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Bradaverse Education (Int'l) Investments Group Limited

源宇宙教育(國際)投資集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 1082)

ANNOUNCEMENT FOR ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS

For the year ended 30 June 2025:

- The Group recorded revenue of approximately HK\$68.04 million, representing a decrease of approximately 44.38% as compared to approximately HK\$122.32 million for the last financial year.
- The Group recorded a loss attributable to owners of the Company of approximately HK\$51.65 million (2024: loss of approximately HK\$27.56 million).

As at 30 June 2025:

- The Group had a current ratio (defined as total current assets divided by total current liabilities) of approximately 1.61 times and a gearing ratio, expressed as total debts divided by the sum of total equity and total debts (total debts refer to total liabilities minus the sum of tax payable, deferred tax liabilities and dividend payable (if any)) of approximately 45.71%.

The Board does not recommend the payment of a final dividend for the year ended 30 June 2025 (2024: HK\$Nil).

FINANCIAL RESULTS

The board (“**Board**”) of directors (“**Directors**”) of Bradaverse Education (Int’l) Investments Group Limited (“**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (“**Group**”) for the year ended 30 June 2025, together with the comparative audited figures for the corresponding year ended 30 June 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2025

	NOTES	2025 HK\$’000	2024 HK\$’000
Revenue			
– Provision of private educational services		29,858	30,524
– Interest income from money lending		2,520	2,436
– Trading and services income from virtual reality (“VR”) and digital entertainment		<u>35,662</u>	<u>89,358</u>
	4	68,040	122,318
Changes in inventories of finished goods		(32,400)	(78,807)
Other income, gains and losses, net	5	(39,605)	7,996
Staff costs	7	(27,932)	(30,576)
Tutor contractor fee	7	(3,539)	(2,484)
Lease payments	7	(1,396)	(819)
Marketing expenses		(1,180)	(2,705)
Printing costs		(549)	(517)
Depreciation and amortisation		(5,961)	(6,691)
Change in fair value of financial assets at fair value through profit or loss		(6,620)	(17,408)
Other operating expenses	7	(7,669)	(8,499)
Finance costs	6	(2,812)	(2,781)
Share of results of a joint venture		–	5
Share of results of associates		<u>(538)</u>	<u>(4)</u>
Loss before tax	7	(62,161)	(20,972)
Income tax expense	8	<u>–</u>	<u>(1,532)</u>
Loss for the year		<u>(62,161)</u>	<u>(22,504)</u>

	2025	2024
NOTES	HK\$'000	HK\$'000
Other comprehensive income (expense), net of income tax		
<i>Items that will not be reclassified to profit or loss:</i>		
Fair value changes on movements in equity instruments at fair value through other comprehensive income ("FVOCI")	1,976	(735)
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translating foreign operations	3	—
Other comprehensive income (expense) for the year, net of income tax	1,979	(735)
Total comprehensive expense for the year	(60,182)	(23,239)
(Loss) profit for the year attributable to:		
Owners of the Company	(51,645)	(27,558)
Non-controlling interests	(10,516)	5,054
	(62,161)	(22,504)
Total comprehensive (expense) income for the year attributable to:		
Owners of the Company	(49,666)	(28,293)
Non-controlling interests	(10,516)	5,054
	(60,182)	(23,239)
Loss per share	9	
– Basic (HK\$)	(0.08)	(0.05)
– Diluted (HK\$)	(0.08)	(0.05)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

		2025	2024
	<i>NOTES</i>	HK\$'000	<i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		1,972	3,042
Right-of-use assets		7,888	6,699
Goodwill		7,562	20,715
Other intangible assets		893	893
Interests in associates		2,468	6
Interest in a joint venture		–	126
Financial assets at FVOCI		5,762	3,786
Non-current deposits	<i>11</i>	1,532	4,089
		28,077	39,356
Current assets			
Inventories		62	86
Trade and other receivables	<i>11</i>	14,636	30,948
Loan receivables	<i>12</i>	14,040	24,461
Amounts due from related parties		4,570	3,190
Financial assets at fair value through profit or loss (“FVPL”)	<i>13</i>	31,109	40,796
Bank balances and cash		1,541	8,651
		65,958	108,132
Current liabilities			
Trade and other payables	<i>14</i>	9,162	5,410
Contract liabilities		3,707	3,797
Lease liabilities		4,825	4,334
Current tax liabilities		3,117	3,117
Amounts due to related parties		1,374	1,240
Other borrowing	<i>15</i>	18,873	–
		41,058	17,898

		2025	2024
	NOTES	HK\$'000	HK\$'000
Net current assets		<u>24,900</u>	<u>90,234</u>
Total assets less current liabilities		<u>52,977</u>	<u>129,590</u>
Non-current liabilities			
Lease liabilities		3,431	2,773
Other borrowing	15	–	17,000
Retirement benefit obligations		<u>189</u>	<u>331</u>
		<u>3,620</u>	<u>20,104</u>
Net assets		<u><u>49,357</u></u>	<u><u>109,486</u></u>
Capital and reserves			
Share capital	16	30,402	30,402
Reserves		<u>25,680</u>	<u>74,228</u>
Equity attributable to owners of the Company		56,082	104,630
Non-controlling interests		<u>(6,725)</u>	<u>4,856</u>
Total equity		<u><u>49,357</u></u>	<u><u>109,486</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 26 January 2011 and continued in Bermuda on 7 May 2015 (Bermuda time). The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the principal place of business of the Company in Hong Kong is located at Unit 1708, 17/F., Tower II, Admiralty Centre, No. 18 Harcourt Road, Hong Kong. Its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) since 4 July 2011.

The Company acts as an investment holding company while its principal subsidiaries are principally engaged in the provision of private educational services, investment in securities, money lending business and trading of VR and gaming products and provision of related services.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the same as the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS AND CHANGES IN ACCOUNTING POLICIES

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 July 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKAS 21	Lack of Exchangeability ¹
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature – Dependent Electricity ²
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

¹ Effective for annual periods beginning on or after 1 January 2025.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

⁴ Effective for annual periods beginning on or after a date to be determined.

The directors of the Company are in the process of assessing the potential impact of the above, other than HKFRS 18, the directors of the Company anticipate that the application of all new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 “Presentation and Disclosure in Financial Statements”

HKFRS 18 “Presentation and Disclosure in Financial Statements”, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 “Presentation of Financial Statements”. This new standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” and HKFRS 7 “Financial Instruments: Disclosure”. Minor amendments to HKAS 7 “Statement of Cash Flows” and HKAS 33 “Earnings per Share” are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group’s consolidated financial statements.

3. BASIS OF PREPARATION

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values, and in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”) and by the disclosure requirements of Companies Ordinance (Chapter 622 of the laws of Hong Kong).

4. REVENUE AND SEGMENT INFORMATION

The Group’s operating and reporting segments have been identified on the basis of internal management reports prepared in accordance with the accounting policies in conformity with HKFRS Accounting Standards, that are regularly reviewed by the executive Directors, being the chief operating decision maker (“**CODM**”) of the Group, in order to allocate resources to segments and to assess their performances.

