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SEEC MEDIA GROUP LIMITED

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 205)

UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board of directors (the “Board”) of SEEC Media Group Limited (the “Company”) is pleased to present the interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2025 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
	Notes	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Revenue	3	15,744	15,331
Cost of sales		(8,100)	(4,897)
Gross profit		7,644	10,434
Other income		704	373
Fair value changes on held-for-trading investments		8,861	(34,962)
Other gains and losses, net	4	(1,355)	22,097
Selling and distribution costs		(539)	(541)
Administrative expenses		(15,015)	(14,493)
Finance costs	5	(436)	(1,264)
Share of loss of a joint venture		–	(2,085)
Share of loss of an associate		(240)	(5,260)
Loss before tax	5	(376)	(25,701)
Income tax	6	–	–
Loss for the period		(376)	(25,701)
Other comprehensive expense			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		(1,072)	(15,295)
Share of exchange differences of a joint venture		–	(371)
		(1,072)	(15,666)
Total comprehensive expense for the period		(1,448)	(41,367)
(Loss)/profit for the period attributable to:			
Owners of the Company		(829)	(25,167)
Non-controlling interests		453	(534)
		(376)	(25,701)
Total comprehensive (expense)/income for the period attributable to:			
Owners of the Company		(1,540)	(41,155)
Non-controlling interests		92	(212)
		(1,448)	(41,367)
Loss per share (HK\$)			
			(Restated)
Basic	8	(0.001)	(0.031)
Diluted	8	(0.001)	(0.030)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
	Notes		
Non-current assets			
Property, plant and equipment		391	374
Interest in a joint venture		–	–
Interest in an associate		8,160	8,400
Deposits		1,284	1,284
Right-of-use assets		1,519	2,022
		<u>11,354</u>	<u>12,080</u>
Current assets			
Accounts receivable	9	39,025	44,301
Loan receivables		155,127	147,260
Other receivables, deposits and prepayments		16,033	16,062
Held-for-trading investments	10	83,918	74,049
Restricted bank balances (trust and segregated accounts)		9,828	9,828
Bank balances (general accounts) and cash		16,036	19,548
		<u>319,967</u>	<u>311,048</u>
Current liabilities			
Accounts payable	11	20,437	18,637
Other payables and accruals		107,280	99,518
Amount due to a joint venture		2,612	2,532
Borrowings		10,918	10,418
Tax payable		7,358	7,165
Lease liabilities		3,943	3,801
		<u>152,548</u>	<u>142,071</u>
Net current assets		<u>167,419</u>	<u>168,977</u>
Total assets less current liabilities		<u>178,773</u>	<u>181,057</u>

	As at 30 June 2025 <i>Notes</i> HK\$'000 (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> <i>(Audited)</i>
Non-current liabilities		
Borrowing	20,000	20,000
Lease liabilities	4,797	5,636
	<u>24,797</u>	<u>25,636</u>
Net assets	<u>153,976</u>	<u>155,421</u>
Capital and reserves		
Share capital	7,361	7,361
Reserves	166,296	167,833
	<u>173,657</u>	<u>175,194</u>
Equity attributable to owners of the Company	173,657	175,194
Non-controlling interests	(19,681)	(19,773)
	<u>(19,681)</u>	<u>(19,773)</u>
Total equity	<u>153,976</u>	<u>155,421</u>

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”) “Interim Financial Reporting” issued by Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for financial instruments, which are measured at revalued amounts or fair values.

Other than additional accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statement for the six months ended 30 June 2025 are the same as those presented in the Group’s annual financial statement for the year ended 31 December 2024.

In the current interim period, the Group has applied the following amendment to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which is mandatory effective for the annual period beginning on or after 1 January 2025 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendment to HKFRS Accounting Standards in the current period has had no material impact on the Group’s financial position and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

The HKICPA has issued a new amendment to HKFRS Accounting Standards that is first effective for the current accounting period of the Group. None of these have had a material effect on the Group’s results and financial position for the current or prior periods have been prepared or presented in the interim financial report. The Group has not applied any new standards or interpretation that are not yet effective for the current accounting period.

3. REVENUE AND SEGMENT INFORMATION

Information reported to the Company’s executive directors, being the chief operating decision makers, for the purpose of allocating resources to segments and assessing their performance are organised on the basis of the revenue streams.

