



BFB HEALTH LIMITED

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

(Stock Code: 205)

2026

Interim Report



The board (the “Board”) of directors (the “Directors”) of BFB Health 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 2026 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	Six months ended 30 June	
		2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Revenue	3	283,724	15,744
Cost of sales		(164,021)	(8,100)
Gross profit		119,703	7,644
Other income		982	704
Fair value changes on financial assets at fair value through profit or loss (“FVTPL”)		2,960	8,861
Other gains and losses, net	4	(3,728)	(1,355)
Selling and distribution costs		(88,707)	(539)
Administrative expenses		(19,674)	(15,015)
Finance costs		(242)	(436)
Share of loss of an associate		(336)	(240)
Profit/(loss) before tax	5	10,958	(376)
Income tax expenses	6	(1,193)	–
Profit/(loss) for the period		9,765	(376)

		Six months ended 30 June	
	Notes	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Profit/(loss) for the period		9,765	(376)
Other comprehensive expense for the period			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		(1,186)	(1,069)
Total comprehensive income/(expense) for the period		8,579	(1,445)
Profit/(loss) for the period attributable to:			
Owners of the Company		9,226	(829)
Non-controlling interests		539	453
		9,765	(376)
Total comprehensive income/(expense) for the period attributable to:			
Owners of the Company		8,512	(1,537)
Non-controlling interests		67	92
		8,579	(1,445)
Earnings/(loss) per share (HK cents)			
Basic	8	0.8	(0.1)
Diluted	8	0.8	(0.1)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment	9	1,673	954
Goodwill and intangible assets		49,539	49,539
Interest in an associate		6,160	6,496
Deposits		1,320	1,319
Right-of-use assets	9	734	873
		59,426	59,181
Current assets			
Inventories		49,292	3,677
Accounts receivable	10	132,792	42,038
Loan receivables		105,326	107,128
Other receivables, deposits and prepayments		53,464	19,515
Held-for-trading investments	11	140,705	134,917
Restricted bank balances (trust and segregated accounts)		7,783	7,783
Bank balances (general accounts) and cash		50,014	27,010
		539,376	342,068
Current liabilities			
Accounts payable	12	146,781	18,133
Other payables and accruals		180,928	121,536
Amount due to a joint venture		1,383	1,334
Borrowings		10,971	10,364
Tax payable		7,898	7,472
Lease liabilities		3,621	3,163
		351,582	162,002
Net current assets		187,794	180,066
Total assets less current liabilities		247,220	239,247



	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Non-current liabilities		
Borrowing	12,000	12,000
Deferred tax liabilities	2,064	2,064
Lease liabilities	1,896	2,502
	15,960	16,566
Net assets	231,260	222,681
Capital and reserves		
Share capital	11,042	11,042
Reserves	206,429	197,917
Equity attributable to owners of the Company	217,471	208,959
Other equity instruments	48,510	48,510
Non-controlling interests	(34,721)	(34,788)
Total equity	231,260	222,681

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Equity attributable to owners of the Company													
											Fair value through other comprehensive income			
	Share capital	Share premium	Capital reserve	Contributed surplus	Statutory reserve	Exchange	Other reserve	income FVTOCI	Share option reserve	Accumulated loss	Sub-total	Other equity instruments	Attributable to NCI	Total
						translation reserve								
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 31 December 2025 (audited)	11,042	117,445	13,092	429,374	8,407	24,612	18,043	(33,000)	15,332	(395,388)	208,959	48,510	(34,788)	222,681
Profit for the period	-	-	-	-	-	-	-	-	-	9,226	9,226	-	539	9,765
Exchange differences arising on translation foreign operations	-	-	-	-	-	(714)	-	-	-	-	(714)	-	(472)	(1,186)
Total comprehensive (expenses)/income for the period	-	-	-	-	-	(714)	-	-	-	9,226	8,512	-	67	8,579
Lapsed of share options (Note 13)	-	-	-	-	-	-	-	-	(4,474)	4,474	-	-	-	-
At 30 June 2026 (unaudited)	11,042	117,445	13,092	429,374	8,407	23,898	18,043	(33,000)	10,858	(381,688)	217,471	48,510	(34,721)	231,260