The Group’s operations have been organised based on four operating divisions as described below. Similarly, the information reported to the CODM is also prepared on such basis. No operating segments identified by the CODM have been aggregated in arriving the reportable segments of the Group.

Specifically, the Group’s reportable and operating segments are as follows:

- | | |
|---|--|
| • Provision of private educational services | – secondary tutoring services, primary tutoring services, skill courses and test preparation courses, and franchising income |
| • Investment in securities | – trading of securities |
| • Money lending | – providing loans as money lender |
| • VR and digital entertainment | – trading of VR and gaming products, provision of related services and STEAM education services |

(a) Segment revenue and results

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

For the year ended 30 June 2025

	Provision of private educational services <i>HK\$'000</i>	Investment in securities <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	VR and digital entertainment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Disaggregated by timing of revenue recognition					
Over time	29,858	–	2,520	1,275	33,653
At a point in time	–	–	–	34,387	34,387
Segment revenue (revenue from external customers)	<u>29,858</u>	<u>–</u>	<u>2,520</u>	<u>35,662</u>	<u>68,040</u>
Segment results	<u>(3,139)</u>	<u>(6,634)</u>	<u>(5,717)</u>	<u>(35,633)</u>	<u>(51,123)</u>
Bank interest income					2
Interests expenses on other borrowing					(2,001)
Share of results of associates					(538)
Unallocated corporate expenses					<u>(8,501)</u>
Loss before tax					<u>(62,161)</u>

For the year ended 30 June 2024

	Provision of educational services <i>HK\$'000</i>	Investment in securities <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	VR and digital entertainment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Disaggregated by timing of revenue recognition					
Over time	30,524	–	2,436	1,107	34,067
At a point in time	<u>–</u>	<u>–</u>	<u>–</u>	<u>88,251</u>	<u>88,251</u>
Segment revenue (revenue from external customers)	<u>30,524</u>	<u>–</u>	<u>2,436</u>	<u>89,358</u>	<u>122,318</u>
Segment results	<u>367</u>	<u>(17,488)</u>	<u>1,251</u>	<u>12,984</u>	(2,886)
Bank interest income					6
Interests expenses on other borrowing					(1,785)
Share of results of a joint venture					5
Share of results of associates					(4)
Unallocated corporate expenses					<u>(16,308)</u>
Loss before tax					<u>(20,972)</u>

The accounting policies of the operating segments are the same as the Group's accounting policies. The CODM assesses segment results using a measure of operating profit (loss) whereby certain items are not included in arriving at the segment results of the operating segments (i.e. bank interest income, interest expenses on other borrowing, share of results of a joint venture and associates, and unallocated corporate expenses).

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segments:

As at 30 June 2025

	Provision of educational services <i>HK\$'000</i>	Investment in securities <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	VR and digital entertainment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Assets					
Segment assets	<u>12,265</u>	<u>31,153</u>	<u>14,108</u>	<u>17,861</u>	75,387
Unallocated assets					
Bank balances and cash					1,481
Interests in associates					2,468
Financial assets at FVOCI					5,762
Other corporate assets					<u>8,937</u>
					<u>94,035</u>
Liabilities					
Segment liabilities	<u>15,287</u>	<u>-</u>	<u>-</u>	<u>4,103</u>	19,390
Unallocated liabilities					
Other borrowing					18,873
Current tax liabilities					3,117
Other corporate liabilities					<u>3,298</u>
					<u>44,678</u>

As at 30 June 2024

	Provision of educational services <i>HK\$'000</i>	Investment in securities <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	VR and digital entertainment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Assets					
Segment assets	<u>10,083</u>	<u>40,798</u>	<u>25,397</u>	<u>47,612</u>	123,890
Unallocated assets					
Bank balances and cash					7,729
Interests in associates					6
Interest in a joint venture					126
Financial assets at FVOCI					3,786
Other corporate assets					<u>11,951</u>
					<u>147,488</u>
Liabilities					
Segment liabilities	<u>12,491</u>	<u>327</u>	<u>–</u>	<u>1,728</u>	14,546
Unallocated liabilities					
Other borrowing					17,000
Current tax liabilities					3,117
Other corporate liabilities					<u>3,339</u>
					<u>38,002</u>

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to the operating segments other than bank balances and cash (other than those included in the money lending segment), interests in associates, interest in a joint venture, financial assets at FVOCI and other corporate assets; and
- all liabilities are allocated to the operating segments other than other borrowing, current tax liabilities and other corporate liabilities.

(c) **Other segment information**

	Provision of private educational services <i>HK\$'000</i>	Investment in securities <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	VR and digital entertainment <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
For the year ended 30 June 2025						
Capital additions	(6,483)	-	-	-	-	(6,483)
Depreciation charge on owned property, plant and equipment	(236)	-	(4)	(98)	(673)	(1,011)
Depreciation charge on right-of-use assets	(4,112)	-	-	-	(838)	(4,950)
Reversal of retirement benefit obligations	106	-	-	-	-	106
Change in fair value of financial assets at FVPL	-	(4,392)	-	-	(2,228)	(6,620)
Impairment loss on goodwill	-	-	-	(13,153)	-	(13,153)
Reversal of impairment loss (impairment loss) on trade receivables, net	36	-	-	(22,552)	-	(22,516)
Impairment loss on loan receivables, net	<u>-</u>	<u>-</u>	<u>(8,082)</u>	<u>-</u>	<u>-</u>	<u>(8,082)</u>
For the year ended 30 June 2024						
Capital additions	(3,191)	-	-	(27)	(1,706)	(4,924)
Depreciation charge on owned property, plant and equipment	(270)	-	(4)	(93)	(675)	(1,042)
Depreciation charge on right-of-use assets	(4,806)	-	-	-	(843)	(5,649)
Reversal of retirement benefit obligations	27	-	-	-	-	27
Change in fair value of financial assets at FVPL	-	(14,214)	-	-	(3,194)	(17,408)
(Impairment loss) reversal of impairment loss on trade receivables, net	(69)	-	-	4,887	-	4,818
Impairment loss on loan receivables, net	<u>-</u>	<u>-</u>	<u>(939)</u>	<u>-</u>	<u>-</u>	<u>(939)</u>

No geographical information is presented as more than 90% of the Group's assets, revenue and results for both years are derived from activities located in Hong Kong.

Major customers

Revenue from major customers, each of whom accounted for 10% or more of the total revenue, is set out below:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Customer A	<u>34,142</u>	<u>79,395</u>

The above customers are related to the VR and digital entertainment segment.

(d) Revenue from major services

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue from contracts with customers within the scope of HKFRS 15		
Secondary tutoring services	180	962
Primary tutoring services, skill courses and test preparation courses	24,821	23,778
Franchising income	4,285	3,904
STEAM education services	572	1,880
Trading of VR and gaming products and provision of related services	<u>35,662</u>	<u>89,358</u>
	<u>65,520</u>	<u>119,882</u>
Revenue from other sources		
Loan interest income	<u>2,520</u>	<u>2,436</u>
	<u>68,040</u>	<u>122,318</u>

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its revenue contracts such that information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under those revenue contracts that had an original expected duration of one year or less is not disclosed.

