



財訊傳媒集團有限公司  
SEEC MEDIA GROUP LIMITED

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*  
(stock code : 205)

2024 ANNUAL  
REPORT



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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Executive Directors:

Mr. Li Leong

Mr. Li Xi

Mr. Li Wei (Chairman) (appointed on 18 January 2023)

Mr. Li Zhen

Mr. Zhang Zhifang (resigned on 20 September 2023)

Mr. Zhou Hongtao

Independent Non-Executive Directors:

Mr. Law Chi Hung

Mr. Leung Tat Yin (resigned on 1 January 2024)

Mr. Wong Ching Cheung (resigned on 13 December 2024)

Ms. Fang Ying (appointed on 13 December 2024)

Mr. Guo Hui (appointed on 31 March 2024)

## COMPANY SECRETARY

Mr. Man Yun Wah

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2301, 23/F

The Center

99 Queen's Road Central

Sheung Wan

Hong Kong

## REGISTERED OFFICE

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

## PRINCIPAL BANKERS

China Construction Bank (Asia) Corporation Limited

## AUDITOR

Infinity CPA Limited

Room 1501, 15th Floor

Olympia Plaza, 255 King's Road

North Point, Hong Kong

## SHARE REGISTRARS AND TRANSFER OFFICE

Principal Share Registrar and Transfer Office

Conyers Corporate Services (Bermuda) Limited

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Tricor Secretaries Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

## WEBSITES

[www.irasia.com/listco/hk/seecmedia/index.htm](http://www.irasia.com/listco/hk/seecmedia/index.htm)

## STOCK CODE

205

# DIRECTOR'S STATEMENT

On behalf of the board of directors (the "Board") of SEEC Media Group Limited (the "Company"), I am pleased to present to you the annual results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2024.

## BUSINESS REVIEW

### Advertising and Sales of Books and Magazines

Over the years, the Group had provided advertising and marketing related services for its customers in China such as organizing promotional events and forums, providing and assisting in marketing research and promotional projects. Revenue derived from the business of advertising and marketing related services was one of the major sources of income to the Group. However, due to the negative impact on global economy caused by the trade war between the US and China and the rapid development of the internet economy in China over the past few years, the Group's print media advertising business faced difficult and challenging business environment in the recent year. The operational scale of the print media advertising business of the Group in China was substantially reduced due to the adverse impact of COVID-19 pandemic and the expiry of all its exclusive advertising contracts with various magazines owners or operators. As a result, the Group's revenue derived from the advertising and marketing related services were adversely affected.

To diversify its advertising business revenue, the Group had proactively developed digital media marketing services and multi-channel network (MCN) business since 2020. The revenue derived from the provision of advertising and marketing related services for the period was approximately HK\$20.2 million, representing approximately 67.1% of the total revenue of the Group.

### Securities Broking

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

The Group provides brokerage services for clients in respect of securities listed on the Stock Exchange of Hong Kong Limited. Since the commencement of the securities broking business, the Group endeavoured to provide brokerage services for the clients, as well as participate in equity fund raising transactions for Hong Kong listed companies, including placing, underwriting and initial public offering. For the year ended 31 December 2024, 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 provides diversified financial services to its clients through developing money lending services. It is believed that the money lending business will be able to leverage the existing 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 year ended 31 December 2024, the interest income from loan receivables arising from the money lending business amounted to approximately HK\$9.9 million, representing approximately 32.9% of the total revenue of the Group.

## DIRECTOR'S STATEMENT

In respect of the money lending business, the Group targeted on conducting money lending business by providing secured or unsecured loans to a variety of customers, including individuals and corporations. The source of customers is mainly past customers, referral from business network or connections of the management. Loans are mainly large amounts of secured loans. Based on the creditability of customers, the Group will assess whether collateral are needed and the coverage of collateral on a case by case basis in a loan application, it is assessed on a case-by case basis. Normally a collateral is requested unless the loan has other guarantors or supporting documents of financial ability of borrower and/or guarantors could be provided for satisfactory assessment. The source of funds for the lending business is funded by the internal resources 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 31 December 2024, the principal amount of the loans ranged from approximately HK\$0.2 million to HK\$20.2 million. The amount of secured loans was approximately HK\$93.8 million and the amount of unsecured loans was approximately HK\$53.5 million. The secured loans were secured by Hong Kong listed companies shares. Both of the secured and unsecured loans with interest rates ranging from 6.4% to 8.0% per annum. The tenure of the secured loans are one year and all the loan granted are non-revolving and the tenure of the unsecured loans ranged from one to three years and all the loan granted are non-revolving. As at 31 December 2024, the loan receivables included individual customers and one corporate customers, of which the largest and the five largest borrowers had loan receivables of approximately HK\$18.8 million and HK\$74.6 million, respectively, being approximately 13% and 51% to the total loan receivables from the Group. The corporate customer is an investment holding company and all individual customers were third parties independent of the Company and its connected persons (as defined in the Listing Rules). The customer in investing business engaged in investing Hong Kong listed securities including, but not limited to, trading and retail of handbags, provision of scaffolding, fitting out and other auxiliary services for construction and buildings work. The five largest borrowers were individuals and all their loan are secured with collateral. Further details of the loan and interest receivables are set out in note 22 to the consolidated financial statements in the Annual Report.

There was a recognition of net reversal of impairment losses (2023: net impairment losses) arising from expected credit losses and written off on loan and interest receivables in the amount of approximately HK\$36.1 million (2023: approximately HK\$25.5 million) and approximately HK\$6.4 million (2023: approximately HK\$8.1 million) respectively for the year ended 31 December 2024. 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. To calculate the loan impairment for the year ended 31 December 2024, independent professional valuer has taken into consideration of various factors including but not limited to probability of default, loss given default and forward looking factor. The responsible officer will conduct regular review and carry out follow up actions on a monthly and continuing basis regarding to the overdue amounts.

## DIRECTOR'S STATEMENT

### OUTLOOK AND PROSPECT

In 2024, 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.

### ACKNOWLEDGEMENT

On behalf of the Board, I would like to express my gratitude to our shareholders, business partners and customers for their support. In addition, I would like to take this opportunity to thank all our staff members for their continuous and valuable contribution to the Group during the year. We are committed to drive for long-term growth and reward for our shareholders.

**Li Leong**  
*Executive Director*

Hong Kong, 31 March 2025

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

For the year ended 31 December 2024, the aggregated revenue of the Group deriving from the provision of advertising services and sales of books and magazines was approximately HK\$20.2 million, which was decreased by 24.4% as compared with that of approximately HK\$26.8 million for the year ended 31 December 2023.

For the year ended 31 December 2024, the revenue of the Group deriving from the securities broking business and the money lending business were approximately HK\$ Nil (2023: approximately HK\$0.3 million) and approximately HK\$9.9 million (2023: approximately HK\$11.3 million) respectively. The securities broking business was commenced during the first half of the year 2016 while the money lending business was commenced during the second half of the year 2016.

The overall gross profit margin of the Group for the year ended 31 December 2024 was approximately 41.2%, which was higher than that for the year ended 31 December 2023 of approximately 29.3%. The higher gross profit margin in current year was attributable to the increase in proportion of revenue contributed by the business segments with high gross profit margin.

The Group held certain held-for-trading investments comprising of equity securities listed in Hong Kong. For the year ended 31 December 2024, there were fair value loss on held-for-trading investments of approximately HK\$1.1 million (2023: fair value gain of approximately HK\$12.1 million).

The selling and distribution costs for the year ended 31 December 2024 was approximately HK\$0.6 million, decreased by approximately 90.0% from approximately HK\$5.0 million for the year 2023. The decrease were attributable to the decrease in staff cost.

The administrative expenses decreased by approximately 43.5% from approximately HK\$42.9 million for the year 2023 to approximately HK\$24.2 million for the year 2024. The decrease attributable to the decrease in staff cost and legal and professional expenses.

For the year ended 31 December 2024, a share of loss from Mondadori-SEEC (Beijing) Advertising Co. Ltd., a joint venture of the Group, of approximately HK\$14.6 million (2023: share of gain of approximately HK\$4.8 million) was recognised. For the years ended 31 December 2023 and 2024, there were no provision of impairment on interest in a joint venture.

For the year ended 31 December 2024, a share of loss from Asia-Pac Financial Investment Company Limited (“Asia-Pac”), an associate of the Group, of approximately HK\$7.9 million (2023: share of loss of approximately HK\$10.1 million) was recognised. Asia-Pac 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 provision of asset advisory services and asset appraisal, corporate services and consultancy, media advertising and financial services. For the year ended 31 December 2024, there was reversal of impairment loss on interest in an associate of approximately HK\$11.2 million (2023: Nil).

The loss for the year ended 31 December 2024 attributable to owners of the Company amounted to approximately HK\$34.6 million (2023: loss of approximately HK\$23.3 million), representing a decrease of approximately 48.6%. The decrease was mainly due to a provision of impairment loss on right-of-use assets of approximately HK\$8.4 million, provision of impairment loss on property, plant and equipment of approximately HK\$1.1 million, share of results of a joint venture of approximately HK\$14.6 million and decrease of administrative expenses of approximately HK\$19.4 million, decrease of selling and distribution costs of approximately HK\$4.5 million, decrease of provision of impairment loss on financial assets of approximately HK\$26.5 million and decrease of fair value changes on financial assets at fair value through profit or loss of approximately HK\$13.2 million as compared to the year 2023; and partially set-off by a reversal of impairment loss on interest in an associate of approximately HK\$11.2 million and decrease in other gains and losses, net of approximately HK\$11.6 million.

To preserve financial resources for future operation of the Group, the Board did not recommend the payment of a dividend for the year 2024 (2023: nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### 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 unutilised 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 2023 HK\$'000	Actual use of net proceeds during the year ended 31 December 2024 HK\$'000	Actual use of net proceeds as at 31 December 2024 HK\$'000	Unutilised balance of the net proceeds HK\$'000	Expected timeline for fully utilising the remaining proceeds
Set-up and operation of the Type 1 Company	275,000	275,000	-	275,000	-	-
Set-up and operation of companies licensed under the SFO to conduct Type 4, Type 6 and Type 9 regulated activities under the SFO	10,000	-	-	-	10,000	31 December 2025
Acquisition of companies engaged in the development and operation of e-commerce platform	124,000	124,000	-	124,000	-	-
Operation and development of money lending business	110,000	110,000	-	110,000	-	-
	519,000	509,000	-	509,000	10,000	

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



## MANAGEMENT DISCUSSION AND ANALYSIS

### Subscription of New Shares

On 15 August 2022, the Company entered into the Subscription Agreements with the Subscribers, pursuant to which the Subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 120,000,000 new Shares at the Subscription Price of HK\$0.4 per Subscriptions Share (the "Subscriptions"). The Subscription was completed on 1 September 2022, whereby 120,000,000 subscription shares were allotted and issued to the subscribers. The net proceeds (after deducting the other expenses) from the Subscriptions amounted to approximately HK\$47.8 million. The Company intended to use such net proceeds to expand advertising business, especially the digital media marketing services and multi-channel network services of the Group. As at the date of this announcement, HK\$38.5 million of net proceeds was utilised. The expected timeline for utilization of the unused net proceeds will be on or before 31 December 2025.

	Nature	Original intended use of proceeds HK\$ million	Actual use of proceeds as at the date of this announcement HK\$ million	Remaining balance HK\$ million	Expected timeline for fully utilising the remaining proceeds
Subscription of New Shares	Expand advertising business	47.8	38.5	9.3	31 December 2025

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

### MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

During the year ended 31 December 2024, the Group had not made any material acquisition and disposal of subsidiaries.

### SIGNIFICANT INVESTMENTS

As at 31 December 2024, the Group had held-for-trading investments, representing equity securities listed in Hong Kong, of approximately HK\$74.0 million (2023: approximately HK\$65.2 million).

Details of the significant investment are as follows:

Company name	As at 31 December 2024			For the year ended 31 December 2024		
	Number of shares held	Proportion to the total issued share capital for the stocks	Market value HK\$'000	Proportion to the total assets of the Group	Fair value gain on the investments HK\$'000	Dividends received HK\$'000
China Investment and Finance Group Limited ("CIFG")	13,000,000	3.2%	17,290	5.4%	3,380	-
Other securities with individual fair value less than 5% of the total assets as at 31 December 2024	N/A	N/A	56,759	17.6%	(4,176)	-
			74,049	23.0%	(796)	-

## MANAGEMENT DISCUSSION AND ANALYSIS

CIFG is principally engaged in the securities trading and investment holding which is listed on the Main Board of The Stock Exchange of Hong Kong Limited. For the year ended 31 March 2024, the audited loss and total comprehensive expense for the year attributable to owners of CIFG was HK\$37.8 million. The unrealised gain on the Group investments in CIFG during the year ended 31 December 2024 was approximately HK\$3.4 million.

The Group's total investment in the CIFG was approximately HK\$17.3 million. As at 31 December 2024, the Group owned 13,000,000 shares in the CIFG, representing 3.15% equity interests in the CIFG. Up to 31 December 2024, no dividends was received from CIFG. The fair value of the investment in CIFG is based on quoted market prices.

For the year ended 31 December 2024, the Group recognised fair value loss on held-for-trading investments of approximately HK\$1.1 million (2023: fair value gain of approximately HK\$12.1 million).

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

## LIQUIDITY AND FINANCIAL RESOURCES

The Group's daily operating activities were mainly financed by internal resources. As at 31 December 2024, the Group's total equity was approximately HK\$155.4 million (2023: approximately HK\$181.4 million). The decrease was mainly attributable to the loss for the current year of approximately HK\$28.9 million.

The Group had non-current liabilities of approximately HK\$25.6 million as at 31 December 2024 (2023: approximately HK\$20.4 million). The non-current liabilities as at 31 December 2024 consisted of lease liabilities and borrowing. As at 31 December 2024, the Group's gearing ratio was approximately 51.9%, representing a percentage of total liabilities over total assets (2023: approximately 52.1%).

As at 31 December 2024, the Group has approximately HK\$20.9 million (2023: HK\$20.9 million) bonds payables, and approximately HK\$9.4 million (2023: HK\$9.4 million) other loan.

Save as disclosed above, the Group did not have any other borrowing as at 31 December 2024.

As at 31 December 2024, the Group had bank and cash balances (other than those in trust and segregated accounts) amounted to approximately HK\$19.5 million (2023: approximately HK\$41.0 million).

## CHARGES ON ASSETS

As at 31 December 2024, none of the assets of the Group has been pledged to secure any banking facilities granted to the Group (2023: Nil).

## COMMITMENTS

As at 31 December 2024, the Group had no material commitment (2023: nil).

## FOREIGN CURRENCIES AND TREASURY POLICY

Most of the Group's business transactions, assets and liabilities are denominated in Hong Kong 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. As at 31 December 2024, the Group has not entered into any hedging arrangements. However the management will continue to monitor closely its foreign currency exposure and requirements and to arrange for hedging facilities when necessary.

## EMPLOYEES

As at 31 December 2024, the Group had 55 (2023: 70) employees in Hong Kong and the PRC. Salaries, bonuses and benefits were decided in accordance with market conditions and performance of the respective employees.

## MANAGEMENT DISCUSSION AND ANALYSIS

### SHARE OPTION SCHEMES

The Company operates a share option scheme (the “Old Share Option Scheme”) which was adopted on 11 May 2012. On 30 June 2021, the Company adopted a new share option scheme (the “Share Option Scheme”), of which all terms and conditions are the same as the Old Share Option Scheme.

With effect from 4 May 2020, every twenty (20) issued and unissued existing shares of par value of HK\$0.10 each in the share capital of the Company was consolidated into one (1) consolidated share of par value of HK\$2.00 each. Accordingly, the outstanding share options for subscription of 637,200,000 shares at the exercise price of HK\$0.10 each were adjusted to share options for subscription of 31,860,000 shares at the exercise price of HK\$2.00 each.

On 20 May 2020, 31,800,000 share options to subscribe for up to a total of 31,800,000 ordinary shares of HK\$0.01 each were granted to eligible participants under the Share Option Scheme. The closing price of the shares of the Company immediately before the date on which the options were granted was HK\$0.152 per share.

On 16 April 2021, 31,800,000 share options to subscribe for up to a total of 31,800,000 ordinary shares of HK\$0.01 each were granted to eligible participants under the Share Option Scheme. The closing price of the shares of the Company immediately before the date on which the options were granted was HK\$0.122 per share.

On 21 July 2023, 58,400,000 share options to subscribe for up to a total of 58,400,000 ordinary shares of HK\$0.01 each were granted to eligible participants under the Share Option Scheme with vesting period six months after the date of grant. The closing price of the shares of the Company immediately before the date on which the options were granted was HK\$0.355 per share.

The number of shares that may be issued in respect of options granted under the Share Option Scheme during the year ended 31 December 2024 divided by the weighted average number of ordinary shares for the year ended 31 December 2024 was approximately 16.1% (2023: 16.6%).

As at 31 December 2024, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 115,640,000 (2023: 122,000,000), representing 16.1% (2023: 16.6%) of the share of the Company in issue at that date.

