capital element of lease rentals paid		(456)	(800)
Interest element of lease rentals paid		(21)	(127)
Finance costs paid		—	—
<b>Net cash used in financing activities</b>		<b>(477)</b>	<b>(927)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>18,355</b>	<b>(12,479)</b>
<b>Cash and cash equivalents at 1 January</b>	12	<b>8,230</b>	<b>25,415</b>
<b>Effect of foreign exchange rate changes</b>		<b>(19)</b>	<b>11</b>
<b>Cash and cash equivalents at 30 June</b>	12	<b>26,566</b>	<b>12,947</b>

## Notes

*(Expressed in RMB unless otherwise indicated)*

### 1 Corporate information

The Company was incorporated in the Cayman Islands on 21 May 2008 as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The shares of the Company were listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 24 September 2010. The condensed consolidated financial statements of the Company as at and for the six months ended 30 June 2025 comprise the Group.

The principal activities of the Group are the development and operation of an electronic trading platform to promote and facilitate awards earned by customers of loyalty programmes of other companies to be exchanged in the People’s Republic of China (“**PRC**”) in the form of virtual assets and credits for consumption of merchandises, games, services and other commercial transactions and other trading business.

### 2 Basis of preparation

This interim financial information has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), including compliance with Hong Kong Accounting Standard (“**HKAS**”) 34, Interim financial reporting, issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). It was authorised for issue on 28 August 2025.

The interim financial information has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

The measurement basis used in the preparation of the financial statements is the historical cost basis except for trading securities and derivative financial instruments which are stated at their fair values.

The preparation of an interim financial information in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

This interim financial information contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”).

The financial information relating to the financial year ended 31 December 2024 that is included in the interim financial report as comparative information does not constitute the Company’s statutory financial statements for that financial year but is derived from those financial statements.



For the six months ended 30 June 2025, the Group had net loss of RMB3,788,000 and as of the same day, the Group had net current liabilities and net liabilities of RMB53,821,000 and RMB158,892,000, respectively. In addition, the Group had loans from an equity owner of the Company of RMB51,142,000 as at 30 June 2025 (note 15) that are repayable within one year from 30 June 2025 while the Group only had cash and cash equivalents of RMB26,566,000.

In this regard, for the purpose of assessing the Group's ability to continue as a going concern, the management discussed with its immediate and ultimate holding company, Century Investment (Holding) Limited ("**Century Investment**"), to provide the necessary financial support when required, including but not limited to the provision of the drawdown of the Group's unused loan facilities with Century Investment of an aggregate sum of HK\$54,920,000 (equivalent to approximately RMB50,084,000). On 28 July 2025, the period of the loan facilities from Century Investment is extended and the loan facilities will expire in July and September 2027 (see Note 15).

Based on the management's assessment and the extension of the loan facilities from Century Investment, the directors of the Company are of the opinion that the Group would have adequate funds to meet its liabilities as and when they fall due at least twelve months from the end of the Reporting Period. Accordingly, the directors of the Company consider it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, the going concern of the Group is largely dependent upon whether financial support from Century Investment could be provided on a timely basis. This condition indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

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

The principal activities of the Group were carried out by Shanghai Sub-chain Information Technology Co., Ltd. ("**Sub-chain**", VIE), which was established as a limited liability company in the PRC, and its subsidiaries. Since the business conducted by Sub-chain and its subsidiaries is subject to foreign investment restrictions under the relevant laws and regulations in the PRC, Centchain Co., Ltd. ("**Centchain**", WFOE), a subsidiary of the Company, entered into a series of agreements (the "**Contractual Arrangements**") with Sub-chain and its equity shareholders. As a result of the Contractual Arrangements, the Group has rights to exercise power over Sub-chain and its subsidiaries, receives variable returns from its involvement in Sub-chain and its subsidiaries, has the ability to affect those returns, and hence, has the control over Sub-chain and its subsidiaries. Consequently, the Group regards Sub-chain and its subsidiaries as controlled entities, and the directors of the Company consider it is appropriate to account Sub-chain as a subsidiary. The directors of the Company have determined that the Contractual Arrangements are in compliance with PRC laws and are legally enforceable.

### 3 Changes in accounting policies

#### (a) New and amended HKFRSs

The Group has applied the following amended HKFRSs issued by the HKICPA to these financial statements for the current accounting period:

Amendments to HKAS 21, *Lack of Exchangeability*

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

#### 4 Revenue

The principal activities of the Group are (1) sales of goods in the form of virtual assets and credits for consumption of merchandises, games, services and other commercial transactions through the development and operation of an electronic trading platform to promote and facilitate awards earned by customers of loyalty programmes of other companies to be exchanged in the PRC and (2) other trading business. The directors of the Company consider the above is the only business of the Group, and accordingly, no segment information is presented.