5. OTHER INCOME, GAINS AND LOSSES, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest income from bank deposits	2	6
Dividend income from listed equity securities	18	85
Government grants	61	54
Sponsorship fee income	1,088	1,500
Service charge income	2,357	2,385
Loss on write off/disposal of property, plant and equipment	(26)	(6)
Loss on write off/disposal of intangible assets	–	(377)
Gain on deregistration of a joint venture	3	–
(Impairment loss) reversal of impairment loss on		
– goodwill	(13,153)	–
– trade receivables and contract assets, net	(22,516)	4,818
– loan receivables, net	(8,082)	(939)
Gain on lease modifications	13	44
Others	630	426
	<u>(39,605)</u>	<u>7,996</u>

6. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on other borrowing	2,001	1,785
Interest on lease liabilities	811	996
	<u>2,812</u>	<u>2,781</u>

7. LOSS BEFORE TAX

Loss before tax has been arrived at after charging (crediting):

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Directors' emoluments	1,268	1,272
Other staff costs	25,517	28,169
Other staff's retirement benefit scheme contributions	<u>1,147</u>	<u>1,135</u>
Total staff costs	<u><u>27,932</u></u>	<u><u>30,576</u></u>
Auditors' remuneration	790	780
Legal and professional fee	1,267	1,152
Rental related fees and charges (including building management fee, air conditioning charges and government rent and rates)	1,743	1,738
Related expenses for copiers	44	52
Other daily operation related expenses	<u>3,825</u>	<u>4,777</u>
Total other operating expenses	<u><u>7,669</u></u>	<u><u>8,499</u></u>
Reversal of retirement benefit obligations	(106)	(27)
Short-term lease payments not included in the measurement of lease liabilities	<u><u>1,396</u></u>	<u><u>819</u></u>

Tutor contractor fee is calculated based on (i) certain percentage of revenue derived from secondary tutoring services; and (ii) fixed hourly rate on primary tutoring services, skill courses and test preparation courses.

8. INCOME TAX

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax:		
Hong Kong Profits Tax		
– Provision for the year	–	1,580
– Over-provision for prior year	–	(48)
	<u>–</u>	<u>(48)</u>
Total income tax expense recognised in profit or loss	<u>–</u>	<u>1,532</u>

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 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\$2,000,000 of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2,000,000.

For the year ended 30 June 2025, no provision for Hong Kong Profits Tax was made as the Group did not have assessable profit.

9. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company for both years are based on the following data:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss for the purpose of basic and diluted loss per share		
Loss for the year attributable to owners of the Company	<u>(51,645)</u>	<u>(27,558)</u>
	2025	2024
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share		
Issued ordinary shares at 1 July	608,046,880	596,430,880
Effect of shares issued under share option scheme on 5 October 2023	–	4,284,590
Effect of shares issued under share option scheme on 3 January 2024	<u>–</u>	<u>2,856,393</u>
Weighted average number of ordinary shares at 30 June	<u>608,046,880</u>	<u>603,571,863</u>

The computation of diluted loss per share does not assume the exercise of the Company's share options because the exercise price of those share options was higher than the average market price for shares for the years ended 30 June 2025 and 2024.

10. DIVIDENDS

The board of Directors does not recommend the payment of a final dividend for the year ended 30 June 2025 (2024: HK\$Nil).

11. TRADE AND OTHER RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Contract assets and trade receivables, net of loss allowance	10,119	13,784
Rental deposits	2,597	2,704
Other deposits	2,110	4,970
Prepayments	984	12,987
Other receivables, net of loss allowance	358	592
	16,168	35,037
Less: Rental deposits and other deposits (shown under non-current assets)	(1,532)	(4,089)
Trade and other receivables (shown under current assets)	14,636	30,948

Included in the Group's other receivables, prepayments and deposits were rental deposits and other deposits amounting to approximately HK\$1,532,000 and HK\$Nil (2024: approximately HK\$1,089,000 and HK\$3,000,000) respectively, which is expected to be recovered or recognised as expenses after more than one year. All of the other trade and other receivables are expected to be recovered or recognised as expenses within one year.

(a) Ageing analysis

The following is an ageing analysis of contract assets and trade receivables (net of loss allowance), presented based on the invoice date at the end of the reporting period which approximated the respective revenue recognition dates:

	2025 HK\$'000	2024 HK\$'000
Contract assets	62	26
Trade receivables:		
0 to 30 days	844	7,736
31 to 60 days	59	3,818
61 to 90 days	104	2,180
More than 90 days	9,050	24
	10,119	13,784

Trade receivables are usually due within 30 days (2024: within 30 days) from the date of billing.

12. LOAN RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loan receivables	26,580	28,919
Less: Impairment loss	<u>(12,540)</u>	<u>(4,458)</u>
	<u>14,040</u>	<u>24,461</u>

Loan receivables represent outstanding principals and interest arising from the money lending business of the Group.

A maturity profile of the loan and interest receivables as at the end of the reporting period, based on the maturity date, net of provision, is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0–90 days	7,241	12,967
91–180 days	4,878	4,973
181–365 days	<u>1,921</u>	<u>6,521</u>
	<u>14,040</u>	<u>24,461</u>

The Group seeks to maintain strict control over its outstanding loan receivables so as to minimise credit risk by receiving borrower's and their guarantors' financial positions. The granting of loan is subject to approval by the management, whilst overdue balances are reviewed regularly for recoverability. As at 30 June 2025, loan receivables are charging on effective interest rates mutually agreed with the contracting parties, ranging from 9% to 12% (2024: 9% to 15%) per annum.

The Group has a policy for assessing the impairment on loan receivables on an individual basis. The assessment includes evaluation of collectability and ageing analysis of the loan receivables and on management's judgement on creditworthiness, past collection history of each borrower and forward-looking information.

Loan receivables with outstanding principal and interest as at 30 June 2025 in aggregate amount of approximately HK\$12,540,000 (2024: approximately HK\$4,458,000) which have been past due and impaired as at the reporting date, and additional impairment loss of approximately HK\$9,706,000 (2024: approximately HK\$998,000) and reversal of impairment loss of approximately HK\$1,624,000 (2024: approximately HK\$59,000) were respectively recognised for the year ended 30 June 2025.

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Notes	2025 HK\$'000	2024 HK\$'000
Listed equity securities in Hong Kong, at fair value	(i)	9,174	15,417
Unlisted equity securities in Hong Kong, at fair value	(ii)	15,451	16,671
Unlisted equity funds outside Hong Kong	(iii)	<u>6,484</u>	<u>8,708</u>
		<u>31,109</u>	<u>40,796</u>

Notes:

- (i) The amount represents equity securities listed in Hong Kong. The fair values of the investments are determined with reference to the quoted market bid prices in the Stock Exchange.
- (ii) As at 30 June 2025, the fair value of the unlisted equity securities represents the equity securities of Convoy Global Holdings Limited (“**Convoy Shares**”) and EJE (Hong Kong) Holdings Limited (“**EJE (Hong Kong) Shares**”), which were determined by the Directors with reference to valuations carried out by an independent qualified professional valuer. During the year ended 30 June 2025, the aggregate loss on change in fair value in respect of the Convoy Shares and EJE (Hong Kong) Shares amounting to approximately HK\$1,220,000 (2024: approximately HK\$698,000) were recognised in profit or loss.

