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**Rego Interactive Co., Ltd**  
**( 潤 歌 互 動 有 限 公 司 )**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 2422)**

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

The Board announces the unaudited interim condensed consolidated financial results of the Group for the six months ended 30 June 2025, together with comparative figures for the six months ended 30 June 2024. In this announcement, “**we**”, “**us**” and “**our**” refer to the Company and where the context otherwise requires, the Group.

**FINANCIAL HIGHLIGHTS**

	<b>Six months ended 30 June</b>		<b>Period-to-Period Change</b>
	<b>2025</b>	<b>2024</b>	
	<b>(unaudited)</b>	<b>(unaudited)</b>	
	<b>RMB'000</b>	<b>RMB'000</b>	<b>%</b>
Revenue	<b>135,766</b>	116,204	+16.8
Gross profit	<b>21,543</b>	41,467	-48.0
(Loss)/profit before income tax	<b>(20,786)</b>	3,184	-752.8
(Loss)/profit for the period attributable to owners of the Company	<b>(19,644)</b>	3,457	-668.2
Adjusted net (loss)/profit ( <i>note</i> )	<b>(19,116)</b>	4,031	-574.2

*Note:* Please refer to “Non-HKFRS Measures: Adjusted Net Profit” on page 19 of this announcement.

## **INTERIM DIVIDEND**

The Board has resolved not to declare the payment of any interim dividend for the Reporting Period (At 30 June 2024: nil).

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

Due to the consumer market sentiment in China in 2024 was downturned, many enterprises had reduction in marketing budgets, at the same time the digital transformation kept rising the technological trend in 2024 and first half of 2025, enterprises were experiencing variation rapidly on the marketing strategies.

#### **Advertising Market in China**

China's advertising market is cooling as many businesses – facing weak consumer demand and intense competition – cut back on ad spending or shift budgets toward marketing campaigns more likely to quickly generate sales.

According to the “China Digital Advertising Market Report – Q1 2025” from ReportLinker published on 9 May 2025, in Q1 2025, the digital advertising market in China is experiencing rapid transformation and growth, driven by technological advancements and evolving consumer behaviors. The integration of artificial intelligence (AI) and automation continues to redefine digital advertising strategies in China. The enterprises need to focus on leveraging AI to enhance personalised marketing and ad targeting. This technological shift is enabling advertisers to improve audience segmentation and optimise ad placement, offering more precise and efficient advertising solutions.

According to the “2024 media publisher trend research report” from CTR Market Research published on 6 June 2024, the advertising market in China has shown strong adaptability and resilience based on changes in the macro environment. While the overall recovery is improving in 2024, advertisers are looking forward to higher certainty and a clearer direction for future development, seeking long-term and high-quality development. Also, the advertisers think that “the internal concern” is become more important when making the advertising decisions with the advertising budget growth will be limited in 2024. Moreover, according to the CTR Market Research, the new products and the new technology were the main focus as over 90% of the advertisers has the demand on new products development.

Our Group can utilise our experience and solid foundation in the intense advertising market competition by our in-depth understanding of advertisers' core needs, marketing strategies and brand image and values, we can better solve advertisers' pain points and provide them with more targeted and effective advertising services. At the same time, we have launched the Lottery experience tickets as the new means of products to serve our customers' marketing purposes in 2024 and kept promoting it with different brands in 2025.

## Lottery Market in China

There are two legal lottery operators in the PRC: the national China Welfare Lottery Issuance and Administration Centre (“**Welfare Lottery**” or “**WLIAC**”) and the national China Sports Lottery Issuance and Administration Center (“**Sports Lottery**”). According to Ministry of Finance of the PRC’s figures, PRC annual lottery sales in 2024 amounted to approximately RMB623.5 billion, representing an increase of approximately 7.6% over 2023. Of this, sales of Welfare Lottery amounted to approximately RMB208.0 billion, representing an increase of approximately 7.0% compared to 2023. Sports Lottery achieved sales of approximately RMB415.5 billion, representing an increase of approximately 7.9% compared to 2023.

The lottery market had continuously increased since 2021 from RMB373.3 billion to RMB623.5 billion in 2024. According to the Sports Lottery 2024 Social Responsibility Report established on 21 July 2025, the public welfare funds of China Sports Lottery had raised over RMB977.9 billion for in 2024. On the other hand, according to the Ministry of Civil Affairs of the PRC’s announcement on lottery tickets’ usage of public welfare funds 2024, the Welfare Lottery had raised over RMB41.4 billion in 2024. The public welfare funds’ purpose is to “help the elderly and the disabled, rescuing the orphans and relieving the poor”, which had used on support the elderly care facilities and rehabilitation assistive device allocation service for disabled, etc. Lottery sales had undertaken the responsibilities on raising the social welfare funds and the development of public welfare causes which become more important in recent years.

## Our Group

Our Group has deeply engaged in the field of digital marketing services since 2015. Our business covers the lottery industry, virtual goods sourcing and delivery service with integration, and physical goods supply chain.

Our Group equipped with the strong R&D capabilities in respect of lottery solutions and built business relationships with the provincial WLIACs in 23 provinces, municipalities and autonomous regions in the PRC covering over 130,000 lottery sales points. We are an early mover and innovator of lottery security systems in the lottery solutions market and industry digitalisation in the PRC, having well-established business relationships with various provincial WLIACs and offering relatively comprehensive IT solutions that cover the various key areas in the business operation of lottery sales points; as a leading lottery solution provider, our Group could take advantage of its strong brand recognition and proven track records of cooperating with the WLIACs to secure its leading position in the industry. We will comprise our major competitive advantages in our provision of IT solutions on lottery-related software systems and equipment for the development of the Group.

With the accumulated massive supply chain resources of the virtual goods and physical goods, and abundant customers base of financial services and institutions and telecom operators, our Group can customise the integration packages of various coupons, vouchers, and other marketing online vouchers and interests products. We have been deeply engaged in top-up for telecommunication services and online vouchers and interests since 2017, our Group provided a stable and efficient service to customers. Through the integration of our supply chain resources, we provide the enterprises' customers for their employee's welfare.

Due to the rapid changes in the consumption pattern in China, identification or cultivation of high-value users and development on users' lifetime value have become important. Our Group, as a marketing service provider based in the PRC, we focused on the strategy of provision of "Online-Merge Offline" ("OMO") solution services in order to better empower digital transformation for customers, which represents a integration of online and offline experiences and creates a marketing services operation platform for our consumers. OMO is to break the barriers between online and offline and use data and technology to strengthen and enrich customer experience, thereby achieving true online and offline integration.

In terms of being a lead marketing service provider in PRC, we restructured the operating segments to two main segments, including "Corporate digitalisation solutions services" (企業數字化服務) and "Industry digitalisation solutions services" (行業數字化服務) as the core, to achieve the "Cross industry Empowerment solutions services" (異業賦能服務) in the future.

### *Corporate digitalisation solutions services*

Our corporate digitalisation solutions services focused on providing the promotions and advertising services and the solution to the enterprise on user acquisition and user maintaining for their employees or customers which is serving the enterprises' private domain traffic. To achieve the focus, we kept developing our own virtual goods sourcing and delivery services and tangible goods sourcing and deliver services supply chain in 2024. We aimed to serve our customers private traffic through the digitalisation products and marketing services operation platform services to empower the enterprises.

### *Virtual goods sourcing and delivery services*

Our Group seizes the opportunities on the development of the digitalisation economy, we started to focus on the digital technology strategy and the digitalisation marketing track in previous years. Our virtual goods sourcing and delivery services are supported by platform-based technological capabilities through our Rego Virtual Goods Platform, we are committed to providing our customers with innovative, tailored made packages marketing solutions.

Our Group focuses on the main business line as core which has been developed in virtual goods sourcing and delivery services in previous years together with innovative business. At the same time, our Group keeps excavating new customers opportunities in financial services and institutions, insurance authorities and telecom operators to establish a digital service capability business matrix through main business lines. With one-stop marketing solutions as core products, our Group aggregates upstream and downstream resources of the supply chains to build a digital marketing service platform to achieve in-depth mining and sustainable growth of user value.

On the other hand, our Group expand our innovative business such as the tailored made packages or products for our customers and the Lottery experience tickets (彩票體驗券), etc. to empower our core business for expansion our business boundaries and to promotes the coordinated and integrated growth of various businesses synergies.

During 2025, through our diversification of customers' industry, we have provided services to nearly 37 enterprise customers, which contained 20 customers in financial services and institutions industry. We have actively explored the integrated innovation on the different package products in cross cooperation with our different business partners. We aim to improve the experience quality of our customers' private domain traffic through our Group's experience on the modifying our selection on our suppliers every day and enriching the choices of the virtual goods for our customers.

In 2023, we had obtained the approval for our Lottery experience tickets (彩票體驗券) with China Sports Lottery Centre. We serve as a third-party service system provider to provide enterprises with the required marketing services for lottery experience tickets, with the ability of the lottery center's redemption's ability. After the end customers meets the requirements for collection and redemption at the enterprise, the end consumers will obtain the Lottery experience tickets (彩票體驗券) verification QR code from our third-party service system, the end customers can redeem the QR code at the authorized offline lottery stores of China Sports Lottery Centre.

Throughout the innovative marketing mode, the consumption activity and the excitement will be effectively enhanced by Lottery experience tickets (彩票體驗券), as the widespread participation and entertainment of lottery tickets and possible jackpot incentives for end customers. On the side of the enterprises, it also can enhance the brand influence and achieve customer retention, as "Lottery tickets is a casual public welfare" the enterprises will be enhancing the image by using the Lottery experience tickets (彩票體驗券) as the marketing means. We hope to achieve the sharing on the product traffic in digitalisation products business and marketing services operation platform services by using Lottery as core link.

### *Tangible goods sourcing and delivery service*

Our focus on this sub-segment starting in 2024, we aim to establish a comprehensive supply chain for our customers on their user acquisition and user maintaining for their employees or customers by our marketing services operation platform. Our aims to serve our enterprises' customers for their group purchases together with the employee welfare purchases. To fulfil the purposes of real time delivery, we had 2 warehouses with over 3,311 types of stock keeping unit ("SKU") to ensure the efficiency on our customers' demand. At the same time, we provide customised online shopping mall solutions with the well-developed supply chain sourcing and fulfillment services. For the purpose of maintaining the loyalty of the employees and customers, we provide tailored loyalty systems solutions.