For the six months ended 30 June 2025

Equity attributable to owners of the Company													
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Contributed surplus HK\$'000	Statutory reserve HK\$'000	Exchange translation reserve HK\$'000	Other reserve HK\$'000	Fair value through other comprehensive income FVTOCI HK\$'000	Share option reserve HK\$'000	Accumulated loss HK\$'000	Sub-total HK\$'000	Attributable to NCI HK\$'000	Total HK\$'000
At 31 December 2024 (audited)	7,361	81,221	13,092	429,374	8,407	25,220	18,035	(33,000)	18,190	(392,706)	175,194	(19,773)	155,421
Loss for the period	-	-	-	-	-	-	-	-	-	(829)	(829)	453	(376)
Exchange differences arising on translation foreign operations	-	-	-	-	-	(708)	-	-	-	-	(708)	(361)	(1,069)
Total comprehensive expenses for the period	-	-	-	-	-	(708)	-	-	-	(829)	(1,537)	92	(1,445)
Lapsed of share options (Note 13)	-	-	-	-	-	-	-	-	(5,717)	5,717	-	-	-
At 30 June 2025 (unaudited)	7,361	81,221	13,092	429,374	8,407	24,512	18,035	(33,000)	12,473	(387,818)	173,657	(19,681)	153,976

Note: According to the relevant laws and regulations in the People's Republic of China (the "PRC") and the Articles of Association of the Company's subsidiaries in the PRC, those subsidiaries are required to set aside 10% of their profit after taxation to the statutory reserve (except where the reserve has reached 50% of the subsidiaries' registered capital). The profit after taxation is determined in accordance with the relevant accounting principles and financial regulations applicable to companies established in the PRC. This reserve cannot be used for purposes other than those for which it is created and is not distributable as dividends without the prior approval by the owners under certain conditions.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	22,748	(1,761)
FINANCING ACTIVITIES		
Interest paid	(42)	(221)
Repayment of lease liabilities	(150)	(743)
NET CASH USED IN FINANCING ACTIVITIES	(192)	(964)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	22,556	(2,725)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	27,010	19,548
Effect of foreign exchange rate changes	448	(787)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	50,014	16,036
Represented by :		
Bank balances, cash and cash equivalents		
– general accounts and cash	50,014	16,036

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 statements for the six months ended 30 June 2026 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2025.

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 2026 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS Accounting Standards – Volume 11	Annual Improvements to HKFRS Accounting Standards
Amendments to HKFRS 9 and HKFRS 7	Amendments to Contracts Referencing Nature – dependent Electricity

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 and e-commerce business;
- (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 2026 (Unaudited)

	Provision of advertising and e-commerce business HK\$'000	Provision of securities broking services HK\$'000	Money lending HK\$'000	Consolidated HK\$'000
REVENUE				
External sales	280,536	—	3,188	283,724
RESULT				
Segment (loss)/profit	14,804	(720)	3,488	17,572
Other income				369
Other gains and losses, net				(3,240)
Unallocated administration expenses				(6,367)
Fair value changes on held-for-trading investments				2,960
Finance costs				—
Share of loss of an associate				(336)
Profit before tax				10,958

Six months ended 30 June 2025 (Unaudited)

	Provision of advertising services HK\$'000	Provision of securities broking services HK\$'000	Money lending HK\$'000	Consolidated HK\$'000
REVENUE				
External sales	10,357	–	5,387	15,744
RESULT				
Segment (loss)/profit	(3,910)	(75)	307	(3,678)
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				(240)
Loss before tax				(376)

Segment result represents the profit/(loss) 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	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Net exchange (losses)/gains	(3,728)	(1,355)
	(3,728)	(1,355)

5. PROFIT/(LOSS) BEFORE TAX

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

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Depreciation of property, plant and equipment	32	1
Depreciation of right-of-use assets	175	552
Bank interest income	(1)	(8)
Finance costs	242	436

6. INCOME TAX EXPENSES

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 of 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 deferred tax credit during the six months ended 30 June 2026 and 2025.