The fair value of Convoy Shares and EJE (Hong Kong) Shares are assessed by index return method, which is a generally accepted approach in the industry.

- (iii) The unlisted equity funds at fair value represent the investments placed to private funds incorporated in the Cayman Islands.

14. TRADE AND OTHER PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	2,188	265
Other payables	1,936	1,126
Accrued tutor contractor fee, salary and other accruals	<u>5,038</u>	<u>4,019</u>
	<u><u>9,162</u></u>	<u><u>5,410</u></u>

All of the trade and other payables are expected to be settled within one year or are repayable on demand.

Included in trade and other payables are trade creditors with the following ageing analysis, based on the invoice date, as of the end of the reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 to 30 days	–	37
31 to 60 days	–	116
61 to 90 days	22	–
More than 90 days	<u>2,166</u>	<u>112</u>
	<u><u>2,188</u></u>	<u><u>265</u></u>

15. OTHER BORROWING

As at 30 June 2025 and 2024, other borrowing of the Group from an independent third party was secured by the corporate guarantee executed by the Company, carried a fixed interest rate at 11% (2024: 11%) per annum and repayable within one year (2024: repayable over one year).

16. SHARE CAPITAL

	Number of shares	Amount HK\$'000
<i>Authorised</i>		
Ordinary shares of HK\$0.05 each		
At 1 July 2023, 30 June 2024 and 30 June 2025	<u>6,000,000,000</u>	<u>300,000</u>
<i>Issued and fully paid</i>		
Ordinary shares of HK\$0.05 each		
At 1 July 2023	596,430,880	29,822
Exercise of share options	<u>11,616,000</u>	<u>580</u>
At 30 June 2024, 1 July 2024 and 30 June 2025	<u>608,046,880</u>	<u>30,402</u>

The shares issued rank *pari passu* with other shares of the Company in issue in all respects. None of the Company or its subsidiaries repurchased, sold, redeemed or cancelled any of the Company's shares during the years ended 30 June 2025 and 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

Bradaverse Education (Int'l) Investments Group Limited (“**Company**”) and its subsidiaries (together with the Company, collectively the “**Group**”) principally engages in the provision of (i) private educational services; (ii) Science, Technology, Engineering, Art and Math (“**STEAM**”) education, Virtual Reality (“**VR**”) and digital entertainment sales and services; and (iii) investment in securities. The Group also offers money lending service to further utilize the cash flow generated from our business.

For the year ended 30 June 2025 (“**Year**”), the Group recorded revenue of approximately HK\$68.04 million (2024: approximately HK\$122.32 million), representing a decrease of approximately 44.38% as compared to the last financial year. Loss attributable to owners of the Company for the Year amounted to approximately HK\$51.65 million (2024: approximately HK\$27.56 million), such loss was mainly due to (i) loss of approximately HK\$6.62 million (2024: approximately HK\$17.41 million) on change in fair value of financial assets at fair value through profit or loss primarily as a result of the fair value loss on both listed securities and private investments with reference to the bearish sentiment in Hong Kong and global stock market; (ii) the impairment loss of approximately HK\$13.15 million (2024: HK\$Nil) on goodwill; (iii) the impairment loss of approximately HK\$22.52 million (2024: reversal of approximately HK\$4.82 million) on trade receivables and contract assets; and (iv) the impairment loss of approximately HK\$8.08 million (2024: approximately HK\$0.94 million) on loan receivables, primarily as a result of the increase in asset impairment taking into account of the slow recovery of economic environment in Hong Kong, based on the prudence principle.

BUSINESS REVIEW

(i) Provision of Private Educational Services

Our provision of private educational services business includes primary tutoring services, skill course and test preparation courses and secondary tutoring services. The revenue derived from provision of private educational service amounted to approximately HK\$29.86 million during the Year (2024: approximately HK\$30.52 million). The Group has launched online classes and other online learning modes to allow students to keep up with the pace of learning.

During the Year, our learning centre was operated under our brand name of “Modern Education (現代教育)” to provide secondary tutoring services, where we offered both physical class and online class to students to meet different needs. In alignment with the Group’s overarching strategy to deliver innovative educational solutions and enhance operational efficiency, the “Modern Education” Learning Centre was relocated, and a series of refinement initiatives were launched in late June 2025. These efforts aim to foster complementary effects and synergies by leveraging the Group’s collective talents and resources. Revenue recorded from secondary tutoring services was approximately HK\$0.18 million, representing a decrease of approximately 81.25% as compared to the last financial year (2024: approximately HK\$0.96 million).

As at 30 June 2025, the Group had 8 directly-owned education centres and 29 franchised centres operating under the brand name of “Modern Bachelor Education (現代小學士)”. During the Year, there were 4 new franchisees (2024: 3) joined the franchisee scheme. The number of course enrolments recorded from directly-owned education centres was approximately 16,900 (2024: approximately 16,300). Revenue generated from directly-owned education centres and non-profit making organisations was approximately HK\$24.82 million, representing an increase of approximately 4.37% as compared to the last financial year (2024: approximately HK\$23.78 million). Revenue contributed from franchised centres to the Group during the Year was approximately HK\$4.28 million, representing an increase of approximately 9.74% as compared to approximately HK\$3.90 million in 2024.

(ii) STEAM Education, VR and Digital Entertainment sales and services

The provision of STEAM education services continues to be a vital part of the Group’s operations and the Group offered various STEAM courses under the brand name of “UFO Tech Academy (優孚奧科技學院)”. Following the Group’s strategic realignment, enhanced resource allocation will be directed toward this segment to address the significant demand in this field. During the Year, the Group generated revenue of approximately HK\$0.57 million from the provision of STEAM education services, represented a decrease of approximately 69.68% as compared to approximately HK\$1.88 million in the last financial year.

Apart from the provision of STEAM education services, the Group also generated revenue of approximately HK\$0.49 million from sales of VR products and provision of related services and approximately HK\$34.16 million from sales of gaming products during the Year (2024: approximately HK\$2.26 million and approximately HK\$87.10 million, respectively).

(iii) Money Lending Business

Besides the aforementioned business segments, the Group also offered money lending service to utilize the cash flow generated from other segments for corporations and individuals. China Rich Finance Limited (“**China Rich**”), an indirect wholly-owned subsidiary of the Company, is a holder of the money lender’s license under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) (“**Money Lenders Ordinance**”). China Rich has adopted money lending policies and procedures for handling and/or monitoring the money lending business in compliance with the Money Lenders Ordinance.

China Rich is principally engaged in carrying out money lending business by providing secured and unsecured loans to its customers. It is operated and managed by a director and a loan manager, who have years of experience in accounting, business development and/or financial services and management.

