



2025 INTERIM REPORT

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Corporate Information

FINANCIAL CALENDAR

Six months period ended:
30 June 2025

Announcement of interim results:
27 August 2025

LISTING

The ordinary shares of Hong Kong Technology Venture Company Limited (“Company”) are listed on The Stock Exchange of Hong Kong Limited. In addition, the Company’s American Depositary Shares (ADSs) each represent 20 ordinary shares. On 8 December 2015, the Company filed the Form 25 with the U.S. Securities and Exchange Commission (“SEC”) to effect the delisting of the ADSs. On 29 December 2016, the Company filed the Form 15F with the SEC to deregister and terminate its reporting obligations under the U.S. Securities Exchange Act. Since 21 December 2015, our ADSs are eligible for trading in the United States in the over-the-counter (OTC) market.

Executive Directors

Mr. CHEUNG Chi Kin, Paul ^{3,5} (*Chairman*)

Mr. WONG Wai Kay, Ricky ^{3,4}

(*Vice Chairman and Group Chief Executive Officer*)

Ms. WONG Nga Lai, Alice ^{3,5,7*,11} (*Group Chief Financial Officer*)

Mr. LAU Chi Kong ^{3,11}

(*Chief Executive Officer (International Business)*)

Ms. ZHOU Huijing ^{3,11}

(*Chief Executive Officer (Hong Kong)*)

* Appointed on 16 June 2025

Independent Non-executive Directors

Mr. LEE Hon Ying, John ^{1,7,8,11}

Mr. PEH Jefferson Tun Lu ^{2,5,6,9,11}

Mr. MAK Wing Sum, Alvin ^{2,5,7,9,11}

Mr. ANN Yu Chiu, Andy ^{2,7,9,10}

- | | |
|----|--|
| 1 | Chairman of Audit Committee |
| 2 | Member of Audit Committee |
| 3 | Member of Executive Committee |
| 4 | Chairman of Investment Committee |
| 5 | Member of Investment Committee |
| 6 | Chairman of Nomination Committee |
| 7 | Member of Nomination Committee |
| 8 | Chairman of Remuneration Committee |
| 9 | Member of Remuneration Committee |
| 10 | Chairman of Environmental, Social and Governance Committee ^(Note 1) |
| 11 | Member of Environmental, Social and Governance Committee ^(Note 1) |

Note 1: Environmental, Social and Governance Committee was established on 27 March 2025.

Company Secretary

Ms. WONG Nga Lai, Alice

Authorised Representatives

Mr. WONG Wai Kay, Ricky

Ms. WONG Nga Lai, Alice

Registered Office

HKTVMultimedia and Ecommerce Centre
No. 1 Chun Cheong Street
Tseung Kwan O Industrial Estate
New Territories, Hong Kong

Auditor

KPMG

Certified Public Accountants

Public Interest Entity Auditor registered in accordance with
the Accounting and Financial Reporting Council Ordinance
8th Floor
Prince’s Building
10 Chater Road
Central, Hong Kong

Share Registrar

Computershare Hong Kong Investor Services Limited

46th Floor
Hopewell Centre
183 Queen’s Road East
Wanchai, Hong Kong

American Depositary Bank

The Bank of New York Mellon Corporation

101 Barclay Street, 22nd Floor
New York, NY 10286 USA

Principal Bankers

Citibank, N.A.
The Hongkong and Shanghai Banking Corporation Limited

Website

www.hktv.com.hk

Chairmen's Statement

Dear Shareholders,

As stated in the Group's 2024 Annual Results, both the Group and Hong Kong's overall business environment face multiple challenges, including sluggish economic growth and irreversible trends on shopping across the border and consumers frequent travelling, which continue to pressure Hong Kong's retail sector. Confronted with aggressive competition from large-scale Mainland competitors, including competitive campaigns and acquisitions of supermarket chains, alongside shifts in consumer behavior and online shopping habits, as well as increased acceptance of Mainland products, the Group remains committed to innovation and will explore diverse approaches to continue leading as Hong Kong's largest Ecommerce platform.