In 2024 and 2025, our Group kept looking for new brands or products to expand our choices for our customers. We had entered a cooperation agreement with a famous Chinese Baijiu sales company, which the brand's sales revenue had reached over RMB30 billion in FY2023, to provide Chinese Baijiu distribution services. At the same time, we had entered the Lottery experience tickets (彩票體驗券) marketing agreement with the Chinese Baijiu sales company stated above to accomplish cross-selling benefit on customer retention.

### *Industry digitalisation solutions services*

Our Industry digitalisation solutions services focused on the lottery sector, as utilising the advantage of the Group which had serving over 23 provinces in the welfare lottery in previous years.

The industry value chain of the lottery market in China involves the issuance of lottery (R&D and issuance), lottery production (security systems, lottery terminals, printing services, etc.), lottery sales (various sales channels, marketing, offline sales channel expansion) and other lottery related services (data analysis, payment system operations, logistics, etc.). The entire value chain is regulated and supervised by the PRC government.

Lottery solutions providers refer to companies that provide hardware, system and software, printing, marketing and/or other related services of the lottery market in China. Lottery hardware mainly include lottery terminals and lottery draw machines, while lottery system and software generally include sales management systems, information management systems, security systems, monitoring systems and SaaS platforms. Our Group is one of the leading suppliers of lottery solutions providers in China.

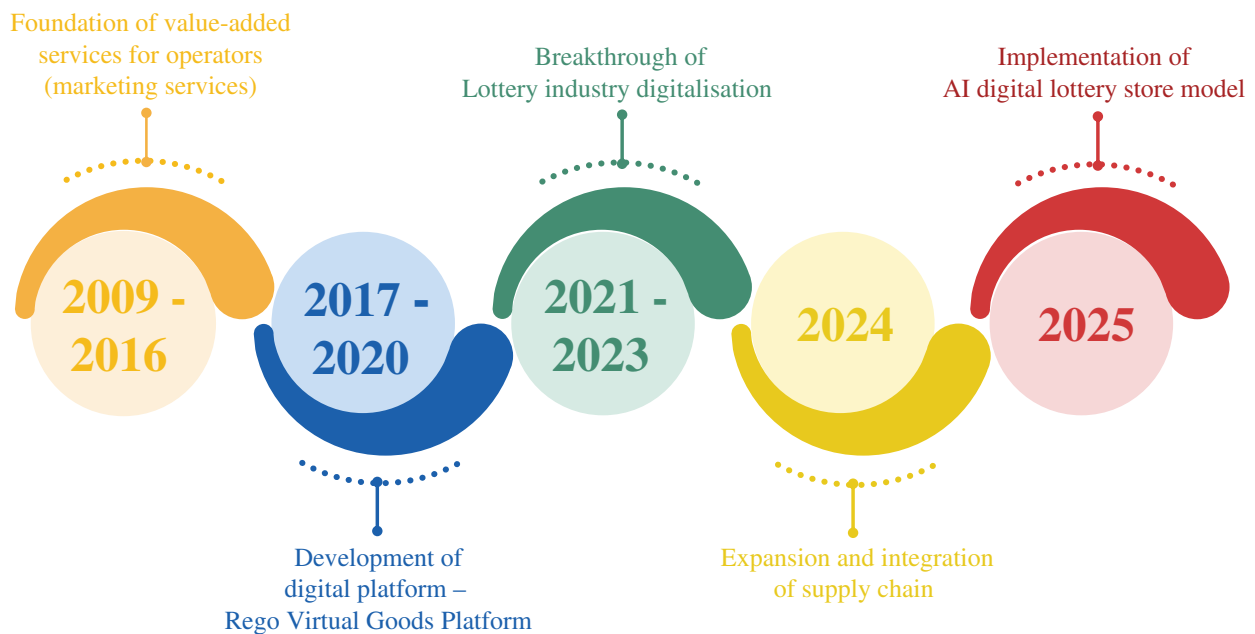
Our lottery-related software systems and equipment principally include the lottery security, information management and supervision systems. Our integrated business security access system (一線通) enables secure communication and interaction between provincial WLIACs and lottery sales points. To this end, our security access centre equipment and security access terminal equipment assists in establishing the requisite information security system, while our software platform enables such communication and interaction process. We have systems in place to monitor and obtain live feedback on the status and conditions of the security access



equipment and software platform to facilitate swift feedback and maintenance and upgrade services. We also provide outlets management system to monitor lottery sales activities and information security system to monitor external interference to the lottery systems. Our lottery-related software systems are designed and developed internally, while our lottery-related equipment, such as servers, motherboards, terminal equipment and firewall system, have been procured from external suppliers. Our lottery-specific communication system uniformly deployed in 23 provinces. We are proficient in providing the lottery terminals, lottery marketing, and lottery store empowerment, etc. During the first half of 2025, the Group won over 8 tenders mainly to supply the lottery terminals or the maintenance service of the integrated business security access system (一線通) or other systems to Welfare Lottery, including 9 newly developed provinces. The Group will continue to pursue tenders to supply our lottery terminals with Welfare Lottery and Sports Lottery.

Our focus in the remaining of 2025 and afterwards will focus on AI digital lottery store (AI數字彩票門店) to gather private domain traffic from lottery players/lottery stores.

### Development History of Our Group



#### ***2009 – 2016: Foundation of value-added services for operators (marketing services)***

Over the years, we have endeavoured to expand our capacities in providing marketing services in accordance with the prevailing market trends and developments. Initially providing marketing services for advertisers through traditional offline channels, we have built up our service offerings with such additions as online marketing services via large-scale media platform operators. Meanwhile, we focused on the research and development of value-added service products for operators in China with diversified value-added service solutions. At the same time, we accumulated the core technologies as the foundation for subsequent development of the Group.

By continuously optimising the products and services, we have accumulated a large customer base in the operator field which paved a solid customer foundation for the further development of the Company.

### ***2017 – 2020: Development of digital platform***

We developed and rolled out a series of platforms for specific areas of our operations, such as Rego Virtual Goods Platform, RegoAd SDK, and Rego Advertisement Operations and Management Platforms successfully and began to provide professional marketing services to enterprises which had opened a new chapter in digital transformation.

We believed that platform-based approach has been a driving force behind our business growth over the years: on top of maximisation of operational efficiency, platform-based operation favours the conduct of transactions and revenue generation on a sizeable scale and a recurring basis given the ease and convenience it brings to both our customers and our suppliers; it is therefore one of the key business development directions we have taken all along, and we shall remain steadfast in our pursuit of this business strategy going forward.

### ***2021 – 2023: Breakthrough of lottery industry digitalisation***

In 2020, we strategically acquired the entire share capital of Xi'an Tiantai, through which we had significantly strengthened our research and development capabilities in respect of lottery solutions, and built business relationships with the provincial WLIACs in provinces, municipalities and autonomous regions in the PRC.

We focused on product research and development in the lottery industry which has achieved major breakthroughs in the digitisation of lottery stores and industry marketing services.

### ***2024: Expansion and integration of supply chain***

We had integrated the physical goods sourcing and delivery services on our virtual supply chain which expanded the private domain e-commerce business for enterprises actively and further improved the digital business layout for the Group.

### ***2025: Implementation of AI digital lottery store model***

First of all, we focused on the development of AI digital lottery store (AI數字彩票門店) modelling. We would like to create a large model for the lottery industry and to provide strong technical support for the intelligent development of the lottery industry.

Throughout the AI digital lottery store model, it can provide more accurate betting analysis and information to the lottery players. At the meanwhile, the enterprises can optimise the marketing plans which can improve the efficiency on marketing, with promoting the comprehensive upgrade of intelligent marketing in the lottery industry.



## FINANCIAL PERFORMANCE REVIEW

### Revenue

The following table set forth the breakdown of our revenue by segments for the periods indicated:

	Six months ended 30 June			
	2025		2024	
	<i>RMB'000</i> (unaudited)	%	<i>RMB'000</i> (unaudited)	%
<b>Corporate digitalisation solution services</b>				
Enterprises' private domain traffic marketing services	30,294	22.3	24,798	21.4
Marketing service operation platform services				
– Virtual goods sourcing and delivery services	6,851	5.0	32,000	27.5
– Tangible goods sourcing and delivery services	87,504	64.5	50,789	43.7
Others ( <i>Note</i> )	387	0.3	427	0.4
<b>Sub-total</b>	<u>125,036</u>	<u>92.1</u>	<u>108,014</u>	<u>93.0</u>
<b>Industry digitalisation solutions services</b>				
Solutions on lottery related software systems and equipment	10,730	7.9	8,190	7.0
Others	–	–	–	–
<b>Sub-total</b>	<u>10,730</u>	<u>7.9</u>	<u>8,190</u>	<u>7.0</u>
<b>Total</b>	<u><u>135,766</u></u>	<u><u>100.0</u></u>	<u><u>116,204</u></u>	<u><u>100.0</u></u>

*Note:* Others include revenue from the software development and maintenance services which was previously under IT solution segment.

# 1. Revenue from Corporate Digitalisation Solution Services

Our corporate digitalisation solutions services focused on providing the promotions and advertising services and the solution to the enterprise on user acquisition and user maintaining for their employees or customers which is serving the enterprises' private domain traffic. The following table sets forth our revenue from corporate digitalisation solution services for the periods indicated:

	Six months ended 30 June			
	2025		2024	
	RMB'000	%	RMB'000	%
	(unaudited)		(unaudited)	
<b>Corporate digitalisation solution services</b>				
Enterprises' private domain traffic marketing services	30,294	24.2	24,798	23.0
Marketing service operation platform services				
– Virtual goods sourcing and delivery services	6,851	5.5	32,000	29.6
– Tangible goods sourcing and delivery services	87,504	70.0	50,789	47.0
Others	387	0.3	427	0.4
<b>Total</b>	<b>125,036</b>	<b>100.0</b>	<b>108,014</b>	<b>100.0</b>

Corporate digitalisation solution services mainly comprise enterprises' private domain traffic marketing services, marketing services operation platform services with virtual goods sourcing and delivery services and tangible goods sourcing and delivery services. Our revenue from the Corporate digitalisation solution services increased by 15.7%, from approximately RMB108.0 million for the period ended 30 June 2024 to RMB125.0 million for the period ended 30 June 2025, mainly attributed by the net-off effect of the tangible goods sourcing and delivery services which had increased for RMB36.7 million revenue compared to last period together with the decrease of virtual goods sourcing and delivery services of RMB25.1 million revenue compared to last period. For the revenue generated from our Corporate digitalisation solution services representing 92.1% and 93.0% of our total revenue for the periods ended 30 June 2025 and 2024.