The number of options available for grant under the Share Option Scheme as of 1 January 2024 and 31 December 2024 was 3,214,273 and 3,214,273 respectively.

The Company has adopted a Share Option Scheme as an incentive to Directors and eligible employees, the remuneration committee of the Company had reviewed and approved the grant of the Share Option Scheme having considered that the grant was align with the purpose of the Share Option Scheme grant of options to employees of invested entity would enable them to share common interests and business objectives with the Group and to contribute to the overall growth and development of the Group’s business through maximising the value of the joint venture via their daily working efforts as employees of the joint venture.

# CORPORATE GOVERNANCE REPORT

## CORPORATE GOVERNANCE PRACTICES

The Board is committed to maintaining sound corporate governance and believes that good corporate governance principles and practices will bring trust and faith of the Company's stakeholders.

During the year under review, the Company has complied with all relevant code provisions set out in the Corporate Governance Code (the "Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") except for the deviations stated below:

### (1) Code Provision C.5.3 and C.5.8

Code C.5.3 and C.5.8 stipulate that 14-day notice should be given for each regular board meeting and that in respect of regular meetings, and so far as practicable in all other cases, an agenda and accompanying board papers should be sent in full to all directors in a timely manner and at least 3 days before the intended date of a board or board committee meeting (or such other period as agreed).

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

## COMPLIANCE WITH LISTING RULES 3.10(1), 3.21 AND 3.25

On 1 January 2024, Mr. Leung Tat Yin ("Mr. Leung") was resigned as an independent non-executive Director and a member of each of the nomination committee, remuneration committee and audit committee of the Company with effect from 1 January 2024 due to his wishes to devote more time on his other business commitments.

Following the resignation of Mr. Leung, the Company only has two independent non-executive Directors, the number of independent non-executive Directors and number of members of each of the audit committee, nomination and remuneration committee of the Company falls below the number required under Rule 3.10(1), Rule 3.21 and Rule 3.25 of the Listing Rules.

Following the appointment of Mr. Guo Hui ("Mr. Guo") on 31 March 2024 as an independent non-executive Director, a member of the audit committee, the nomination committee and the remuneration committee of the Company, the Company has fully complied with the requirements under Rules 3.10(1), 3.21 and 3.25 of the Listing Rules.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by directors on exactly the terms and the required standard contained in the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code").

Having made specific enquiries by the Company, all Directors have confirmed that 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 throughout the year ended 31 December 2024.

## CORPORATE GOVERNANCE REPORT

### BOARD OF DIRECTORS

The Board collectively oversees the management of the business and affairs of the Group with the overriding objective of enhancing share value. The Board has delegated the day-to-day management power of the Group to the executive Directors and senior management of the Company. The Board reserves for its decisions all major matters of the Company, including the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions, financial information, appointment of Directors, and other significant financial and operational matters.

The Board currently comprises five executive Directors who are Mr. Li Leong, Mr. Li Xi, Mr. Li Wei, Mr. Li Zhen and Mr. Zhou Hongtao, and three independent non-executive Directors who are Mr. Law Chi Hung, Mr. Guo Hui and Ms. Fang Ying. The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to the Listing Rules and the Company considers the independent non-executive Directors to be fully independent.

There is no financial, business, family, or other material/relevant relationship between the Directors. The Company considers that the Board has the necessary skills and experience appropriate for discharging their duties as Directors in the best interest of the Company and that the current size of the Board to be adequate for its present operations. Nevertheless, the Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. Board diversity policy (“Board diversity policy”) was introduced to set out the approach to diversity on the Board of directors of the Company.

There were 6 board meetings and 1 general meeting held during the year ended 31 December 2024. The attendance of each Director at the board meetings and the general meetings is set out below:

Directors	Attended/Eligible to attend	
	Board meetings	General meeting
(number of meetings attended/number of meetings held during respective director’s tenure)		
Mr. Li Leong	6/6	1/1
Mr. Li Xi	1/6	0/1
Mr. Li Wei (appointed on 18 January 2023)	0/6	0/1
Mr. Li Zhen	4/6	0/1
Mr. Zhou Hongtao	6/6	1/1
Mr. Law Chi Hung	6/6	0/1
Mr. Wong Ching Cheung (resigned on 13 December 2024)	5/5	1/1
Mr. Guo Hui (appointed on 31 March 2024)	5/5	1/1
Ms. Fang Ying (appointed on 13 December 2024)	0/0	0/0

All directors (executive Directors, namely Mr. Li Leong, Mr. Li Xi, Mr. Li Wei, Mr. Li Zhen and Mr. Zhou Hongtao; and independent non-executive Directors, namely Mr. Law Chi Hung, Mr. Guo Hui and Ms. Fang Ying) have participated in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant.

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. Li Wei was appointed as the Chairman of the Board on 18 January 2023.

### NON-EXECUTIVE DIRECTORS

The term of office of each non-executive Director is the period up to his retirement by rotation in accordance with the Company’s Bye-laws.

## CORPORATE GOVERNANCE REPORT

### BOARD COMMITTEES

#### Audit Committee

As at 31 December 2024, the Audit Committee comprises three independent non-executive Directors with Mr. Law Chi Hung as committee chairman, Mr. Guo Hui and Ms. Fang Ying as committee members.

The Audit Committee is responsible for the appointment of external auditor, review of the Group's financial information and oversight of the Group's financial and accounting practices, review of risk management and internal control systems, the effectiveness of the internal audit function of the Group. It is also responsible for reviewing the interim and financial results of the Group.

The Audit Committee held three meetings during the year under review. Details of the attendance of the Audit Committee meeting are as follows:

Members	Attendance
(number of meetings attended/number of meetings held during respective director's tenure)	
Mr. Law Chi Hung	3/3
Mr. Wong Ching Cheung (resigned on 13 December 2024)	3/3
Ms. Fang Ying (appointed on 13 December 2024)	0/0
Mr. Guo Hui (appointed on 31 March 2024)	3/3

The Group's interim results for the six months ended 30 June 2024 and annual audited results for the year ended 31 December 2024 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure have been made.

#### Remuneration Committee

As at 31 December 2024, the Remuneration Committee comprises three independent non-executive Directors, namely Mr. Law Chi Hung being the chairman of the committee, Mr. Guo Hui and Ms. Fang Ying as committee members.

The principal responsibilities of the Remuneration Committee include reviewing, considering and approving proposals as well as making recommendations to the Board on the Company's policy and structure relating to the remuneration of Directors and senior management. The Remuneration Committee also assesses performance of executive Directors.

In respect of the remuneration packages of individual executive directors and senior management, Remuneration Committee is to make recommendations to the Board for the Board's final determination.

The emoluments of the Directors are determined by reference to the skill, knowledge and experience of the respective Directors and their involvement in the Company's affairs as well as the prevailing market conditions. Share options may also be granted to the Directors as long-term incentive or rewards for their continuous contributions to the Group.

The Remuneration Committee held four meetings during the year under review. Details of the attendance of the Remuneration Committee meeting are as follows:

Members	Attendance
(number of meetings attended/number of meetings held during respective director's tenure)	
Mr. Law Chi Hung	4/4
Mr. Guo Hui (appointed on 31 March 2024)	3/3
Mr. Wong Ching Cheung (resigned on 13 December 2024)	2/2
Ms. Fang Ying (appointed on 13 December 2024)	1/1

#### Nomination Committee

As at 31 December 2024, the Nomination Committee comprises three independent non-executive Directors, namely Mr. Guo Hui being chairman of the committee, Mr. Law Chi Hung and Ms. Fang Ying as committee members.

BOARD COMMITTEES (CONTINUED)

Nomination Committee (Continued)

The principal duties of the Nomination Committee include reviewing the structure, size and composition of the Board on a regular basis and making recommendations to the Board regarding any proposed changes.

The Board is empowered under the “Bye-laws” to appoint any person as a Director either to fill a casual vacancy on or as an additional member of the Board. In consideration of Board diversity, the Nomination Committee will monitor the implementation of the Company’s nomination policy and Board diversity policy and will from time to time review the policies to ensure its effectiveness.

The Nomination Committee held four meetings during the year under review. Details of the attendance of the Nomination Committee meeting are as follows:

Members	Attendance
<i>(number of meetings attended/number of meetings held during respective director’s tenure)</i>	
Mr. Law Chi Hung	4/4
Mr. Guo Hui (appointed on 31 March 2024)	3/3
Mr. Wong Ching Cheung (resigned on 13 December 2024)	2/2
Ms. Fang Ying (appointed on 13 December 2024)	1/1

Nomination policy

The Board has adopted a nomination policy which sets out the principles guiding the Nomination Committee to identify and evaluate a candidate for nomination to the Board for appointment or to the shareholders of the Company for election as a Director of the Company. The policy contains a number of factors to which the Nomination Committee has to adhere when considering nominations. These factors include the candidate’s skills and experience, diversity perspectives set out in the Board diversity policy, the candidate’s time commitment and integrity, and the independence criteria under Rule 3.13 of the Listing Rules if the candidate is proposed to be appointed as an Independent Non-executive Director. The policy also lays down the following nomination procedures: the Nomination Committee (a) will take appropriate measures to identify and evaluate a candidate; (b) may consider a candidate recommended or offered for nomination by a shareholder of the Company; and (c) will, on making the recommendation, submit the candidate’s personal profile to the Board for consideration.

Board Diversity Policy

The Board has adopted a Board diversity policy which sets out the approach adopted by the Board regarding diversity of Board members. In designing the Board’s composition, board diversity has been considered from a number of perspectives, including but not limited to gender, age, cultural and educational background, industry experience, technical and professional skills and/or qualifications, knowledge, length of services and time to be devoted as a director. The Company will also take into account factors relating to its own business model and specific needs from time to time. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The Board strives to ensure that it has the appropriate balance of skills, experience and diversity of perspectives that are required to support the execution of its business strategies and in order for the Board to be effective. The Board has set measurable objectives (in term of gender, skills and experience) to implement the Policy and review such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives. The Board will review the Policy, as appropriate, to ensure its continued effectiveness from time to time.

Regarding the target of achieving further diversity at Board level, the Company will endeavor to maintain not less than one (1) female director. The Company will continue to look for suitable female candidates at the Board and workforce levels to achieve further diversity.

The Company considers that the current composition of the Board is characterised by diversity in terms of gender, professional background and skills.

## CORPORATE GOVERNANCE REPORT

### CORPORATE GOVERNANCE FUNCTIONS

The Board is overall responsible for performing corporate governance duties. The Board developed and reviewed the Company's policies and practices on corporate governance; and monitored the training and professional development of Directors and senior management. The Board has constantly reviewed the Company's policies and practices to ensure compliance with legal and regulatory requirements and the Company's compliance with the Code and disclosure in the corporate governance report.

### COMPANY SECRETARY

The Company Secretary is responsible for assisting the Board and respective Board Committees in their proceedings and advising the Board on corporate governance matters. During the year ended 31 December 2024, the Company Secretary has taken no less than 15 hours of professional training.

### RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its overall responsibilities for maintaining sound and effective internal control and risk management systems of the Group and reviewing their effectiveness. The Internal Audit function of the Group performed independent reviews and reported regularly the review results to the Board through the Audit Committee on the adequacy and effectiveness of the Group's internal control and risk management systems. The Board, through the Internal Audit function of the Group, has conducted annual review of the effectiveness of the system of internal control of the Group including the relevant financial, operational and compliance controls and risk management procedures and considered them effective and adequate. The Board has delegated to the senior management of the Group the implementation of such systems of internal controls. The management throughout the Group maintains and monitors the internal control system on an ongoing and regular basis.

Appropriate policies and controls have been designed and established to ensure that assets are safeguarded against improper use or disposal, relevant rules and regulations are adhered to and complied with, reliable financial and accounting records are maintained in accordance with relevant accounting standards and regulatory reporting requirements, and key risks that may impact on the Group's performance are appropriately identified and managed. The systems and internal controls can only provide reasonable and not absolute assurance against material misstatement or loss, as they are designed to manage, rather than eliminate the risk of failure to achieve business objectives.

The Board also reviewed and was satisfied with the adequacy of resources, qualifications and experience of the employees of the Group's accounting, internal audit and financial reporting function, and their training programmes and budget.

In addition to the review of risk management and internal controls undertaken within the Group, the external auditor also assessed the adequacy and effectiveness of certain key risk management and internal controls as part of their statutory audits. Where appropriate, the external auditor's recommendations are adopted and enhancements to the risk management and internal controls will be made.

The Company regulates the handling and dissemination of inside information to ensure that inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made.

### AUDITOR

The external auditor of the Company is Infinity CPA Limited. The Audit Committee is responsible for making recommendations to the Board on the external auditor's appointment, re-appointment and removal, which are subject to approval by the Board and at the general meetings of the Company by its shareholders. In assessing the external auditor, the Audit Committee will take into account relevant experience, performance, objectivity and independence of the external auditor.



## CORPORATE GOVERNANCE REPORT

### Provision of non-audit services

In deciding whether the external auditor should provide non-audit services for the Group, the following key principles are considered:

- (i) the auditors should not audit their own firm's work;
- (ii) the auditors should not make management decisions;
- (iii) the auditors' independence should not be impaired; and
- (iv) quality of service.

If any services which may be considered to be in conflict with the role of the external auditor, prior approval to engagement must be obtained from the Audit Committee, regardless of the amounts involved.

### Auditor's remuneration

During the year ended 31 December 2024, the fees paid or payable to the auditor of the Company, Infinity CPA Limited, was approximately HK\$500,000 (2023: approximately HK\$550,000) and HK\$nil (2023: HK\$nil) for statutory audit services and non-audit services rendered to the Group respectively.

## DIRECTORS' RESPONSIBILITY ON THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for preparing the financial statements of the Group for the year ended 31 December 2024, which were prepared in accordance with statutory requirements and applicable accounting standards.

## SHAREHOLDERS' RIGHTS

### Dividend policy

The Company has adopted a dividend policy which became effective on 1 January 2019. The dividend policy aims at enhancing transparency of the Company and facilitating the shareholders and investors of the Company to make informed investment decisions relating to the Company. According to the dividend policy, while the Company intends to declare and pay dividends, the payment and the amount of any dividend will depend on a number of factors, including but not limited to the Group's financial performance, working capital requirements, capital expenditure requirements, future expansion plans and liquidity position, the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group.

### Procedures for shareholders to convene an extraordinary general meeting

Pursuant to bye-law 58 of the Bye-laws, on the written requisition of Shareholders holding not less than one-tenth of the paid up capital of the Company which carries the right to vote at general meetings of the Company, the Directors shall convene an extraordinary general meeting for the transaction of any business specified in such requisition; and such meeting shall be convened within thirty days from the date of deposit of the requisition.

## CORPORATE GOVERNANCE REPORT

### Procedures for shareholders to propose a person for election as a director

Pursuant to bye-law 85 of the Bye-laws, if a Shareholder wishes to propose a person other than a Director of the Company for election as a Director at any general meeting, the shareholder can deposit a written notice to that effect at the principal place of business of the Company in Hong Kong, for the attention of the Board.

In order for the Company to inform Shareholders of that proposal, the written notice must state the full name of the person proposed for election as a Director, include the person's biographical details as required by rule 13.51(2) of the Listing Rules, and be signed by the Shareholder concerned and that person indicating his/her willingness to be elected.

Pursuant to bye-law 85 of the Bye-laws, the minimum length of the period, during which such notice(s) are given, shall be at least seven (7) days and that (if the notices are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgment of such notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

The Company shall publish an announcement in accordance with Rule 2.07C or issue a supplementary circular upon receipt of a notice from a Shareholder to propose a person for election as a director at the general meeting where such notice is received by the Company after publication of the notice of meeting. The Company shall include particulars of the proposed director in the announcement or supplementary circular.

The Company shall assess whether or not it is necessary to adjourn the meeting of the election to give Shareholders at least 10 business days to consider the relevant information disclosed in the announcement or supplementary circular.

### Voting at and notice of general meetings

As required by the Listing Rules, the Company conducts all voting at general meetings by poll. To comply with the Listing Rules, notices to shareholders will be sent in the case of annual general meetings at least 20 clear business days before the meeting and at least 10 clear business days in the case of all other general meetings.

Pursuant to bye-law 59 of the Bye-laws, an annual general meeting shall be called by notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days. All other general meetings (including a special general meeting) must be called by notice of not less than fourteen (14) clear days and not less than ten (10) clear business days, a general meeting may be called by shorter notice if it is so agreed:

- (a) in the case of a meeting called as an annual general meeting, by all the Shareholders entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the Shareholders having the right to attend and vote at the meeting, being a majority together representing not less than ninety-five per cent. (95%) of the total voting rights at the meeting of all the Shareholders.

## INVESTOR RELATIONS

The Board recognises that effective and timely communication with the Company's investors plays a crucial role in maintaining existing investor's confidence and attracting new investors, so the Board continuously places great importance on proactive communication with its existing and potential shareholders and investors. The primary communication channel between the Company and its shareholders is the publication of annual reports and interim reports, announcements, circulars and notices to shareholders. The Company's annual general meetings further provided a platform and opportunity for our shareholders to exchange view with the Company.