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 2026 (2025: nil).

8. EARNINGS/(LOSS) PER SHARE

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

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Profit/(loss) for the period attributable to owners of the Company for the purpose of basic and diluted earnings/(loss) per share	9,226	(829)
	2026 '000 (Unaudited)	2025 '000 (Unaudited)
<i>Number of shares</i>		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	1,104,214	821,082
Effect of dilutive potential ordinary share arising from share option	58,400	83,840
Weighted average number of shares that would have been issued at average market prices	(29,045)	(60,881)
	1,133,569	844,041

The share options granted by the Company have potential dilutive effect on the earnings/(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. PROPERTY, PLANT AND EQUIPMENT, AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2026, the Group acquired the property, plant and equipment of approximately HK\$716,000 (2025: Nil) and did not dispose the property, plant and equipment (2025: Nil). The depreciation of property, plant and equipment was approximately HK\$32,000 during the six months ended 30 June 2026 (2025: HK\$1,000).

During the six months ended 30 June 2026, the Group did not enter into new lease agreement (2025: Nil). The depreciation of right-of-use assets was approximately HK\$175,000 during the six months ended 30 June 2026 (2025: HK\$552,000).

10. ACCOUNTS RECEIVABLE

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Accounts receivable arising from the business of provision of advertising services and e-commerce business	109,805	18,967
Less: allowance for expected credit loss ("ECL")	(2,901)	(2,817)
	106,904	16,150
Accounts receivable arising from the business of dealing in securities:		
– Cash clients	181,575	181,575
Less: allowance for ECL	(155,687)	(155,687)
	25,888	25,888
Total	132,792	42,038

Credit period granted by the Group to customers for provision of advertising and e-commerce business 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 and e-commerce business, presented based on date of advertising services provided or the products sold, which approximate the date of revenue recognition is as follow:

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Less than three months	90,387	11,735
Three months to six months	16,179	7,196
Six months to one year	338	36
	106,904	18,967

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 business of dealing in securities had been suspended until further notice from The Securities and Futures Commission (“SFC”) since 19 September 2023.

11. HELD-FOR-TRADING INVESTMENTS

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Held-for-trading investments include:		
Listed securities:		
– Equity securities listed in Hong Kong	139,239	131,918
– Equity securities listed in United States of America	1,466	2,999
	140,705	134,917

Held-for-trading investments as at 30 June 2026 and 31 December 2025 represent equity securities listed in Hong Kong. The fair values of the investments are determined based on the quoted market bid price. The fair value of held-for-trading investments was classified as Level 1 of the fair value hierarchy.

12. ACCOUNTS PAYABLE

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Accounts payable arising from the provision of advertising and e-commerce business	138,998	10,350
Accounts payable arising from the business of dealing in securities – Cash clients (Note)	7,783	7,783
	146,781	18,133

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 and e-commerce business presented based on the invoice date at the end of the reporting period is as follows:

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Less than three months	138,910	1,335
Three months to six months	—	—
Over six months to one year	48	—
Over one year	40	9,015
	138,998	10,350

The average credit period of accounts payable is 90 days (31 December 2025: 90 days). The Group has financial risk management policies in place to ensure that all payables are within the credit time frame.

13. SHARE OPTIONS

On 30 June 2021, the Company has adopted a share option scheme (the “Share Option Scheme”). The Company operates the Share Option Scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the operations of the Group and to enable the Group to recruit high calibre employees and attract resources that are valuable to the Group.