*Revenue from corporate digitalisation solution services by type of marketing channels*

We provide our corporate digitalisation solution services to our customers through an integration of online and offline marketing channels. Leveraging on our technical capability, we focused on the strategy of provision of OMO Solution Services in order to better empower digital transformation for customers. The table below sets forth a breakdown of revenue generated from our corporate digitalisation solution services by type of marketing channels for the periods indicated:

	Six months ended 30 June			
	2025		2024	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%
	(unaudited)		(unaudited)	
Online	37,532	30.0	57,225	53.0
Hybrid	87,504	70.0	50,788	47.0
	<u>125,036</u>	<u>100.0</u>	<u>108,014</u>	<u>100.0</u>

Our revenue attributable to online services amounted to RMB37.5 million and RMB57.2 million, representing 30.0% and 53.0% of our total revenue from corporate digitalisation solution services for the periods ended 30 June 2025 and 2024, respectively. We consider that the expansion of online services was and will continue to be one of the major factors for the business growth of our corporate digitalisation solution services. At the same time, there will be an integration of online and offline experiences of hybrid made.

*Revenue from corporate digitalisation solution services by type of customers*

Customers of our corporate digitalisation solution services include (i) enterprises that have demand for corporate digitalisation solution services for their business; and (ii) advertising agents of the enterprises. The table below sets forth a breakdown of revenue generated from our corporate digitalisation solution services by type of customers for the periods indicated:

	Six months ended 30 June			
	2025		2024	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%
	(unaudited)		(unaudited)	
Advertising agents	60,088	48.1	33,172	30.7
Enterprises	64,948	51.9	74,842	69.3
	<u>125,036</u>	<u>100.0</u>	<u>108,014</u>	<u>100.0</u>

Our revenue arise from enterprises' customers decreased from 69.3% of the total revenue from corporate digitalisation solution services for the period ended 30 June 2024 to 51.9% of the total revenue from corporate digitalisation solution services for the period ended 30 June 2025 mainly contributed to the Group has still maintained the prudent policy on the selection of high quality customers to manage the exposure to credit risks, which were contributed by the tangible goods sourcing and delivery services with highly contributed 70.0% of revenue to corporate digitalisation solution services. In 2025, the Group had explored more business opportunities with those agents to maintain the market occupation.

#### *Enterprises' private domain traffic marketing services*

Our enterprises' private domain traffic marketing services comprises our revenue of traditional marketing and promotion services, advertisement placement services and Operator related digital marketing services, which included our advertisement distribution services.

We normally enter into annual framework agreements with our customers and charge them for our traditional marketing and promotion services based primarily on a mix of CPA (i.e. cost per action, such as download, installation or registration by end users), CPS (i.e. cost per sales); for advertisement distribution service, media publishers or their agents primarily pay to us service fees determined with reference to a mix of performance parameters of the advertisement distribution services, including but not limited to, impressions, clicks, CTR and/or CPM (i.e. combined performance parameters). For the advertisement placement services, we received top-up amounts from our customers (net of rebates, if any) and the amounts paid by us to the media publishers (or their channel agents) (net of rebates, if any) for topping-up of our customers' accounts maintained on the platforms operated by the media publishers. Our suppliers, being the media publishers or their agents, may also grant us rebates on a quarterly and/or annual basis which are recorded as our revenue.

For the operator-related digital marketing services mainly comprises with cross-enterprises' corporation services (previous known as "traditional marketing and promotion services"), the cooperation with the telecom operator for the tailored made virtual goods package for the marketing purposes; loyalty points redemption of virtual goods services; the advertisement placement services and advertisement distribution services. Providing the advertising services with the telecom operator which can fulfill our Company's strategy for having the corporation with high-quality clients. Through the operator related digital marketing services, we will provide the data management platform for our customers on tracking the consumption data on the virtual goods package, etc. for the analysis purposes; the ended customers management; the suppliers management and 24 hours monitoring alert. Through our operator-related digital marketing services business, we can provide target-oriented marketing services for our operator.

For the revenue of enterprises' private domain traffic marketing services, the revenue were mainly contributed by the cross-enterprises' corporation services (previous known as "traditional marketing and promotion services") of RMB27.9 million and RMB22.9 million which covered 92.1% and 92.2% of the total revenue from enterprises' private domain traffic marketing services for the periods ended 30 June 2025 and 2024. The virtual goods packages of the operator-related digital marketing services by online vouchers and interests for the periods indicated RMB1.4 million and RMB0.8 million during the periods ended 30 June 2025 and 2024.

*Revenue from corporate digitalisation solution services – Virtual goods sourcing and delivery services*

We generated revenue of RMB6.9 million and RMB32.0 million, respectively, from our virtual goods sourcing and delivery services, representing approximately 5.5% and 29.6% of our revenue from corporate digitalisation solution services for the periods ended 30 June 2025 and 2024. The decrease in the revenue generated from our virtual goods sourcing and delivery services during the periods was mainly attributable to many enterprises have reduced the amount of marketing budgets and the overall level of advertisement and the adjustment of agency policies of communication operations. The table below sets forth a breakdown of revenue generated from our virtual goods sourcing and delivery services by type of virtual goods for the periods indicated:

	Six months ended 30 June			
	2025		2024	
	RMB'000	%	RMB'000	%
	(unaudited)		(unaudited)	
Top-up for telecommunication services	4,180	61.0	7,069	22.1
Online vouchers and interests (Note)	2,671	39.0	19,390	60.6
Gift cards of gas stations	–	–	5,541	17.3
<b>Total</b>	<b>6,851</b>	<b>100.0</b>	<b>32,000</b>	<b>100.0</b>

*Note:* We offer a wide spectrum of online vouchers and interests including but not limited to memberships of online entertainment platforms, gift cards of e-marketplaces, coffee vouchers, membership of online healthcare and medical services and packages combining various types of online vouchers and interests.

The following table illustrates the reconciliation of the GMV and our revenue recorded under our virtual goods sourcing and delivery services during the periods indicated:

	<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>(unaudited)</b>	<b>(unaudited)</b>
GMV	<b>264,571</b>	785,567
Less: purchase costs of the virtual goods	<b>(257,720)</b>	(753,567)
<b>Revenue</b>	<b><u>6,851</u></b>	<b><u>32,000</u></b>

The total GMV of the virtual goods offered by us under our virtual goods sourcing and delivery services amounted to RMB264.6 million and RMB785.6 million for the periods ended 30 June 2025 and 2024, respectively. The decrease in the total GMV of the virtual goods offered by us was primarily due to (i) reduction of marketing budgets by customers; and (ii) our financial services and institutions customers' policies on selection on marketing tools were became more tighten.

Customers of our virtual goods sourcing and delivery services came from different industry include (i) advertising agents; (ii) financial services and institutions; (iii) insurance authorities; and (iv) others. The table set out the total number of customers in different industries for the six months ended 30 June 2025 and six months ended 30 June 2024:

	<b>Six months ended 30 June</b>			
	<b>2025</b>		<b>2024</b>	
	<i>No. of</i>		<i>No. of</i>	
	<i>customers</i>	<i>%</i>	<i>customers</i>	<i>%</i>
Advertising agents	<b>13</b>	<b>35.1</b>	10	29.4
Financial services and institutions	<b>20</b>	<b>54.1</b>	19	55.9
Insurance authorities	<b>2</b>	<b>5.4</b>	2	5.9
Others	<b>2</b>	<b>5.4</b>	3	8.8
	<b><u>37</u></b>	<b><u>100.0</u></b>	<b><u>34</u></b>	<b><u>100.0</u></b>

Our Group had kept developed new opportunities on customers with high quality from different industries during the period ended 30 June 2025.



### *Revenue from tangible goods sourcing and delivery services*

We generated revenue of RMB87.5 million and RMB50.8 million from our tangible goods sourcing and delivery services, representing approximately 70.0% and 47.0% of our revenue from corporate digitalisation solution services for the six months ended 30 June 2025 and 2024. We had explored on our services to tangible goods sourcing and delivery services covered more brands which providing more choices for our customers in 2025.

We aimed at providing more choices for our customers on the selection on the products for their marketing purposes. We had offered 3,311 and 6,693 different type of SKU with over 635 and 226 brands for the six months period ended 30 June 2025 and 2024. The following table set forth the breakdown of our revenue from tangible goods sourcing and delivery services during the periods by type of products sold:

	Six months ended 30 June			
	2025		2024	
	RMB'000	%	RMB'000	%
Daily necessities	41,847	47.8	16,093	31.7
Drinks and food	35,671	40.8	18,673	36.7
Seasoning	1,113	1.3	15,623	30.8
Liquor	7,394	8.4	113	0.2
Others	1,479	1.7	287	0.6
	<u>87,504</u>	<u>100.0</u>	<u>50,789</u>	<u>100.0</u>

We had increased the liquor types of products sold as we had opened an experience hall with a Chinese Baijiu sales company in the building of our head office in Hangzhou in the end of 2024.

## **2. *Revenue from our industry digitalisation solution services***

We primarily offer industry digitalisation solution services in relation to solutions on lottery related software systems and equipment. Our Industry digitalisation solutions services focused on the lottery sector, as utilizing the advantage of the Group which had serving over 23 provinces in the welfare lottery in previous years. Our lottery-related software systems and equipment principally include the lottery security and payment systems. Our integrated business security access system (一線通) enables secure communication and interaction between provincial WLIACs and lottery sales points. To this end, our security access center equipment and security access terminal equipment assist in establishing the requisite information security system, while our software platform enables such communication and interaction process. We have systems in place to monitor and obtain live feedback on the status and conditions of the security access equipment and software platform to facilitate swift feedback and maintenance and

upgrade services. We also provide outlets management system to monitor lottery sales activities and information security system to monitor external interference to the lottery systems.