The Group has three operating and reporting segments during the period which are as follows:

- (a) provision of advertising services;
- (b) provision of securities broking services including brokerage, financing and underwriting and placement;
and
- (c) money lending.

The following is an analysis of the Group's revenue and results by reportable segment for the period:

Six months ended 30 June 2025 (Unaudited)

	Provision of advertising services <i>HK\$'000</i>	Provision of securities broking services <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
REVENUE				
External sales	<u>10,357</u>	<u>–</u>	<u>5,387</u>	<u>15,744</u>
RESULT				
Segment (loss)/profit	<u>(3,910)</u>	<u>(75)</u>	<u>307</u>	<u>(3,678)</u>
Other income				704
Other gains and losses, net				(1,355)
Unallocated administration expenses				(4,232)
Fair value changes on held-for-trading investments				8,861
Finance costs				(436)
Share of loss of an associate				<u>(240)</u>
Loss before tax				<u><u>(376)</u></u>

Six months ended 30 June 2024 (Unaudited) (Represented)

	Provision of advertising services <i>HK\$'000</i>	Provision of securities broking services <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
REVENUE				
External sales	<u>8,259</u>	<u>156</u>	<u>6,916</u>	<u>15,331</u>
RESULT				
Segment (loss)/profit	<u>(2,088)</u>	<u>86</u>	<u>(1,950)</u>	<u>(3,952)</u>
Other income				373
Other gains and losses, net				22,097
Unallocated administration expenses				(648)
Fair value changes on held-for-trading investments				(34,962)
Finance costs				(1,264)
Share of profit of a joint venture				(2,085)
Share of loss of an associate				<u>(5,260)</u>
Loss before tax				<u><u>(25,701)</u></u>

Segment result represents the (loss)/profit from each segment without allocation of other income and gains, unallocated administration expenses, fair value changes on held-for-trading investments, finance costs, share of loss of a joint venture and share of loss of an associate. This is the measure reported to the chief operating decision makers for the purpose of resource allocation and performance assessment.

4. OTHER GAINS AND LOSSES, NET

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Gain on disposal of property, plant and equipment	–	(9)
Net exchange (losses)/gains	(1,355)	2,121
Gain on deregistration of subsidiaries	–	19,985
	<u>(1,355)</u>	<u>22,097</u>

5. LOSS BEFORE TAX

The Group's loss before tax has been arrived at after charging/(crediting):

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	1	1
Bank interest income	(8)	(27)
Finance costs	<u>436</u>	<u>1,264</u>

6. INCOME TAX

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

Under the law the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries has been 25% for both periods.

There was no income tax expense during the six months ended 30 June 2025 and 2024.

7. DIVIDENDS

No dividends were paid, declared or proposed during the reporting period. The Board does not recommend any payment of interim dividend for the six months ended 30 June 2025 (30 June 2024: nil).

8. LOSS PER SHARE

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

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss for the period attributable to owners of the Company for the purpose of basic and diluted loss per share	(829)	(25,167)
	2025	2024
	'000	'000
	(Unaudited)	(Audited)
		(Restated)
<i>Number of shares</i>		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	821,082	821,082
Effect of dilutive potential ordinary share arising from share option	83,840	28,620
Weighted average number of shares that would have been issued at average market prices	(60,881)	(21,840)
	844,041	827,862

The weighted average number of ordinary shares for the purpose of basic loss per share for the six months ended 30 June 2025 and 2024 has been adjusted retrospectively for the effect of rights issue as if it had been effective on 1 January 2024.

The share options granted by the Company have potential dilutive effect on the loss per share. The share option have a dilutive effect only when the average market prices during the period exceed the adjusted exercise price of the share options.

9. ACCOUNTS RECEIVABLE

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Accounts receivable arising from the business of provision of advertising services	3,599	8,875
Less: allowance for expected credit loss ("ECL")	(7)	(7)
	<u>3,592</u>	<u>8,868</u>
Accounts receivable arising from the business of dealing in securities:		
– Cash clients	181,575	181,575
Less: allowance for ECL	(146,142)	(146,142)
	<u>35,433</u>	<u>35,433</u>
	<u><u>39,025</u></u>	<u><u>44,301</u></u>

Credit period granted by the Group to customers for both provision of advertising services are not more than three months from the date of recognition of the sale.