## CONSTITUTIONAL DOCUMENTS

There is no significant change in the Company's constitutional documents during the year ended 31 December 2024.

# DIRECTORS' PROFILE

## EXECUTIVE DIRECTORS

**Mr. Li Leong**, aged 41, has years of experience in financial industry. Mr. Li graduated from the University of Western Ontario in Canada with a Bachelor of Science degree in Mathematics and Statistics in 2006. He also obtained a Master of Science degree in Investment Management from the Hong Kong University of Science and Technology in 2013. Mr. Li joined the Group in February 2015.

**Mr. Li Xi**, aged 50, has years of experience in investment. Mr. Li graduated from the Xi'an Jiaotong University with a Bachelor of Engineering degree in Industrial Foreign Trade in 1997. He also obtained a Master of Economics degree from Xi'an Jiaotong University in 2005. Mr. Li joined the Group in November 2015.

**Mr. Zhou Hongtao**, aged 47, has over 10 years of experience in investment and media related industry. Mr. Zhou is currently the managing director of Shanghai Xiang Chen Hang Place The Industry Co, Ltd in the PRC, a real estate investment company in Shanghai. Mr. Zhou was the senior investment manager in Founder Group, Beijing, specialized in information technology and media related investment. Mr. Zhou obtained a Bachelor degree of Chemical Engineering and Technology from the Dalian University of Technology in 2000 and a Master of Business Administration degree from the Beijing Jiaotong University in 2005. Mr. Zhou joined the Group in May 2014.

**Mr. Li Zhen**, aged 44, has years of experience in the media industry. He is specialized in strategic planning, project leading and advertising design in the media field. Prior to joining the Group, Mr. Li held a senior managerial position in a sizable media company in the People's Republic of China. Mr. Li joined the Group in April 2019.

**Mr. Li Wei**, aged 43, has over 10 years of management and operational experience in the media industry. He is specialized in strategic planning and project development in the media field. Prior to joining the Group, Mr. Li was a chief executive officer in a sizable media company in the People's Republic of China. Mr. Li graduated from Hunan University with a Bachelor of Science degree of Journalism and Communication in 2004.

## INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Law Chi Hung**, aged 41, obtained a bachelor degree of Business Administration (Honors) in Accountancy from the City University of Hong Kong and has obtained Master of Corporate Governance at the Hong Kong Polytechnic University in 2022. He has 10 years of experience in accounting and auditing. Mr. Law is a member of the Hong Kong Institute of Certified Public Accountants and is currently a director of CLG CPA Limited. Mr. Law was appointed as an independent non-executive director of Silver Tide Holdings Limited (stock code: 1943) in June 2015 until October 2022 and Hang Yick Holdings Company Limited (stock code: 1894) in March 2023 until January 2024, both companies whose share are listed on the Main Board of the Stock Exchange.

**Mr. Leung Tat Yin**, aged 63, has over 30 years of experience in trading and construction industries. Prior to joining the Group, Mr. Leung has served as managerial positions in a number of sizable private companies situated in Hong Kong. Mr. Leung has been appointed as an independent non-executive Director since July 2018 and has resigned as independent non-executive director of the Company with effective from 1 January 2024.

**Mr. Wong Ching Cheung**, aged 62, has years of experience in printed circuit board industry with extensive managerial experiences. He has engaged in providing consultation in relation to the electronic industry, specializing in chemical and product manufacturing, with client base in the People's Republic of China, Taiwan, Singapore, Germany, France and Brazil. He is currently a director of a privately owned company, Finetech Electronics Limited. Prior to that, he held management role in certain Hong Kong private companies. Mr. Wong has been appointed as an independent non-executive Director since July 2016 and he has resigned as independent non-executive director of the Company with effective from 13 December 2024.

# DIRECTORS' REPORT

The Directors present their annual report and the audited consolidated financial statements for the year ended 31 December 2024.

## PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Its principal subsidiaries and joint ventures are engaged in the provision of advertising services and money lending business in the People's Republic of China and in Hong Kong. Details are set out in notes 16 and 38 to the consolidated financial statements.

## BUSINESS REVIEW

A review of the Group's business and the outlook and prospect of the Group are provided in the "Director's Statement" section on pages 3 to 6 of this annual report.

## ENVIRONMENTAL POLICIES AND SOCIAL RESPONSIBILITIES

In 2021, the Group has actively responded to the general direction of social development, strived to meet the demands of environmental and social responsibility, strengthened our group's and employees' awareness of the environment and society, and actively participated in environmental and social issues. To better protect natural resources, we have taken various measures to save energy, reduce waste and consumption, and promote the use of environmentally friendly products in our daily business operations. In terms of social issues, the Group attaches great importance to the cultivation of knowledge and talent in order to establish a safe and honest working environment that bears social responsibilities to our employees. Meanwhile, we would like to share our ideas and concepts with our stakeholders. Through these practices, the Group has achieved encouraging results regarding environmental and social aspects.

Detail information regarding the environmental, social and governance practices adopted by the Group is set out in the Environmental, Social and Governance Report which will be disclosed as a separate report and published on the websites of the Stock Exchange and the Company together with the publication of this annual report.

## RESULTS

The results of the Group for the year ended 31 December 2024 are set out in the consolidated statement of profit or loss and other comprehensive income on page 29.

## SUMMARY OF FINANCIAL INFORMATION

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 100.

## PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year are set out in note 15 to the consolidated financial statements.

## SHARE CAPITAL AND SHARE OPTIONS

Details of the Company's share capital and share option schemes are set out in notes 30 and 34 to the consolidated financial statements respectively.

## EVENTS AFTER REPORTING PERIOD

There are no significant events after the reporting period that is required to be reported.

## DIRECTORS' REPORT

### DISTRIBUTABLE RESERVES OF THE COMPANY

At 31 December 2024 and 2023, the Company did not have reserves available for distribution to shareholders.

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2024, the purchases attributable to the Group's largest supplier and the aggregate purchases attributable to the Group's five largest suppliers taken together were approximately 41% and 56% of the Group's total cost of sales for the year respectively. The sales attributable to the Group's largest customer and the aggregate sales attributable to the Group's five largest customers taken together were approximately 27% and 41% of the Group's total revenue for the year respectively.

As far as the Directors are aware, neither the Directors, their associates, nor those shareholders which to the knowledge of the Directors own more than 5% of the Company's share capital, had any interest in the five largest suppliers of the Group during the year.

### DIRECTORS

The Directors of the Company during the year and up to the date of this report were:

#### Executive Directors:

Mr. Li Leong  
Mr. Li Xi  
Mr. Li Wei (appointed on 18 January 2023)  
Mr. Li Zhen  
Mr. Zhang Zhifang (resigned on 20 September 2023)  
Mr. Zhou Hongtao

#### Independent non-executive Directors:

Mr. Law Chi Hung  
Ms. Fang Ying (appointed on 13 December 2024)  
Mr. Guo Hui (appointed on 31 March 2024)  
Mr. Leung Tat Yin (resigned on 1 January 2024)  
Mr. Wong Ching Cheung (resigned on 13 December 2024)

In accordance with bye-law 84 of the Bye-laws, Ms. Fang Ying, Mr. Guo Hui and Mr. Li Zhen shall retire at the forthcoming annual general meeting and the retiring Directors are eligible for re-election.

## DIRECTORS' REPORT

### DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

The term of office of each non-executive Director is the period up to his/her retirement by rotation in accordance with the Company's Bye-laws.

### DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Other than those disclosed in note 36 to the consolidated financial statements, no contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at 31 December 2024 or at any time during the year.

### DIRECTORS' INTERESTS IN SECURITIES

At 31 December 2024, the interests of the Directors and their associates in the shares and underlying shares of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

Save as disclosed below, as at 31 December 2024, none of the Directors and chief executives had interests and short positions in the shares, the underlying shares and/or the debentures (as the case may be) of the Company or any its associated corporations (within the meaning of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such Director or chief executive is taken or deemed to have under such provisions of the SFO) or which were required to be entered into the register required to be kept by the Company under section 352 of the SFO or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in the Listing Rules:

#### Long positions 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 the options granted under the Share option scheme of the Company	Percentage of number of issued shares of the Company as at 31 December 2024 <sup>(Note 1)</sup> (%)
Mr. Li Wei (appointed on 18 January 2023)	Beneficial owner	30,778,750	7,300,000	5.17
Mr. Li Leong	Beneficial owner	–	3,180,000	0.43
Mr. Li Xi	Beneficial owner	–	3,180,000	0.43
Mr. Li Zhen	Beneficial owner	–	3,180,000	0.43
Mr. Zhou Hongtao	Beneficial owner	–	3,180,000	0.43
Mr. Law Chi Hung	Beneficial owner	–	3,180,000	0.43

Note 1: The percentage shareholding is calculated on the basis of the Company's issued share capital of 736,142,730 as at 31 December 2024.

## DIRECTORS' REPORT

### PERMITTED INDEMNITY PROVISION

Pursuant to bye-law 164 of the Bye-laws, the Directors and every one of them is entitled to be indemnified out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which the Directors or any of them, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty in their offices or otherwise in relation thereto provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of the Directors.

The Company has taken out and maintained Directors' liability insurance throughout the year which provides appropriate cover for legal actions brought against the Directors.

### SHARE OPTION SCHEMES

Particulars of the Company's share option schemes and details of movements in the Company's share options during the year to subscribe for shares of HK\$0.01 each in the Company are set out in note 34 to the consolidated financial statements.

### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in "Directors' Interests in Securities" above, at no time during the year was the Company or any of its subsidiaries, a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### SUBSTANTIAL SHAREHOLDERS

At 31 December 2024, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholder had notified the Company of the relevant interests and short positions in the shares and underlying shares of the Company:

#### Long positions in the shares and underlying shares of the Company

Name	Nature of interest	Number of shares held	Number of underlying Shares held in the options granted under the Share option scheme of the Company	Percentage of number of issued share of the Company as at 31 December 2024 <sup>(Note 1)</sup> (%)
Li Wei (Note 2)	Beneficial owner	30,778,750	7,300,000	5.17
Yong Rong (HK) Asset Management Limited	Beneficial owner	136,940,000	–	18.60

Note 1: The percentage shareholding is calculated on the basis of the Company's issued share capital of 736,142,730 as at 31 December 2024.

Note 2: Mr. Li Wei was appointed as the executive director on 18 January 2023.

### APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his/her independence pursuant to Rule 3.13 of the Rules Governing the Listing Securities on the Stock Exchange (the "Listing Rules"). The Company considers all of the independent non-executive Directors are independent.

## DIRECTORS' REPORT

### EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up on the basis of their merit, qualifications and competence.

The emoluments of the Directors of the Company are decided by the Board of Directors, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of the scheme is set out in note 34 to the consolidated financial statements.

### COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year, as far as the Directors are aware, there was no material non-compliance with applicable laws and regulations by the Group that has a significant impact on the Group's business and operations.

### RELATIONS WITH KEY STAKEHOLDERS

The Board recognises that our employees are valuable assets contributing to the Group's future success. The Group provides competitive remuneration package to attract, motivate and retain our employees. The Board also regularly reviews the remuneration package of our employees and makes necessary adjustments to conform to the prevailing market practices.

The Board also treasures that maintaining good relationship with our customers and suppliers is vital to achieve the Group's long-term goals. During the year, there was no significant dispute between the Group companies and our business partners.

### KEY RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations, and business prospects may be affected by a number of risks and uncertainties directly or indirectly pertaining to the Group's businesses. The Directors consider, among other things, that approvals to renew the advertising licenses of certain of our Group companies by the PRC governmental authorities, renewal of the sole advertising rights of certain magazines and addition of any new exclusive advertising contracts to the Group are the key risks and uncertainties to its operation and prospects. These are not within the control of the Board and are also much dependent on the prevailing regulations and conditions at the relevant time of renewal in future. Description of key sources of estimation uncertainty and the risks associated with the Group's financial instruments are disclosed in note 4 and note 33 to the consolidated financial statements respectively. There may be other risks and uncertainties in addition to those mentioned above which are not known to the Board or which may not be material now but could turn out to be material in future.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-laws or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

### SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 December 2024.



## DIRECTORS' REPORT

### PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

### AUDITOR

The financial statements for the year ended 31 December 2024 was audited by Elite Partners CPA Limited.

A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint Infinity CPA Limited as auditor of the Company.

On behalf of the Board

**Li Leong**

*Director*

Hong Kong, 31 March 2025

# INDEPENDENT AUDITOR'S REPORT



Infinity CPA Limited  
Room 1501, 15/E, Olympia Plaza  
255 King's Road, North Point, Hong Kong

TO THE SHAREHOLDERS OF SEEC MEDIA GROUP LIMITED

財訊傳媒集團有限公司

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

## Opinion

We have audited the consolidated financial statements of SEEC Media Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 29 to 99, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## INDEPENDENT AUDITOR'S REPORT

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter identified in our audit is summarised as follows:

Impairment assessment of financial assets at amortised cost

#### Key audit matter

##### *Impairment assessment of financial assets at amortised cost*

We have identified management's assessments of the ECL of financial assets at amortised cost as a key audit matter because the amounts of such financial assets are significant and the assessments required significant management judgement and assumption.

As at 31 December 2024, the Group had accounts receivable and loan receivables (the "Receivables") amounting to approximately HK\$63.9 million and HK\$118.6 million respectively.

The balances of impairment loss allowance for the Receivables represent the management's best estimates at the reporting date of expected credit losses ("ECL") under the ECL models as stipulated in HKFRS 9 Financial Instruments.

The Group measured loss allowances for accounts receivable other than cash clients using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Group engaged an independent professional valuer for ECL assessment on the Receivables.

For loan receivables and accounts receivable with cash client, the ECLs are using general approach.

#### How the matter was addressed in our audit

Our major audit procedures to address the impairment assessment of the Receivables included:

- obtaining an understanding of the Group's credit risk management and practices, and assessing the Group's impairment provisioning policy in accordance with the requirements of applicable accounting standards;
- evaluating the objectivity, capabilities and competence of the independent professional valuer;
- reviewing aging and settlement pattern analysis of the Receivables prepared by management of the Company and discussing with the management of the Company whether the amounts are recoverable on a sample basis;
- examining the management's estimation on the ECL of individual balances on sample basis and the expected loss rate of each category groups and evaluating the basis and factors used in the estimation to the appropriateness of the management's identification of significant increase in credit risk, defaults and credit-impaired receivables;
- recalculating the provision for ECL made by the management to assess the accuracy.

## INDEPENDENT AUDITOR'S REPORT

### Other Matter

The consolidated financial statements of the Group for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 28 March 2024.

### Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Directors of the Company and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Art, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

## INDEPENDENT AUDITOR'S REPORT

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Infinity CPA Limited**  
*Certified Public Accountants*

Au Yeung Ming Yin Gordon  
Practising Certificate Number: P08219  
Hong Kong  
31 March 2025

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Revenue	5	30,151	38,379
Cost of sales		(17,735)	(27,148)
Gross profit		12,416	11,231
Other income	7	2,687	2,029
Fair value changes on financial assets at fair value through profit or loss		(1,127)	12,120
Other gains and losses, net	8	8,705	20,255
Selling and distribution costs		(551)	(5,003)
Administrative expenses		(24,239)	(42,888)
Share of results of a joint venture	16	(14,631)	4,827
Share of results of an associate	18	(7,894)	(10,094)
Impairment loss on financial assets		(4,550)	(31,085)
Reversal of impairment loss on interest in an associate		11,228	-
Provision of impairment loss on property, plant and equipment		(1,085)	-
Provision of impairment loss on right-of-use assets		(8,440)	-
Finance costs	9	(1,922)	(1,857)
Loss before tax	10	(29,403)	(40,465)
Income tax	12	521	3,068
Loss for the year		(28,882)	(37,397)
<b>Other comprehensive income/(expense)</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Share of other comprehensive expense of an associate		-	234
Exchange differences arising on translation		2,959	3,763
Share of exchange differences of a joint venture		(260)	(372)
Reclassification adjustment for the cumulative exchange reserve included in profit or loss upon derecognition		(1,080)	-
		1,619	3,625
Total comprehensive expense for the year		(27,263)	(33,772)
Loss for the year attributable to:			
Owners of the Company		(34,596)	(23,279)
Non-controlling interests		5,714	(14,118)
		(28,882)	(37,397)
Total comprehensive expense attributable to:			
Owners of the Company		(33,316)	(19,847)
Non-controlling interests		6,053	(13,925)
		(27,263)	(33,772)
Loss per share (HK\$)	13		
Basic		(0.047)	(0.032)
Diluted		(0.046)	(0.030)

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	2024 HK\$'000	2023 HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment	15	374	1,724
Interest in a joint venture	16	–	14,891
Interest in an associate	18	8,400	5,260
Deposits	23	1,284	1,287
Right-of-use assets	20	2,022	1,007
		12,080	24,169
<b>Current assets</b>			
Accounts receivable	21	44,301	63,861
Loan receivables	22	147,260	118,639
Other receivables, deposits and prepayments	23	16,062	52,344
Convertible bond	17	–	3,927
Held-for-trading investments	24	74,049	65,151
Restricted bank balances (trust and segregated accounts)	25	9,828	9,828
Bank balances (general accounts) and cash	25	19,548	41,027
		311,048	354,777
<b>Current liabilities</b>			
Accounts payable	26	18,637	15,441
Other payables and accruals	27	99,518	99,050
Amount due to a joint venture	19	2,532	35,735
Borrowings	28	10,418	10,298
Tax payable		7,165	13,401
Lease liabilities	29	3,801	3,155
		142,071	177,080
<b>Net current assets</b>		168,977	177,697
<b>Total assets less current liabilities</b>		181,057	201,866
<b>Non-current liabilities</b>			
Borrowing	28	20,000	20,000
Lease liabilities	29	5,636	421
		25,636	20,421
<b>Net assets</b>		155,421	181,445
<b>Capital and reserves</b>			
Share capital	30	7,361	7,361
Reserves		167,833	199,910
<b>Equity attributable to owners of the Company</b>		175,194	207,271
<b>Non-controlling interests</b>	38	(19,773)	(25,826)
<b>Total equity</b>		155,421	181,445

The consolidated financial statements on pages 29 to 99 were approved and authorised for issue by the Board of Directors on 31 March 2025 and were signed on its behalf by:

Zhou Hongtao  
Director

Li Leong  
Director

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Attributable to owners of the Company												
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000 (Note a)	Contributed surplus HK\$'000 (Note b)	Statutory reserve HK\$'000 (Note c)	Exchange translation reserve HK\$'000 (Note d)	Other reserve HK\$'000 (Note e)	Fair value thought other comprehensive income reserve ("FVTOCI") HK\$'000 (Note f)	Share options reserve HK\$'000 (Note g)	Accumulated losses HK\$'000	Subtotal HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
At 1 January 2023	7,361	81,221	13,092	429,374	8,407	20,742	17,801	(33,000)	7,761	(335,261)	217,498	(11,901)	205,597
Loss for the year	-	-	-	-	-	-	-	-	-	(23,279)	(23,279)	(14,118)	(37,397)
Exchange differences arising on translation	-	-	-	-	-	3,570	-	-	-	-	3,570	193	3,763
Share of exchange differences of a joint venture	-	-	-	-	-	(372)	-	-	-	-	(372)	-	(372)
Share of other comprehensive income of an associate	-	-	-	-	-	-	234	-	-	-	234	-	234
Total comprehensive expenses for the year	-	-	-	-	-	3,198	234	-	-	(23,279)	(19,847)	(13,925)	(33,772)
Recognition of equity-settled share-based payment (Note 34)	-	-	-	-	-	-	-	-	9,620	-	9,620	-	9,620
At 31 December 2023 and 1 January 2024	7,361	81,221	13,092	429,374	8,407	23,940	18,035	(33,000)	17,381	(358,540)	207,271	(25,826)	181,445
Loss for the year	-	-	-	-	-	-	-	-	-	(34,596)	(34,596)	5,714	(28,882)
Exchange differences arising on translation	-	-	-	-	-	2,620	-	-	-	-	2,620	339	2,959
Share of exchange differences of a joint venture	-	-	-	-	-	(260)	-	-	-	-	(260)	-	(260)
Share of other comprehensive income of an associate	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification adjustment for the cumulative exchange reserve included in profit or loss upon derecognition (Note 39)	-	-	-	-	-	(1,080)	-	-	-	-	(1,080)	-	(1,080)
Total comprehensive expenses for the year	-	-	-	-	-	1,280	-	-	-	(34,596)	(33,316)	6,053	(27,263)
Recognition of equity-settled share-based payment (Note 34)	-	-	-	-	-	-	-	-	1,239	-	1,239	-	1,239
Lapsed of share options (Note 34)	-	-	-	-	-	-	-	-	(430)	430	-	-	-
At 31 December 2024	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



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

### Notes:

- (a) Capital reserve represents two new shareholders of a subsidiary, Beijing Le Hua Jiu Fang Advertising Co., Ltd (“Beijing Le Hua Jiu Fang”), injected HK\$15,747,000 (equivalent to RMB12,000,000) as additional registered capital in Beijing Le Hua Jiu Fang during the year ended 31 December 2014. The Group’s equity interest in Beijing Le Hua Jiu Fang decreased from 90% to 71.28%. The difference of HK\$13,092,000 between the fair value of the consideration paid by the two new shareholders and amount of HK\$2,655,000 by which the non-controlling interests are adjusted is recognised directly in equity and attributable to the owners of the Company.
- (b) The contributed surplus represents (i) the cancellation of the entire amount standing to the credit of the share premium account of approximately HK\$323,148,000 and to transfer the credits arising from such cancellation to an account designated as the contributed surplus account of the Company before the change of domicile from Cayman Islands to Bermuda becoming effective on 26 October 2015; and (ii) the capital reduction of the nominal value of issued shares from HK\$0.2 each to HK\$0.1 each by cancelling paid-up capital to the extent of HK\$0.1 on each ordinary share of the Company in issue so that the share capital was reduced by approximately HK\$106,226,000.
- (c) According to the relevant laws and regulations in the People’s Republic of China (“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.
- (d) Exchange translation reserve represents exchange differences relating to the translation of the net assets of the Group’s foreign operations from their functional currencies to the Group’s presentation currency (i.e. Hong Kong dollar) are recognised directly in other comprehensive income and accumulated in the exchange translation reserve. Such exchange differences accumulated in the exchange translation reserve are reclassified to profit or loss on the disposal of the foreign operations.
- (e) Other reserve represents share of accumulated exchange difference of associate.
- (f) FVTOCI reserve represents gains/losses arising on recognising financial assets classified as investment in equity instrument at fair value through other comprehensive income.
- (g) Share option reserve comprises the fair value of share options granted which are yet to be exercised, the amount will either be transferred to the share premium account when the related options are exercised, or be transferred to accumulated losses should the related options expire or be forfeited.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	2024 HK\$'000	2023 HK\$'000
<b>OPERATING ACTIVITIES</b>		
Loss before tax	(29,403)	(40,465)
Adjustments for:		
Bank interest income	(78)	(451)
Finance costs	1,922	1,857
Depreciation of property, plant and equipment	304	261
Depreciation of right-of-use assets	1,543	325
Reversal of impairment loss on interest in an associate	(11,228)	-
Impairment losses on financial assets, net	4,550	31,085
Impairment losses on right-of-use assets	8,440	-
Impairment losses on property, plant and equipment	1,085	-
Gain on disposal of property, plant and equipment	24	-
Written-off of property, plant and equipment	-	26
Fair value changes on financial assets at fair value through profit or loss	1,127	(12,120)
Gain on early termination of lease agreement	(286)	-
Share of results of an associate	7,894	10,094
Share of results of a joint venture	14,631	(4,827)
Equity-settled share-based payment	1,239	9,620
Gain on deregistration of subsidiaries	(6,802)	(17,593)
Operating cash flows before movements in working capital	(5,038)	(22,188)
Changes in accounts receivable	(5,839)	600
Changes in other receivables, deposits and prepayments	26,520	(239)
Changes in accounts payable	3,446	(2,560)
Changes in other payables and accruals	6,817	(7,239)
Purchases of held-for-trading investments	(2,539)	(5,626)
Cash from/(used in) from operations	23,367	(37,252)
Interest received	78	451
Income tax paid	(405)	-
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>23,040</b>	<b>(36,801)</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	2024 HK\$'000	2023 HK\$'000
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(86)	-
Changes in loan receivables	(6,516)	(10,183)
Changes in bank balances (trust and segregated accounts)	-	9,830
Changes in restricted bank balances (trust and segregated accounts)	-	(9,828)
Sale proceeds from disposals of property, plant and equipment	10	-
Redemption of convertible bonds	4,075	-
NET CASH USED IN INVESTING ACTIVITIES	(2,517)	(10,181)
FINANCING ACTIVITIES		
(Repayment of)/advanced from a joint venture	(32,666)	13,496
(Repayment to)/the former director	(4,197)	280
Repayment of lease liabilities	(4,876)	(4,289)
Prepayment of lease interest	-	(209)
Repayment of borrowings	-	(3,419)
Interest paid for borrowings	(1,488)	(1,648)
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	(43,227)	4,211
NET DECREASE IN CASH AND CASH EQUIVALENTS	(22,704)	(42,771)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	41,027	82,994
NET EFFECT OF FOREIGN EXCHANGE RATE CHANGES	1,225	804
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	19,548	41,027
Analysis of balances of cash and cash equivalents at the end of the year		
Bank balances and cash and cash equivalents	19,548	41,027

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

## 1. GENERAL

SEEC Media Group Limited (the “Company”) is incorporated as an exempted company with limited liability in the Cayman Islands and continued in Bermuda with its shares listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The change of domicile of the Company from the Cayman Islands to Bermuda was effective on 26 October 2015. The address of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section of the annual report.

In the opinion of the Directors of the Company, the Company has no immediate and ultimate holding company or ultimate controlling party as at 31 December 2024.

The Company acts as investment holding company and its subsidiaries are principally engaged in the provision of advertising agency services in the People’s Republic of China (“PRC”) and the securities broking business and money lending business in Hong Kong.

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”). The directors of the Company have adopted HK\$ as presentation currency. For the convenience of the financial statements users, the consolidated financial statements are presented in HK\$, as the Company’s shares are listed on the Stock Exchange.

## 2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

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 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 or after 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendment to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangement

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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (CONTINUED)

#### Amendments to HKFRS Accounting Standards in issue but not yet effective

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

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

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2025

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>3</sup> Effective for annual/reporting periods beginning on or after 1 January 2027

<sup>4</sup> No mandatory effective date yet determined but available for adoption

Except for HKFRS 18 mentioned below, the Directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations, and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings Per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards will be effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION

#### 3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.1 Basis of preparation of consolidated financial statements (Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

#### 3.2 Material accounting policy information

##### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Group. Control is achieved where the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holding to a proportional share of new assets of the relevant subsidiaries upon liquidation.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### Investments in an associate and a joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint venture are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Changes in net assets of the associate/joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of the associate or joint venture exceeds the Group's interest in that associate or joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assess whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of Assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of HKFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture and the fair value of any retained interest and any proceeds from disposing of the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if the associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate or joint venture.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### Investments in an associate and a joint venture (Continued)

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with a joint venture of the Group, profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

#### Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

#### Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

##### Output method

The progress towards complete satisfaction of a performance obligation for provision of advertising services is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the total value of the services promised under the contract, that best depict the Group's performance in transferring control of goods or services.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### Contract costs

##### Incremental costs of obtaining a contract

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

The Group recognises such costs (commissions and handling charges) as an asset if it expects to recover these costs. The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the services to which the assets relate.

The Group applies the practical expedient of expensing all incremental costs to obtain a contract if these costs would otherwise have been fully amortised to profit or loss within one year.

#### Interest income

Interest income from financial asset is recognised as revenue in profit or loss over the terms of the contracts using the effective interest rate, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the credit loss.

#### Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

#### Impairment on property, plant and equipment and right-of-use assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of property, plant and equipment and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### Impairment on property, plant and equipment and right-of-use assets (Continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as a revaluation decrease under that standard.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that standard.

#### Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for accounts receivable arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income which are derived from the Group's ordinary course of business are presented as revenue.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### Financial instruments (Continued)

##### Financial assets

##### *Classification and subsequent measurement of financial assets*

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (“FVTOCI”):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at the date of initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

#### (i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

*Classification and subsequent measurement of financial assets (Continued)*

#### (ii) Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the FVTOCI reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will continue to be held in the FVTOCI reserve.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the other income line item in profit or loss.

#### (iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset.

#### *Impairment of financial assets*

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets including accounts receivable, loan receivables, amount due from related companies, other receivables and deposits and bank balances which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for accounts receivable without significant financing component.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

*Impairment of financial assets (Continued)*

#### (i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

#### (ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 1 year past due.

The Group has rebutted the 90 days past due presumption of default based on reasonable and supportable information, including the Group's credit risk control practices and the historical recovery rate of financial assets over 90 days past due. However, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

*Impairment of financial assets (Continued)*

#### (iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- (e) the disappearance of an active market for that financial asset because of financial difficulties; or
- (f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

#### (iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of accounts receivable, when the amounts are over 2 years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

*Impairment of financial assets (Continued)*

#### (v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables using a provision matrix taking into consideration historical credit loss experience, adjusted for forward looking information that is available without undue cost or effort.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Lifetime ECL for certain accounts receivable are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of accounts receivable and loan receivables where the corresponding adjustment is recognised through a loss allowance account.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Derecognition/modification of financial assets*

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the FVTOCI reserve is not reclassified to profit or loss, but is transferred to accumulated losses.

A modification of a financial asset occurs if the contractual cash flows are renegotiated or otherwise modified.

When the contractual terms of a financial asset are modified, the Group assesses whether the revised terms result in a substantial modification from original terms taking into account all relevant facts and circumstances including qualitative factors. If qualitative assessment is not conclusive, the Group considers the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received, and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial asset, after reducing gross carrying amount that has been written off.

For non-substantial modifications of financial assets that do not result in derecognition, the carrying amount of the relevant financial assets will be calculated at the present value of the modified contractual cash flows discounted at the financial assets' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial assets and are amortised over the remaining term. Any adjustment to the carrying amount of the financial asset is recognised in profit or loss at the date of modification.

#### Financial liabilities and equity

##### *Classification as debt or equity*

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

*Financial liabilities*

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

*Financial liabilities at amortised cost*

Financial liabilities including borrowings, accounts payable, other payables and accruals and amounts due to a joint venture and related companies are subsequently measured at amortised cost, using the effective interest method.

*Derecognition/modification of financial liabilities*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the contractual terms of a financial liability are modified, the Group assess whether the revised terms result in a substantial modification from original terms taking into account all relevant facts and circumstances including qualitative factors. If qualitative assessment is not conclusive, the Group considers that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received, and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. Accordingly, such modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. The exchange or modification is considered as non-substantial modification when such difference is less than 10 per cent.

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification.

*Offsetting a financial asset and a financial liability*

A financial asset and a financial liability are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### Lease

##### Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application of HKFRS 16, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

##### The Group as a lessee

###### Short-term leases

The Group applies the short-term lease recognition exemption to leases of leasehold properties that have a lease term of 12 months or less from the commencement date and do not contain a purchase option.

Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

###### Right-of-use assets

Except for short-term leases, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and condition of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities other than adjustments to lease liabilities resulting from Covid-19-related rent concessions in which the Group applied the practical expedient.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Lease (Continued)

The Group as a lessee (Continued)

*Refundable rental deposits*

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

*Lease liabilities*

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed lease payments (including in-substance fixed payments).

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments. The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review/expected payment under a guaranteed residual value in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The lease liability is presented as a separate line in the consolidated statements of financial position.

Lease modifications

Except for Covid-19-related rent concessions in which the Group applied the practical expedient, the Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, less any lease incentives receivable, based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Lease (Continued)

The Group as a lessee (Continued)

Lease liabilities (Continued)

#### Covid-19-related rent concessions

In relation to rent concessions that occurred as a direct consequence of the Covid-19 pandemic, the Group has elected to apply the practical expedient not to assess whether the change is a lease modification if all of the following conditions are met:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; and
- there is no substantive change to other terms and conditions of the lease.

A lessee applying the practical expedient accounts for changes in lease payments resulting from rent concessions the same way it would account for the changes applying HKFRS 16 if the changes are not a lease modification. Forgiveness or waiver of lease payments are accounted for as variable lease payments. The related lease liabilities are adjusted to reflect the amounts forgiven or waived with a corresponding adjustment recognised in the profit or loss in the period in which the event occurs.

#### Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from loss before taxation because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and interests in an associate and a joint venture, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 Income Taxes requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. When deferred tax arises from the initial accounting from business combination, the tax effect is included in the accounting for the business combination.

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### Foreign currencies (Continued)

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Exchange differences relating to the retranslation of the Group's net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. HK\$) are recognised directly in other comprehensive income and accumulated in exchange translation reserve. Such exchange differences accumulated in the exchange translation reserve are not reclassified to profit or loss subsequently.

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants are presented under "other income".

#### Employee benefits

##### Retirement benefits costs

Payments to Mandatory Provident Fund Scheme and state-managed retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

##### Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### Equity-settled share-based payment transactions

##### Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve. For share options that vest immediately at the date of grant, the fair value of the shares/share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share-based payments reserve will be transferred to accumulated losses. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payments reserve will be transferred to accumulated losses.

#### Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

#### Provision for impairment loss of accounts receivable and loan receivables

The policy for provision for impairment of accounts receivable and loan receivables of the Group is based on the evaluation of collectability and ageing analysis of accounts and on management's judgement or expected credit losses associated with credit risk. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history. If the financial conditions of the counter parties were to change, resulting in an impairment or improvement in their abilities to make payments, either additional provision or reversal of previously made provision may be required.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 5. REVENUE

Revenue represents the invoiced value, net of value added tax, of advertising services, commission and brokerage income arising from securities broking services, interest income arising from securities broking business and interest income from loan receivables. An analysis of the Group's revenue is as follows:

	2024 HK\$'000	2023 HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15:		
Advertising services income	20,241	26,787
Commission and brokerage income	-	4
	20,241	26,791
Revenue from other sources:		
Interest income arising from securities broking business	-	283
Interest income from loan receivables	9,910	11,305
	9,910	11,588
	30,151	38,379
Timing of revenue recognition:		
A point of time	-	4
Over time	20,241	26,787
	20,241	26,791

#### Advertising services income

For advertising services, which mainly include live broadcasting promotion and custom graphic design services, revenue is recognised over time when the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs, i.e. the publication of the related advertisement. The normal credit term is 90 days upon services provided.

#### Commission and brokerage income

Revenue from commission and brokerage income is recognised at a point of time on the execution date of the trades at a certain percentage of the transaction value of the trades executed.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 6. SEGMENT INFORMATION

Information reported to the Company's executive directors, being the chief operating decision makers, for the purposes of allocating resources to segments and assessing their performance are organised on the basis of the revenue streams. The Group is principally engaged in (a) provision of advertising services; (b) provision of securities broking services including brokerage, financing and underwriting and placement; and (c) money lending.

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment result represents the profit or loss earned by each segment without allocation of unallocated administration expenses, other income, other gains and losses, net, share of results of a joint venture, share of loss of an associate, fair value changes on held-for-trading investments, finance costs and reversal/(provision) of impairment loss on an associate. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment. Furthermore, as the assets and liabilities for reportable segments are not provided to the chief operating decision makers for the purposes of resources allocation and performance assessment, no segment assets and liabilities are presented accordingly.

#### Segment revenues and results

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

For the year ended 31 December 2024

	Provision of advertising services HK\$'000	Provision of securities broking services HK\$'000	Money lending HK\$'000	Consolidated HK\$'000
Revenue				
External sales	20,241	-	9,910	30,151
Result				
Segment profit/(loss)	8,982	(15,012)	(3,603)	(9,633)
Other income				22
Fair value changes on financial assets at fair value through profit or loss				(1,127)
Other gains and losses, net				25,363
Unallocated administration expenses				(21,844)
Share of results of a joint venture				(14,631)
Share of results of an associate				(7,894)
Reversal of impairment loss on interests in an associate				11,228
Impairment loss on other receivables				(9,109)
Unallocated finance costs				(1,778)
Loss before tax				(29,403)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 6. SEGMENT INFORMATION (CONTINUED)

Segment revenues and results (Continued)

For the year ended 31 December 2023

	Provision of advertising services HK\$'000	Provision of securities broking services HK\$'000	Provision of e-commerce platform services and sales of high-tech products HK\$'000	Money lending HK\$'000	Consolidated HK\$'000
Revenue					
External sales	26,787	287	-	11,305	38,379
Result					
Segment profit/(loss)	9,432	3,023	126	(34,673)	(22,092)
Other income					1,701
Fair value changes on financial assets at fair value through profit or loss					12,120
Other gains and losses, net					(7,933)
Unallocated administration expenses					(17,777)
Share of results of a joint venture					4,827
Share of results of an associate					(10,094)
Unallocated finance costs					(1,217)
Loss before tax					(40,465)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 6. SEGMENT INFORMATION (CONTINUED)

Other segment information

For the year ended 31 December 2024

	Provision of advertising services and sales of books and magazines HK\$'000	Provision of securities broking services HK\$'000	Money lending HK\$'000	Total reportable segments HK\$'000	Unallocated HK\$'000	Total HK\$'000
<b>Amounts included in the measure of segment profit or loss or segment assets:</b>						
Addition to property, plant and equipment	86	-	-	86	-	86
Addition to right-of-use assets	-	3,464	4,976	8,440	2,726	11,166
Depreciation of property, plant and equipment	(86)	-	-	(86)	(218)	(304)
Depreciation of right-of-use assets	-	-	-	-	(1,543)	(1,543)
Impairment losses on property, plant and equipment recognised in profit or loss	-	(1,085)	-	(1,085)	-	(1,085)
Impairment losses on right-of-use assets recognised in profit or loss	-	(3,464)	(4,976)	(8,440)	-	(8,440)
Impairment losses on financial assets (recognised)/reversed in profit or loss	-	(25,181)	29,740	4,559	(9,109)	(4,550)
Loss on disposal of property, plant and equipment	(24)	-	-	(24)	-	(24)
<b>Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:</b>						
Other income	1,162	-	1,503	2,665	22	2,687
Other gains and losses, net	(8,255)	21,336	(29,739)	(16,658)	25,363	8,705
Administration expenses	-	-	-	-	(21,844)	(21,844)
Interest income	42	-	-	42	-	42
Interest expenses	-	(59)	(85)	(144)	(1,778)	(1,922)
Income tax	(169)	-	690	521	-	521

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 6. SEGMENT INFORMATION (CONTINUED)

Other segment information (Continued)

For the year ended 31 December 2023

	Provision of advertising services and sales of books and magazines HK\$'000	Provision of securities broking services HK\$'000	Money lending HK\$'000	Total reportable segments HK\$'000	Others HK\$'000	Total HK\$'000
<b>Amounts included in the measure of segment profit or loss or segment assets:</b>						
Addition to right-of-use assets	-	-	-	-	1,178	1,178
Depreciation of property, plant and equipment	-	-	-	-	-	(261)
Depreciation of right-of-use assets	-	-	-	-	-	(325)
Impairment losses on financial assets recognised in profit or loss	-	(31,085)	-	(31,085)	-	(31,085)
Loss on disposal of property, plant and equipment	(26)	-	-	(26)	-	(26)
<b>Amounts regularly provided to the chief operating decision marker but not included in the measure of segment profit or loss or segment assets:</b>						
Interest income	104	185	159	448	3	451
Interest expenses	-	-	(6)	(6)	(1,851)	(1,857)
Income tax	3,069	-	-	3,069	-	3,069

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 6. SEGMENT INFORMATION (CONTINUED)

#### Geographical information

The Group's operations are located in the PRC and Hong Kong.

Information about the Group's revenue from external customers is presented based on the location of the operations of the Group. Information about the Group's non-current assets (excluding financial instruments) is presented based on the geographical location of the assets.

	Revenue from external customers		Non-current assets (Note)	
	2024 HK\$'000	2023 HK\$'000	2024 HK\$'000	2023 HK\$'000
PRC	695	10,678	374	423
Hong Kong	29,456	27,701	2,022	2,308
	30,151	38,379	2,396	2,731

Note: Non-current assets excluded deposits, interest in a joint venture and interest in an associate.

#### Information about major customers

There is no customer from provision of advertising services, and money lending segment which contributed over 10% of the total revenue of the Group.

### 7. OTHER INCOME

	2024 HK\$'000	2023 HK\$'000
Bank interest income	78	451
Other miscellaneous income	-	5
Service fee income (note i)	1,392	1,392
Others (note ii)	1,217	181
	2,687	2,029

Notes:

- (i) The amount represented the income from administrative support.
- (ii) The amounts represented the gain on disposal of vehicle registration mark with the amount of HK\$345,000 by auction.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 8. OTHER GAINS AND LOSSES, NET

	2024 HK\$'000	2023 HK\$'000
Exchange differences, net	2,121	2,688
Loss on deemed disposal of an associate	(194)	-
Gain on deregistration of subsidiary (Note 39)	6,802	17,593
Loss on disposal of property, plant and equipment	(24)	(26)
	8,705	20,255

### 9. FINANCE COSTS

	2024 HK\$'000	2023 HK\$'000
Interest on borrowings	1,634	1,648
Interest on lease liabilities	288	209
	1,922	1,857

### 10. LOSS BEFORE TAX

	2024 HK\$'000	2023 HK\$'000
Loss before tax has been arrived at after charging:		
Auditor's remuneration	500	550
Staff costs (including directors' emoluments):		
Wages, salaries and other allowances	9,695	17,125
Contributions to retirement benefits schemes	1,055	1,458
Employee share option benefits	1,241	8,437
Total staff cost	11,991	27,020
Depreciation of property, plant and equipment	304	261
Depreciation of right-of-use-assets	1,543	325
Total depreciation	1,847	586
Short-term lease payments	-	319
Impairment loss on financial asset		
- Account receivables	25,180	(2,188)
- Loan receivables	(29,739)	25,546
- Other receivables and deposits	9,109	7,727
Total impairment loss on financial asset	4,550	31,085

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

The emoluments paid or payable to each of the directors and the chief executive were as follows:

	2024					2023				
	Fees HK\$'000	Salaries HK\$'000	Contributions to retirement benefits schemes HK\$'000	Equity-settled share-based payment expenses HK\$'000	Total HK\$'000	Fees HK\$'000	Salaries HK\$'000	Contributions to retirement benefits schemes HK\$'000	Equity-settled share-based payment expenses HK\$'000	Total HK\$'000
<b>Executive Directors</b>										
- Mr. Zhang Zhifang (resigned on 20 September 2023)	-	-	-	-	-	180	-	-	-	180
- Mr. Zhou Hongtao	60	-	-	-	60	60	-	-	-	60
- Mr. Li Leong	-	114	-	-	114	-	144	7	-	151
- Mr. Li Xi	300	-	-	-	300	300	-	-	-	300
- Mr. Li Zhen	144	-	-	-	144	144	-	-	-	144
- Mr. Li Wei (appointed on 18 January 2023)	-	533	56	173	762	-	1,565	26	1,347	2,938
<b>Independent Non-Executive Directors</b>										
- Mr. Law Chi Hung	120	-	-	-	120	120	-	-	-	120
- Mr. Wong Ching Cheung (resigned on 13 December 2024)	83	-	-	-	83	96	-	-	-	96
- Mr. Leung Tat Yin (resigned on 1 January 2024)	-	-	-	-	-	120	-	-	-	120
- Ms. Fang Ying (appointed on 13 December 2024)	-	-	-	-	-	-	-	-	-	-
- Mr. Guo Hui (appointed on 13 December 2024)	-	-	-	-	-	-	-	-	-	-
	707	647	56	173	1,583	1,020	1,709	33	1,347	4,109

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company's subsidiaries or its parent company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Fees, salaries and other benefits paid to or for the executive directors are generally emoluments paid or receivable in respect of those persons' services in connection with the management of the affairs of the Company and its subsidiaries. Emoluments of the independent non-executive directors shown above were mainly for their services as directors of the Company.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (CONTINUED)

One director (2023: one) of the Company was the five highest paid employees of the Group, details of whose remuneration are set out above. Details of the remuneration for the year of the remaining four (2023: four) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	2024 HK\$'000	2023 HK\$'000
Salaries and other allowances	1,901	1,808
Contributions to retirement benefits scheme	256	340
Equity-settled share-based payment expenses	532	5,336
	2,689	7,484

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

	2024 No. of employees	2023 No. of employees
HK\$nil to HK\$1,000,000	4	Nil
HK\$1,000,001 to HK\$1,500,000	Nil	1
HK\$2,000,001 to HK\$2,500,000	Nil	3

No emoluments were paid by the Group to the directors or the five highest paid employees as compensation for loss of office or as a discretionary bonus or an inducement to join or upon joining the Group. None of the directors, chief executive or the five highest paid employees has waived any emoluments in both years.

### 12. INCOME TAX

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

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

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

	2024 HK\$'000	2023 HK\$'000
Current tax		
Over-provision in prior years		
– PRC Enterprise Income Tax	(521)	(3,068)
	(521)	(3,068)



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 12. INCOME TAX (CONTINUED)

The income tax for the year can be reconciled to the loss before tax multiplied by the EIT rate per the consolidated statement of profit or loss and other comprehensive income as follows:

	2024 HK\$'000	2023 HK\$'000
Loss before tax	(29,403)	(40,465)
Tax at EIT rate of 25%	(7,350)	(10,116)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(696)	(758)
Tax effect of income not taxable for tax purposes	(3,947)	(6,828)
Tax effect of expenses not deductible for tax purposes	7,248	6,180
Tax effect of temporary differences not recognised	270	(3,095)
Tax effect of tax losses not recognised	10,113	16,161
Utilisation of tax loss previously not recognised	(5,638)	(1,544)
Over provision in prior years	(521)	(3,068)
	(521)	(3,068)

At the end of the reporting period, the Group had unused tax losses of approximately HK\$239,279,000 (2023: HK\$218,062,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of approximately HK\$10,897,000 (2023: HK\$11,740,000) with expiry dates as disclosed in following table. Other losses may be carried forward indefinitely.

	2024 HK\$'000	2023 HK\$'000
2024	–	337
2025	65	426
2026	2,340	318
2027	542	6
2028	7,746	10,653
2029	204	–
	10,897	11,740

As at 31 December 2024 and 2023, the Group did not have other material unrecognised deferred tax.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 13. LOSS PER SHARE

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

	2024 HK\$'000	2023 HK\$'000
<b>Loss</b>		
Loss for the purposes of basic and diluted loss per ordinary share being loss for the year attributable to owners of the Company	(34,596)	(23,279)
	2024	2023
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic loss per share	736,142,730	736,142,730
Effect of dilutive potential ordinary share arising from share options	57,240,000	122,000,000
Weighted average number of shares that would have been issued at average market prices	(46,689,095)	(79,987,700)
	746,693,635	778,155,030

The computation of diluted loss per share for both years does not assume the exercise of outstanding share options of the Company since their assumed exercise would result in a decrease in loss per share, which is anti-dilutive.

### 14. DIVIDEND

No dividend was paid or proposed for ordinary shareholders of the Company during 2024, nor has any dividend been proposed since the end of the reporting period (2023: Nil).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 15. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements HK\$'000	Motor vehicles HK\$'000	Furniture, fixtures and fittings HK\$'000	Computer and office equipment HK\$'000	Total HK\$'000
<b>At cost</b>					
At 1 January 2023	8,837	10,317	1,883	7,764	28,801
Written off	-	(846)	-	(131)	(977)
Exchange realignment	-	(269)	(37)	(85)	(391)
At 31 December 2023 and 1 January 2024	8,837	9,202	1,846	7,548	27,433
Additions	-	86	-	-	86
Disposals	-	(475)	-	(241)	(716)
Exchange realignment	-	(293)	(44)	(94)	(431)
At 31 December 2024	8,837	8,520	1,802	7,213	26,372
<b>Accumulated depreciation and impairment</b>					
At 1 January 2023	8,070	9,940	1,877	6,894	26,781
Provided for the year	117	-	-	144	261
Written off	-	(833)	-	(118)	(951)
Exchange realignment	-	(259)	(37)	(86)	(382)
At 31 December 2023 and 1 January 2024	8,187	8,848	1,840	6,834	25,709
Provided for the year	74	86	-	144	304
Disposals	-	(451)	-	(231)	(682)
Impairment	576	-	-	509	1,085
Exchange realignment	-	(282)	(44)	(92)	(418)
At 31 December 2024	8,837	8,201	1,796	7,164	25,998
<b>Carrying values</b>					
At 31 December 2024	-	319	6	49	374
At 31 December 2023	650	354	6	714	1,724

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Leasehold improvements	Over the shorter of 3 years and the lease term
Motor vehicles	4 to 5 years
Furniture, fixtures and fittings	Over the shorter of 10 years and the lease term
Computer and office equipment	3 to 6 $\frac{2}{3}$ years

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 16. INTEREST IN A JOINT VENTURE

	2024 HK\$'000	2023 HK\$'000
Cost of unlisted investment in joint venture	22,863	22,863
Share of post-acquisition profit and other comprehensive income	(20,172)	(5,281)
Impairment loss recognised	(2,691)	(2,691)
	–	14,891

As at 31 December 2024 and 2023, the Group had interest in the following joint venture:

Name of entity	Form of business structure	Place/ country of incorporation/ registration	Principal place of operation	Class of share held	Proportion of nominal value of issued capital/ registered capital held by the Group		Proportion of voting power held		Principal activity
					2024	2023	2024	2023	
Mondadori - SEEC (Beijing) Advertising Co., Ltd.* ("Mondadori - SEEC")	Incorporated	PRC	PRC	Registered capital	50%	50%	50%	50%	Advertising agent

\* For identification purposes only

#### Summarised financial information of a joint venture

Summarised financial information in respect of the Group's joint venture is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with HKFRS Accounting Standards.

#### Mondadori – SEEC

	2024 HK\$'000	2023 HK\$'000
Current assets	2,086	41,898
Non-current assets	32	74
Current liabilities	(72)	(6,807)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 16. INTEREST IN A JOINT VENTURE (CONTINUED)

Summarised financial information of a joint venture (Continued)

Mondadori – SEEC (Continued)

The above amounts of assets including the following:

	2024 HK\$'000	2023 HK\$'000
Cash and cash equivalents	1,018	2,414
	2024 HK\$'000	2023 HK\$'000
Revenue	3,634	35,596
(Loss)/profit and total comprehensive (expense)/income for the year	(32,599)	9,653

Reconciliation of the above summarised financial information to the carrying amount of the interest in Mondadori – SEEC:

	2024 HK\$'000	2023 HK\$'000
Net assets	2,045	35,164
Proportion of the Group's ownership interest in a joint venture	50%	50%
Share of net assets of a joint venture	1,023	17,582
Impairment loss recognised	(2,691)	(2,691)
Carrying amount of the Group's interest in a joint venture	–	14,891

The above loss shared by the Group for the year includes the following:

	2024 HK\$'000	2023 HK\$'000
Depreciation of property, plant and equipment	42	14
Interest income	6	4
Reversal of accounts receivable	–	(155)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 16. INTEREST IN A JOINT VENTURE (CONTINUED)

Summarised financial information of a joint venture (Continued)

#### Mondadori – SEEC (Continued)

The cost of investment in joint venture represents the Group's 50% capital in the Mondadori – SEEC (Beijing) Advertising Co., Ltd. which was established in the PRC and engaged in provision of advertising agency services in the PRC.