##### Disaggregation of revenue

Disaggregation of revenue from contracts with customers is analysed as follows:

	<u>Six months ended 30 June</u>	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>		
<b>disaggregated by major products or service lines and by timing of revenue recognition</b>		
Revenue from facilitation of digital point business through operation of an electronic platform and other trading business:		
– Point in time	<u>90,372</u>	<u>102,429</u>

#### 5 Other (expenses)/income

	<u>Six months ended 30 June</u>	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Interest income	5	20
Loss on lease termination, net	(354)	–
Government grants	–	34
Others	<u>299</u>	<u>311</u>
	<u>(50)</u>	<u>365</u>

## 6 Loss before taxation

Loss before taxation is arrived at after charging:

### (a) Finance costs:

	<u>Six months ended 30 June</u>	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Finance charges on convertible bonds (Note 14)	6,578	3,566
Interest expenses on lease liabilities	21	127
Interest expenses on loans from an equity shareholder of the Company	2,053	1,710
	<u>8,652</u>	<u>5,403</u>
Net foreign exchange (gain)/loss	(3,338)	709
	<u>5,314</u>	<u>6,112</u>

### (b) Staff costs:

	<u>Six months ended 30 June</u>	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Salaries, wages and other benefits	8,408	9,754
Termination benefits	76	–
Contributions to defined contribution retirement plans	543	596
	<u>9,027</u>	<u>10,350</u>

### (c) Other items:

	<u>Six months ended 30 June</u>	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Cost of inventories	70,739	84,040
Depreciation charge:		
– owned property and equipment	152	166
– right-of-use assets	443	794
Operating lease charges relating to short-term leases and leases of low-value assets	984	1,199

## 7 Income tax

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Current taxation	2,833	—
Deferred taxation	—	—
	<u>2,833</u>	<u>—</u>

The Company and the subsidiaries of the Group incorporated in Hong Kong are subject to Hong Kong Profits Tax rate of 16.5% for the six months ended 30 June 2025 (six months ended 30 June 2024: 16.5%).

The Company and the subsidiaries of the Group incorporated in the Cayman Islands and the British Virgin Islands, respectively, are not subject to any income tax pursuant to the rules and regulations of their respective countries of incorporation.

The subsidiaries of the Group established in the PRC (excluding Hong Kong) are subject to PRC Corporate Income Tax rate of 25% for the six months ended 30 June 2025 (six months ended 30 June 2024: 25%).

One of the subsidiaries of the Group established in the PRC has obtained approval from the tax bureau to be taxed as an enterprise with advanced and new technologies for the period from the calendar years from 2022 to 2024 and therefore enjoys a preferential PRC Corporate Income Tax rate of 15% for the six months ended 30 June 2024.

## 8 Dividends

The directors of the Company do not recommend the payment of interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

## 9 Loss per share

### (a) Basic loss per share

The basic loss per share for the six months ended 30 June 2025 is calculated based on the loss attributable to equity shareholders of the Company of RMB4,657,000 (six months ended 30 June 2024: RMB7,394,000) and the weighted average number of ordinary shares of 1,810,953,272 (six months ended 30 June 2024: 1,810,953,272 ordinary shares) in issue during the six months ended 30 June 2025.

### (b) Diluted loss per share

The Group's convertible bonds, share options granted and warrants issued could potentially dilute basic loss per share in the future, but were not included in the calculation of diluted loss per share because they are antidilutive during the six months ended 30 June 2025 and 2024.

## 10 Property and equipment

### (a) Right-of-use assets

During the six months ended 30 June 2025, there was no addition to right-of-use assets (six months ended 30 June 2024: Nil).

### (b) Owned property and equipment

During the six months ended 30 June 2025, the Group acquired items of property and equipment with a cost of RMB45,000 (six months ended 30 June 2024: RMB222,000).

## 11 Trade and other receivables

	At 30 June 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Trade receivables	8,237	14,360
Less: loss allowance	(40)	(40)
	<u>8,197</u>	<u>14,320</u>
Other receivables:		
– Receivable for issuance of shares of a subsidiary to a non-controlling equity shareholder (Note (i))	100,000	100,000
– Others	2,684	2,628
	<u>102,684</u>	<u>102,628</u>
Financial assets measured at amortised cost	110,881	116,948
Prepayments and deposits	4,445	5,740
	<u>115,326</u>	<u>122,688</u>

Trade receivables are generally due immediately from the date of billing. Normally, the Group does not obtain collateral from debtors.

*Note:*

- (i) In 2019, Pointsea Company Limited (“**PCL**”), an indirect non-wholly owned subsidiary of the Company, issued 28,036,564 new shares to one investor. Proceeds of RMB100,000,000 from the investor has not yet been received while the investor granted an advance of RMB100,000,000 to PCL (see Note 13) which is non-interest bearing and will mature upon receipt of the proceeds for shares issued to the investor by PCL.