The ageing analysis of the Group's accounts receivable arising from the provision of advertising services net of allowance for ECL, presented based on date of magazines issued, which approximate the date of revenue recognition is as follow:

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Less than three months	2,387	4,575
Three months to six months	1,212	3,300
Six months to one year	–	1,000
	<u>3,599</u>	<u>8,875</u>

The credit period for the business of dealing in securities with the settlement terms of cash clients are usually one to two days after the trade date.

The Group seeks to maintain tight control over its outstanding accounts receivable of securities broking business in order to minimize credit risk. Outstanding balances are regularly monitored by management. The management ensures that the listed equity securities belonged to clients in which the Group holds as custodian are sufficient to cover the amounts due to the Group.

The receivables of cash client are repayable on demand subsequent to settlement date and carry interest at Hong Kong Prime rate plus 3% per annum.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits and credit ratings attributed to customers are reviewed regularly. Management considers the customers neither past due nor impaired are of good credit quality based on repayment history of respective customers.

10. HELD-FOR-TRADING INVESTMENTS

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Held-for-trading investments include:		
Listed securities:		
– Equity securities listed in Hong Kong	<u>83,918</u>	<u>74,049</u>

Held-for-trading investments as at 30 June 2025 and 31 December 2024 represent equity securities listed in Hong Kong. The fair values of the investments are determined based on the quoted market bid price available on the Stock Exchange of Hong Kong Limited. The fair value of held-for-trading investments was classified as Level 1 of the fair value hierarchy.

11. ACCOUNTS PAYABLE

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Accounts payable arising from the provision of advertising services	10,609	8,809
Accounts payable arising from the business of dealing in securities		
– Cash clients (<i>Note</i>)	<u>9,828</u>	<u>9,828</u>
	<u>20,437</u>	<u>18,637</u>

Note: The balance of accounts payable arising from the business of dealing in securities are repayable on demand.

No ageing analysis is disclosed as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of this business.

The ageing analysis of the Group's accounts payable arising from the provision of advertising services presented based on the invoice date at the end of the reporting period is as follows:

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Less than three months	4,762	4,004
Three months to six months	1,355	313
Six months to one year	–	–
Over one year	4,492	4,492
	<u>10,609</u>	<u>8,809</u>

The average credit period of accounts payable is 90 days (31 December 2024: 90 days). The Group has financial risk management policies in place to ensure that all payables are within the credit time frame.

INTERIM DIVIDEND

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

BUSINESS REVIEW

Advertising and Sales of Books and Magazines

Over the years, the Group had provided advertising and marketing related services for its customers in China such as organizing promotional events and forums, providing and assisting in marketing research and promotional projects. Revenue derived from the business of advertising and marketing related services was one of the major sources of income to the Group. However, due to the negative impact on global economy caused by the trade war between the US and China and the rapid development of the internet economy in China over the past few years, the Group's print media advertising business faced difficult and challenging business environment in the recent year. However, as a result of the recovery of the adverse impact of COVID-19 pandemic in China, the performance of the advertising business of the Group for the six months ended 30 June 2025 was enhanced.

To diversify its advertising business revenue, the Group had proactively developed digital media marketing services and multi-channel network (MCN) business since 2020. The revenue derived from the provision of advertising and marketing related services for the period was approximately HK\$10.4 million, representing approximately 65.8% of the total revenue of the Group.

Securities Broking

The Group was granted by the Securities and Futures Commission a license to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the "SFO"). In accordance with the Group's strategic development needs, the Group has reviewed and adjusted its focus on these business segments so as to better allocate the resources on a more effective and profitable way. The Board of Directors had decided to ceased the operations of brokerage business of the "securities broking business segment" (referred to as "Securities Brokerage Business") as the Securities Brokerage Business continued operating at a loss. The Group is using its best efforts in making all necessary arrangements for surrendering the license to the Securities and Futures Commission. The business of brokerage services had been suspended until further notice since 19 September 2023.