During the review period, the Group's total Gross Merchandise Value ("GMV") on order intake recorded HK\$4,182.9 million, representing a slight decrease of 1.2% compared to the same period last year (1H2024: HK\$4,235.5 million). The number of unique customers and monthly active users of HKTVmall app remained stable. Facing a stagnating or even declining Hong Kong retail sector, HKTVmall, as the Group's core business, showed no significant drop and outperformed the overall Hong Kong retail market. However, we cannot be complacent and must adopt an innovative and adaptive approach to seek new opportunities for survival.

As the Group's core business, HKTVmall continues to generate stable revenue for the Group. We are committed to enhancing customer shopping experience through convenient services, including our "8-hour Express Delivery" — orders placed before 1pm are delivered as early as the same evening. We are also exploring possibilities to further shorten delivery lead time through enhanced logistics arrangements. Currently, HKTVmall collaborates with over 6,400 merchants and suppliers, offering customers a wide range of product choices at extensive price options. We hope that Hong Kong's retail sector can better align with new retail trends, and therefore HKTVmall will host more workshops aimed at enhancing retailers' digital operations and sales capabilities. Additionally, the Group will continue to actively develop Third-Party Logistics Services and the independent eStore solution, ThePlace, providing robust technological and operational support to help retailers expand their Ecommerce business.

Building on the stable traffic of HKTVmall online shopping mall, customer trust and our team's agile mindset, the Group is actively making different attempts and exploring various new services and features, establishing unique advantages in what the market calls a "retail battleground." Key initiatives include the following:

Wet Market Express

In 1H2025, we allocated more resources to develop and promote "Wet Market Express" service, resulting in continuous strong growth in both popularity and business performance. This reflects consumers' gradual acceptance and willingness to try this new shopping model. In addition to launching various promotions, we have further strengthened our logistics support this year with the introduction of "Cross-District Delivery". Customers can now order from over 300 selected market vendors across Hong Kong's 10 major wet markets and the Yau Ma Tei Wholesale Fruit Market, choosing fresh ingredients and fruits from more than 20,000 product choices, delivered to any address regardless of district.

We firmly believe that the uniqueness of fresh market products and the complexities of logistics create competitive barriers for the Group that local market consortia and large-scale Mainland competitors cannot easily replicate in the short term. At the same time, we are conducting research on food supply and distribution, including direct procurement and expanding the variety of fresh products to reduce operational costs.

Shipped from Mainland

During the review period, the Group launched "Shipped from Mainland" section on HKTVmall, highlighting the concept of "Same Price as Mainland", aligning the product prices with Mainland Ecommerce platforms. It covers popular categories such as trending food items, housewares, daily essentials, furniture, appliances, etc.

Chairmen's Statement

Some of the major reasons for the rapid growth of Mainland Ecommerce platforms' are due to their extensive product options, aggressive pricing strategies and strong support from a wide network of suppliers and merchants. Given that the Mainland merchants are well-versed in operating online stores and supplying to Ecommerce platforms, partnering with HKTVmall presents an ideal opportunity for them to reach Hong Kong consumers. We carefully select high-quality Mainland merchants to set up online stores on HKTVmall. They have to ship their products to HKTVmall's fulfilment centre in Dongguan, and then HKTVmall will handle the last-mile delivery in Hong Kong. Although the delivery lead time for these Mainland-sourced products may be longer than those for local products, they are comparable to the delivery times experienced by Hong Kong consumers when purchasing directly from Mainland platforms. The quality of HKTVmall's delivery service is known for its reliability and has consistently received positive feedback from Hong Kong consumers. We firmly believe that "Shipped from Mainland" offers consumers a wider range of Mainland product options, catering to diverse tastes and needs, and effectively expanding our customer base.