Our revenue from industry digitalisation solution services amounted to RMB10.7 million and RMB8.2 million for the periods ended 30 June 2025 and 2024, respectively. Such increase by 30.5% from approximately RMB8.2 million for the six months ended 30 June 2024 to approximately RMB10.7 million for the six months ended 30 June 2025 was primarily attributable to the increment of the point in time revenue of RMB2.0 million which those contracts were signed nearly the end of FY2024, therefore those sales of lottery related systems and equipment had been transferred to the customers during the period ended 30 June 2025.

Our total revenue increased by RMB19.6 million, or 16.8%, from RMB116.2 million for the six months ended 30 June 2024 to RMB135.8 million for the six months ended 30 June 2025. The increment of revenue was mainly attributable to: the increases in our revenues generated from corporate digitalisation solutions services, mainly contributed by the tangible goods sourcing and delivery services. Our Group focuses on establishing a comprehensive supply chain for our customers, which useful for their user acquisition and user maintaining for their employees or customers by our marketing services operation platform expanding on the private domain e-commerce business for our customers.

### **Cost of Sales**

Our cost of sales primarily consists of (i) traffic acquisition costs; (ii) cost of goods sold; and (iii) employee benefit expenses.

Our total cost of sales increased by RMB39.5 million, or 52.9%, from RMB74.7 million for the six months ended 30 June 2024 to RMB114.2 million for the six months ended 30 June 2025, which was primarily attributable to the increment on the cost of inventories from tangible goods sourcing and delivery services and sales on lottery systems and equipment of RMB61.0 million for the six months ended 30 June 2025 compared with RMB47.6 million for the six months ended 30 June 2024. The cost of inventories representing approximately 53.5% and 63.7% of our cost of sales for the periods ended 30 June 2025 and 2024 which constituted the largest portion of the cost of sales.

### **Gross Profit and Gross Profit Margin**

Our gross profit consists of our revenue less cost of sales. The Group recorded gross profit of approximately RMB21.5 million for the Reporting Period, representing a decrease of approximately 48.2% as compared to approximately RMB41.5 million for the six months ended 30 June 2024, which was mainly attributable to the revenue structure and the Group's focus had shifted to tangible goods sourcing and delivery services, which is recorded in gross

basis in revenue in 2025. The tangible goods sourcing and delivery services contributed 64.5% and 43.7% of the total revenue for the periods ended 30 June 2025 and 2024, which indicated the shift of the Group's focus from the revenue structure.

Gross profit margin represents gross profit divided by total revenue, expressed as a percentage. Our gross profit margin decreased from 35.7% for the six months ended 30 June 2024 to 15.9% for the six months ended 30 June 2025, which was mainly attributable to the increment on revenue in tangible goods sourcing and delivery services which recognising revenue on gross basis, weighted 64.5% and 43.7% in total revenue for the six months ended 30 June 2025 and 2024, therefore the increase of the costs of inventories will lower the gross profit margin.

### **Other Income and Other Gains or Losses**

Our other income and other gains or losses primarily consist of (i) bank interest income; (ii) government grants; (iii) exchange gain; and (iv) sundry income.

Our other income remained constant from approximately RMB1.8 million for the six months ended 30 June 2024 to approximately RMB1.8 million for the six months ended 30 June 2025.

### **Selling and Distribution Expenses**

Our selling and distribution expenses primarily comprise of (i) employee benefit expenses, which mainly include salaries, bonuses and other benefits for our sales and marketing personnel; (ii) travel and entertainment expenses; (iii) advertising and promotion expenses; (iv) rentals, depreciation and impairment of right-of-use assets; (v) service fees mainly in relation to technical support, software development and installation of equipment for our solutions on lottery related software system and equipment; and (vi) others.

Our selling and distribution expenses decreased by approximately RMB0.1 million, or 0.9%, from approximately RMB10.9 million for the six months ended 30 June 2024 to approximately RMB10.8 million for the six months ended 30 June 2025. The Group kept constant on the level of selling and distribution expenses during the first half of 2025.

### **Administrative Expenses**

Our administrative expenses primarily consist of: (i) employee benefit expenses, which mainly include salaries, bonuses and other benefits for our administrative personnel; (ii) travel and entertainment expenses; (iii) professional fees; (iv) general office expenses; and (v) others.

Our administrative expenses decreased by approximately RMB0.5 million, or 3.4%, from approximately RMB14.6 million for the six months ended 30 June 2024 to approximately RMB14.1 million for the six months ended 30 June 2025. The Group kept constant on the level of administrative expenses during the first half of 2025.

## **Research and Development Expenses**

Our research and development expenses primarily consist of: (i) employee benefit expenses, which primarily comprise the salaries, bonuses and other benefits of our research and development staff; (ii) technical service and copyright fees, which mainly represent expenses for R&D projects outsourced to a university and other external institutions and acquisition cost for copyrights; and (iii) depreciation of property, plant and equipment.

Our research and development expenses decreased by approximately RMB0.7 million, or 6.8%, from approximately RMB10.3 million for the six months ended 30 June 2024 to approximately RMB9.6 million for the six months ended 30 June 2025. Such decrease was aligned with the decrease of the revenue trend of software development and maintenance services, which were lesser focused by the Group.

## **Finance Costs**

Our finance costs primarily consist of: (i) interest expenses on bank borrowings; and (ii) interest expenses on lease liabilities.

Our finance costs decreased by approximately RMB0.9 million, or 36.0%, from approximately RMB2.5 million for the six months ended 30 June 2024 to approximately RMB1.6 million for the six months ended 30 June 2025. Such decrease was primarily due to the decrease of approximately RMB1.0 million in the interest expenses on bank borrowings as the Group aimed to obtain the financing funding with a cheaper effective interests in 2025.

## **Income Tax Expense**

Our income tax expenses decreased by approximately RMB429,000, or 94.7%, from approximately RMB453,000 for the six months ended 30 June 2024 to approximately RMB24,000 for the six months ended 30 June 2025, which was mainly due to the decrease in taxable profit. Our effective income tax rate decreased from 14.2% for the six months ended 30 June 2024 to -0.12% for the six months ended 30 June 2025, which was because most of the subsidiaries were loss-making during the period ended 30 June 2025.

## **(Loss)/Profit for the Period**

Our (loss)/profit for the period decreased by approximately RMB23.5 million, or 870.4%, from approximately RMB2.7 million profit for the six months ended 30 June 2024 to approximately RMB20.8 million loss for the six months ended 30 June 2025.

## Non-HKFRS Measure: Adjusted Net (Loss)/Profit

To supplement our consolidated financial statements, which are presented in accordance with the HKFRS, we also use adjusted net (loss)/profit as an additional financial measure, which is not required by, or presented in accordance with, the HKFRS. We believe that such non-HKFRS measures facilitate comparisons of operating performance from year to year and company to company by eliminating potential impacts of items which our management considers to be non-indicative of our operating performance. We believe that such measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management.

However, our presentation of adjusted net (loss)/profit may not be comparable to similarly titled measures presented by other companies. The use of this non-HKFRS measure has limitations as an analytical tool, and should not be considered in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under HKFRS.

The following table reconcile our adjusted net (loss)/profit for the years presented to the most directly comparable financial measures calculated and presented in accordance with HKFRS:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
(Loss)/Profit for the period attributable to owners of the Company	<b>(19,644)</b>	3,457
Add:		
Foreign exchange differences	<b>26</b>	(4)
Change in fair value of financial assets at fair value through profit or loss	<b>502</b>	578
<b>Non-HKFRS Measure</b>		
Adjusted net (loss)/profit	<b><u>(19,116)</u></b>	<b><u>4,031</u></b>

## Employees and Remuneration Policies

As at 30 June 2025, we had 229 full-time employees, the majority of whom were based in Hangzhou, China, Shanghai, China and Xi'an, China.

The remuneration of our employees is determined based on their performance, experience, competence and market comparable. We provide our employees with competitive salaries and bonuses determined by performance, housing subsidies, regular team building activities and internal opportunities of career advancement. Our Group adopts an appraisal system for our employees, where their respective supervisor and our president's office conduct monthly or quarterly performance review depending on their rank and determines the amount of bonus to be awarded accordingly.

Our Group's total staff costs (including Directors' emolument, salaries, bonus, social insurance and provident funds) amounted to approximately RMB23.5 million for the six months ended 30 June 2025 (For the six months ended 30 June 2024: approximately RMB25.3 million). As required by the PRC laws and regulations, we have made contributions to various mandatory social security funds, including funds for basic pension insurance, unemployment insurance, basic medical insurance, maternity leave insurance and occupational injury.

The remuneration of Directors and members of senior management is determined on the basis of each individual's responsibilities, qualification, position, experience, performance and time commitment. The receive compensation in the form of salaries, allowances, discretionary bonuses and contributions to defined contribution retirement plan.

The Company has adopted a share option scheme on 27 July 2022 as incentives or rewards to eligible persons for their contributions to the Group. The purpose of the Share Option Scheme is to incentivise and reward the eligible persons for their contribution to the Group and to align their interests with that of the Company so as to encourage them to work towards enhancing the value of the Company. The Share Option Scheme shall be valid and effective for a period of ten years commencing on the Listing Date, after which period no further options will be granted but the provisions of the Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto which are at that time or become thereafter capable of exercise under the Share Option Scheme, or otherwise to the extent as may be required in accordance with the provisions of the Share Option Scheme. During the Reporting Period, no option had been granted or agreed to be granted by the Company under the Share Option Scheme.

### **Contingent Liabilities and Indebtedness**

As at 30 June 2025, the Group had the interest-bearing borrowings of approximately RMB98.5 million which consists approximately RMB32.0 million was unsecured and guaranteed, RMB9.0 million was secured and guaranteed and RMB57.5 million was unsecured and unguaranteed (As at 31 December 2024: RMB87.5 million which consists RMB14.0 million was unsecured and guaranteed and HK\$64.5 million was unsecured and unguaranteed). The maturity profile of the interest-bearing bank borrowings as at 30 June 2025 and 31 December 2024 were repayable within one-year or on demand. In addition, as at 30 June 2025, the Group had lease liabilities of RMB6.2 million (As at 31 December 2024: RMB6.5 million).