The Group provides brokerage services for clients in respect of securities listed on the Stock Exchange of Hong Kong Limited. Since the commencement of the securities broking business, the Group endeavoured to provide brokerage services for the clients, as well as participate in equity fund raising transactions for Hong Kong listed companies, including placing, underwriting and initial public offering. For the six months ended 30 June 2025, the Group did not generate commission and brokerage income and the interest income from the securities broking business of the Group. As the Securities Brokerage Business contributed only a small proportion of the Group's total revenue, the Board is of the view that the cessation of the Securities Brokerage

Business has no significant financial and operational impact on the Company and is in the best interests of the Group and its shareholders, which is conducive to the better development of the Group.

Money Lending

In order to strengthen the flexibility of the Group so that it is able to react to the changing market situation promptly, the Group also provide diversified financial services to its clients through developing money lending services. It is believed that the money lending business could leverage other financial business of the Group and broaden the Group's income stream. The Group carries on the money lending business through an indirect non-wholly owned subsidiary of the Company, which is a licensed money lender under the Money Lenders Ordinance (Chapter 163, Laws of Hong Kong). For the six months ended 30 June 2025, the interest income from loan receivables arising from the money lending business amounted to approximately HK\$5.4 million, representing approximately 34.2% of the total revenue of the Group.

Before the loans were granted, an independent credit assessment has been performed. The independent credit assessment will individually access the potential borrowers' credit quality included but was not limited to assessment on the credit history and financial background of the potential borrowers, the responsible officer will obtain their identity proof such as identity card or passport for individuals and business registration certificate, latest annual return and the constitutional documents for corporate, income or asset proof of the potential borrower and their guarantor such as share certificates or bank statements, the evaluation of the value of the collateral and the verification of the authenticity of the information provided, to ensure the recovery ability of the loan. If necessary, the Group will also engage a valuation company to assist in assessing the value of the collateral. The independent credit assessment will defines the credit limits granted to the potential borrowers. The credit limit of loans successfully granted to the borrowers will be subject to regular credit review by the management as part of the ongoing loan monitoring process. Therefore, after the loan is granted, the Group will still conduct checks on the value of the collateral on a monthly basis and when the Group perceives that there is a huge fluctuation in the relevant market of the collateral so as to ensure that there is no material deterioration in value.

In order to minimise the Group's exposure to credit risk and follow up closely with its customers as to the deadlines in payment of interest and principal of the loans, an aging analysis of the borrowers are prepared on a monthly basis and is closely monitored to minimise any credit risk associated with these borrowers. The responsible officer will report the status of the Group's loan portfolio to the Directors on a monthly basis, the Director can closely monitor the loan portfolio and evaluate the collectability to continue to adopt risk control and management strategies. The Group has standard procedures in dealing with default in payment, if the debt is overdue for 3 months, responsible officer will send reminder and/or demand letters to its customers. If the debt is overdue for 6 months, the management will consider to engage lawyers in advising on the loan and its recovery and enforcement action.

For the loan portfolio as at 30 June 2025, the principal amount of the loans ranged from approximately HK\$0.2 million to HK\$20.2 million. The amount of secured loans was approximately HK\$94.1 million and the amount of unsecured loans was approximately HK\$61.0 million. The secured loans were secured by Hong Kong listed companies shares. Both of the secured and unsecured loans with interest rates ranging from 6.4% to 8.0% per annum. The tenure of the secured loans are one year and all the loan granted are non-revolving and the tenure of the unsecured loans ranged from one to three years and all the loan granted are non-revolving. As at 30 June 2025, the loan receivables included individual customers and one corporate customers, of which the largest and the five largest borrowers had loan receivables of approximately HK\$18.8 million and HK\$76.6 million, respectively, being approximately 12% and 49% to the total loan receivables from the Group. The corporate customer is an investment holding company and all individual customers were third parties independent of the Company and its connected persons (as defined in the Listing Rules). The customer in investing business engaged in investing Hong Kong listed securities including, but not limited to, trading and retail of handbags, provision of scaffolding, fitting out and other auxiliary services for construction and buildings work. The five largest borrowers were individuals and all their loan are secured with collateral.