According to the legal form and terms of the contractual arrangement, the joint venturers have joint control of the arrangement and have rights to the net assets of the arrangement, hence it is regarded as a joint venture.

During the year ended 31 December 2024, the share of loss of investment in a joint venture exceed the cost of investment. No provision of impairment loss was recognised in profit or loss during the year.

### 17. INVESTMENT IN CONVERTIBLE BONDS

As at 31 December 2023, the Group held convertible bonds issued by a company which shares are listed on the Stock Exchange with principal amount of HK\$4,000,000. The convertible bonds are unsecured, carried interest at 1.5% and matured in 2024. The Group classified these convertible bonds as financial assets at fair value through profit or loss. The fair value of investment in convertible bonds was categorised as level 3 of the fair value hierarchy.

During the year ended 31 December 2024, the convertible bonds has been matured and fully redeemed.

### 18. INTEREST IN AN ASSOCIATE

	2024 HK\$'000	2023 HK\$'000
Cost of investment in an associate	150,500	150,500
Share of post-acquisition profit or loss and other comprehensive income	(120,090)	(112,002)
Impairment loss recognised	(22,010)	(33,238)
	8,400	5,260

As at 31 December 2024, the Group held 56,000,000 (2023: 56,000,000) shares of Asia-Pac Financial Investment Company Limited ("Asia-Pac"), representing approximately 20.01% (2023: 24.02%) equity interest of the issued share capital of Asia-Pac.

During the year ended 31 December 2024, Asia-Pac issued new shares to new shareholders, therefore the equity interests have been diluted from 24.02% to 20.01%. As a result, the deemed loss on disposal of HK\$194,000 was recognised.

Asia-Pac, was incorporated in the Cayman Islands with limited liability and its shares are listed on the GEM of the Stock Exchange (Stock code: 8193.HK). Asia-Pac, is an investment holding company while the principal activities of its subsidiaries are provision of asset advisory service and asset appraisal, provision of corporate services and consultancy services, provision of media advertising and provision of financial services.

The impairment testing is primarily based on the fair value of the Group's interests in the associate.

The market value of the investment in Asia-Pac as at 31 December 2024 was determined based on its quoted market prices on the Stock Exchange amounted to HK\$8,400,000 (2023: HK\$5,260,000).

#### Summarised financial information of Asia-Pac

Summarised financial information in respect of Asia-Pac is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with HKFRS Accounting Standards.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 18. INTEREST IN AN ASSOCIATE (CONTINUED)

	2024 HK\$'000	2023 HK\$'000
Current assets	92,576	112,039
Non-current assets	18,577	26,326
Current liabilities	(87,085)	(70,023)
Non-current liabilities	–	(12,878)
Revenue	21,928	23,778
Loss for the year	(42,030)	(53,293)
Other comprehensive (expenses)/income	(440)	976
Total comprehensive expenses for the year	(42,470)	(52,317)

Reconciliation of the above summarised financial information to the carrying amount of the interest in an associate recognised in these consolidated financial statements:

	2024 HK\$'000	2023 HK\$'000
Net assets of Asia-Pac	13,713	45,109
Proportion of the Group's ownership interest in Asia-Pac	20.01%	24.02%
Goodwill on acquisition of interest in Asia-Pac	2,744	10,832
Impairment loss recognised	(22,010)	(33,238)
Carrying amount of the Group's interest in Asia-Pac	8,400	5,260

### 19. AMOUNTS DUE TO A JOINT VENTURE

	Notes	2024 HK\$'000	2023 HK\$'000
Amount due to a joint venture (current)	(i)	2,532	35,735

Notes:

- (i) The amount is unsecured, non-interest bearing and repayable on demand.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 20. RIGHT-OF-USE ASSETS

	Leasehold properties
<b>Cost:</b>	
At 1 January 2023	20,536
Additions	1,178
Termination of leases	(1,732)
Exchange realignment	(13)
At 31 December 2023 and 1 January 2024	19,969
Additions	11,166
Termination of leases	(612)
Exchange realignment	(19)
At 31 December 2024	30,504
<b>Accumulated depreciation and impairment:</b>	
At 1 January 2023	20,380
Charge for the year	325
Termination of leases	(1,732)
Exchange realignment	(11)
At 31 December 2023 and 1 January 2024	18,962
Charge for the year	1,543
Termination of leases	(459)
Impairment	8,440
Exchange realignment	(4)
At 31 December 2024	28,482
<b>Carrying amount:</b>	
At 31 December 2024	2,022
At 31 December 2023	1,007

The directors of the Group concluded there was indication for impairment due to the loss of operations and conducted impairment assessment on certain right-of-use assets with carrying amounts, before recognition of impairment loss for the year, of approximately HK\$8,440,000.

The Group estimates the recoverable amounts of those certain right-of-use assets based on higher of fair value less costs of disposal and value in use. The recoverable amounts are determined based on fair value less costs of disposal. The carrying amounts of the certain right-of-use assets exceed the recoverable amount and impairment of approximately HK\$8,440,000 has been recognised during the year ended 31 December 2024 (2023: The carrying amounts of the certain property, plant and equipment does not exceed the recoverable amount and no impairment has been recognised).



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 21. ACCOUNTS RECEIVABLE

	2024 HK\$'000	2023 HK\$'000
Accounts receivable arising from the business of provision of advertising agency services and sales of books and magazines – less: allowance for ECL	8,875 (7)	3,382 (134)
Accounts receivable arising from the business of dealing in securities: Cash clients – less: allowance for ECL	8,868 181,575 (146,142)	3,248 181,575 (120,962)
	35,433	60,613
	44,301	63,861

#### Provision of advertising agency services and sales of books and magazines

The credit period granted by the Group to customers for both provision of advertising agency services and sales of books and magazines are not more than three months from the date of recognition of the sale.

The aging analysis of the Group's accounts receivable arising from the provision of advertising agency services and sales of books and magazines net of allowance for ECL, presented based on date of advertising agency services provided or book and magazines issued, which approximate the date of revenue recognition is as follows:

	2024 HK\$'000	2023 HK\$'000
Less than three months	4,575	2,664
Three months to six months	3,300	517
Over six months to one year	1,000	67
	8,875	3,248

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

#### Business of dealing in securities

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 minimise 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 fair value of these listed equity securities were approximately HK\$78,347,000 as at 31 December 2024.

The business of dealing in securities had been suspended until further notice since 19 September 2023.

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 22. LOAN RECEIVABLES

Loan receivables carried fixed interest rates ranging from 8% to 10% per annum as at 31 December 2024 and 2023 and will be repaid in accordance with the terms of the loan agreements.

	2024 HK\$'000	2023 HK\$'000
Loan receivables	171,311	178,795
- less: allowance for ECL	(24,051)	(60,156)
	147,260	118,639
Analysed as		
Secured	93,740	84,935
Unsecured	53,520	33,704
	147,260	118,639

The directors of the Company consider credit risks have increased significantly for those past due more than 30 days and those past due more than 90 days are considered as credit-impaired.

Included in the carrying amount of loan receivables as at 31 December 2024 is accumulated impairment losses of HK\$24,051,000 (2023: HK\$60,156,000). The carrying amounts of loan receivables is denominated in Hong Kong dollars. Details of impairment assessment are set out in note 33.

As at 31 December 2024, the carrying amount of loan receivables amounting to HK\$93,740,000 (2023: HK\$84,935,000) are secured by client's pledged securities with fair value of HK\$46,582,000 (2023: HK\$48,959,000), the pledged securities are traded in active market and its value is based on quoted market price, which are categorised into level 1 fair value hierarchy. All of the pledged securities are listed equity securities in Hong Kong. The Group is permitted to sell or repledge the collaterals in the event of default by the borrower. There has not been any significant changes in the quality of the collateral held for the loan receivables.

Loan receivables are analysed by the remaining period to contractual maturity date as follows:

	2024 HK\$'000	2023 HK\$'000
Overdue	-	-
Less than three months	10,392	664
Three months to six months	18,415	56,835
Over six months to one year	118,453	61,140
	147,260	118,639

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 23. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2024 HK\$'000	2023 HK\$'000
Advance to staffs	817	986
Prepayments	614	933
Rental deposits	1,466	1,565
Other tax prepayments	3,483	3,445
Others	10,966	46,702
	17,346	53,631
Less: Deposits (shown under non-current assets)	(1,284)	(1,287)
	16,062	52,344

Details of impairment assessment of other receivables are set out in note 33.

### 24. HELD-FOR-TRADING INVESTMENTS

	2024 HK\$'000	2023 HK\$'000
Held-for-trading investments include:		
Listed securities:		
– Equity securities listed in Hong Kong	74,049	65,151

Held-for-trading investments as at 31 December 2024 and 2023 represent equity securities listed in the Stock Exchange. The fair values of the investments are determined based on the quoted market bid price available on the Stock Exchange. The fair value of held-for-trading investments was classified as Level 1 of the fair value hierarchy.

The Group held a significant investment in the China Investment and Finance Group Limited, which represented 5.4% of the Group's total assets and a significant portion in the net assets of the Group as at 31 December 2024.

### 25. BANK BALANCES AND CASH AND CASH EQUIVALENTS

The Group maintains segregated trust accounts with authorised institutions to hold clients' monies arising from its normal course of business. The Group has classified the clients' monies as cash held on behalf of customers under the current assets section of the consolidated statement of financial position and recognised the corresponding accounts payables (Note 26) to respective clients on the grounds that it is liable for any loss or misappropriation of clients' monies. The cash held on behalf of customers is restricted and governed by the Securities and Futures (Client Money) Rules under the Securities and Futures Ordinance.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 26. ACCOUNTS PAYABLE

	2024 HK\$'000	2023 HK\$'000
Accounts payable arising from the provision of advertising agency service and sales of books and magazines	8,809	5,613
Accounts payable arising from the business of dealing in securities – Cash clients	9,828	9,828
Accounts payable arising from the provision of e-commerce platform service and sales of high-tech products	–	–
	18,637	15,441

#### Provision of adverting agency services and sales of books and magazines

The aging analysis of the Group's accounts payables arising from the provision of advertising agency services and sales of books and magazines presented based on the invoice date at the end of the reporting period is as follows:

	2024 HK\$'000	2023 HK\$'000
Less than three months	4,004	710
Three months to six months	313	224
Six months to one year	–	1
Over one year	4,492	4,678
	8,809	5,613

The average credit period granted by accounts payables is 90 days (2023: 90 days). The Group has financial risk management policies in place to ensure that all payables are within the credit time frame.

#### Business of dealing securities

The balance of accounts payable arising from the securities broking business are repayable on demand except where certain accounts payable to clients represent margin deposits received from clients for their trading activities under normal course of business. Only the excess amounts over the required margin deposits stipulated are repayable on demand.

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

As at 31 December 2024, the accounts payable amounting to approximately HK\$9,828,000 (2023: HK\$9,829,000) were payable to clients in respect of the trust and segregated bank balances received and held for clients in the course of the conduct of regulated activities. However, the Group does not have a currently enforceable right to offset these payables with the deposits placed.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 27. OTHER PAYABLES AND ACCRUALS

	2024 HK\$'000	2023 HK\$'000
Contract liabilities	76	79
Accrued office and rental expenses	1,018	879
Advertising fee payable	–	1,956
Others (Note)	98,424	96,136
	99,518	99,050

Note: As at 31 December 2024, included in the others are amounts of approximately HK\$63,600,000 (2023: HK\$67,797,000) due to the companies which Mr. Zhang Zhifang, a former director of the Company, have interests and can exercise significant influence over these companies.

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

	2024 HK\$'000	2023 HK\$'000
At 1 January	79	380
Decrease in contract liabilities as a result of – revenue recognised that was included in the contract liabilities balance at the beginning of the year	–	(294)
Exchange realignment	(3)	(7)
	76	79

### 28. BORROWINGS

	2024 HK\$'000	2023 HK\$'000
Bond payables	20,947	20,947
Other loan	9,471	9,351
	30,418	30,298

The Group issued bonds with principal amount of HK\$20 million at par in 2022. Bond payables were unsecured, carried interest at 6% per annum payable annually and mature in 2028.

Other loan represented a loan from a third party, which is unsecured, carried interest at 5% per annum payable at the maturity, and repayable within one year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 29. LEASE LIABILITIES

The exposure of the Group's lease liabilities are as follows:

	2024 HK\$'000	2023 HK\$'000
Current	3,801	3,155
Non-current	5,636	421
	9,437	3,576

	Minimum lease payment		Present value of lease payment	
	2024 HK\$'000	2023 HK\$'000	2024 HK\$'000	2023 HK\$'000
Minimum lease payment due:				
– Within one year	4,201	3,243	3,801	3,155
– More than one year but not more than two years	5,045	341	4,822	321
– More than two years but not more than five years	830	103	814	100
	10,076	3,687	9,437	3,576
Future finance charges	(639)	(111)		
Present value of lease liabilities	9,437	3,576	9,437	3,576
Present value of lease liabilities Amounts due for settlement within one year (shown under current liabilities)			(3,801)	(3,155)
Amounts due for settlement after one year			5,636	421

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 29. LEASE LIABILITIES (CONTINUED)

The Group leases office premises from independent third party for operation with the fixed lease term of 1 year to 4 years (2023: 1 year to 4 years) and these lease liabilities were measured at the present value of the lease payment that are not yet paid. All leases are entered at fixed prices.

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

There was no extension options in lease agreements entered by the Group.

The total cash outflows for leases including the payments of lease liabilities for the year ended 31 December 2024 was approximately HK\$5,164,000 (2023: HK\$4,498,000).

### 30. SHARE CAPITAL

	Number of shares '000	Amount HK\$'000
Authorised		
Ordinary shares of HK\$0.01 each	100,000,000	1,000,000
Issued and fully paid		
At 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024		
– ordinary shares of HK\$0.01 each	736,142	7,361

All the issued shares rank pari passu in all respects including all rights as to dividends, voting rights and return of capital.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 31. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Amount due to a former director (note) HK\$'000	Amount due to a joint venture HK\$'000	Borrowings HK\$'000	Lease liabilities HK\$'000	Total HK\$'000
At 1 January 2023	67,517	22,911	33,519	6,689	63,119
Changes from financing cash flows	280	13,496	(5,067)	(3,320)	5,109
Interest expenses	-	-	1,648	209	1,857
Exchange differences	-	(672)	198	(2)	(476)
At 31 December 2023 and 1 January 2024	67,797	35,735	30,298	3,576	69,609
Changes from financing cash flows	(4,197)	(32,666)	(1,200)	(5,164)	(39,030)
Interest expenses	-	-	1,634	288	1,922
New leases entered	-	-	-	11,166	11,166
Loss on early termination of lease agreement	-	-	-	(439)	(439)
Exchange differences	-	(537)	(314)	10	(841)
At 31 December 2024	63,600	2,532	30,418	9,437	42,387

Note: The balance is included in other payables and accruals.

### 32. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors consider the cost of capital and the risks associate with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 33. FINANCIAL RISK MANAGEMENT

#### Categories of financial instruments

	2024 HK\$'000	2023 HK\$'000
Financial assets		
Financial assets at FVTPL:		
Unlisted convertible bonds	–	3,927
Held-for-trading investments at FVTPL:		
Listed equity securities	74,049	65,151
Financial assets at amortised cost:		
Accounts receivable	44,301	63,861
Loan receivables	147,260	118,639
Other receivables and deposits	13,249	49,253
Restricted bank balances (trust and segregated amounts)	9,828	9,828
Bank balances (general accounts) and cash and cash equivalents	19,548	41,027
	234,186	282,608
	308,235	351,686
Financial liabilities		
Financial liabilities at amortised cost:		
Accounts payable	18,637	15,441
Other payables and accruals	99,442	98,971
Amount due to a joint venture	2,532	35,735
Borrowings	30,418	30,298
	151,029	180,445

#### Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

#### Foreign currency risk

The Group's exposure to currency risk mainly arises from fluctuation of foreign currencies against the functional currency of relevant group entities, including RMB and HK\$.