**(a) Ageing analysis**

As of the end of the Reporting Period, the ageing analysis of trade receivables (net of loss allowance), included in trade and other receivables, based on the invoice date, is as follows:

	At 30 June 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Within 3 months	8,038	14,192
Over 3 months but within 6 months	87	99
Over 6 months	72	29
	<u>8,197</u>	<u>14,320</u>

**12 Cash and cash equivalents**

	At 30 June 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Cash at bank and on hand	<u>26,566</u>	<u>8,230</u>

The Group’s operations in the PRC (excluding Hong Kong) conduct their businesses in RMB. RMB is not a freely convertible currency and the remittance of funds out of the PRC (excluding Hong Kong) is subject to the exchange restrictions imposed by the PRC government.

### 13 Trade and other payables

	At 30 June 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Trade payables	17,654	9,259
Payables for staff related costs	1,189	1,158
Advance from a non-controlling equity shareholder of a subsidiary (Note 11(i))	100,000	100,000
Advance from a shareholder of the Company	9,495	9,567
Others	9,188	6,532
	119,872	117,257
Financial liabilities measured at amortised cost	137,526	126,516
Deposits received from business partners in connection with the digital point business	130	291
Contract liabilities	1,033	631
	138,689	127,438

As of the end of the Reporting Period, the ageing analysis of trade payables included in trade and other payables, based on the invoice date, is as follows:

	At 30 June 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Within 3 months	16,900	8,966
3 to 6 months	123	179
Over 6 months	631	114
	17,654	9,259

## 14 Convertible bonds

The Group's convertible bonds are analysed as follows:

	<b>Liability components</b> <i>RMB'000</i>
At 1 January 2024	114,972
Derecognition of convertible bonds	(114,266)
Issuance of convertible bonds	101,576
Accrued finance charges for the year	8,855
Interest paid	(4,667)
Exchange adjustments	1,575
	<hr/>
At 31 December 2024 and 1 January 2025	<b>108,045</b>
Accrued finance charges for the period (Note 6(a))	<b>6,578</b>
Interest payable	<b>(4,639)</b>
Exchange adjustments	<b>(1,662)</b>
	<hr/>
At 30 June 2025	<b>108,322</b>
	<hr/> <hr/>

In October 2020, the Company issued convertible bonds with face value of HK\$126,000,000 (equivalent to approximately RMB108,945,000) (“**CB1**”) to Century Investment. CB1 bears interest at 3.5% per annum and matured on 19 October 2023. The Company has the right to redeem all or part of CB1 (i.e. the call option) at any time before the maturity date. As the call option is closely related to the host contract, the call option is not accounted for as a separate derivative financial instrument. Upon issuance of CB1, Century Investment can convert CB1 into the Company's ordinary shares at HK\$0.42 per share (i.e. the conversion option) at any time, in whole or in part, before 14 October 2023. The conversion option amounted to RMB59,212,000 was regarded as an equity component of CB1 and credited to the Company's capital reserve account.

CB1 matured on 19 October 2023 and Century Investment did not exercise the conversion rights attached thereto. Century Investment has confirmed that it would not require the Company to redeem the CB1 in full on the maturity date, and the Company would not be in breach of any terms of the CB1 as a result thereof. The conversion option and the call option under CB1 lapsed on 19 October 2023 and the amount of HK\$126,000,000 with accrued interest remained outstanding to Century Investment as at 31 December 2023.

In January 2024, the Company entered into a Subscription Agreement (the “**Subscription Agreement**”) with Century Investment pursuant to which the Company would issue convertible bonds with aggregate principal amount of HK\$126,000,000 (“**CB2**”) to Century Investment upon fulfilment of the conditions set out therein. Based on the terms of CB2, upon issuance of CB2, CB1 would be redeemed and the outstanding amount of the principal under CB1 would be set off against all amounts owed by Century Investment to the Company in respect of the issue price under or in connection with the Subscription Agreement. On 23 April 2024, all the conditions set out in the Subscription Agreement, including the approval of Company's independent equity shareholders', were fulfilled and the issuance of CB2 was completed.



Upon the completion of the issuance of CB2, on 23 April 2024, after taking into account all relevant facts and circumstances, the revision of the contractual terms of CB1 and the issuance of CB2 were accounted for as a substantial modification of the financial liability. The original financial liability of CB1 was derecognised and a new convertible bond of CB2 was recognised.

CB2 is denominated in Hong Kong dollars, which is the same as the functional currency of the Company. Under CB2, Century Investment is entitled to convert the bonds, in whole or in part, into ordinary shares of the Company at any time between the date of issue of the bonds and their maturity date on 23 April 2027 at a conversion price of HK\$0.42 per share of the Company. The Company has the option to redeem all or part of CB2 at any time before the maturity date (i.e. the early redemption option). If CB2 has not been converted or redeemed, it will be redeemed by the Company on 23 April 2027 at the outstanding principal amount of CB2 together with interest accrued thereon. Interest of 8% per annum will be paid semi-annually until the maturity date.