The Group writes off the loan and interest receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor are bankrupt, liquidation or any probably events which indicate the occurrence on the default of payments. Despite the difficulties ahead, the Group will closely monitor the loan portfolio to adopt risk control and management strategies. The Group engaged an independent professional valuer for impairment assessment on the loans and interest receivable. Also, the responsible officer will conduct regular review and carry out follow up actions on a monthly and continuing basis regarding to the overdue amounts.

OUTLOOK AND PROSPECTS

In 2025, the global economy has continued to recover, however, the challenges that the global economy is facing are immense and weakening economic indicators point to further challenges ahead. Elevated trade tensions with US and China, the geopolitical uncertainty and the rise of trade protectionism will be the greatest challenges to the local and global economic recovery. However China's economy is expected to rebound. The domestic economy is recovering with the supported by government economic stimulus measures and boost in domestic consumption, which will benefit consumer and business confidence. The retail segment are expected to grow as households increase spending on goods and services. In conclusion, China government's policies that promote a positive macroeconomic outlook for the consuming market are expected to boost China's economy's growth.

The Group will continue its effort to strengthen its own financial business and allocate the resources on a more effective and profitable way. The Group will also actively develop its advertising business, especially the digital media marketing and the MCN business which the Board considers that the market is growing rapidly in recent years. Despite the current challenging environment, the Group continue closely monitor the performance, development and potential business risks of the financial business and identify the most suitable diversification of the Group's portfolio of businesses.

The Group will maintain its cautiously optimistic outlook and explore other suitable investment opportunities which are able to bring satisfactory and sustainable returns to the Group and maximize the shareholders' value.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

For the six months ended 30 June 2025, the aggregated revenue of the Group deriving from the provision of advertising services was approximately HK\$10.4 million, representing increase of approximately 25.4% as compared with that of approximately HK\$8.3 million for the six months ended 30 June 2024.

For the six months ended 30 June 2025, the revenue of the Group deriving from the securities broking business and the money lending business were approximately HK\$Nil (six months ended 30 June 2024: approximately HK\$0.2 million) and approximately HK\$5.4 million (six months ended 30 June 2024: approximately HK\$6.9 million) respectively. The securities broking business was commenced during the first half of 2016, while both the e-commerce business and the money lending business were commenced during the second half of 2016.

The overall gross profit margin of the Group for the six months ended 30 June 2025 was approximately 48.6%, which was lower than that for the six months ended 30 June 2024 of approximately 68.1%. This was mainly due to the decrease in proportion of revenue contributed by the business segments with high gross profit margin.

The Group held certain held-for-trading investments comprising of equity securities listed in Hong Kong. For the six months ended 30 June 2025, there were fair value gain on held-for-trading investments of approximately HK\$8.9 million (six months ended 30 June 2024: loss of approximately HK\$35.0 million). The fair value gain was caused by the increase in market prices of the equity securities listed in Hong Kong held by the Group.

The selling and distribution costs for the six months ended 30 June 2025 was approximately HK\$0.5 million, decreased by approximately 0.4% from approximately HK\$0.5 million for the six months ended 30 June 2024. The administrative expenses increased by approximately 3.6% from approximately HK\$14.5 million for the six months ended 30 June 2024 to approximately HK\$15.0 million for the six months ended 30 June 2025.

For the six months ended 30 June 2025, a share of loss from Mondadori-SEEC (Beijing) Advertising Co. Ltd., a joint venture of the Group, of approximately HK\$Nil (six months ended 30 June 2024: share of loss of approximately HK\$2.1 million) was recognised.

For the six months ended 30 June 2025, a share of loss from Asia-Pac Financial Investment Company Limited ("Asia-Pac Financial"), an associate of the Group Share of loss of approximately HK\$0.2 million (six months ended 30 June 2024: HK\$5.3 million) was recognised. Asia-Pac Financial is a company listed on the GEM of The Stock Exchange of Hong Kong Limited (stock code: 8193) in which the principal businesses of its subsidiaries were asset advisory services and asset appraisal, corporate services and consultancy, media advertising and financial services.

The loss for the six months ended 30 June 2025 attributable to owners of the Company amounted to approximately HK\$0.8 million (six months ended 30 June 2024: approximately HK\$25.2 million), representing a decrease of approximately 96.7%. The decrease in loss was mainly attributable to the increase in fair value gain on held-for-trading investments and decrease in share of loss of an associate.