During the six months ended 30 June 2026, no share options were granted, exercised nor cancelled under the Share Option Scheme, but 22,260,000 share options were lapsed under the Share Option Scheme. As at 30 June 2026, there were 58,400,000 share options outstanding under the Share Option Scheme.

The number of options available for grant under the Share Option Scheme as of 1 January 2026 and 30 June 2026 were 3,214,273 and 3,214,273 respectively. The number of shares that may be issued in respect of options granted under the Share Option Scheme during the six months ended 30 June 2026 divided by the weighted average number of ordinary shares of the Company in issue (excluding treasury shares) for the six months ended 30 June 2026 was approximately Nil.

The following table discloses details of the Company’s share options held by Directors, employees and consultants of the Group and movement in such holdings during the six months ended 30 June 2026:

Grantees	Date of grants	Exercise price per share HK\$	Exercise period	Notes	Number of share options			
					Outstanding at 1 January 2026 (Audited)	Granted during the period	Forfeited during the period	Outstanding at 30 June 2026 (Unaudited)
Employees in aggregate	16 April 2021	0.1282	16 April 2021 to 15 April 2026	(1)	19,080,000	–	(19,080,000)	–
	21 July 2023	0.382	21 January 2024 to 20 July 2028	(2)	51,100,000	–	–	51,100,000
Law Chi Hung	16 April 2021	0.1282	16 April 2021 to 15 April 2026	(1)	3,180,000	–	(3,180,000)	–
Consultant	21 July 2023	0.382	21 January 2024 to 20 July 2028	(2)	7,300,000	–	–	7,300,000
					80,660,000	–	(22,260,000)	58,400,000

Notes:

- (1) The share options granted on 16 April 2021 were fully vested immediately on 16 April 2021 and fully lapsed on 15 April 2026.
- (2) The share options granted on 21 July 2023 were fully vested in six months after the grant date.

14. RELATED PARTY TRANSACTIONS

Apart from certain balances with related parties as disclosed in the condensed consolidated statement of financial position, during each of the six months ended 30 June 2026 and 2025 the Group had following related party transactions:

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Compensation to key management personnel		
Fees and salaries and other benefits	171	202
Contributions to retirement benefits schemes	–	4
	171	206



INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2026 (2025: nil).

BUSINESS REVIEW

Advertising and e-commerce business

To diversify its advertising business revenue, the Group had proactively developed digital media marketing services and MCN business since 2020. The revenue derived from the provision of advertising and marketing related services for the period was approximately HK\$280.5 million, representing approximately 98.9% of the total revenue of the Group.

In November 2025, the Group completed the Acquisition through a general mandate. BFB Group operates a well-known health and wellness brand, “Dyesoo”, at various e-commerce platform and MCN. “Dyesoo” has consistently topped the best-selling charts for health and wellness products on major e-commerce platforms.

The Group’s MCN business centred around the “Dyesoo” brand and continued to build a systematic health management brand matrix and focused on core areas such as medical weight management for men and women. By clarifying brand positioning, strengthening product research and development, and enhancing user experience, this business has further elevated the brand’s professional image and market recognition in the health management sector.

At the same time, the Group has fully leveraged the synergistic advantages of domestic and cross-border e-commerce channels to steadily advance the online presence of its health management products. Domestically, the Group has established mature operating systems on major e-commerce platforms, such as Taobao, Douyin and JD.com.

Internationally, the Group has actively expanded into emerging cross-border platforms, such as TikTok, utilizing short videos and livestreaming e-commerce formats to reach a broader overseas consumer base. Moving forward, the Group will continue to integrate resources and remain focused on the synergistic value of the health management sector on the Group’s MCN business.