Through the business and social networks of the senior management of the Group, China Rich would identify and be referred potential clients, which would include corporate and high net wealth individual clients. China Rich would then assess the credit and risk of such potential customers based on its credit policy and procedure. Below set forth the key internal control measures and procedures of China Rich:

Loan application and approval

In progress of loan applications, internal credit assessments would be performed to decide the proposed loan size and interest rate charged. The internal credit assessment included but not limited to:

- verification and background checking, such as the identity documents and statutory records (i.e. identity card, address proof, business registration certificate, latest annual return, etc.);
- obtaining income or asset proof of the borrower and guarantor, such as share certificates, bank statements and security statements, etc.;
- the valuation documents of the collaterals (if any); and
- the verification of the authenticity of the information provided.

Furthermore, China Rich would perform public search towards the borrower and guarantor (if any) to ensure compliance with the relevant requirements and regulations of anti-money laundering and counter-terrorist financing (“**AML & CTF**”). For each loan application, rather than a pre-set minimum amount of income/revenue/profit/total asset/net asset level, the management would determine and approve the loan amount and interest rates based on the relevant financials, repayment ability and the overall quality of borrowers/guarantors and the respective collaterals, subject to business negotiations and market conditions. In general, the aggregate value of 12-month income/profit before tax and net asset value/net worth of the prospective borrower or its guarantor are the key financial benchmarks adopted by China Rich and which should not be less than the proposed loan amount and the relevant interest. The loan approval will be further subject to the judgement of the management, where certain factors may also be considered in loan assessment as additional factors that would greatly affect the likelihood of the loan recoverability, such as the credit history, career profile, business or family background of the borrower/guarantor and the purpose of the borrowing.

Recovery and collection of loan receivables

Upon granting the loan, China Rich would keep track of the repayment records and loan portfolio on an on-going basis and conduct recoverability review at each period end, in particular for any past due loan accounts. China Rich would follow the review procedure as follow: (i) obtain and review the repayment records of every loan and interests repayment to ensure every repayment is repaid on schedule and at the appropriate amount; (ii) communicate actively with the customers for past due repayment; and (iii) conduct legal action when considered necessary. China Rich would further obtain the updated financial information from the borrowers when late repayment records were noted to assess the recoverability of loan. Different procedures and effort are put onto the loan recovery, appropriate actions, such as sending legal demand letter, legal proceedings arrangement, etc., would be considered by China Rich, subject to the recovery situation of the loans and negotiation with customers.

As at 30 June 2025, the loans receivables of China Rich were loan with guarantee and unsecured loans. The management of China Rich are of the view that the composition is reasonable and in the interests of the shareholders as a whole, considering that a relatively higher interest yield could be associated with an unsecured loan, given that the borrower can fulfill China Rich’s loan approval requirements as mentioned above.

Impairment provisions

The Group adopted estimated credit loss allowances according to the requirements of Hong Kong Financial Reporting Standard (“**HKFRS**”) 9 issued by the Hong Kong Institute of Certified Public Accountants. The Group made impairment provision on loan and interest receivables primarily based on the future macroeconomic conditions and borrowers’ creditworthiness (e.g. the likelihood of default by customers). Such assessment has taken regard of quantitative and qualitative historical information and also, the forward-looking analysis.

The following table shows the China Rich’s loan balance as at 30 June 2025 by different nature of loans.

	Total number of borrowers	Loan principal as at 30 June 2025 HK\$’000	Interest rate per annum %	Term Months	% of total loan principal as at 30 June 2025 %
Loan with guarantee	1	5,000	12	12	19.24
Unsecured loans	<u>6</u>	<u>20,992</u>	9–12	12	<u>80.76</u>
Total	<u>7</u>	<u>25,992</u>			<u>100.00</u>

A maturity profile of the loans and interest receivables as at the end of the reporting period, based on the maturity date, net of provision, is as follow:

	2025 HK\$’000	2024 HK\$’000
0–90 days	7,241	12,967
91–180 days	4,878	4,973
181–365 days	<u>1,921</u>	<u>6,521</u>
	<u>14,040</u>	<u>24,461</u>

China Rich's five largest loan receivables and interest receivables amounted to approximately HK\$24.25 million or 91.23% (2024: approximately HK\$24.74 million or 85.56%) of its total loan receivables and interest receivables, of which approximately HK\$7.24 million or 27.26% (2024: approximately HK\$7.25 million or 25.06%) was made to the largest customer.

Loan receivables with outstanding principal and interest as at 30 June 2025 in aggregate amount of approximately HK\$12.54 million (2024: approximately HK\$4.46 million) which have been past due and impaired as at the reporting date, and additional impairment loss of approximately HK\$9.71 million (2024: approximately HK\$998,000) and reversal of impairment loss of approximately HK\$1.63 million (2024: approximately HK\$59,000) were respectively recognised for the Year.

Investments

Assets Investments

Financial assets at fair value through profit or loss ("FVPL")

During the Year, the Group continued to participate in the stock market for securities trading. The Group acquired listed securities in 3 listed companies in Hong Kong and disposed listed securities in 8 listed companies in its investment portfolio during the Year. As at 30 June 2025, the Group had financial assets at FVPL with a fair value of approximately HK\$31.11 million (30 June 2024: approximately HK\$40.80 million). The Group recorded a loss in fair value change of approximately HK\$6.62 million, in aggregate, on financial assets at FVPL (2024: loss of approximately HK\$17.41 million) with reference to the bearish sentiment in Hong Kong and global stock market.

Details of the significant investments and other investments in the portfolio under financial assets at FVPL with a value of 5% or more of the Group's audited total assets as at 30 June 2025 are as follows:

Description of investments	Principal businesses	Number of shares held	Percentage held to the total issued share capital of the company (approximately)	Investment cost HK\$'000	Fair value as at 30 June 2025 HK\$'000	Percentage to the Group's audited total assets as at 30 June 2025 (approximately)
Significant investment						
Convoy Global Holdings Limited ("Convoy"), incorporated in the Cayman Islands	Financial advisory business, money lending business, proprietary investment business, asset management business and securities dealing business.	348,904,000	2.34%	122,116	14,481	15.40%
Other investments						
Listed equity securities*				18,340	9,174	9.76%
Unlisted equity securities				6,717	970	1.03%
Unlisted equity funds				<u>11,020</u>	<u>6,484</u>	<u>6.90%</u>
Grand total				<u>158,193</u>	<u>31,109</u>	<u>33.09%</u>

* Listed equity securities included the equity securities of 3 companies which are listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") and the equity securities of 2 companies which are listed on GEM of the Stock Exchange. Each of the investments included in the listed equity securities does not exceed 5% of the Group's audited total assets as at 30 June 2025.

Details of the change in fair value of financial assets at FVPL during the Year are as follows:

Description of investments	Net realised fair value loss for the Year HK\$'000	Net unrealised fair value loss for the Year HK\$'000
Convoy	—	(1,219)
Listed equity securities*	(750)	(2,423)
Unlisted equity funds	—	(2,228)
Grand total	(750)	(5,870)

* Listed equity securities included the equity securities of 6 companies which are listed on the Main Board of the Stock Exchange and the equity securities of 4 companies which are listed on GEM of the Stock Exchange.