To preserve financial resources for future operation of the Group, the Board did not recommend the payment of a dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

USE OF PROCEEDS

Open Offer

On 9 September 2015, the Company proposed to raise gross proceeds of up to approximately HK\$531.13 million, before expenses, by way of an open offer of 5,311,287,930 ordinary shares of HK\$0.10 each to the qualifying shareholders at a subscription price of HK\$0.10 per offer share, on the basis of five offer shares for every one existing shares held on the record date (the “Open Offer”). On 29 December 2015, 5,311,287,930 offer shares were allotted and issued pursuant to the Open Offer. The net proceeds for the Open Offer were approximately HK\$518.27 million.

For the details of the Open Offer, please refer to the announcements of the Company dated 19 August 2015, 9 September 2015, 23 November 2015 and 28 December 2015, the circular of the Company dated 4 November 2015 and the prospectus of the Company dated 4 December 2015.

On 22 June 2016, 8 July 2016 and 11 September 2020, the Company announced that the use of the unutilized net proceeds had been changed.

The information on the use of proceeds from the Open Offer is tabled as follows:

	Intended use of proceeds HK\$'000	Actual use of net proceeds as at 31 December 2024 HK\$'000	Actual use of net proceeds during the six months ended 30 June 2025 HK\$'000	Actual use of net proceeds as at 30 June 2025 HK\$'000	Unutilised balance of the net proceeds HK\$'000	Expected timeline for fully utilising the remaining proceeds
Set-up and operation of the Type 1 Company	275,000	275,000	–	275,000	–	–
Set-up and operation of companies licensed under the SFO to conduct Type 4, Type 6 and Type 9 regulated activities under the SFO	10,000	–	–	–	10,000	31 December 2025
Acquisition of companies engaged in the development and operation of e-commerce platform	124,000	124,000	–	124,000	–	–
Operation and development of money lending business	110,000	110,000	–	110,000	–	–
	<u>519,000</u>	<u>509,000</u>	<u>–</u>	<u>509,000</u>	<u>10,000</u>	<u>–</u>

The Board expected that the unutilised balance will be used as intended.

Subscription of New Shares

On 15 August 2022, the Company entered into the Subscription Agreements with the Subscribers, pursuant to which the Subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 120,000,000 new Shares at the Subscription Price of HK\$0.4 per Subscriptions Share (the “Subscriptions”). The Subscription was completed on 1 September 2022, whereby 120,000,000 subscription shares were allotted and issued to the subscribers. The net proceeds (after deducting the other expenses) from the Subscriptions amounted to approximately HK\$47.8 million. The Company intended to use such net proceeds to expand advertising business, especially the digital media marketing services and multi-channel network services of the Group.

Nature		Original intended use of proceeds <i>HK\$'million</i>	Actual use of proceeds as at the date of this announcement <i>HK\$'million</i>	Remaining balance <i>HK\$'million</i>	Expected timeline for fully utilising the remaining proceeds
Subscription of New Shares	Expand advertising business	47.8	46.6	1.2	31 December 2025

For the details of the Subscriptions, please refer to the announcements of the Company dated 15 August 2022 and 1 September 2022.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

There was no material acquisitions and disposals of subsidiaries during the six months ended 30 June 2025.

SIGNIFICANT INVESTMENTS

As at 30 June 2025, the Group had held-for-trading investments, representing equity securities listed in Hong Kong, of approximately HK\$83.9 million (31 December 2024: approximately HK\$74.0 million).

Details of the significant investment are as follows:

Company name	As at 30 June 2025			For the six months ended 30 June 2025		
	Number of shares held	Proportion to the total issued share capital for the stocks	Market value <i>HK\$'000</i>	Proportion to the total assets of the Group	Fair value gain on the investments <i>HK\$'000</i>	Dividends received <i>HK\$'000</i>
China Investment and Finance Group Limited ("CIFG")	13,000,000	3.2%	19,500	5.9%	2,210	–
Other securities with individual fair value less than 5% of the total assets as at 30 June 2025	<u>N/A</u>	<u>N/A</u>	<u>64,418</u>	<u>19.4%</u>	<u>6,651</u>	<u>–</u>
			<u>83,918</u>	<u>25.3%</u>	<u>8,861</u>	<u>–</u>

CIFG is principally engaged in the securities trading and investment holding which is listed on the Main Board of The Stock Exchange of Hong Kong Limited. For the year ended 31 March 2025, the audited loss and total comprehensive expense for the year attributable to owners of CIFG was HK\$5.5 million. The unrealised gain on the Group investments in CIFG during the six months ended 30 June 2025 was approximately HK\$2.2 million.