At initial recognition, the equity component of CB2 of RMB12,401,000 was separated from the liability component. The equity element is presented in equity heading “capital reserve”. The early redemption option is closely related to the host contract and is not accounted for as a separate derivative financial instrument. The effective interest rate of the liability component is 13.0%.

## **15 Loans from an equity shareholder of the Company**

In 2020, PCL, a subsidiary of the Company, and Century Investment entered into revolving loan facility agreements (“**Facility Agreements**”), pursuant to which Century Investment granted revolving loan facilities of HK\$111,000,000 to PCL. The loan facilities will expire after 3 years or such later date as may be agreed between PCL and Century Investment in writing, representing the date upon which the Company is to repay all loans drawn under the Facility Agreements in full.

On 2 May 2023, PCL and Century Investment entered into a supplemental revolving loan facility agreement, pursuant to which both PCL and Century Investment agreed to extend the term of the loan period from 3 years to 4 years. On 30 May 2024, PCL and Century Investment entered into a supplemental revolving loan facility agreement, pursuant to which both PCL and Century Investment agreed to extend the term of the loan period from 4 years to 5 years.

The Facility Agreements are unsecured with an interest rate of (a) 6.5% per annum from and including the drawdown date to, but excluding, 31 May 2024; and (b) 8% per annum from and including 31 May 2024 applicable to all loans drawn under the Facility Agreements.

At 30 June 2025, the outstanding principal of loans drawn under the Facility Agreements is HK\$56,080,000 (equivalent to approximately RMB51,142,000) (31 December 2024: HK\$56,080,000 (equivalent to approximately RMB51,932,000)), and the loans are repayable at the end of the terms of the facilities agreements ranging from July to September 2025.

At 30 June 2025, the outstanding interest payable associated with the loans is HK\$6,364,000 (equivalent to RMB5,803,000) (31 December 2024: HK\$4,139,000 (equivalent to approximately RMB3,833,000)).

Subsequent to the period ended 30 June 2025, on 28 July 2025, PCL and Century Investment entered into a supplemental revolving loan facility agreement, pursuant to which both PCL and Century Investment agreed to extend the term of the loan period from 5 years to 7 years and accordingly, the Facility Agreements will expire in July 2027 and September 2027.

## 16 Fair value measurement of financial instruments

### (a) Financial assets and liabilities measured at fair value

#### (i) Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the Reporting Period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs, i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs, i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

<b>Fair value measurements at 30 June 2025 categorised into</b>	<b>Fair value measurements at 31 December 2024 categorised into</b>
<b>Level 1</b>	<b>Level 1</b>
<b>RMB'000</b>	<b>RMB'000</b>

#### Recurring fair value measurement

Financial assets

– Trading Securities

<b>183</b>	<b>202</b>
------------	------------

During the six months ended 30 June 2025, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (year ended 31 December 2024: none). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the Reporting Period in which they occur.

### (b) Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 30 June 2025 and 31 December 2024.

17    **Material related party transactions**

In addition to the balances disclosed elsewhere in this interim financial information, the material related party transactions entered into by the Group during the interim period are set out below.

(a)    **Transactions with the equity shareholders of the Company**

	<u>Six months ended 30 June</u>	
	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Interest expenses on loans from an equity shareholder of the Company	<b><u>2,053</u></b>	<u>1,710</u>

Details of the issuance of convertible bonds to an equity shareholder of the Company and the financial charges are set out in Note 14.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

The Group have capitalised on their years of experience in the e-commerce business, which has enabled the Group to grasp market opportunities and enter the digital points business segment and industry. In the second half of 2017, the Group formed the Changyou digital point business ecosystem alliance (the “**Changyou Alliance**”) with CCB International (Holdings) Limited, China UnionPay Merchant Services Company Limited, Bank of China Group Investment Limited, China Mobile (Hong Kong) Group Limited and China Eastern Airlines Corporation Limited.

With an aim to integrate the digital membership points, resources and strategic advantages of the business partners in the Changyou Alliance, the Group has developed an electronic platform, “Changyou” (the “**Changyou Platform**”). The Group strives to develop the Changyou Platform as an integrative and secured platform, so as to preserve and maximise the value of digital points as virtual assets for the platform users. With the development of blockchain technology, digital assets have received increasing attention from the industry. By leveraging advanced technologies such as blockchain and big data, the Changyou Alliance aims to develop a global financial platform for the issuance, circulation, storage and payment settlement of blockchain tokenisation of assets.