The functional currencies of the Group's principal subsidiaries are RMB and HK\$. Most of the Group's operations are transacted in the functional currency of the respective group entities. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures and may enter into certain forward foreign exchange contracts, when necessary, to manage its exposure against RMB and HK\$ and to mitigate the impact on exchange rate fluctuations. During the years ended 31 December 2024 and 2023, no forward foreign exchange contracts had been entered into by the Group.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 33. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (Continued)

Foreign currency risk (Continued)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Liabilities		Assets	
	2024 HK\$'000	2023 HK\$'000	2024 HK\$'000	2023 HK\$'000
Hong Kong dollar	27,404	22,655	585	1,525

The following table details the Group's sensitivity to a 5% (2023: 5%) increase and decrease in HK\$ against RMB5% (2022: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% (2022: 5%) change in foreign currency rates. The sensitivity analysis includes loans to foreign operations within the Group where the denomination of the loan is in a currency other than the functional currency of the lender. A positive number below indicates a decrease in post-tax loss and increase in other equity of the Group where RMB strengthen 5% (2023: 5%) against the relevant currency. For a 5% (2023: 5%) weakening of RMB against the relevant currency, there would be an equal and opposite impact on the loss and other equity and the balances below would be negative.

	Hong Kong dollar impact	
	2024 HK\$'000	2023 HK\$'000
Loss for the year	1,341	1,057

Cash flow interest rate risk

The Group is exposed to cash flow interest rate risk in relation to cash clients receivables (see note 21).

The Group currently does not have any interest rate hedging policy in relation to fair value interest rate risk and cash flow interest rate risk. The directors monitor the Group's exposures on an ongoing basis and will consider hedging the interest rate should the need arises.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for cash clients receivables at the end of the reporting period. The sensitivity analysis is prepared assuming the variable-rate financial instruments outstanding at the end of the reporting period were outstanding for the whole year.

As at 31 December 2024, if the interest rate had been 10 basis points (2023: 10 basis points) higher/lower and all other variables were held constant, the Group's loss after tax would decrease/increase by HK\$182,000 (2023: HK\$182,000).

Price risk

The Group is exposed to equity price risk through its investments in listed equity securities. The management manages this exposure by maintaining a portfolio of investments with different risks.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 33. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (Continued)

#### Price risk (Continued)

The sensitivity analyses below have been determined based on the exposure to equity price risks at the reporting date.

If the prices of the respective equity instruments had been 5% higher/lower, post-tax loss for the year ended 31 December 2024 would decrease/increase by approximately HK\$3,702,000 (2023: HK\$3,258,000) as a result of the changes in fair value of held-for-trading investments.

#### Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to accounts receivable, loan receivables, amounts due from related companies, other receivables, deposits and bank balances. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the credit risks associated with certain loan receivables is mitigated because they are secured with collaterals.

The Group performed impairment assessment for financial assets under ECL model. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarised as below:

#### *Accounts receivable*

The Group has concentration of credit risk as 22% (2023: 15%) and 50% (2023: 55%) of the total accounts receivable was due from the Group's largest customer and the five largest customers respectively within securities broking services business. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals.

In addition, the Group performs impairment assessment under ECL model on account balances individually or based on provision matrix. Except for cash client, which are assessed for impairment individually, the remaining accounts receivable is grouped under a provision matrix based on shared credit risk characteristics by reference to repayment histories for recurring customers and current past due exposure for the new customers. Impairment of approximately HK\$25,095,000 (2023: HK\$2,188,000) is recognised during the year. Details of the quantitative disclosures are set out below in this note.

#### *Loan receivables*

The Group has concentration of credit risk as 13% (2023: 16%) and 51% (2023: 66%) of the total loan receivables was due from the Group's largest customer and five largest customers respectively within money lending business. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals.

The directors of the Company estimate the estimated loss rates of loan receivables based on historical credit loss experience of the debtors as well as the fair value of the collateral pledged by the customers to the loan receivables. Based on assessment by the directors of the Company, the loss given default is low in view of the estimated realised amount of ultimate disposal of the collaterals and the amount of impairment made.

The Group applies general approach by grouping the debtors who shared the same credit risk characteristics. The Group classified loan receivables into three categories which reflect the respective credit risk and how the loss provision is determined for each of the category. The determination of ECL on loan receivables involve a number of key parameters and assumptions, including the classification of loss stages, estimation of probability of default, loss given default, adjustments for forward-looking information and other adjusting factors.

#### *Bank balances*

Credit risk on bank balances are limited because the counterparties are reputable banks with high credit ratings assigned by credit agencies. The Group assessed 12m ECL for bank balances by reference to information relating to probability of default and loss given default of the respective credit rating grades published by external credit rating agencies.

#### *Amounts due from related companies and other receivables and deposits*

For amounts due from related companies and other receivables and deposits, the directors of the Company make periodic individual assessment on the recoverability of other receivables and deposits based on historical settlement records, past experience, and quantitative and qualitative information that is reasonable and supportive forward-looking information. For the year ended 31 December 2024 and 2023, The Group provided impairment on amounts due from related companies and other receivables and deposits based on 12m ECL. Details of the quantitative disclosures are set out below in this note.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 33. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (Continued)

Credit risk and impairment assessment (Continued)

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Accounts receivable	Other financial assets
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL – not credit-impaired (except for cash clients) 12m ECL (cash clients)	12m ECL
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

The tables below detail the credit risk exposures of the Group's financial assets which are subject to ECL assessment:

Notes	External credit rating	Internal credit rating	12m or lifetime ECL	2024		2023	
				Gross carrying amount HK\$'000	HK\$'000	Gross carrying amount HK\$'000	HK\$'000
<b>Financial assets at amortised cost</b>							
Accounts receivable (except for cash clients)	22	N/A	note 2	Lifetime ECL (not credit-impaired)	8,875	3,382	
				Lifetime ECL (credit-impaired)	-	-	3,382
Accounts receivable for cash clients	22	N/A	Low risk	12m ECL	3,360	3,360	
			Doubtful	Lifetime ECL (not credit-impaired)	-	-	
			Loss	Lifetime ECL (credit-impaired)	178,215	178,215	181,575
Loan receivables	23	N/A	Low risk	12m ECL	43,164	-	
			Doubtful	Lifetime ECL (not credit-impaired)	99,269	137,314	
			Loss	Lifetime ECL (credit-impaired)	28,878	41,481	178,795
Other receivables and deposits	24	N/A	note 1	12m ECL	13,249	13,249	49,253
Restricted bank balances (trust and segregated amounts)	26	A1	N/A	12m ECL	9,828	9,828	9,828
Bank balances (general accounts)	26	BBB or above	N/A	12m ECL	19,548	19,548	41,027

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 33. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (Continued)

Credit risk and impairment assessment (Continued)

Notes:

- For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition.

2024

	Past due HK\$'000	Not past due/ No fixed repayment terms HK\$'000	Total HK\$'000
Other receivables and deposits	-	14,596	14,596

2023

	Past due HK\$'000	Not past due/ No fixed repayment terms HK\$'000	Total HK\$'000
Other receivables and deposits	-	50,779	50,779

- For accounts receivable (except for cash clients), the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL on these items by using a provision matrix, grouped by past due status.

As part of the Group's credit risk management, the Group uses debtors' aging to assess the impairment for its customers in relation to its advertising service, sales of books and magazines and e-commerce platform service and sales of related goods operation because these customers consist of a large number of small customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The following table provides information about the exposure to credit risk for accounts receivable which are assessed based on provision matrix within lifetime ECL (not credit-impaired). Credit-impaired with gross carrying amount of approximately Nil (2023: Nil) were assessed individually.

Gross carrying amount

	2024		2023	
	Average loss rate	Accounts receivable HK\$'000	Average loss rate	Accounts receivable HK\$'000
Current (not past due)				
1-30 days	0.02%	4,036	0.28%	1,528
31-60 days	0.05%	1,800	0.31%	532
61-90 days	0.09%	1,505	0.35%	612
91-180 days	0.21%	500	0.51%	520
181-365 days	0.41%	1,034	1.18%	14
Over 365 days	N/A	-	100%	176
		8,875		3,382

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 33. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (Continued)

Credit risk and impairment assessment (Continued)

The following table shows the movement in lifetime ECL that has been recognised for accounts receivable (except for cash clients) under the simplified approach.

	Lifetime ECL (non credit- impaired) HK\$'000	Lifetime ECL (credit- impaired) HK\$'000	Total HK\$'000
At 1 January 2023	271	–	271
Impairment losses recognised, net	(85)	–	(85)
Exchange realignment	(52)	–	(52)
At 31 December 2023 and 1 January 2024	134	–	134
Write-off	(123)	–	(123)
Exchange realignment	(4)	–	(4)
At 31 December 2024	7	–	7

The following table shows reconciliation of loss allowance that has been recognised for accounts receivable for cash clients.

	Stage 1 12m ECL HK\$'000	Stage 2 Lifetime ECL (not credit- impaired) HK\$'000	Stage 3 Lifetime ECL (credit- impaired) HK\$'000	Total HK\$'000
At 1 January 2023	–	–	123,065	123,065
Impairment losses recognised, net	–	–	(2,103)	(2,103)
At 31 December 2023 and 1 January 2024	–	–	120,962	120,962
Impairment losses recognised, net	–	–	25,180	25,180
At 31 December 2024	–	–	146,142	146,142

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 33. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (Continued)

Credit risk and impairment assessment (Continued)

The Group writes off an accounts receivable 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 has been placed under liquidation or has entered into bankruptcy proceedings, or when the accounts receivable are over two years past due, whichever occurs earlier.

The following table shows reconciliation of loss allowances that has been recognised for loan receivables:

	Stage 1 12m ECL HK\$'000	Stage 2 Lifetime ECL (non-credit- impaired) HK\$'000	Stage 3 Lifetime ECL (credit-impaired) HK\$'000	Total HK\$'000
At 1 January 2023	528	19,743	22,445	42,716
Impairment losses recognised, net	(14)	1,990	23,570	25,546
Transfer to lifetime ECL	(232)	24,177	(23,945)	-
Transfer to credited-impaired	(282)	(6,570)	6,852	-
Amounts written off as uncollectible	-	(6,215)	(1,891)	(8,106)
At 31 December 2023 and 1 January 2024	-	33,125	27,031	60,156
Impairment losses reversed <sup>*</sup> , net	1,234	(23,981)	(6,992)	(29,739)
Transfer to lifetime ECL (non-credit-impaired) <sup>*</sup>	-	15,157	(15,157)	-
Transfer to credited-impaired	-	(3,523)	3,523	-
Amounts written off as uncollectible	-	(2,788)	(3,578)	(6,366)
At 31 December 2024	1,234	17,990	4,827	24,051

\* During the year ended 31 December 2024, the Group has received repayment from certain debtors.

The following table shows reconciliation of loss allowances that has been recognised for amounts due from related companies and other receivables and deposits:

	Lifetime ECL (non-credit- impaired) HK\$'000	Lifetime ECL (credit-impaired) HK\$'000	Total HK\$'000
At 1 January 2023	123	-	123
Impairment losses recognised, net	7,727	-	7,727
Amounts written off as uncollectible	-	-	-
Exchange realignment	1,610	-	1,610
At 31 December 2023 and 1 January 2024	9,460	-	9,460
Impairment losses recognised, net	9,109	-	9,109
Amounts written off as uncollectible	-	-	-
Exchange realignment	(137)	-	(137)
At 31 December 2024	18,432	-	18,432

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 33. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (Continued)

#### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of borrowings and ensures compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its financial liabilities based on the agreed repayment terms. For non-derivative financial liabilities, the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest (based on interest rate at the end of the reporting period) and principal cash flows.

	Weighted average interest rate %	Repayable on demand or within 1 year HK\$'000	1-2 year HK\$'000	2-5 year HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amount HK\$'000
<b>2024</b>						
<b>Non-derivative financial liabilities</b>						
Accounts payable	-	18,637	-	-	18,637	18,637
Other payables	-	99,442	-	-	99,442	99,442
Amount due to a joint venture	-	2,532	-	-	2,532	2,532
Lease liabilities	3.94%-5.25%	4,201	5,045	830	10,076	9,437
Borrowings	5%-6%	9,498	2,400	22,400	34,298	30,418
		134,310	7,445	23,230	164,985	160,466
<b>2023</b>						
<b>Non-derivative financial liabilities</b>						
Accounts payable	-	15,441	-	-	15,441	15,441
Other payables	-	98,971	-	-	98,971	98,971
Amount due to a joint venture	-	35,735	-	-	35,735	35,735
Lease liabilities	3.94%-7.54%	3,243	341	103	3,687	3,576
Borrowings	5%-6%	9,457	2,400	24,800	36,657	30,298
		162,847	2,741	24,903	190,491	184,021

#### Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as at 31 December 2024 and 2023 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

Level 1: Based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly.

Level 3: Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 33. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### Fair value estimation (Continued)

The level in the fair value hierarchy within which the financial asset or liability is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The financial assets measured at fair value in the consolidated statement of financial position are grouped into the fair value hierarchy as follows:

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
At 31 December 2024				
Held-for-trading investments	74,049	-	-	74,049
At 31 December 2023				
Investment in convertible bonds	-	-	3,927	3,927
Held-for-trading investments	65,151	-	-	65,151
	65,151	-	3,927	69,078

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price is the current bid price. These instruments are included in level 1 which comprise primarily equity investments classified as held-for-trading investments. The Group's held-for-trading investments are level 1 instruments and their fair values are determined by the quoted prices in the market.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The Group's investment in equity instrument at fair value through other comprehensive income is level 3 instrument. The fair value is estimated using discounted cash flow valuation method.

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	2024 HK\$'000	2023 HK\$'000			
Held-for-trading investments	74,049	65,151	Level 1	Quoted bid prices in an active market.	N/A
Investment in convertible bond	-	3,927	Level 3	Binomial option pricing model	Volatility

There were no transfers between Level 1, 2 and 3 during the year.

Of the total gains or losses for the year included in profit or loss, HK\$148,000 loss (2023: HK\$152,000 gain) relates to investment in convertible bond held during the current period. Fair value gains or losses on investment in convertible bond are included in fair value changes on financial assets at fair value through profit or loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 34. SHARE OPTION SCHEMES

#### Equity-settled share option scheme

The Company operates a share option scheme (the “Old Share Option Scheme”) which was adopted on 11 May 2012. On 30 June 2021, the Company adopted a new share option scheme, of which all terms and conditions are the same as the Old Share Option Scheme.

The Company operates a share option scheme adopted on 30 June 2021 (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. Eligible participants of the Share Option Scheme include any employee (including executive directors), officer (including non-executive directors and independent non-executive directors), consultant, agent, professional adviser, customer, business partner, joint venture partner, strategic partner, landlord or tenant of, or any supplier or provider of goods or services to the Group, or any trustee of a discretionary trust to which one or more beneficiaries belong to any of the above-mentioned categories of persons. The Share Option Scheme became effective on 11 May 2012 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Share Option Scheme is an amount equivalent, upon their exercise, to 10% of the Company’s shares in issue at any time. At 31 December 2024, the number of shares issuable under share options granted under the Share Option Scheme was 118,820,000 (2023: 122,000,000), which represented approximately 16.1% (2023: 16.6%) of the Company’s shares in issue as at that date. The maximum number of shares issuable under share options to each eligible participant in the Share Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders’ approval in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$10 in total by the grantee. An option may be exercised under the Share Option Scheme at any time from the vested date to the fifth anniversary from the grant date of the option.

The exercise price of the share options is determinable by the directors, but must not be less than the higher of (i) the Stock Exchange closing price of the Company’s shares on the date of the offer of the share options; (ii) the average Stock Exchange closing price of the Company’s shares for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of an ordinary share of the Company.