The Group's total investment in the CIFG was approximately HK\$3.3 million. As at 30 June 2025, the Group owned 13,000,000 shares in the CIFG, representing 3.15% equity interests in the CIFG. Up to 30 June 2025, no dividends was received from CIFG. The fair value of the investment in CIFG is based on quoted market prices.

For the six months ended 30 June 2025, the Group recognised fair value gain on held-for-trading investments of approximately HK\$8.9 million (2024: fair value loss of approximately HK\$35.0 million).

Looking forward, the Board believes that the future performance of the listed investments held by the Group will be volatile and substantially affected by overall economic environment, equity market conditions, investor sentiment and the business performance and development of the investee companies. In order to balance and mitigate the risk in the investment portfolio, the Group will continued maintain a diversified investment portfolio which covered variety of business sector. The Group will closely monitor the performance of the investment portfolio from time to time so as to adjust the investment strategies.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's daily operating activities were mainly financed by internal resources. As at 30 June 2025, the Group's total equity was approximately HK\$154.0 million (31 December 2024: approximately HK\$155.4 million). The decrease was mainly due to exchange differences arising on translation of foreign operations of approximately HK\$1.1 million during the current period.

The Group had non-current liabilities of approximately HK\$24.8 million as at 30 June 2025 (31 December 2024: approximately HK\$25.6 million). The non-current liabilities as at 30 June 2025 mainly consisted of lease liabilities and borrowing. As at 30 June 2025, the Group's gearing ratio was approximately 53.5% representing a percentage of total liabilities over total assets (31 December 2024: approximately 51.9%).

As at 30 June 2025, the Group has approximately HK\$20.9 million (31 December 2024: HK\$20.9 million) bonds payables, and approximately HK\$10.0 million (31 December 2024: HK\$9.5 million) other loan.

Save as disclosed above, the Group did not have any other borrowing as at 30 June 2025.

As at 30 June 2025, the Group had bank and cash balances (other than those in trust and segregated accounts) amounted to approximately HK\$25.9 million (31 December 2024: approximately HK\$29.4 million).

PLEDGE OF ASSETS

As at 30 June 2025 and 31 December 2024, the Group had no assets and bank deposits were pledged to banks to secure the bank borrowing and general banking facilities granted to the Group.

EVENTS AFTER THE REPORTING PERIOD

(a) Completion of rights issue

Reference was made to the prospectus of the Company dated 2 June 2025, the announcements of the Company dated 7 May 2025, 25 June 2025 and 8 July 2025 and the circular of the Company dated 7 May 2025. On 7 May 2025, the Company proposed to conduct rights issue on the basis of one (1) rights share for every two (2) existing shares held on the Record Date at the subscription price of HK\$0.11 per rights share, to raise up to approximately HK\$40.5 million before expenses by way of issuing up to 368,071,365 rights shares. The Rights Issue was completed in July 2025. The gross proceeds raised from the Rights Issue were approximately HK\$40.5 million and the net proceeds (after deducting the related expenses) from the Rights Issue were approximately HK\$39.5 million.

(b) Acquisition of BFB Development Inc. and issue of sales shares

Reference was made to the announcement of the Company dated 22 August 2025.

On 22 August 2025, Honor Fame Group Limited (“Honor Fame”), a wholly-owned subsidiary of the Company, and the Brother Angel And His Friends Investment Ltd (the “Vendor”) entered into the agreement, pursuant to which the Honor Fame has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell, the sale shares at HK\$38,220,000.

Save as disclosed, there is no significant events affecting the Group which have occurred after the six month ended 30 June 2025 and up to the date of this report.

FOREIGN CURRENCIES AND TREASURY POLICY

Most of the Group’s business transactions, assets and liabilities are denominated in Hong Kong Dollars, United States Dollars or Renminbi. It is the Group’s treasury policy to manage its foreign currency exposure whenever its financial impact is material to the Group. During the period, apart from the borrowings mentioned above, the Group did not have any fixed interest rate borrowings and had not engaged in any financial instruments for hedging or speculative activities.