Over the years, the Changyou Platform has increased the number of users, diversified its range of products and services, and optimised its business models and consumption scenarios. As at 30 June 2025, the Changyou Platform’s total number of registered users was approximately 275.0 million, representing an increase of approximately 23.2 million newly registered users compared to the number of registered users as at 31 December 2024.

For the Reporting Period, the total transaction volume and revenue of the Changyou Alliance business amounted to approximately RMB122.7 million and approximately RMB90.4 million, respectively.

During the Reporting Period, the SaaS digital points services maintained steady operational momentum, consistently generating significant revenue for the Group. Leveraging the traffic advantages of its ecosystem scenarios, it not only boosted the promotion of products of the main business of our business partners, but also further strengthened its competitive edge through user experience optimization and in-depth integration with various scenarios. Furthermore, the Company actively collaborated with China Mobile’s provincial branches to drive business synergy, creating a virtuous cycle of “points + scenarios + traffic”, which effectively enhancing user stickiness and value-added to the business.

Building on the reach of its business of SaaS digital points services to drive traffic within the ecosystem, the Company is actively exploring ways to promote public-domain traffic and integrating it with customer acquisition and user retention efforts on Changyou’s self-operated platforms. Currently, the Alipay ecosystem has established a complete closed loop of “traffic delivery – user conversion – transaction completion”. Efforts to explore the WeChat and Douyin ecosystems are progressing in an orderly manner, laying a solid foundation for subsequent traffic expansion.

## **FINANCIAL REVIEW**

### **Revenue**

The Group recorded a consolidated revenue of approximately RMB90.4 million for the six months ended 30 June 2025 (six months ended 30 June 2024: approximately RMB102.4 million), representing a decrease of approximately 11.8% as compared with the corresponding period in 2024. Since costs will be incurred for business partners of Changyou Platform to issue points to their customers, the business partners will implement certain control over the issuance and consumption of points based on their own business conditions in terms of points management. In the context of the unstable economic environment, the revenue decreased was due to the impact of business partners compressing the total amount of points used.

### **Gross profit**

The gross profit of the Group for the six months ended 30 June 2025 amounted to approximately RMB19.6 million (six months ended 30 June 2024: approximately RMB18.4 million). The gross profit margin for the six months ended 30 June 2025 was approximately 21.7% (six months ended 30 June 2024: approximately 18.0%). The Group has optimized its supply chain of Changyou Platform, focusing on concentrated product categories and combining point redemption with other business promotions. This has improved user conversion rates, enhanced the effective use of traffic, and increased the comprehensive profitability of the Group's business.

### **Other (expenses)/income**

The other expenses of the Group for the six months ended 30 June 2025 amounted to approximately RMB0.1 million (six months ended 30 June 2024: other income of approximately RMB0.4 million). A detailed breakdown of the factors contributing to the other (expenses)/income of the Group is disclosed in note 5 to the interim financial information as disclosed in this announcement.

### **Selling and distribution expenses**

The selling and distribution expenses of the Group for the six months ended 30 June 2025 decreased to approximately RMB1.9 million (six months ended 30 June 2024: approximately RMB2.1 million), representing a decrease of approximately 8.7% as compared with the corresponding period in 2024. As the Group's operating and customer service costs directly correlate with its business scale through flexible employment and outsourcing cooperation, the Group's selling and distribution expenses decreased with the decline of business.

### **Administrative expenses**

The Group's administrative expenses for the six months ended 30 June 2025 decreased to approximately RMB9.8 million, as compared to approximately RMB14.6 million for the corresponding period in 2024, representing a decrease of approximately 32.5% as compared with the corresponding period in 2024. During the Reporting Period, the Group continued to strictly control its fixed costs, manpower

and administrative expenses. The decrease was mainly attributable to the continuous implementation of certain cost saving measures by the Group.

### **Research and development costs**

The research and development costs of the Group for the six months ended 30 June 2025 decreased to approximately RMB3.4 million (six months ended 30 June 2024: approximately RMB4.0 million), representing a decrease of approximately 14.7% as compared with the corresponding period in 2024, which was mainly attributable to the decrease in development costs of technology infrastructure and staff costs for research and development activities during the six months ended 30 June 2025.

### **Impairment gain of trade and other receivables**

No impairment of trade and other receivables of the Group was made for the six months ended 30 June 2025 (six months ended 30 June 2024: impairment gain of trade and other receivables of approximately RMB26,000).

### **Finance costs**

The Group incurred finance costs of approximately RMB5.3 million for the six months ended 30 June 2025 (six months ended 30 June 2024: approximately RMB6.1 million), representing a decrease of approximately 13.1% as compared with the corresponding period in 2024. The finance costs consist of the interest expense on convertible bonds and loans from an equity shareholder of the Company, interest expenses on lease liabilities and net foreign exchange loss, the details of which are disclosed in note 6(a) to the interim financial information as disclosed in this announcement.