Financial assets at fair value through other comprehensive income (“FVOCI”)

The Group held significant investment under financial assets at FVOCI with a value of 5% or more of the Group’s audited total assets as at 30 June 2025 as below:

Description of investment	Principal businesses	Number of shares held	Percentage held to the total issued share capital of Gransing (approximately)	Investment cost HK\$'000	Carrying amount as at 30 June 2025 HK\$'000	Percentage to the Group’s audited total assets as at 30 June 2025 (approximately)
Gransing Financial Group Limited (“Gransing”), incorporated in the British Virgin Islands	Dealing in securities, securities advisory, corporate finance advisory, asset management and wealth management services and money lending in Hong Kong.	26	7.34%	30,831	5,762	6.13%

Performance and future prospects of the Company's significant investments

(1) Convoy

The Listing Committee of the Stock Exchange cancelled Convoy's listing under Rule 6.01A of the Listing Rules with effect from 9:00 a.m. on 4 May 2021.

On 14 November 2022, AGBA Acquisition Limited (Nasdaq: AGBA) completed a reverse merger to acquire 100% of Convoy's Platform Business and a 30% stake in its independent financial advisory (IFA) business. Following the transaction, the combined entity was renamed "AGBA Group Holding Limited", with its common stock and warrants trading on the Nasdaq Capital Market ("**Nasdaq**") under the ticker symbols "AGBA" and "AGBAW" starting 15 November 2022. Recently, AGBA announced the completion of its merger with Triller Corp. ("**Triller**"). As a result of this merger, AGBA has rebranded itself as Triller Group Inc.. The combined company's common stock and warrants began trading under the new ticker symbols "ILLR" and "ILLRW" on the Nasdaq on 16 October 2024. Following the merger, former AGBA shareholders would own 30% of the combined company's outstanding common stock, while former Triller stockholders would own 70%. The Directors would continue to monitor the situation of Convoy to protect the interest of the Group.

(2) Gransing

Based on the financial information provided by the management of Gransing ("**Gransing Management**"), the Directors noted from the unaudited financial results of Gransing and its subsidiaries ("**Gransing Group**") for the six months ended 30 June 2025 that a profit was recorded (for the six months ended 30 June 2024: a profit), and the fair value of the total equity value of Gransing increased accordingly during the Year. In the second half of 2025, the Gransing Group will continue to focus on its principal businesses in Hong Kong and the People's Republic of China and will formulate appropriate business strategies to maximise its return. The Directors would continue to monitor the business development of the Gransing Group and protect the interest of the Group.

Investment strategy for the Company's significant investments

Following the cancellation of Convoy's listing status, the liquidity for Convoy Shares as private equities has been significantly limited. In light of these circumstances, the Group has implemented a prudent investment strategy for its substantial investment in Convoy.

Given this situation, the primary approach of the Group is on long-term holding, which allows the Group to weather market fluctuations and potential volatility arising from unfavorable changes in Convoy's circumstances. While the preference of the Group is to continue holding, the Group remains attentive to market updates and open to exploring various exit options. These options include private sales or potential opportunities for Convoy to relist in different markets.

The overarching objective of the Group is to safeguard shareholder value through careful consideration of the investment landscape. The Group regularly assesses market conditions and adjusts investment strategy accordingly to ensure the best possible outcomes for the shareholders.

FINANCIAL REVIEW

Revenue

The Group recorded revenue of approximately HK\$68.04 million for the Year, representing a decrease of approximately 44.38% as compared to approximately HK\$122.32 million recorded in the last financial year.

During the Year, revenue generated from the segment of provision of private educational services is as below:

- Secondary tutoring services: a decrease in revenue to approximately HK\$0.18 million, representing a decrease of approximately 81.25% as compared to approximately HK\$0.96 million recorded in the last financial year.
- Primary tutoring services, skill courses and test preparation courses, and franchising: an increase in revenue to approximately HK\$29.11 million, representing an increase of approximately 5.17% as compared to approximately HK\$27.68 million recorded in the last financial year.

During the Year, the Group recorded revenue from the segment of STEAM education services, VR and digital entertainment: (i) trading of VR products and provision of related services of approximately HK\$0.49 million (2024: approximately HK\$2.26 million); (ii) the STEAM education services of approximately HK\$0.57 million (2024: approximately HK\$1.88 million); and (iii) trading of gaming products of approximately HK\$34.16 million (2024: approximately HK\$87.09 million).

During the Year, the Group recorded loan interest income from the segment of money lending business of approximately HK\$2.52 million (2024: approximately HK\$2.44 million).

Other income, gains and losses, net

For the Year, the Group's other income, gains and losses recorded a net loss of approximately HK\$39.61 million (2024: net gain of approximately HK\$8.00 million). Such loss was mainly due to the net effect of (i) sponsorship fee income of approximately HK\$1.09 million; (ii) service charge income of approximately HK\$2.36 million; (iii) impairment loss on trade receivables of approximately HK\$22.52 million; (iv) impairment loss on loan receivables of approximately HK\$8.08 million; and (v) impairment loss on goodwill of approximately HK\$13.15 million.

Staff costs

The Group's staff costs decreased by approximately HK\$2.65 million or 8.67% to approximately HK\$27.93 million as compared to approximately HK\$30.58 million recorded in the last financial year, which was primarily due to the refining of business operation for cost-efficiency during the Year.

Tutor contractor fee

The Group's tutor contractor fee increased by approximately HK\$1.06 million or 42.74% to approximately HK\$3.54 million for the Year as compared to approximately HK\$2.48 million recorded in the last financial year, which was primarily due to the change of workforce structure to allow for greater flexibility in business operation during the Year.

Marketing expenses

The Group's marketing expenses decreased significantly by approximately HK\$1.53 million or 56.46% to approximately HK\$1.18 million for the Year as compared to approximately HK\$2.71 million for the last financial year, which was primarily due to the shifting to more cost-efficient advertising media during the Year.

Other operating expenses

The Group's other operating expenses ("Other Operating Expenses") were mainly comprised of the following:

	<i>HK\$'000</i> <i>(approximately)</i>
Auditor's remuneration	790
Legal and professional fee	1,267
Rental related fees and charges (including building management fee, air conditioning charges and government rent and rates)	1,743
Related expenses for copiers	44
Other daily operation related expenses*	<u>3,825</u>
Total	<u><u>7,669</u></u>

* *Other daily operation related expenses mainly include but not limited to consulting fee, electricity and water charges, cleaning charges, telephone and fax charges, postage and courier fees, computer expenses, cartage, licence fee, transaction fee, repair and maintenance fee, insurance fee and other interest charges.*

For the Year, Other Operating Expenses decreased by approximately HK\$0.83 million or 9.76% to approximately HK\$7.67 million as compared to the last financial year. Such decrease was mainly as a result of the the continuing implementation of cost control and operational efficiency measures during the Year.

Finance costs

The Group recorded finance costs of approximately HK\$2.81 million during the Year (2024: approximately HK\$2.78 million), in which the amount represented the finance costs recognised on lease liabilities and other borrowing.