Save as the above, the Group did not have any material contingent liabilities as at 30 June 2025 (As at 31 December 2024: nil).



## Liquidity, Financial and Capital Resources

During the six months ended 30 June 2025, we financed our capital expenditure and working capital requirements mainly through bank borrowings and the proceeds received from the Global Offering of the Company's shares in October 2022 and the proceeds received from the Rights Issue in December 2023. As at 30 June 2025, we had bank borrowings of approximately RMB98.5 million (unaudited) (As at 31 December 2024: RMB87.5 million). The range of effective interest rates on the borrowings was 2.7% to 4.8% (unaudited) (As at 31 December 2024: 2.8% to 4.3%) per annum for the six months ended 30 June 2025.

The Group's gearing ratio as of 30 June 2025 was 34.0% (unaudited) (As at 31 December 2024: 28.0%).

As at 30 June 2025, the Group's cash and cash equivalents were mainly held in RMB and HKD, and the cash and cash equivalents decreased by RMB35.3 million from RMB139.0 million as at 31 December 2024 to RMB103.7 million. The decrease was primarily attributable to the development of business which the advance to supplier were increased by RMB53.0 million.

We currently do not use any financial instruments for hedging purposes.

## Significant Investment, Material Acquisition and Disposal of Subsidiaries, Associate, and Joint Venture

### ***Acquisition of 100% of the equity interest in Shanghai Maichun Brand Management Company Limited\* (上海麥純品牌管理有限公司) ("Target Company A")***

On 22 December 2023, the Company entered into a legally binding memorandum of understanding ("MOU"), pursuant to which the Company will acquire 100% of the equity interest in Target Company A, a company established in PRC, and is principally engaged in the provision of e-commerce solutions to its brand partners on product sales.

Our Directors are of the view that our Group could benefit from the potential acquisition in order to enlarge our Group's supplier and customer base and diversify our Group's business profile.

For further details, please refer to the announcement of the Company dated 22 December 2023.

On 5 August 2024, the Company entered into the Supplemental MOU to extend the Expiry Date from 31 August 2024 to 30 June 2025. As of the date of this announcement, the Company is still conducting due diligence to assess the suitability of the Target Company A and exploring other target companies for the potential acquisition.

For further details, please refer to the announcement of the Company dated 5 August 2024. Further announcement(s) relating to the potential acquisition will be made by the Company as and when appropriate.

On 13 June 2025, the Company entered into the Second Supplemental MOU to further extend the Expiry Date from 30 June 2025 to 30 June 2026. Given the changing economic circumstances and market situation, the Target Company A did not attain the expected business performance in its last financial year. As of the date of the report, the Company is still observing the business and financial performance of the Target Company A in order to complete its due diligence and exploring other target companies for the potential acquisition.

For further details, please refer to the announcement of the Company dated 13 June 2025.

***Acquisition of Caipingfang Technology Co., Ltd.\* (彩平方科技有限公司) (“Target Company B”)***

On 30 June 2025, the wholly-owned subsidiary of the Company entered into the Share Transfer Agreement with three Vendors, pursuant to which the Vendors conditionally agreed to sell, and the Purchaser conditionally agreed to purchase all the existing issued shares of the Target Company B held by the Vendors, at the Consideration of RMB18,300,000. The Target Company B is a company established in the PRC with limited liability and is principally engaged in the welfare lottery business for lottery distribution through physical channels and ancillary services and marketing services business.

Our Directors are of the view that the Acquisition represents an attractive investment opportunity for the Group and is in line with the business development strategy of the Group. The Board also considers that the Acquisition will enhance the Group’s capacity in serving current clients and will enable the Group to utilize our resources more efficiently.

For further details, please refer to the announcement of the Company dated 30 June 2025.

The acquisition was completed in July 2025.

Save as disclosed above, there were no significant investments held by the Company nor any material acquisitions or disposals of subsidiaries, associates and joint ventures during the Year.

**Capital Commitments**

As at 30 June 2025, the Group had capital commitments of RMB18,300,000 which the Group should be settled for the acquisition of equity interest of Caipingfang Technology Co., Ltd. before 31 July 2025 for 50% of the consideration of RMB9,150,000; another 50% of RMB9,150,000 before 31 December 2025. The Group had settled 50% of the consideration of RMB9,150,000 in July 2025.

## Charge on the Group's Assets

As at 30 June 2025, the Group's had pledged the property, plant and equipment with carrying amount of RMB16,689,000 to secure the bank borrowing (As at 31 December 2024: the property, plant and equipment with carrying amount of RMB17,126,000 to secure the bank borrowings).

## Pledge of shares by controlling shareholders

On 26 June 2025, Vicen Investments Limited, a controlling shareholder of the Company, pledged 36,564,224 shares of the Company (representing approximately 8.4% of the shares directly held by Vicen Investments in the Company) with Hangzhou Xingsheng Equity Investment Co., Ltd. (杭州興晟股權投資有限公司) as the pledgee. As at the date of this announcement, the shares pledged by Vicen Investments accounted for approximately 2.44% of the total shares in issue of the Company in aggregate.

Tanshin Investments Limited, a controlling shareholder of the Company, pledged 15,306,541 shares of the Company (representing approximately 8.4% of the shares directly held by Tanshin Investments in the Company) with Hangzhou Xingsheng Equity Investment Co., Ltd. (杭州興晟股權投資有限公司) as the pledgee. As at the date of this announcement, the shares pledged by Tanshin Investments accounted for approximately 1.02% of the total shares in issue of the Company in aggregate.

Sprus Investments Limited, a controlling shareholder of the Company, pledged 7,388,495 shares of the Company (representing approximately 8.4% of the shares directly held by Sprus Investments in the Company) with Hangzhou Xingsheng Equity Investment Co., Ltd. (杭州興晟股權投資有限公司) as the pledgee. As at the date of this announcement, the shares pledged by Sprus Investments accounted for approximately 0.49% of the total shares in issue of the Company in aggregate.

Such shares pledged by the three controlling shareholders (collectively the “**Pledgors**”) are security provided for Hangzhou Rego Network Company Limited, a wholly-owned subsidiary of the Company, with the amount of guarantee being RMB18,500,000. In the duration of pledge, the shares pledged by the Pledgors were not subject to transfer of ownership rights, voting rights and dividend rights, provided that the exercise of such rights shall not prejudice the interests of the pledgee. Meanwhile, the Pledgors shall keep the pledged shares in a proper manner, and shall not take the liberty to transfer, grant, create new encumbrance over the pledged shares or carry out any activities that may prejudice the interests of the pledgee without written consent from the pledgee.

For further details of this transaction, please refer to the announcement of the Company dated 26 June 2025.

## Top Customers

Our top five customers accounted for 60.1% and 57.3% of our revenue for the periods ended 30 June 2025 and 2024, respectively. Our largest customer accounted for 23.3% and 30.2% of our revenue for the periods ended 30 June 2025 and 2024, respectively.

To the best of our Directors' knowledge, none of our Directors or their respective close associates or any person who owns more than 5% of our issued share capital or of our subsidiary, had any interest in any of our top five customers during the period.

## Top Suppliers

Our top five suppliers accounted for 66.0% and 80.3% of our total costs of sales for the periods ended 30 June 2025 and 2024, respectively. Our largest supplier accounted for 31.0% and 36.6% of our total costs of sales for the periods ended 30 June 2025 and 2024, respectively.

To the best of our Directors' knowledge, none of our Directors or their respective close associates or any person who owns more than 5% of our issued share capital or of our subsidiary, had any interest in any of our top five suppliers during the period.

## Key Financial Ratios

The following table sets forth certain financial ratio as at the balance sheet dates indicated:

	As at 30 June 2025 (unaudited)	As at 31 December 2024 (audited)
<b>Profitability ratios</b>		
Gross profit margin <sup>(1)</sup>	15.9%	26.9%
Net profit margin <sup>(2)</sup>	-15.3%	-16.1%
Adjusted net profit margin under HKFRS measures <sup>(3)</sup>	-14.9%	-12.5%
Return on equity <sup>(4)</sup>	-6.2%	-11.0%
Return on total assets <sup>(5)</sup>	-3.5%	-7.4%
<b>Liquidity ratios</b>		
Current ratio <sup>(6)</sup>	2.0 times	2.7 times
Quick ratio <sup>(7)</sup>	2.0 times	2.7 times
<b>Capital adequacy ratios</b>		
Gearing ratio <sup>(8)</sup>	34.0%	28.0%
Debt-to-equity ratio <sup>(9)</sup>	3.2%	N/A

*Notes:*

- (1) The calculation of gross profit margin is based on gross profit for the period divided by revenue and multiplied by 100%.
- (2) The calculation of net profit margin is based on profit for the period divided by revenue and multiplied by 100%.
- (3) Calculated based on the adjusted net profit under non-HKFRS measures and calculated by excluding the effect of foreign exchange differences and change in fair value of financial assets at fair value through profit or loss.
- (4) The calculation of return on equity is based on profit for the period divided by ending balance of total equity and multiplied by 100%.
- (5) The calculation of return on total assets is based on profit for the period divided by ending balance of total assets and multiplied by 100%.
- (6) Current ratio is calculated as current assets divided by current liabilities as at the relevant financial period/year end.
- (7) Quick ratio is calculated as current assets less inventories divided by current liabilities as at the relevant financial period/year end.
- (8) Gearing ratio is calculated as total debt divided by total equity and multiplied by 100% as at the relevant financial period/year end. Total debts refer to all interest-bearing bank loans, amounts due to related parties and lease liabilities of our Group as at the end of the respective period/year.
- (9) Debt to equity ratio is calculated as net debt (representing total debt minus cash and cash equivalent as at the relevant period/year end) divided by the total equity as at the end of the respective period/year and multiplied by 100%. As our cash and cash equivalent is higher than our total debts as at 31 December 2024, the debt to equity ratio is not applicable to such periods.

## **Treasury policies**

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the period under review. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that sufficient financial resources are available in order to meet its funding requirements and commitment timely.

## **Foreign Exchange Exposure**

Foreign exchange risk refers to the risk of loss caused by the changes in foreign exchange rates. The operations of the Group are mainly located in the PRC with most transactions denominated and settled in Renminbi.