Share options do not confer rights on the holders to dividends or to vote at shareholders’ meetings.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 34. SHARE OPTION SCHEMES (CONTINUED)

#### Equity-settled share option scheme (Continued)

The following tables disclose details of the Company's share options held by employees and consultants of the Group and movement in such holdings during the year:

#### Share Option Scheme

##### 2024

Grantees	Date of grants	Exercise price per share HK\$	Exercise period	Notes	Number of share options				Outstanding at 31 December 2024
					Outstanding at 1 January 2024	Forfeited	Granted	Exercised	
<b>Executive Directors</b>									
Li Leong	20 May 2020	0.176	20 May 2020 to 19 May 2025	(2)	3,180,000	-	-	-	3,180,000
Li Xi	20 May 2020	0.176	20 May 2020 to 19 May 2025	(2)	3,180,000	-	-	-	3,180,000
Zhou Hongtao	20 May 2020	0.176	20 May 2020 to 19 May 2025	(2)	3,180,000	-	-	-	3,180,000
Li Zhen	20 May 2020	0.176	20 May 2020 to 19 May 2025	(2)	3,180,000	-	-	-	3,180,000
Employees in aggregate	20 May 2020	0.176	20 May 2020 to 19 May 2025	(2)	19,080,000	-	-	-	19,080,000
	16 April 2021	0.1282	16 April 2021 to 15 April 2026	(1)	22,260,000	-	-	-	22,260,000
	21 July 2023	0.382	21 January 2024 to 20 July 2028	(5)	43,800,000	-	-	-	43,800,000
Wong Ching Cheung	16 April 2021	0.1282	16 April 2021 to 15 April 2026	(1)	3,180,000	(3,180,000)	-	-	-
Law Chi Hung	16 April 2021	0.1282	16 April 2021 to 15 April 2026	(1)	3,180,000	-	-	-	3,180,000
Leung Tat Yin	16 April 2021	0.1282	16 April 2021 to 15 April 2026	(1)	3,180,000	(3,180,000)	-	-	-
Li Wei	21 July 2023	0.382	21 January 2024 to 20 July 2028	(5)	7,300,000	-	-	-	7,300,000
Consultant	21 July 2023	0.382	21 January 2024 to 20 July 2028	(5)	7,300,000	-	-	-	7,300,000
					122,000,000	(6,360,000)	-	-	115,640,000

##### 2023

Grantees	Date of grants	Exercise price per share HK\$	Exercise period	Notes	Number of share options				Outstanding at 31 December 2023
					Outstanding at 1 January 2023	Forfeited	Granted	Exercised	
<b>Executive Directors</b>									
Li Leong	20 May 2020	0.176	20 May 2020 to 19 May 2025	(2)	3,180,000	-	-	-	3,180,000
Li Xi	20 May 2020	0.176	20 May 2020 to 19 May 2025	(2)	3,180,000	-	-	-	3,180,000
Zhou Hongtao	20 May 2020	0.176	20 May 2020 to 19 May 2025	(2)	3,180,000	-	-	-	3,180,000
Li Zhen	20 May 2020	0.176	20 May 2020 to 19 May 2025	(2)	3,180,000	-	-	-	3,180,000
Employees in aggregate	20 May 2020	0.176	20 May 2020 to 19 May 2025	(2)	19,080,000	-	-	-	19,080,000
	16 April 2021	0.1282	16 April 2021 to 15 April 2026	(1)	22,260,000	-	-	-	22,260,000
	21 July 2023	0.382	21 January 2024 to 20 July 2028	(5)	-	-	43,800,000	-	43,800,000
Wong Ching Cheung	16 April 2021	0.1282	16 April 2021 to 15 April 2026	(1)	3,180,000	-	-	-	3,180,000
Law Chi Hung	16 April 2021	0.1282	16 April 2021 to 15 April 2026	(1)	3,180,000	-	-	-	3,180,000
Leung Tat Yin	16 April 2021	0.1282	16 April 2021 to 15 April 2026	(1)	3,180,000	-	-	-	3,180,000
Li Wei	21 July 2023	0.382	21 January 2024 to 20 July 2028	(5)	-	-	7,300,000	-	7,300,000
Consultant	21 July 2023	0.382	21 January 2024 to 20 July 2028	(5)	-	-	7,300,000	-	7,300,000
					63,600,000	-	58,400,000	-	122,000,000

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 34. SHARE OPTION SCHEMES (CONTINUED)

Equity-settled share option scheme (Continued)

#### Share Option Scheme (Continued)

Notes:

- (1) The share options granted on 16 April 2021 were fully vested immediately on 16 April 2021.
- (2) The share options granted on 20 May 2020 were fully vested immediately on 20 May 2020.
- (3) The share options granted on 17 April 2019 were fully vested immediately on 17 April 2019.
- (4) The share options granted on 21 July 2023 will be vested in six months after the grant date.
- (5) As at 31 December 2024, the number of shares issuable under the share options granted under the Share Option Scheme was 115,640,000 (2023: 122,000,000).

During the year ended 31 December 2023, options were granted on 21 July 2023. The estimated fair values of the options granted on that date is approximately HK\$9,620,000.

There was no share option granted during the year ended 31 December 2024.

These fair values were calculated using the Binomial model. The inputs into the model were as follows:

	20 May 2020	16 April 2021	21 July 2023
Share price	HK\$0.152	HK\$0.122	HK\$0.355
Exercise price	HK\$0.1764	HK\$0.1282	HK\$0.382
Expected volatility	95%	105%	101%
Risk-free rate	0.341%	1.595%	3.512%
Expected dividend yield	0%	0%	0%
Option period	5 years	5 years	4.5 years

Expected volatility was determined by using the historical volatility of the Company's share price over the previous years. The expected life used in the model has been adjusted, based on the directors' best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of HK\$9,620,000 for the year ended 31 December 2023 in relation to share options granted by the Company. No share options expenses were recognised during the year ended 31 December 2024.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2024*

### 35. RETIREMENT BENEFITS SCHEMES

The Group operates a Mandatory Provident Fund Scheme (“MPF Scheme”) under the rules and regulations of the Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group in independently administered funds. The Group has complied with the minimum statutory contribution requirements of 5% of eligible employees’ relevant aggregate income.

The employees of the subsidiaries in the PRC are members of the pension schemes operated by the PRC government. The relevant PRC subsidiaries are required to contribute a certain percentage of the relevant portion of these employees’ basic salaries to the pension to fund the benefits. The only obligations of the relevant PRC subsidiaries with respect of the pension scheme are the required contributions under the pension scheme.

The total expense recognised in profit or loss of approximately HK\$1,055,000 (2023: HK\$1,458,000) represents contributions payable to these plans by the Group at rates specified in the rules of the plans.

### 36. RELATED PARTY TRANSACTIONS

#### Key management compensation

During the years ended 31 December 2024 and 2023 only directors considered as key management of the Group, the directors’ emoluments were disclosed in note 11.

The remuneration of key management personnel is determined by Board of Directors, having regard to the performance, responsibilities and experience of the individuals and market trends.

### 37. EVENTS AFTER REPORTING PERIOD

There are no significant events after the reporting period that is required to be reported.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 38. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES OF THE COMPANY

Particulars of the Company's principal subsidiaries at 31 December 2024 and 2023 are as follows:

Name of company	Place of incorporation and operation	Paid up registered capital	Class of shares held	Proportion of ownership interest and voting power held by the Company				Principal activity
				Directly		Indirectly		
				2024	2023	2024	2023	
				%	%	%	%	
Beijing Caixun Century Advertising Co., Ltd. <sup>1</sup>	The PRC	RMB10,000,000 Limited liability company	Registered	100	100	-	-	Advertising agent
Beijing Caixun Culture and Media Co., Ltd. <sup>2</sup>	The PRC	RMB5,000,000 Limited liability company	Registered	-	-	100	100	Advertising agent and books and magazines distributor
Beijing Jingzheng Ronglian Advertising Company Limited <sup>2</sup>	The PRC	RMB2,000,000 Limited liability company	Registered	-	-	100	100	Advertising agent
Beijing Le Hua Jiu Fang Advertising Co., Ltd ("Beijing Le Hua Jiu Fang") <sup>2</sup>	The PRC	RMB5,050,504 Limited liability company	Registered	-	-	71.28	71.28	Advertising agent
Beijing SEEC Book and Press Distribution Co., Ltd. <sup>2</sup>	The PRC	RMB5,000,000 Limited liability company	Registered	-	-	100	100	Books and magazines distributor
China Asset Credit Limited	Hong Kong	HK\$1 Limited company	Ordinary	-	-	70	70	Money lending services
China Prospect Securities Limited	Hong Kong	HK\$265,000,000 Limited company	Ordinary	-	-	100	100	Provision of securities broking services but suspended
Grace Tech Development Limited	Hong Kong	HK\$10,000 Limited company	Ordinary	-	-	100	100	Provision of e-commerce platform services and advertising agent
Tech Field Holdings Limited	Hong Kong	HK\$10,000 Limited company	Ordinary	-	-	100	100	Provision of e-commerce platform services and sale of related goods
Honor Fame Group Limited	British Virgin Islands/ Hong Kong	US\$1 Limited company	Ordinary	100	100	-	-	Investment holding
Laberie Holdings Limited	British Virgin Islands/ Hong Kong	US\$10 Limited company	Ordinary	100	100	-	-	Investment holding
Shenzhen Caixun Advertising Co., Ltd. <sup>2</sup>	The PRC	RMB1,000,000 Limited liability company	Registered	-	-	100	100	Advertising agent
Shanghai Caixun Media Conference Exhibition Co., Ltd. <sup>2,3</sup>	The PRC	RMB1,000,000 Limited liability company	Registered	-	100	-	-	Advertising agent

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 38. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

Name of company	Place of incorporation and operation	Paid up registered capital	Class of shares held	Proportion of ownership interest and voting power held by the Company				Principal activity
				Directly		Indirectly		
				2024	2023	2024	2023	
				%	%	%	%	
Superfort Management Corp.	British Virgin Islands/ Hong Kong	US\$100 Limited company	Ordinary	100	100	-	-	Investment holding
Well Dynamic Group Limited	British Virgin Islands/ Hong Kong	US\$1 Limited company	Ordinary	-	-	100	100	Investment holding
Wingate Holdings Limited	Samoa/Hong Kong	US\$10,000 Limited company	Ordinary	-	-	70	70	Investment holding
Golden Gate China Limited	British Virgin Islands/ Hong Kong	US\$1 Limited company	Ordinary	100	100	-	-	Investment holding
Beijing Zhongxing Guangshi Culture and Technology Co., Ltd. <sup>1</sup>	The PRC	US\$14,931,794 Limited company	Registered	-	-	100	100	Investment holding
Shanghai Tongruo Information Technology Co., Ltd. <sup>2</sup>	The PRC	RMB1,000,000 Limited company	Registered	-	-	100	100	Investment holding
Stellar Century (Hainan) Internet Technology Limited <sup>2</sup>	The PRC	RMB500,000 Limited company	Registered	-	-	51	51	Advertising agent
Hunan Stellar Century Network Technology Co., Ltd. <sup>2</sup>	The PRC	RMB2,000,000 Limited company	Registered	-	-	51	51	Advertising agent
Hangzhou Stellar Century Information Technology Co., Ltd. <sup>2</sup>	The PRC	RMB100,000 Limited company	Registered	-	-	51	51	Advertising agent

<sup>1</sup> Wholly foreign owned enterprises

<sup>2</sup> Private Limited Liability companies

<sup>3</sup> These subsidiaries were deregistered during the year ended 31 December 2024

None of the subsidiaries had issued any debt securities at the end of the year.

The directors are of the opinion that a complete list of the particulars of all subsidiaries would be of excessive length and therefore the above list contains only the subsidiaries which principally affect the results or assets and liabilities of the Group.

None of the subsidiaries had any debt securities outstanding during the year or at the end of the year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 38. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

#### (a) General information of subsidiaries

The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit/(loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		2024	2023	2024 HK\$'000	2023 HK\$'000	2024 HK\$'000	2023 HK\$'000
Beijing Le Hua Jiu Fang	PRC	28.72%	28.72%	(11)	(66)	(2,475)	(2,464)
China Asset Credit Limited	Hong Kong	30%	30%	9,085	(5,643)	(2,694)	(11,779)
Stellar Century (Hainan) Internet Technology Limited and its subsidiaries	PRC	51%	51%	(3,360)	(8,409)	(14,931)	(11,571)
Individually immaterial subsidiary, with non-controlling interests				–	–	(12)	(12)
				5,714	(14,118)	(20,112)	(25,826)

#### (b) Details of non-wholly owned subsidiaries that have material non-controlling interests

Summarised financial information in respect of Beijing Le Hua Jiu Fang and China Asset Credit Limited that has material non-controlling interests is set out below. The summarised financial information below requests amount before intra-group eliminations.

##### Beijing Le Hua Jiu Fang

	2024 HK\$'000	2023 HK\$'000
Current assets	972	977
Non-current assets	7	7
Current liabilities	(9,243)	(9,564)
Equity attributable to owners of the Company	(8,263)	(8,580)

##### Beijing Le Hua Jiu Fang

	2024 HK\$'000	2023 HK\$'000
Revenue	138	1,655
Loss for the year	(37)	(227)
Net cash outflow from operating activities	(4)	(308)
Net cash outflow from investing activities	–	(260)
Net cash outflow	(4)	(568)



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 38. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

(b) Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

#### China Assets Credit Limited

	2024 HK\$'000	2023 HK\$'000
Current assets	150,275	133,104
Non-current assets	757	757
Current liabilities	(215,139)	(231,280)
Non-current liabilities	(2,848)	-
Equity attributable to owners of the Company	(66,955)	(97,419)

#### China Assets Credit Limited

	2024 HK\$'000	2023 HK\$'000
Revenue	9,910	11,305
Profit/(loss) for the year	30,464	(18,812)
Net cash inflow from operating activities	5,903	3,849
Net cash outflow from investing activities	(7,484)	-
Net cash inflow/(outflow) from financing activities	14,423	(2,400)
Net cash (outflow)/inflow	(12,842)	1,449

#### Stellar Century (Hainan) Internet Technology Limited and its subsidiaries

	2024 HK\$'000	2023 HK\$'000
Current assets	1,853	6,689
Non-current assets	2,022	548
Current liabilities	(26,023)	(24,519)
Non-current liabilities	(805)	(288)
Equity attributable to owners of the Company	(22,953)	(17,570)

#### Stellar Century (Hainan) Internet Technology Limited and its subsidiaries

	2024 HK\$'000	2023 HK\$'000
Revenue	11,385	16,109
Loss for the year	(6,857)	(17,159)
Net cash (outflow)/inflow from operating activities	(71)	1,024
Net cash (outflow)/inflow from financing activities	(1,560)	338
Net cash (outflow)/inflow	(1,631)	1,362

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 39. DEREGISTRATION OF SUBSIDIARIES

During the year ended 31 December 2024 and 2023, the Group completed the deregistration of certain non-principal subsidiaries of the Group. The net liabilities of the subsidiaries at the completion date of the deregistration were as follow:

#### Year ended 31 December 2024

Analysis of assets and liabilities as at the date of deregistration:

	HKD'000
Deposits paid, prepayments and other receivables	43
Trade payables, accruals and other payables	(770)
Tax payable	(4,995)
<b>Net liabilities</b>	<b>(5,722)</b>
Gain on deregistration:	
Net liabilities disposal of	5,722
Exchange reserve release	1,080
	<b>6,802</b>

#### Year ended 31 December 2023

Analysis of assets and liabilities as at the date of deregistration:

	HKD'000
Deposits paid, prepayments and other receivables	661
Trade payables, accruals and other payables	(18,254)
	<b>(17,593)</b>
Gain on deregistration:	
Net liabilities disposal of	17,593
	<b>17,593</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 40. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2024 HK\$'000	2023 HK\$'000
<b>Non-current assets</b>		
Investments in subsidiaries	91,525	91,068
Investment in a joint venture	10,436	10,436
Right-of-use assets	–	459
	101,961	101,963
<b>Current assets</b>		
Other receivables and deposits	1	95
Amounts due from subsidiaries	305,746	305,182
Bank balances and cash	33	955
	305,780	306,232
<b>Current liabilities</b>		
Amounts due to subsidiaries	149,281	146,098
Other payables and accruals	3,636	1,269
Borrowings	947	947
Lease liabilities	–	306
	153,864	148,620
<b>Net current assets</b>	151,916	157,612
<b>Total assets less current liabilities</b>	253,877	259,575
<b>Non-current liabilities</b>		
Borrowings	20,000	20,000
Lease liabilities	–	133
	20,000	20,133
<b>Net assets</b>	233,877	239,442
<b>Capital and reserves</b>		
Share capital	7,361	7,361
Reserves (Note)	226,516	232,081
<b>Total equity</b>	233,877	239,442

The Company's statement of financial position was approved and authorised for issue by the Board of Directors on 31 March 2025 and was signed on its behalf by:

Zhou Hongtao  
Director

Li Leong  
Director

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

### 40. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Note: Movement in reserves

	Share premium HK\$'000	Share options reserve HK\$'000	Contributed surplus HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 January 2023	81,045	7,761	429,374	(382,696)	135,484
Profit and total comprehensive income for the year	-	-	-	86,977	86,977
Recognition of equity-settled share-based payment	-	9,620	-	-	9,620
At 31 December 2023 and 1 January 2024	81,045	17,381	429,374	(295,719)	232,081
Loss and total comprehensive expense for the year	-	-	-	(6,804)	(6,804)
Recognition of equity-settled share-based payment	-	1,239	-	-	1,239
lapsed of share options	-	(430)	-	430	-
At 31 December 2024	81,045	18,190	429,374	(302,093)	226,516

# FINANCIAL SUMMARY

## RESULTS

	Year ended 31 December				
	2020 HK\$'000	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000
REVENUE	80,167	68,167	73,163	38,379	30,151
LOSS BEFORE TAX	(145,902)	(43,537)	(87,294)	(40,465)	(29,403)
TAX	2,509	(1,054)	(1,969)	3,068	521
LOSS FOR THE YEAR	(143,393)	(44,591)	(89,263)	(37,397)	(28,882)
ATTRIBUTABLE TO:					
OWNERS OF THE COMPANY	(137,831)	(40,136)	(82,473)	(23,279)	(34,596)
NON-CONTROLLING INTERESTS	(5,562)	(4,455)	(6,790)	(14,118)	5,714
	(143,393)	(44,591)	(89,263)	(37,397)	(28,882)

## ASSETS AND LIABILITIES

	As at 31 December				
	2020 HK\$'000	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000
TOTAL ASSETS	502,791	504,373	427,194	378,946	323,128
TOTAL LIABILITIES	(229,399)	(247,663)	(221,597)	(197,501)	(167,707)
	273,392	256,710	205,597	181,445	155,421