EMPLOYEES

At as 30 June 2025, the Group had 48 (31 December 2024: 55) employees in Hong Kong and China. Salaries, bonus and benefits were decided in accordance with the market condition and performance of the respective employees.

DIRECTORS’ INTERESTS IN SHARES

As at 30 June 2025, the interests of the Directors in the shares of the Company, as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, were as follows:

Long position in the shares and underlying shares of the Company

Name of Director	Nature of interest	Number of Shares held	Number of underlying Shares held in options granted under the share option scheme of the Company	Percentage of number of issued shares of the Company at 30 June 2025 (Note)
Li Wei	Beneficial owner	30,778,750	7,300,000	5.17%
Law Chi Hung	Beneficial Owner	—	3,180,000	0.43%

Note: The percentage shareholding is calculated on the basis of the Company’s total number of issued shares of 736,142,730 as at 30 June 2025.

All interests stated above represent long positions in the shares of the Company.

Save as disclosed above, as at 30 June 2025, none of the directors had any long or short positions in any shares, underlying shares or debentures of the Company.

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

As at 30 June 2025, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholder had notified the Company of the relevant interests and short positions in the shares and underlying shares of the Company:

Long positions in the shares and underlying shares of the Company

Name	Nature of interest	Number of shares held	Number of underlying Shares held in the options granted under the Share option scheme of the Company	Percentage of number of issued share of the Company as at 30 June 2025 (Note)
Li Wei	Beneficial owner	30,778,750	7,300,000	5.17%
Yong Rong (HK) Asset Management Limited	Beneficial owner	136,940,000	—	18.60%

Note: The percentage shareholding is calculated on the basis of the Company's issued share capital of 736,142,730 as at 30 June 2025.

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

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the period.

CORPORATE GOVERNANCE

The Company has complied throughout the period with the Corporate Governance Code and Corporate Governance Report (the "Code") as set out in Appendix C1 to the Listing Rules except the following major deviations:

Code Provision C.5.3 and C.5.8

Code Provisions C.5.3 and C.5.8 stipulate that 14-day notice should be given for each regular board meeting and that in respect of regular meetings, and so far as practicable in all other cases, an agenda and accompanying board papers should be sent in full to all directors in a timely manner and at least three days before the intended date of a board or board committee meeting (or such other period as agreed).

The Company agrees that sufficient time should be given to the directors in order to make a proper decision. In these respects, the Company adopts a more flexible approach (and yet sufficient time has been given) in convening board meetings to ensure efficient and prompt management decisions could be made.

REMUNERATION COMMITTEE

The remuneration committee of the Company (the “Remuneration Committee”) comprises three independent non-executive directors, namely Mr. Law Chi Hung being the chairman of the Remuneration Committee, Ms. Fang Ying and Mr. Guo Hui being the members of the Remuneration Committee.

NOMINATION COMMITTEE

The nomination committee of the Company (the “Nomination Committee”) comprises three independent non-executive directors, namely Ms. Fang Ying being the chairlady of the Nomination Committee, Mr. Law Chi Hung and Mr. Guo Hui being the members of the Nomination Committee.

AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”) comprises three independent non-executive directors. The Audit Committee is chaired by Mr. Law Chi Hung and comprising two other members, namely Ms. Fang Ying and Mr. Guo Hui. The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and financial reporting matters including the review of the unaudited condensed consolidated interim financial statements for the six months ended 30 June 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in Appendix C3 to the Listing Rules (the “Model Code”). Having made specific enquiry of all directors, all directors confirmed they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by directors adopted by the Company for the six months ended 30 June 2025.

MEMBERS OF THE BOARD OF DIRECTORS

As at the date hereof, the members of the Board are as follows:

Executive Directors:

Mr. Zhou Hongtao
Mr. Li Leong
Mr. Li Wei (*Chairman*)
Mr. Li Zhen

Independent Non-executive Directors:

Mr. Law Chi Hung
Ms. Fang Ying
Mr. Guo Hui

By order of the Board
Li Leong
Executive Director

Hong Kong, 29 August 2025