During the six months ended 30 June 2025, no financial instrument was used for hedging purposes, and we did not commit to any financial instruments to hedge our exposure to foreign exchange risk, as the expected foreign exchange risk is not significant. The Directors and senior management of the Company will continue to closely monitor the foreign exchange exposure and take measures when necessary to ensure that the foreign exchange risk is within the controllable range.

## **Capital structure**

The shares of the Company were listed on Main Board of the Stock Exchange on the Listing Date. Pursuant to Rule 7.21(1)(b) of the Listing Rules, the Company have made arrangements to dispose of the 40,263,600 Unsubscribed Rights Shares by offering the Unsubscribed Rights Shares to independent placees for the benefit of the Shareholders to whom they were offered by way of the Rights Issue. There were no excess application arrangements in relation to the Rights Issue. The Company entered into the Placing Agreement with the Placing Agent and appointed the Placing Agent to place the Unsubscribed Rights Shares to independent placees on a best efforts basis.

On 4 December 2023, 40,263,600 Unsubscribed Rights Shares (each a “**Placing Share**”), representing approximately 8.05% of the total number of Rights Shares available for subscription under the Rights Issue, were subject to the Compensatory Arrangement.

On 12 December 2023, the Company had received twenty four (24) valid acceptances for a total of 459,736,400 Rights Shares provisionally allotted under the Rights Issue, representing approximately 91.95% of the total number of Rights Shares offered under the Rights Issue. Accordingly, the Rights Issue was under-subscribed by 40,263,600 Rights Shares, representing approximately 8.05% of the total number of the Rights Shares available for subscription under the Rights Issue.

All conditions with respect to the Rights Issue and the Placing set out in the Prospectus have been fulfilled and the Rights Issue and the Placing became unconditional at 4:00 p.m. on Wednesday, 13 December 2023. The gross proceeds raised from the Rights Issue (including the Placing) are approximately HK\$100 million before expenses.

For further details, please refer to the prospectus of the Company dated 20 November 2023 and announcements of the Company dated 6 and 15 December 2023.



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

For the six months ended 30 June 2025

		2025	2024
	Notes	RMB'000	RMB'000
		(unaudited)	(unaudited)
<b>Revenue</b>	5	<b>135,766</b>	116,204
Cost of sales		<u>(114,223)</u>	<u>(74,737)</u>
<b>Gross profit</b>		<b>21,543</b>	41,467
Other income and other gains or losses, net	6	<b>1,830</b>	1,828
Provision for impairment losses on financial assets		<b>(8,062)</b>	(1,870)
Selling and distribution expenses		<b>(10,752)</b>	(10,874)
Administrative expenses		<b>(14,091)</b>	(14,564)
Research and development expenses		<b>(9,550)</b>	(10,317)
Finance costs		<b>(1,628)</b>	(2,486)
Share of losses of a joint venture		<u><b>(76)</b></u>	<u>–</u>
<b>(Loss)/profit before income tax</b>		<b>(20,786)</b>	3,184
Income tax expense	7	<u><b>(24)</b></u>	<u>(453)</u>
<b>(Loss)/profit for the period</b>		<u><b>(20,810)</b></u>	<u>2,731</u>
<b>Other comprehensive income</b>			
<i>Item that will not be reclassified to profit or loss:</i>			
– Exchange differences arising from translation		<u><b>(1,545)</b></u>	<u>2,643</u>
<b>Total comprehensive income for the period</b>		<u><b>(22,355)</b></u>	<u>5,374</u>
<b>(Loss)/profit for the period attributable to:</b>			
– Owners of the Company		<b>(19,644)</b>	3,457
– Non-controlling interests		<u><b>(1,166)</b></u>	<u>(726)</u>
		<u><b>(20,810)</b></u>	<u>2,731</u>

		2025	2024
	<i>Notes</i>	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
		<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Total Comprehensive income for the period</b>			
<b>attributable to:</b>			
– Owners of the Company		<b>(21,189)</b>	6,100
– Non-controlling interests		<b>(1,166)</b>	(726)
		<u><b>(22,355)</b></u>	<u>5,374</u>
<b>(Loss)/earnings per share for the (loss)/profit</b>			
<b>attributable to owners of the Company</b>			
<b>during the period</b>			
– Basic and diluted ( <i>expressed in RMB</i>			
<i>per share</i> )	9	<u><b>(0.03)</b></u>	<u>0.01</u>

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
	Notes		
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Intangible assets		7,399	9,476
Property, plant and equipment		26,449	28,026
Right-of-use assets		6,125	6,539
Goodwill		23,024	23,024
Investment in a joint venture		–	76
Deferred tax assets		1,868	1,868
Financial assets at fair value through profit or loss		10,098	9,700
		<u>74,963</u>	<u>78,709</u>
<b>Current assets</b>			
Inventories		14,574	8,527
Contract assets		801	1,586
Trade receivables	10	205,246	153,396
Prepayments, deposits and other receivables		194,572	146,523
Amount due from a related party		3,540	2,494
Restricted bank deposits		2,220	1,720
Cash and cash equivalents		103,673	138,994
		<u>524,626</u>	<u>453,240</u>
<b>Total assets</b>		<u>599,589</u>	<u>531,949</u>
<b>Current liabilities</b>			
Trade payables	11	87,119	27,896
Contract liabilities		7,519	8,644
Other payables and accruals		42,411	22,291
Amount due to a related party		9,551	6,301
Bank borrowings		98,529	87,500
Lease liabilities		1,459	1,300
Income tax payable		10,935	12,046
		<u>257,523</u>	<u>165,978</u>

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
<i>Notes</i>		
<b>Net current assets</b>	<b>267,103</b>	287,262
<b>Total assets less current liabilities</b>	<b>342,066</b>	365,971
<b>Non-current liabilities</b>		
Contract liabilities	734	1,782
Lease liabilities	4,785	5,245
Deferred tax liabilities	118	160
	<b>5,637</b>	7,187
<b>Total liabilities</b>	<b>263,160</b>	173,165
<b>NET ASSETS</b>	<b>336,429</b>	358,784
<b>EQUITY</b>		
Share capital	10,349	10,349
Reserves	328,086	349,275
<b>Equity attributable to owners of the Company</b>	<b>338,435</b>	359,624
Non-controlling interests	(2,006)	(840)
<b>TOTAL EQUITY</b>	<b>336,429</b>	358,784

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the six months ended 30 June 2025*

## 1. GENERAL

Rego Interactive Co., Ltd (the “**Company**”) was incorporated in the Cayman Islands, as an exempted company with limited liability under the Cayman Companies Act on 8 August 2017. Its shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The registered office of the Company is located at 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman, KY1-1002, Cayman Islands and its principal place of business is located at People’s Republic of China (“**PRC**”). The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) were engaged in the following businesses in the PRC.

- Corporate digitalisation solution service
- Industry digitalisation solution service

In the opinion of the directors of the Company, the immediate holding companies of the Company are Tanshin Investments Limited (“**Tanshin Investments**”), Vicen Investments Limited (“**Vicen Investments**”) and Sprus Investments Limited (“**Sprus Investments**”) which are incorporated in the British Virgin Islands. The ultimate shareholders of the Company are Mr. Tian Huan (“**Mr. Tian**”), Mr. Chen Ping (“**Mr. Chen**”) and Mr. Zhang Yongli (“**Mr. Zhang**”) who have entered into acting-in-concert agreement on 22 October 2021 and confirmed they have been acting in concert since 14 July 2017. Accordingly, Mr. Tian, Mr. Chen, Mr. Zhang, Tanshin Investments, Vicen Investments and Sprus Investments collectively referred to as the “**Controlling Shareholders**”.

The interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows of the Group for the six months ended 30 June 2025 include the results and cash flows of all companies now comprising the Group as if the current structure had been in existence for the six months ended 30 June 2025, or since their respective dates of acquisition/incorporation/establishment/when the combining entity first came under the control of the Controlling Shareholders, whichever is the shorter period.

## 2. BASIS OF PREPARATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT AND ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

The interim condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 Interim Financial Reporting issued by Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. Several amendments apply for the first time in 2025, but do not have an impact on the interim condensed consolidated financial statements of the Group. However, not all are expected to impact the Group as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies.

The following amendments are effective for the period beginning 1 January 2025:

- Lack of Exchangeability (Amendments to HKAS 21).

The amendments to standards did not have any significant impact on the Group's interim condensed consolidated financial statements.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

### **3. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of asset and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim condensed consolidated financial statements, the other significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended 31 December 2024.

### **4. SEGMENT INFORMATION**

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment has been identified as executive directors of the Company.

The Group's operating and reportable segments are:

- (i) the provision of Corporate digitalisation solutions service; and
- (ii) the provision of industry digitalisation solutions service.

"Corporate digitalisation solutions services" mainly comprise the Group's traditional marketing and promotion services, advertisement placement services, advertisement distribution services, virtual goods sourcing and delivery services, tangible goods sourcing and delivery services and software development and maintenance services. "Industry digitalisation solutions services" mainly comprise the Group's solutions on lottery related software systems and equipment. "Cross-industry Empowerment solutions services" mainly comprise the Group's cooperation across different industries services. The comparative figures in interim condensed consolidated financial statement and the notes have been restated to conform with the new presentation. The Board believes that the above changes in segment information better reflect the resource allocation and future business development of the Group.



The CODM assesses the performance of the operating segments based on the segment profit. The reconciliation of segment profit, which is the same as the gross profit of the Group, to profit before income tax is shown in the consolidated statement of profit or loss and other comprehensive income. There were no separate segment assets and segment liabilities information provided to the CODM, as the CODM does not use this information to allocate resources or to evaluate the performance of the operating segments.

**(a) Segment revenue and results**

	<b>Corporate digitalisation solution service</b> <i>RMB'000</i>	<b>Industry digitalisation solution service</b> <i>RMB'000</i>	<b>Consolidated total</b> <i>RMB'000</i>
<b>For the six months ended</b>			
<b>30 June 2025 (unaudited)</b>			
Revenue	<b>125,036</b>	<b>10,730</b>	<b>135,766</b>
Cost of sales	<b>(108,334)</b>	<b>(5,889)</b>	<b>(114,223)</b>
Segment profit	<b>16,702</b>	<b>4,841</b>	<b>21,543</b>
<b>For the six months ended</b>			
<b>30 June 2024 (unaudited)</b>			
Revenue	108,014	8,190	116,204
Cost of sales	(70,712)	(4,025)	(74,737)
Segment profit	37,302	4,165	41,467

**(b) Revenue from external customers**

All significant external customers of the Group are located in Mainland China. Accordingly, no geographical information of external customers is presented.