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 cease 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 2026, 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 2026, the interest income from loan receivables arising from the money lending business amounted to approximately HK\$3.2 million, representing approximately 1.1% 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 2026, the principal amount of the loans ranged from approximately HK\$0.2 million to HK\$22.0 million. The amount of secured loans was approximately HK\$53.6 million and the amount of unsecured loans was approximately HK\$51.7 million. The secured loans were secured by Hong Kong listed companies shares. Both of the secured and unsecured loans with interest rates ranging from 6.0% 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 2026, the loan receivables included individual customers and corporate customers, of which the largest and the five largest borrowers had loan receivables of approximately HK\$17.7 million and HK\$53.9 million, respectively, being approximately 17% and 51% to the total loan receivables from the Group. Two of the corporate customer are investment holding companies 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 2026, 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 2026, the aggregated revenue of the Group deriving from the provision of advertising and e-commerce business was approximately HK\$280.5 million, representing increase of approximately 2,608.7% as compared with that of approximately HK\$10.4 million for the six months ended 30 June 2025. The significant increase in the revenue from the provision of advertising and e-commerce business was driven by the successful marketing efforts.

For the six months ended 30 June 2026, 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 2025: HK\$Nil) and approximately HK\$3.2 million (six months ended 30 June 2025: approximately HK\$5.4 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 2026 was approximately 42.2%, which was lower than that for the six months ended 30 June 2025 of approximately 48.6%. 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 and United States of America. For the six months ended 30 June 2026, there were fair value gain on held-for-trading investments of approximately HK\$3.0 million (six months ended 30 June 2025: gain of approximately HK\$8.9 million). The fair value gain was caused by the increase in market prices of the equity securities listed in Hong Kong and United States of America held by the Group.

The selling and distribution costs for the six months ended 30 June 2026 was approximately HK\$88.7 million, increased by approximately 16,357.7% from approximately HK\$0.5 million for the six months ended 30 June 2025. The administrative expenses increased by approximately 31.0% from approximately HK\$15.0 million for the six months ended 30 June 2025 to approximately HK\$19.7 million for the six months ended 30 June 2026. The increase in selling and distribution cost and administrative expenses in line with the increase in revenue.

For the six months ended 30 June 2026, 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 2025: HK\$Nil) was recognised.



For the six months ended 30 June 2026, 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\$0.3 million (six months ended 30 June 2025: HK\$0.2 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 profit for the six months ended 30 June 2026 attributable to owners of the Company amounted to approximately HK\$9.2 million (six months ended 30 June 2025: loss of approximately HK\$0.8 million), representing a decrease of approximately 1,212.9%. The decrease in loss was mainly attributable to the increase in revenue.

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 2026 (six months ended 30 June 2025: 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 2025 HK\$'000	Actual use of net proceeds during the six months ended 30 June 2026 HK\$'000	Actual use of net proceeds as at 30 June 2026 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 2026
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	-	-
	519,000	509,000	-	509,000	10,000	-

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

RIGHTS ISSUE

On 7 May 2025, the Company proposed to issue 368,071,365 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date, if fully subscribed) to raise gross proceeds of up to approximately HK\$40.5 million at the Subscription Price of HK\$0.11 per Rights Share on the basis of one (1) Rights Shares for every two (2) existing Shares held on the Record Date. The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders. The Rights Issue were completed on 8 July 2025, whereby 368,071,365 Rights Shares were allotted and issued. The net proceeds from the Rights Issue (after deducting all necessary costs and expenses) amounted to approximately HK\$39.9 million.

For the details of the Rights Issue, please refer to the announcements of the Company dated 7 May 2025, 2 June 2025, 25 June 2025 and 8 July 2025.



	Original intended use of proceeds HK\$ million	Actual use of proceeds as at 30 June 2026 HK\$ million	Remaining balance HK\$ million	Expected timeline for fully utilising the remaining proceeds
Repayment of the Group's bond payables	22.0	22.0	-	-
Repayment of the Group's other payable	5.5	5.5	-	-
General working capital	12.4	12.4	-	-

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

There was no material acquisitions and disposals of subsidiaries during the six months ended 30 June 2026.