### **Taxation**

Income tax expense of RMB 2.8 million is provided for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 30 June 2025, the cash and cash equivalents of the Group amounted to approximately RMB26.6 million (as at 31 December 2024: approximately RMB8.2 million).

As compared with the position as at 31 December 2024, the Group's cash and cash equivalents increased by approximately RMB18.4 million, resulting from the net cash inflow from operating activities of approximately RMB18.9 million for the six months ended 30 June 2025 (year ended 31 December 2024: net cash outflow of approximately RMB18.4 million), the net cash outflow from investing activities of approximately RMB43,000 for the six months ended 30 June 2025 (year ended 31 December 2024: approximately RMB0.6 million) and the net cash outflow from financing activities of approximately RMB0.5 million for the six months ended 30 June 2025 (year ended 31 December 2024: net cash inflow of approximately RMB1.7 million).

As at 30 June 2025, the net current liabilities of the Group amounted to approximately RMB53.8 million (as at 31 December 2024: approximately RMB54.0 million). As at 30 June 2025, the current ratio (being total current assets divided by total current liabilities) of the Group was approximately 0.73 (as at 31 December 2024: approximately 0.71).

As at 30 June 2025, the total assets of the Group amounted to approximately RMB145.4 million (as at 31 December 2024: approximately RMB138.8 million) and the total liabilities amounted to approximately RMB304.2 million (as at 31 December 2024: approximately RMB293.2 million). The debt ratio (being total liabilities divided by total assets) as at 30 June 2025 was approximately 2.09 as compared to approximately 2.11 as at 31 December 2024.

As at 30 June 2025, the Group had total borrowings (which consisted of convertible bonds and loans from an equity shareholder of the Company) of approximately RMB165.3 million (as at 31 December 2024: approximately RMB163.8 million). The gearing ratio as at 30 June 2025 (being total borrowings divided by total equity) was -1.04 (as at 31 December 2024: approximately -1.06).

### **Convertible bonds**

In view of the increasing popularity of consumer spending with digital points, the successful experience of the Group in developing the Changyou Platform and the robust performance and growth of the Changyou Platform, the Company issued HK\$126.0 million 3.5% convertible bonds (the “**2020 Convertible Bonds**”) to CIH, the substantial shareholder of the Company. The net proceeds from the issuance of the 2020 Convertible Bonds was intended to be utilised to expand the Digital Points Business into the Hong Kong and overseas markets by developing an additional new digital point electronic platform with Hong Kong and overseas as the target markets (the “**New International Changyou Platform**”).

On 29 July 2020, the Company entered into a subscription agreement with CIH for the issuance of the 2020 Convertible Bonds to CIH. The 2020 Convertible Bonds bear an interest rate of at 3.5% per annum and will mature on the date falling three years after the first issue date of the 2020 Convertible Bonds. For further details of the transaction, please refer to the announcement of the Company dated 29 July 2020 and the circular of the Company dated 17 September 2020.

The issuance of the 2020 Convertible Bonds was completed on 19 October 2020 and matured on 19 October 2023.

On 26 January 2024, the Company entered into a subscription agreement with CIH for the issuance of HK\$126.0 million 8% convertible bonds (the “**2024 Convertible Bonds**”) to CIH. The 2024 Convertible Bonds bear an interest rate of 8% per annum and will mature on the date falling three years after the issue date of the 2024 Convertible Bonds. For further details of the transaction, please refer to the announcement of the Company dated 26 January 2024 and the circular of the Company dated 15 March 2024. The issuance of 2024 Convertible Bonds was completed on 23 April 2024.



As at 30 June 2025, the actual uses of the net proceeds from the issuance of the 2020 Convertible Bonds were as follows:

Usage	Original use of the net proceeds from the issuance of the 2020 Convertible Bonds as disclosed in the circular of the Company dated 17 September 2020 <i>HK\$ (million)</i>	Proposed change in the allocation of the net proceeds from the issuance of the 2020 Convertible Bonds <i>HK\$ (million)</i>	Revised use of the net proceeds from the issuance of the 2020 Convertible Bonds <i>HK\$ (million)</i>	Actual use of the net proceeds from the issuance of the 2020 Convertible Bonds for the six months ended 30 June 2025 <i>HK\$ (million)</i>	Actual use of the net proceeds from the issuance of the 2020 Convertible Bonds <i>HK\$ (million)</i>	Estimated timeline for utilisation of the net proceeds from the issuance of the 2020 Convertible Bonds after reallocation
To fund the development of the New International Changyou Platform supported by relevant technology infrastructure which enables effective extraction and development of big data samples, creating a precise and extensive database of consumer transactions and consumption behaviour	25.0	(22.0)	3.0	0.2	1.9	31 December 2025
To fund the set-up of a new team, comprising various departments such as information technology, marketing, and general administration, which is to support the daily operations of the New International Changyou Platform	25.0	(15.0)	10.0	1.4	7.2	31 December 2025
To fund promotional and marketing activities, such as advertising, roadshow promotion, customers bonus rewards, etc., to attract merchants and customers into the New International Changyou Platform and maintain their loyalty and participation	40.0	(40.0)	–	–	–	
As the general working capital of the New International Changyou Platform	10.0	(8.0)	2.0	0.1	0.7	31 December 2025
To fund promotional and marketing activities to attract and maintain customers' loyalty and their participation and consumption of the products and services provided on the existing Changyou Platform in the PRC (the "Existing PRC Changyou Platform")	–	10.0	10.0	–	10.0	31 December 2022
To fund the staff costs and staff related expenses and the development of the technology infrastructure for the Existing PRC Changyou Platform	–	60.0	60.0	–	60.0	31 December 2021
To fund the fixed administrative expenses for the Existing PRC Changyou Platform (excluding promotion and marketing expenses and staff costs and staff related expenses)	–	12.0	12.0	–	12.0	31 December 2021
As the general working capital of the Group	24.4	3.0	27.4	–	27.4	30 June 2022
Total	124.4	–	124.4	1.7	119.2	



## **Property and equipment**

As at 30 June 2025, property and equipment were approximately RMB0.9 million (as at 31 December 2024: approximately RMB2.5 million). A detailed breakdown is disclosed in note 10 to the interim financial information as disclosed in this announcement.

## **Trade and other receivables**

Trade and other receivables of the Group as at 30 June 2025 were approximately RMB115.3 million (as at 31 December 2024: approximately RMB122.7 million). A detailed breakdown is disclosed in note 11 to the interim financial information as disclosed in this announcement.

## **Trade and other payables**

Trade and other payables of the Group as at 30 June 2025 were approximately RMB138.7 million (as at 31 December 2024: approximately RMB127.4 million). A detailed breakdown is disclosed in note 13 to the interim financial information as disclosed in this announcement.

## **Loans from an equity shareholder of the Company**

In 2020, PCL and CIH entered into the Facility Agreements, pursuant to which CIH granted loan facilities of HK\$111 million to PCL. The loans are unsecured, with an interest of 6.5% per annum and with a term of 3 years or such later date as may be agreed between PCL and CIH in writing. On 2 May 2023, PCL and CIH entered into a supplemental loan facility agreement, pursuant to which both PCL and CIH agreed to extend the term of the loan facility from three years to four years. On 30 May 2024, PCL and CIH entered into a supplemental loan facility agreement, pursuant to which both PCL & CIH agreed to extend the term of the loan period from four years to five years and adjust the interest rate from 6.5% per annum to 8% per annum since 31 May 2024. As at 30 June 2025, the outstanding principal of loans drawn under the Facility Agreements is approximately HK\$56 million (as at 31 December 2024: approximately HK\$56 million). On 28 July 2025, PCL and CIH entered into a supplemental loan facility agreement, pursuant to which both PCL and CIH agreed to extend the terms of the loan facility from five years to seven years.

## **Pledged assets**

As at 30 June 2025, the Group did not have any pledged assets (as at 31 December 2024: Nil).

## **Contingent liabilities**

As at 30 June 2025, the Group had no significant contingent liabilities (as at 31 December 2024: Nil).

## **Capital commitment**

As at 30 June 2025, the Group had no contracted capital commitments which were not provided in the interim financial information (as at 31 December 2024: Nil).

## **Employees and remuneration policy**

As at 30 June 2025, the Group had 57 employees. For the six months ended 30 June 2025, total staff costs were approximately RMB9.0 million. During the six months ended 30 June 2025, the Group had provided internal training, external training and correspondence courses for its staff in order to promote self-improvement and enhancement of skills relevant to work. The remuneration of the Directors was determined with reference to their position, responsibilities and experience and prevailing market conditions.

## **Foreign exchange risk**

The business of the Group is mainly located in China and most of the transactions are denominated in Renminbi. Most of the assets and liabilities of the Group are computed in Renminbi. The Group has entered into facility agreements denominated in HKD. During the six months ended 30 June 2025, the Group did not utilise any future contracts, currency borrowings and otherwise to hedge against its foreign exchange risk. However, the Group will continue to monitor the risk exposures and will consider to hedge against material currency risk if required.

## **SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR PURCHASE OF CAPITAL ASSETS**

There were no significant investments held nor material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 June 2025. There was no plan authorised by the Board for other material investments or additions of capital assets as at the date of this announcement.