**(c) Non-current assets**

All significant non-current assets of the Group are located in Mainland China. Accordingly, no geographical information of segment assets is presented.

## 5. REVENUE

The amounts of each significant category of revenue recognised during the Reporting Period are as follows:

	Corporate digitalisation solution service RMB'000	Industry digitalisation solution service RMB'000	Total RMB'000
<b>For the six months ended</b>			
<b>30 June 2025 (unaudited)</b>			
Timing of revenue recognition:			
At a point in time	125,036	2,363	127,399
Transferred over time	—	8,367	8,367
<b>Total revenue from contracts with customers</b>	<b>125,036</b>	<b>10,730</b>	<b>135,766</b>
<b>For the six months ended</b>			
<b>30 June 2024 (unaudited)</b>			
Timing of revenue recognition:			
At a point in time	108,014	323	108,337
Transferred over time	—	7,867	7,867
<b>Total revenue from contracts with customers</b>	<b>108,014</b>	<b>8,190</b>	<b>116,204</b>

## 6. OTHER INCOME AND OTHER GAINS OR LOSSES, NET

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
<b>Other income</b>		
Bank interest income	38	259
Government grants ( <i>Note</i> )	445	1,723
Sundry income	1,875	420
	<b>2,358</b>	<b>2,402</b>
<b>Other gains/(losses), net</b>		
Exchange (loss)/gain	(26)	4
Net valuation loss in fair value of financial assets at fair value through profit or loss	(502)	(578)
	<b>(528)</b>	<b>(574)</b>
	<b>1,830</b>	<b>1,828</b>

*Note:* For the six months ended 30 June 2025 and 2024, the Group enjoyed the tax incentives on input value-added tax according to the related regulations in the PRC. There are no unfulfilled conditions related to these government grants. For the six months ended 30 June 2025 and 2024, government grants had been received from the PRC local government authorities as reimbursement of the Group's research and development activities.

## 7. INCOME TAX EXPENSE

The Group calculated the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim condensed consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Current income tax – the PRC		
– tax for the period	72	3,081
– over provision in respect of prior years	(6)	(523)
	<u>66</u>	<u>2,558</u>
Deferred tax	(42)	(2,105)
Income tax expense	<u>24</u>	<u>453</u>

### Cayman Islands income tax

Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any taxation under the jurisdictions of the Cayman Islands.

### PRC Enterprise income tax

Pursuant to Enterprise Income Tax Law of the PRC (“**EIT Law**”) and the Implementation Regulation on the EIT Law, the tax rate of the Group’s subsidiaries operating in the PRC during the Reporting Period was 25% of their taxable profits. The income tax provisions of the of the Group has been calculated at the applicable tax rate on the estimated assessable profits for the period, based on the existing legislation, interpretations and practices in respect thereof.

Certain subsidiaries of the Group in the PRC including Hangzhou Rego Network Company Limited (“**Hangzhou Rego**”) and Xi’an Tiantai Innovation Technology Company Limited (“**Xi’an Tiantai**”) were accredited as “High and New Technology Enterprise” under relevant PRC laws and regulation, and subject to a preferential EIT rate of 15% from 1 January 2016 to 31 December 2025. Yangtze River Delta Demonstration Zone (Shanghai) ASMKT Network Technology Co., Ltd. (“**ASMKT**”) was accredited as “High and New Technology Enterprise” under relevant PRC laws and regulation, and subject to a preferential EIT rate of 15% from 2021 to 9 October 2024. Since ASMKT was not accredited as “High and New Technology Enterprise” in 2024, therefore the ASMKT would not be entitled with a preferential EIT rate of 15% starting from 2024. It was subject to 25% of EIT rate starting from 1 January 2024.

According to relevant laws and regulations promulgated by the State Tax Bureau of the PRC that was effective and updated from 2017 onwards, enterprises engaging in research and development activities are entitled to claim 175% of their research and development expenses so incurred as tax deductible expenses when determining their assessable profits for the year (“**Super Deduction**”). The Group has made its best estimate for the Super Deduction to be claimed for the Group’s entities in ascertaining their assessable profits during the Reporting Period.

## 8. DIVIDEND

No dividend was paid or proposed for ordinary shares of the Company during the six months ended 30 June 2025 and 2024.

## 9. (LOSS)/EARNINGS PER SHARE

	Six months ended 30 June	
	2025	2024
	(unaudited)	(unaudited)
(Loss)/profit attributable to owners of the Company ( <i>RMB'000</i> )	(19,644)	3,457
		(restated)
Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earnings per share ( <i>in thousands</i> )	732,396	732,396
Basic and dilute (loss)/earnings per share ( <i>expressed in RMB per share</i> )	(0.03)	0.01

The number of ordinary shares for the purpose of calculating basic (loss)/earnings per share has been determined based on the loss attributable to owners of the Company of approximately RMB19,644,000 (At 31 December 2024: a loss of RMB37,960,000) and the weighted average number of 732,396,000 (At 31 December 2024: 1,485,136,000, as adjusted to reflect the rights issue) ordinary shares as adjusted to reflect the effect of the treasury shares held by the Company.

There is no diluted (loss)/earnings per share because there were no dilutive potential shares in exercise for the six months ended 30 June 2025 and 2024. Accordingly, diluted (loss)/earnings per share is the same as the basic (loss)/earnings per share for the six months ended 30 June 2025 and 2024.

## 10. TRADE RECEIVABLES

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
Trade receivables		
– Due from third parties	239,271	179,161
– Due from related companies ( <i>Note</i> )	–	90
	239,271	179,251
Less: Allowance for credit losses	(34,025)	(25,855)
Trade receivables, net	205,246	153,396

*Note:* The amounts due from related companies of which Mr. Chen and Mr. Fan, the executive directors of the Company is also the substantial shareholder of these related companies. The balances are unsecured, interest-free and repayable on credit terms similar to those offered to the major customers of the Group.

The credit period granted to customers is ranging from 5 to 60 days as at the end of the Reporting Period.

An ageing analysis of the Group's trade receivables at the end of the period, net of impairment, based on invoice date and net of loss allowance is as follows:

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
Less than 1 month	146,099	121,748
More than 1 month but less than 3 months	41,299	14,095
More than 3 months but less than 6 months	1,734	2,975
More than 6 months but less than 1 year	2,594	5,180
More than 1 year	13,520	9,398
	<u>205,246</u>	<u>153,396</u>

## 11. TRADE PAYABLES

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
Trade payables	<u>87,119</u>	<u>27,896</u>

The credit period on purchase from suppliers is generally ranging from 10 to 60 days as at the end of the period.

An ageing analysis of the Group's trade payables as at the end of the period, based on invoice date, is as follows:

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
Less than 1 month	52,878	22,211
More than 1 month but less than 3 months	18,255	1,776
More than 3 months but less than 6 months	11,030	2,567
More than 6 months but less than 1 year	3,616	1,022
More than 1 year	1,340	320
	<u>87,119</u>	<u>27,896</u>

## 12. EVENTS AFTER REPORTING PERIOD

### Acquisition of a subsidiary

On 30 June 2025, the Group entered into the share transfer agreement with 3 independent third parties to acquire the remaining equity interest, which the Group owned 5% equity interest of Caipingfang at 31 December 2024, with consideration of RMB18,300,000. The transaction was completed in July 2025.

## FUTURE AND OUTLOOK

For 2025, the worldwide economic climate continues to be challenging with persistent sluggish growth. In light of this, our strategy is to closely monitor the economic trends and shifts in the competitive market landscape. We aim to concentrate on and bolster our primary business areas and the development of AI digital lottery store (AI數字彩票門店) modelling, streamline the distribution of capital, and enhance the efficiency of our operations.

Simultaneously, we plan to heighten our awareness of potential risks and stick to cautious risk management strategies. This approach will help ensure our company's steady progress amidst the complexities of the ever-evolving economic scenario. Furthermore, we intend to proactively expand our strategic vision, keenly identify and capitalise on new opportunities within our “Corporate digitalisation solutions services” (企業數字化服務) and “Industry digitalisation solutions services” (行業數字化服務) as the core, to achieve the “Cross-industry Empowerment solutions services” (異業賦能服務) in the future. By adopting adaptable business strategies, we aim to boost the energy and resilience of our company's growth and foster its continuous and stable development.

For the Corporate digitalisation solutions services, we aim to seize growth opportunities in exploring new stable and reliable customers and suppliers, use omnichannel marketing strategies to accurately reach various consumer groups, and actively explore new growth points. By employing a comprehensive marketing strategy, we can precisely target a diverse range of consumer demographics. Furthermore, we are committed to actively seeking out new areas of growth. As the digital transformation of enterprises deepens, we will continue to firmly layout in the field of corporate welfare business. Throughout our well developed supply chain on both virtual goods and physical goods, we aim to provide our clients with diverse, flexible, and efficient welfare solutions.

At the same time, we will focus to the lottery marketing tickets to seize the chances on the growth of lottery sales to expand our market presence among the Welfare Lottery and Sports Lottery in the remaining of 2025.

For Industry digitalisation solutions services, we will continue to build on its market presence among the two legal lottery operators in PRC – Welfare Lottery and Sports Lottery. With our strong R&D capability, we will continue to develop the lottery software or hardware in relation to the lottery industry digitalisation solutions, and provide AI-based intelligent technology and industry solutions with the integration of software and hardware, with an aim to promote the application of lottery industry intelligent IoT, intelligent AI algorithm and human – computer interaction in the lottery industry and facilitate the digital transformation of the lottery shops. Also, we will excavate the opportunity with additional provincial in both Welfare Lottery and Sports Lottery for solutions on lottery related software systems and equipment, the Group will further align and benefit from synergies created through the cross segment encountered.