SIGNIFICANT INVESTMENTS

As at 30 June 2026 and during the six months ended 30 June 2026, the Group had no significant investments (including any investment in an investee company) with a value of 5% or more of the Group's total assets.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's daily operating activities were mainly financed by internal resources. As at 30 June 2026, the Group's total equity was approximately HK\$231.3 million (31 December 2025: approximately HK\$222.7 million). The increase was mainly due to the profit for the current period of approximately HK\$9.8 million.

The Group had non-current liabilities of approximately HK\$16.0 million as at 30 June 2026 (31 December 2025: approximately HK\$16.6 million). The non-current liabilities as at 30 June 2026 mainly consisted of lease liabilities, deferred tax liabilities and borrowing. As at 30 June 2026, the Group's gearing ratio was approximately 61.4% representing a percentage of total liabilities over total assets (31 December 2025: approximately 44.5%).

As at 30 June 2026, the Group has approximately HK\$12.0 million (31 December 2025: HK\$12.0 million) bonds payables, and approximately HK\$11.0 million (31 December 2025: HK\$10.4 million) other loan.

Save as disclosed above, the Group did not have any other borrowing as at 30 June 2026.



As at 30 June 2026, the Group had bank and cash balances (other than those in trust and segregated accounts) amounted to approximately HK\$50.0 million (31 December 2025: approximately HK\$27.0 million).

PLEDGE OF ASSETS

As at 30 June 2026 and 31 December 2025, 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

There are no significant events affecting the Group which have occurred after the six months ended 30 June 2026 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 six months ended 30 June 2026, 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

As at 30 June 2026, the Group had 80 (31 December 2025: 47) 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 2026, 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 2026 (Note)
Mr. Wu Mansheng	Interest in controlled corporation (Note 2)	217,000,000	–	17.34%

Notes:

- (1) The percentage shareholding is calculated on the basis of the Company's total number of issued shares of 1,251,214,095 as at 30 June 2026.
- (2) Brother Angel And His Friends Investment Ltd., owned by Mr. Wu Mansheng as to 99.99%, held 147,000,000 Shares and BFB Group Limited, owned by Mr. Wu Mansheng as to 62.18%, held 70,000,000 Shares. Mr. Wu Mansheng was deemed to be interested in the 217,000,000 Shares pursuant to the SFO.

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

Save as disclosed above, as at 30 June 2026, 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 2026, 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	Percentage of number of issued share of the Company as at 30 June 2026 (Note 1)
Yong Rong (HK) Asset Management Limited	Beneficial owner	195,060,000	15.59%
Brother Angel And His Friends Investment Ltd. (Note 2)	Beneficial owner	147,000,000	11.75%
BFB Group Limited (Note 3)	Beneficial owner	70,000,000	5.59%

Notes:

- (1) The percentage shareholding is calculated on the basis of the Company's issued share capital of 1,251,214,095 as at 30 June 2026.
- (2) Brother Angel And His Friends Investment Ltd. was controlled as to 99.99% by Mr. Wu Mansheng, the executive Director and chairman of the Company.
- (3) BFB Group Limited was controlled as to 62.18% by Mr. Wu Mansheng, the executive Director and chairman of the Company.

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 six months ended 30 June 2026.



CORPORATE GOVERNANCE

The Company has complied throughout the six months ended 30 June 2026 with the Corporate Governance Code and Corporate Governance Report (the “Code”) as set out in Appendix C1 to the Listing Rules.

CHANGES OF INFORMATION OF DIRECTORS

There was no change in Directors’ information that required to be disclosed in accordance with Rule 13.51B(1) of the Listing Rules since the publication of the annual report of the Company for the year ended 31 December 2025 and up to the date of this report.

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 2026.



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 2026.

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. Wu Mansheng (*Chairman of the Board*)

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, 27 August 2026