Loss attributable to owners of the Company

Loss attributable to owners of the Company for the Year amounted to approximately HK\$51.65 million (2024: approximately HK\$27.56 million), such loss was mainly due to (i) loss of approximately HK\$6.62 million (2024: approximately HK\$17.41 million) on change in fair value of financial assets at fair value through profit or loss primarily as a result of the fair value loss on both listed securities and private investments with reference to the bearish sentiment in Hong Kong and global stock market; (ii) the impairment loss of approximately HK\$13.15 million (2024: HK\$Nil) on goodwill; (iii) the impairment loss of approximately HK\$22.52 million (2024: reversal of approximately HK\$4.82 million) on trade receivables and contract assets; and (iv) the impairment loss of approximately HK\$8.08 million (2024: approximately HK\$0.94 million) on loan receivables, primarily as a result of the increase in asset impairment taking into account of the slow recovery of economic environment in Hong Kong, based on the prudence principle.

OUTLOOK

With the development of the education industry, the Group has strategically repositioned for sustained growth, highlighted by the change of company name to Bradaverse Education (Int'l) Investments Group Limited in January 2023, reflecting our progression beyond traditional education services. Our core strategy is to achieve diversification of revenue streams by integrating technologies into our products and establishing new business divisions.

We are upgrading our current products by integrating the latest artificial intelligence (“AI”) technologies, and actively developing high-tech and innovative education services. Our brands, “Modern Education (現代教育)” and “Modern Bachelor Education (現代小學士)”, are being enhanced by integrating technologies such as VR, augmented reality and AI, enabling students to learn more flexibly and effectively with the aids of these technologies. This also allows the Group to expand its businesses into larger markets and new segments, such as vocational and technical training, boosting the overall efficiency of both students and the Group by combining traditional and technology-driven learning approaches.

The Group is committed to becoming a leading content and solution provider in the STEAM education industry. Through close collaboration with various stakeholders, the Group will deepen its involvement in universal education and technological innovation development in advanced fields such as aerospace, astronautics, AI and chips, thereby expanding its business horizons and evolving into a more comprehensive service provider of technology-driven education and edtech solutions.

Looking forward, the Group expects to achieve more robust growth for its traditional education business, driven by complementary effects and synergies. The Group will proactively explore growth opportunities in the digital education sector through strategic partnerships and technological integration, positioning itself for more diversified and sustainable development and ultimately creating long-term value for all the stakeholders.

LIQUIDITY AND FINANCIAL RESOURCES

The Group has established an adequate liquidity risk management system to manage its short, medium and long-term funding and to satisfy its liquidity management requirements.

As at 30 June 2025, the Group's total balance of cash and cash equivalents amounted to approximately HK\$1.54 million (30 June 2024: approximately HK\$8.65 million), of which approximately 99.98% is held in Hong Kong dollars and approximately 0.02% is held in Renminbi. Current ratio (defined as total current assets divided by total current liabilities) was approximately 1.61 times (30 June 2024: approximately 6.04 times).

As at 30 June 2025, the total amount of interest-bearing borrowing of the Group was approximately HK\$18.87 million (30 June 2024: approximately HK\$17.00 million), all of which would be repayable on demand and due within one year (30 June 2024: over one year). The total amount of interest-bearing borrowing was secured by guarantee provided by the Company and denominated in Hong Kong dollars and bore a fixed interest rate.

As at 30 June 2025, the Group's interest-bearing other borrowing and net borrowings (total interest-bearing liabilities less cash and cash equivalents) were amounted to approximately HK\$18.87 million and HK\$17.33 million, respectively (30 June 2024: approximately HK\$17.00 million and HK\$8.35 million, respectively).

As at 30 June 2025, the gearing ratio of the Group was approximately 45.71% (30 June 2024: approximately 24.16%). Gearing ratio is total debts divided by the sum of total equity and total debts. Total debts refer to total liabilities minus the sum of tax payable, deferred tax liabilities and dividend payable (if any).

IMPAIRMENT ASSESSMENT OF LOAN RECEIVABLES AS AT 30 JUNE 2025

As at 30 June 2025, all of the loan receivables were with guarantee or unsecured and interest-bearing at fixed rates mutually agreed between the contracting parties, ranging from 9% to 12% (2024: 9% to 15%) per annum. Loan receivables with outstanding principal and interest as at 30 June 2025 in aggregate amount of approximately HK\$12.54 million (2024: approximately HK\$4.46 million) which have been past due and impaired before the date of this announcement. During the Year, approximately HK\$8.08 million of impairment loss on loan and interest receivables was recognised (2024: approximately HK\$0.94 million).

The Group estimates the loss allowances for loan receivables by assessing the expected credit losses. This requires the use of estimates and judgements. Where the estimation is different from the previous estimate, such difference will affect the carrying amounts of loan receivables and thus the impairment loss in the period in which such estimate is changed. The Group has a policy for assessing the impairment on loan receivables on an individual basis. The assessment includes evaluation of collectability and ageing analysis of the loan receivables and on management's judgement on credit worthiness, collateral and past collection history of each borrower. Further details of the impairment assessment of the loan receivables are disclosed in notes 5 and 12 to this announcement.

CAPITAL STRUCTURE AND TREASURY POLICIES

The Group consistently employed prudent treasury policies during its development and generally financed its operations and business development with internally generated resources and equity and/or debt financing activities. The Group also adopted flexible and prudent fiscal policies to effectively manage the Group's assets and liabilities and strengthen its financial position.

EXPOSURE TO FOREIGN EXCHANGE RISK

The income and expenditure of the Group are mainly denominated in Hong Kong dollars and as such the impact of foreign exchange risks on the Group was considered minimal. Hence, no hedging or other arrangements have been implemented to reduce the foreign exchange risks.

EMPLOYEE AND REMUNERATION POLICIES

As at 30 June 2025, the Group had a total of 78 full-time employees (30 June 2024: 94 full-time employees). They received competitive remuneration packages that were constantly monitored against the market pay rate, and with incentives such as discretionary bonuses or employee share options based on the Group's and individual's performance. The Group provided comprehensive benefits packages and career development opportunities. In-house and external training programmes were provided as and when required.

EQUITY-LINKED AGREEMENTS

Save as disclosed below, during the Year, the Company has not entered into, or there has not subsisted at the end of the Year, any other equity-linked agreement (as defined in section 6 of the Companies (Director's Report) Regulation (Chapter 622D of the HK Laws)).

SHARE OPTION SCHEMES

The Group has share option schemes under which the Company may grant options to participants, including directors and employees of the Group and related entities to the Group, to subscribe for shares of the Company. As at 30 June 2025, no options have been granted under the share option scheme adopted on 21 December 2023, while all options granted under the share option scheme adopted on 4 December 2020 and terminated on 21 December 2023 were lapsed (30 June 2024: 46,464,000 shares).

CONTINGENT LIABILITIES

As at 30 June 2025 and 2024, the Group had no significant contingent liabilities.

CAPITAL COMMITMENTS

As at 30 June 2025 and 2024, there were no capital commitments contracted for but not provided in the consolidated financial statements of the Group.

CHARGES ON THE GROUP'S ASSETS

The Group had neither pledged any assets nor any general banking facilities as at 30 June 2025 and 2024.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules), if any) during the Year. As at 30 June 2025, the Company did not hold any treasury shares.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have any material acquisition and disposal during the Year.

FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

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

EVENTS AFTER THE REPORTING PERIOD

The fair values of listed equity securities are determined based on the quoted market closing price available on the Main Board and GEM of the Stock Exchange at the end of the reporting period.

As at the date of the board of Directors' approval of these consolidated financial statements, the realised losses and unrealised gains on financial assets at FVPL from changes in fair value on financial assets at FVPL held as at 30 June 2025 amounted to approximately HK\$0.31 million and HK\$1.39 million respectively.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors (“**Code of Conduct**”). Having made specific enquiries to the Directors, each of the Directors confirmed his/her compliance with the required standard set out in the Model Code and the Code of Conduct throughout the Year.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has applied the principles in and adopted the code provisions of the corporate governance code set out in Appendix C1 to the Listing Rules (“**CG Code**”) as its own corporate governance code. During the Year, the Company has complied with all the code provisions of the CG Code except the deviations disclosed in the following paragraphs.

The positions of the chief executive officer of the Company and the chairman of the Board have been vacated since 9 November 2017 and 19 December 2017 respectively as the Company has not been able to identify suitable candidates for the positions and remain vacated as at the date of this announcement. The aforesaid vacancies constitute a deviation from Code Provision C.2 of the CG Code, which set out the code provisions applicable to the chairman and the chief executive of a company.

Code Provision C.1.7 of the CG Code provides that appropriate insurance cover in respect of legal action against directors should be arranged. Currently, the Company does not have insurance cover for legal action against the Directors. However, every Director is, subject to the provisions of the applicable laws, indemnified out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty in their offices pursuant to Bye-law 164 of the bye-laws of the Company. In view of the above, the Board considered that the Directors' exposure to risk is manageable and that benefits to be derived from taking out insurance may not outweigh the cost.

LITIGATION

- (1) On 19 December 2017, Fastek Investments Limited (“**Fastek**”), an indirectly wholly-owned subsidiary of the Company, received a writ of summons (“**Writ**”) with statement of claim issued in the Court of First Instance of the High Court of Hong Kong (“**CFI**”) by Convoy and certain subsidiaries of Convoy (“**Plaintiffs**”) to claim an order against Fastek, as one of the placees under the placing of Convoy Shares conducted in October 2015, that Fastek was wrongly placed the Convoy Shares and wrongly received certain circular financing facilities by one of the Plaintiffs.

On 31 May 2018, the Plaintiffs filed an amended statement of claim (“**Amended SoC**”) against, among other defendants, Fastek, pursuant to which:

- (i) Convoy (the 1st plaintiff) seeks, inter alia, (i) a declaration and order as against the placees that the allotment of the Convoy Shares is null and void or has been rescinded and set aside; (ii) an account of profits and an order for payment of any sums found to be due, equitable compensation to be assessed, and/or damages to be assessed for breach of fiduciary, common law and/or statutory duties, dishonest assistance, unlawful means conspiracy and/or lawful means conspiracy, as against, among others, Fastek;
- (ii) Convoy Collateral Limited and CSL Securities Limited (the 2nd plaintiff and the 3rd plaintiff) seek, inter alia, an order against, among others, Fastek as one of the direct recipients of funds under the said circular financing arrangement for an account of profits and an order for payment of any sums found to be due, equitable compensation to be assessed, and/or damages to be assessed for breach of fiduciary, common law and/or statutory duties, dishonest assistance, unlawful means conspiracy and/or lawful means conspiracy; and
- (iii) the Plaintiffs seek against all the defendants (a) general or special damages; (b) interests; (c) costs; (d) further and/or other reliefs.

On 5 June 2018, the solicitors for Fastek received a letter from the solicitors for the Plaintiffs dated 4 June 2018 which clarified that the Amended SoC (which states “**re-filed on 31 May 2018**”) served on Fastek on 31 May 2018 has yet to be officially filed in the CFI pending the resolutions of the Plaintiffs’ applications lodged with Mr. Justice Harris on 4 June 2018 to amend the statement of claim and to add new parties by amending the Writ.

On 25 July 2018, Fastek received a sealed order of the hearing for the Plaintiffs’ summons held on 28 June 2018 (“**Order**”). Pursuant to the Order, it is ordered, among other matters, that as between the Plaintiffs and Fastek (among certain other defendants), the Plaintiffs do have leave to file and serve the Amended SoC. On 9 July 2018, the Plaintiffs served on Fastek copies of the amended Writ and Amended SoC.

Pursuant to the order of Mr. Justice Harris granted on 12 July 2019, the Plaintiffs have filed and served its re-amended Writ and the re-amended statement of claim on 16 July 2019.

The Plaintiffs filed and served their reply to Fastek's defence filed on 18 October 2018 on 13 February 2020.

Thereafter, the Plaintiffs filed their re-re-amended statement of claim on 27 July 2020 pursuant to the order of Mr. Justice Harris granted during the hearing of the striking out application taken out by the 26th defendant on 9 January 2020.

- (2) On 2 January 2018, Fastek received a petition dated 27 December 2017 made by the petitioner filed with the CFI, whereby the petitioner seeks, among other things, a declaration that the placement of Convoy Shares to Fastek in October 2015 is void ab initio and of no legal effect.

Please refer to the announcements of the Company dated 19 December 2017, 2 January 2018, 4 June 2018, 7 June 2018 and 25 July 2018 for details on the litigations involving the Group.

Given that the litigations are still at a preliminary stage and has not gone into substantive pleading stage, and having considered the alleged claims and consulted with the Company's legal advisers, the Directors are of the views that (i) it is premature to assess the possible outcome of any claim which is pending, either individually or on a combined basis; (ii) it is uncertain as to whether there will be any impact, and if so, the quantum, on the financial position of the Group; and (iii) no provision for the claims in these legal proceedings is required to be made based on their current development. The Directors will monitor these litigations against the Group closely and the Company will continue to keep the shareholders of the Company and potential investors informed of any further material development.

REVIEW OF ANNUAL RESULTS

The audit committee of the Company has reviewed the accounting principles and practices adopted by the Group and the audited consolidated results of the Group for the Year and discussed auditing, internal controls and financial reporting matters of the Group for the Year.

SCOPE OF WORK OF THE GROUP'S AUDITORS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Year as set out in this results announcement have been agreed by the Group's auditors, Baker Tilly Hong Kong Limited. The work performed by Baker Tilly Hong Kong Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Baker Tilly Hong Kong Limited in this announcement.

ACKNOWLEDGEMENT

The Group would like to express its heartfelt appreciation to its employees for their contributions to the Group. The Group would also like to express its deepest gratitude to the shareholders and investors of the Company for their support. The Group will continue to create value and contribute to the Group to benefit all its stakeholders.

By order of the Board
Bradaverse Education (Int'l) Investments Group Limited
Yip Kai Pong
Executive Director

Hong Kong, 26 September 2025

As at the date of this announcement, the executive Directors are Mr. Yip Kai Pong and Mr. Li Ming Him; and the independent non-executive Directors are Mr. Yuen Chun Fai, Mr. Hong Ka Kei and Ms. Leung Lai Yan.