Besides bolster our primary business areas, we also focused the business strategies on the development of the layout of AI in the lottery sector in 2025 and the global expansion in future.

For the development of AI digital lottery store (AI數字彩票門店) model, we can provide the solutions of a comprehensive AI based digitalisation and intelligent services to those lottery shops which will create a new digital service environment to connects lottery centers, lottery sores, and the lottery players. At the same time, we will build a massive private domain traffic base for the lottery players. At the same time, we focused on the development of digitalisation marketing products, which can help to achieve the reduction on cost, improvement on efficiency and revenue, customers acquisition and retention, through the trend in mature AI technology against the demand on the marketing of lottery stores.

For the global expansion in the future, we will base on the layout of AI digital lottery store model to develop a platform which can provide more accurate betting analysis and information solutions services.

Lastly, the Group will continue to prioritise its strategic investments to maximise the synergies across different business. The Group will continue to dedicate its commitment and support to grow its business to further capitalise on diversification opportunities. Through the development of the Group, we will keep actively negotiated with the target company which provision of e-commerce solutions to its brand partners mainly derived from products sales to achieve the expansion via e-commerce platforms to develop an enhancement on the supply or those target company which can fulfill the strategic strategy in future development chain of the Group.

## **CORPORATE GOVERNANCE AND OTHER INFORMATION**

### **Purchase, Sale or Redemption of the Company's Listed Securities**

During the Reporting Period, the Company did not redeem any of its listed securities nor did the Company or any of its subsidiaries purchase or sell such securities (including sale of treasure).

As of 30 June 2025, the Company did not hold any treasury shares.

### **Compliance with CG Code**

The Group is committed to implementing high standards of corporate governance to safeguard the interests of the Shareholders and enhance the corporate value as well as the responsibility commitments. The Company has adopted the CG Code as its own code of corporate governance since the Listing Date.

In the opinion of the Directors, the Company has complied with all applicable code provisions of the CG Code for the Reporting Period.



The Board will continue to review and monitor the corporate governance practices of the Company for the purpose of complying with the code provisions of the CG Code and maintaining a high standard of corporate governance of the Company.

### **Model Code for Securities Transactions by Directors**

The Company has adopted the Model Code as its own code of conduct governing the securities transactions by the Directors. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code for the Reporting Period.

No incident of non-compliance of the Model Code by the employees was noted by the Company throughout the Reporting Period.

### **Audit Committee**

The Company has established the Audit Committee with written terms of reference in compliance with the CG Code. As at the date of this announcement, the Audit Committee consists of three members, all of whom are INEDs, namely Mr. Shen Yunjia, Ms. Mo Lan and Mr. Zeng Liang. Mr. Shen Yunjia is the chairman of Audit Committee.

### **Review of Interim Results**

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the Reporting Period, including the applicable accounting policies and accounting standards adopted by the Group, and considers that such statements have been prepared in compliance with the applicable Listing Rules. The audit committee was satisfied that the financial statements were prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the Reporting Period.

### **Use of Proceeds**

The Shares were listed on the Main Board of the Stock Exchange on 17 October 2022 by way of Global Offering, raising total net proceeds of HK\$100.7 million after deducting professional fees, underwriting commissions and other related listing expenses (the “**IPO proceeds**”). The Over-allotment Option has not been exercised and the Over-allotment Option had lapsed on 6 November 2022.

As at 30 June 2025, IPO proceeds of HK\$100.1 million has been utilised. An analysis of the net proceeds from the Listing Date up to 30 June 2025 is set out below:

	Approximate % of total IPO proceeds %	Allocated use of actual IPO proceeds HK\$ million	Utilised IPO proceeds as of 30 June 2025 HK\$ million	IPO proceeds unused balance as of 30 June 2025 HK\$ million	Proposed timetable for utilising the remaining balance of IPO proceeds from the Global Offering
Developing and expanding our online marketing channels and resources for our marketing and promotion services	42.2	42.5	42.5	–	On or before 31 December 2024
Further developing and expanding our supplier base and types of virtual goods on offer	26.7	26.9	26.9	–	On or before 31 December 2024
Acquiring companies in marketing and related industries	14.9	15.0	15.0	–	On or before 31 December 2023
Developing and operating our SaaS enterprise marketing service platform as a means to expand our marketing channels	6.3	6.3	5.7	0.6	On or before 31 December 2025
General working capital	9.9	10.0	10.0	–	On or before 31 December 2024
<b>Total</b>	<b>100.0</b>	<b>100.7</b>	<b>100.1</b>	<b>0.6</b>	

As at 30 June 2025, the amount of unutilised net proceeds amounted to approximately HK\$0.6 million. The unutilised net proceeds were placed in interest bearing deposits with authorised financial institutions or licensed banks in Hong Kong and the PRC.

Up to 30 June 2025, the utilised net proceeds were applied in accordance with the planned use as previously disclosed in the Prospectus and the remaining net proceeds are expected to be used as planned. The remaining unutilised net proceeds are expected to be utilised on or before 31 December 2025.

### ***Rights Issue***

The Company has conducted a rights issue in December 2023 to raise funds for (i) the proposed acquisition of a PRC company with an aim to expand our scope of services to cover delivery of physical goods for e-commerce operators; (ii) the development and expansion of our virtual and physical goods delivery business; and (iii) general working capital (the “**Rights Issue**”). The net proceeds from the Rights Issue after deducting the expenses were approximately HK\$98.9 million.

As at 30 June 2025, the proceeds from the Rights Issue of HK\$51.1 million has been utilised. An analysis of the proceeds from the Rights Issue up to 31 December is set out below:

	Approximate % of total proceeds from Rights Issue as stated in the prospectus dated 20 November 2023 %	Allocated use of actual proceeds from Rights Issue HK\$ million	Utilised proceeds from Rights Issue as of 30 June 2025 HK\$ million	Proceeds from Rights Issue unused balance as of 30 June 2025 HK\$ million	Expected timeline for unutilised proceeds from Rights Issue
Acquisition of a PRC company with principal business on delivery of physical goods for e-commerce platform operators	65	64.3	16.5	47.8	On or before 31 December 2025
Development and expansion of virtual and physical goods delivery business	25	24.7	24.7	–	On or before 31 December 2024
General working capital	10	9.9	9.9	–	On or before 31 December 2025
	<u>100</u>	<u>98.9</u>	<u>51.1</u>	<u>47.8</u>	

As at 30 June 2025, the amount of unutilised net proceeds from the Rights Issue amounted to approximately HK\$47.8 million. The unutilised net proceeds were placed in interest-bearing deposits with authorised financial institutions or licensed banks in Hong Kong and the PRC.

Up to 30 June 2025, the utilised net proceeds from Rights Issue were applied in accordance with the planned use as previously disclosed in the Prospectus dated 20 November 2023 and the remaining net proceeds from the Rights Issue are expected to be used as planned. The remaining unutilised net proceeds from the Rights Issue are expected to be utilised on or before 31 December 2025.

### Future Plans for Material Investments or Capital Assets

Save as disclosed in the Prospectus and this announcement, the Group did not have any future plans for material investments or capital assets as at 30 June 2025.

### Subsequent Events

On 30 June 2025, the Group has entered into the share transfer agreement with 3 independent third parties to acquire the remaining equity interest of Caipingfang with consideration of RMB18,300,000. The transaction was completed in July 2025.

## **Publication of the 2025 Interim Condensed Consolidated Results Announcement and Interim Report**

This announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.regopimc.com](http://www.regopimc.com)). The interim report for the Reporting Period containing all the information in accordance with the requirements under the Listing Rules will be despatched to the Shareholders who requested for hard copy and published on the respective websites of the Stock Exchange and the Company in due course.

### **Appreciation**

The Board would like to express its sincere gratitude to the Shareholders, management team, employees, business partners and customers of the Group for their support and contribution to the Group.

### **DEFINITIONS**

In this announcement, unless the context otherwise require, the following expressions shall have the following meaning:

“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“CG Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“China” or “PRC”	the People's Republic of China, excluding, for the purpose of this announcement, Hong Kong, Macau and Taiwan
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Rego Interactive Co., Ltd, a company incorporated in the Cayman Islands as an exempted company with limited liability, the Share of which are listed and traded on the Main Board of the Stock Exchange
“CPA”	cost per action, a performance-based pricing model where advertising is paid on the basis of each action of the mobile device user such as download, installation or registration. CPI is typically referred to as CPA
“Director(s)”	the director(s) of the Company

“FY2023”	the financial year ended on 31 December of the year 2023. For example, “FY2022” refers to the year ended 31 December 2022
“FY2024”	the financial year ended on 31 December of the year 2024
“Global Offering”	has the meaning ascribed to it under the Prospectus
“Group”, “we”, “us” or “our”	the Company and its subsidiaries
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRSs”	Hong Kong Financial Reporting Standards
“INED(s)”	the independent non-executive Director(s)
“IT”	the information and technology
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	17 October 2022, the date on which the Shares were listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with GEM of the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
“Over-allotment Option”	has the meaning ascribed to it under the Prospectus
“Prospectus”	the prospectus of the Company dated 30 September 2022
“R&D”	the research and development
“Reorganisation”	the pre-listing reorganisation of the Group in preparation of the Listing, details of which are set out in the section headed “History, development and reorganisation – Reorganisation for Listing” in the Prospectus

“Reporting Period”	the six months ended 30 June 2025
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) with par value of US\$0.001 each in the share capital of the Company
“Share Option Scheme”	the share option scheme conditionally adopted by the Company, further details of which are described in the section headed “Statutory and general information – D. Share Option Scheme” in Appendix IV to the Prospectus
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US” or “United States”	the United States of America
“US\$” or “USD”	United States dollars, the lawful currency of the United States
“Year”	the year ended 31 December 2024

By order of the Board  
**Rego Interactive Co., Ltd**  
**Chen Ping**  
*Chairman and Executive Director*

Hong Kong, 29 August 2025

*As at the date of this announcement, the executive Directors are Mr. Chen Ping, Mr. Tian Huan, Mr. Zhang Yongli, Mr. Fan Lianshun, Mr. Xia Yuanbo and Mr. Chen Wei; and the independent non-executive Directors are Ms. Mo Lan, Mr. Shen Yunjia and Mr. Zeng Liang.*

\* *For identification purpose only*