## **PLEDGE OF SHARES BY CONTROLLING SHAREHOLDER**

On 28 July 2022, CIH and Poly Platinum Enterprises Limited (“**Poly Platinum**”) agreed to vary the terms of the exchangeable bonds issued by CIH on 18 April 2019 (“**Exchangeable Bonds**”), which are exchangeable into the ordinary shares of the Company (“**Shares**”). CIH charged to Poly Platinum its interest in the 2020 Convertible Bonds issued by the Company in favour of CIH on 19 October 2020, which are convertible into Shares. The underlying shares of the 2020 Convertible Bonds are 300,000,000 Shares, currently owned by CIH. The 2020 Convertible Bonds matured on 19 October 2023. On 25 January 2024, CIH and Poly Platinum agreed to, among others, extend the maturity date of the Exchangeable Bonds. On 25 January 2024, CIH charged to Poly Platinum its interest in 60,000,000 Shares. Additionally, upon the completion of the issuance of the 2024 Convertible Bonds, CIH charged its interest in the 2024 Convertible Bonds to Poly Platinum. The underlying Shares of the 2024 Convertible Bonds are 300,000,000 Shares.

## **DIVIDEND**

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

## PROSPECTS

The Changyou Platform is a global digital asset circulation platform for the issuance, circulation, payment and settlement of tokenised assets and serves as the gate point for point redemption. Leveraging the smart business environment, the Group takes full advantage of the channel and customer resources of the Changyou Platform to gain insights into the intrinsic needs of enterprises, and build and operate alliance platforms to achieve network synergy and create a win-win situation.

The Group's SaaS digital points services continue to constitute a significant share of the Changyou Platform's business, serving as a foundation and a source of users for the business of the Group. In the second half of 2025, the Group will enhance the points ecosystem layout and expand redemption scenarios to maintain the stability of the business of SaaS digital points services. The Group will also focus on accelerating the increase in points redemption share of several business partners and optimising the points structure.

The Group also aims to rapidly expand the scale of the advertising business and improve gross profit margin by leveraging economies of scale; while deepening scene ecological traffic, strengthening the operation of public domain traffic resources, accumulating power for the platform's private domain traffic, and gradually building a traffic closed loop of "public domain traffic + private domain conversion".

Additionally, the Group will further enhance business collaboration with China Mobile's provincial branches. It is anticipated that, by leveraging point redemption as a starting point, and with the revenue growth in China Mobile's core businesses, a win-win situation will be achieved for Changyou, China Mobile, and the users of the Changyou Platform. The Group will also strengthen cooperation with provincial branches of Bank of China, exploring deeper integration of points, equity, and financial services to further expand business dimensions.

## CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance practices and procedures with a view to being a transparent and responsible organisation which is open and accountable to the shareholders of the Company. These can be achieved by an effective Board, segregation of duties with clear accountability, sound internal control, appropriate risk assessment procedures and transparency of the Company. The Board will continue to review and improve the corporate governance practices from time to time to ensure the Group is led by an effective Board in order to optimise returns for the shareholders of the Company. During the six months ended 30 June 2025, the Company has complied with the code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

## CHANGE IN INFORMATION OF A DIRECTOR

Pursuant to Rule 13.51B(1) of the Listing Rules, the change in information of a Director of the Company subsequent to the date of the annual report of the Company for the year ended 31 December 2024 is set out below:

Mr. Wong Chi Keung ceased to be an independent non-executive director and the chairman of the audit committee, nomination committee and remuneration committee of Yuan Heng Gas Holdings Limited (stock code: 332) with effect from 1 August 2025.

## **PURCHASE, SALE OR REDEMPTION OF SHARES**

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Shares or other listed securities of the Company.

## **COMPLIANCE WITH THE MODEL CODE FOR DIRECTOR'S SECURITIES TRANSACTIONS**

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding Directors' securities transactions. Specific enquiries have been made with all Directors, and all Directors have declared and confirmed that, during the six months ended 30 June 2025, they were in compliance with the Model Code.

## **REVIEW ON INTERIM RESULTS**

The Audit Committee has reviewed the accounting principles, practices and treatments adopted by the Group and the unaudited interim results of the Group for the six months ended 30 June 2025 with the management of the Company.

## **PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT**

This announcement is published on the websites of the Company at [www.changyou-alliance.com](http://www.changyou-alliance.com) and the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk). The interim report of the Company for the six months ended 30 June 2025 containing all the information required by the Listing Rules will be despatched to the shareholders of the Company and made available on the same websites in due course.

By order of the Board  
**Changyou International Group Limited**  
**Mr. Cheng Jerome**  
*Chairman*

Hong Kong, 28 August 2025

*As at the date of this announcement, the executive Directors of the Company are Mr. Cheng Jerome and Mr. Sun Jun; the non-executive Directors of the Company are Ms. Hu Qing and Ms. Liu Jingyan; and the independent non-executive Directors of the Company are Mr. Wong Chi Keung, Mr. Ip Wai Lun William and Mr. Chan Chi Keung Alan.*