CASHBACK

Following the widespread adoption of Ecommerce, most retailers — including gadgets & electronics, international cosmetics and skincare brands, health products, and fashion, etc. — now operate their own online stores. Besides, popular travel platforms are also hoping to expand their customer base. CASHBACK is a brand-new business model that allows merchants to display their products and services on HKTVmall's platform without opening a HKTVmall store. If customers are interested in products featured on CASHBACK, HKTVmall will redirect them to the merchant's official website to complete their purchase and transaction. Meanwhile, when customers search for a brand on HKTVmall, the brand's HKTVmall store, CASHBACK display store and official website will be shown at the same time.

During the review period, CASHBACK launched various promotions, including a 10% Mall Dollar rebate for customers who get into the major travel platforms such as Trip.com, Agoda, Booking.com, Klook, etc., through CASHBACK and make hotel reservations. This initiative represents a new approach — redirecting HKTVmall customers to partnered merchants' websites for purchases, allowing them to earn Mall Dollars, and ultimately channelling their spending power back to HKTVmall.

Direct Sales Channel — HKTVLive

The Group is actively driving the development of HKTVLive's direct sales, broadcasting uninterrupted live show programs daily from 8:30am to 12am midnight. On the one hand, we keep enhancing the system and user interface. On the other hand, we developed multiple sales channels of different themes. In addition to overseas shopping services from countries such as South Korea, Japan, the UK, France, etc., we also feature products from both new and long-standing HKTVmall merchants — including flagship stores for skincare & cosmetics, sofas, gadgets & electronics, jewellery, etc.

Among them, the daily 9-hour live shows hosted by Wet Market Express visit various wet markets, the Yau Ma Tei Fruit Wholesale Market, specialty fruit shops, stores that sell dry goods, etc. Additionally, live shows hosted for O2O stores showcase our own curated selections of fruits, groceries, frozen meats & seafood, etc. During the review period, the "Thankful Festival" was held, where merchants participating in the "Store of the Day" promotional campaign also offered limited deals through the livestream sales, further stimulating consumer spending. In addition, starting from July, we introduced content-based informative live show programs covering topics such as yoga and fitness, skincare and make-up, metaphysics and horoscopes, relationships, etc., to enhance user interaction.

Fully Automated Retail Store and System in the UK

We believe that Fully Automated Retail Store and System is the most cost-effective operation model for the global retail industry in the future, particularly for convenience stores, supermarkets and pharmacies. Due to technical challenges, two major Ecommerce giants in the Mainland and the United States gradually abandoned their related plans last year. Meanwhile, our Fully Automated Retail Store and System in the UK has started to roll out services in phases. Although we continue to face significant technical hurdles, we are fully committed to improving the technology and optimising operations. We are also actively considering the launch of our first Fully Automated Retail Store and System in Hong Kong next year.

Chairmen's Statement

Life Science Project

Our overseas research team continues to strive for new breakthroughs in technologies related to human organ preservation and blood regeneration. Although we have made some progress, the road to success is still long.

Prospects

There are only two options on the road laid out before us:

1. Giving up all the non-core businesses outside of HKTVmall, including Wet Market Express, Fully Automated Retail Store and System and Life Science Project. We can even cut down new feature development and manpower for HKTVmall, to minimize costs for boosting the profit to the highest in the coming 2-3 years.
2. Upholding the Group's core value of innovation that we have kept in the past 30 years to undaunted by competition, make bold attempts, and explore diverse paths to survival.

Obviously, we chose the latter. We would like to take this opportunity to express our heartfelt gratitude to the shareholders and business partners who have long believed in and supported the Group, as well as to the dedicated team of Talents who have devoted their valuable years.

Cheung Chi Kin, Paul

Chairman

Wong Wai Kay, Ricky

Vice Chairman

Hong Kong, 27 August 2025

Management's Discussion and Analysis

GROUP OPERATIONAL AND FINANCIAL HIGHLIGHTS

In thousands of Hong Kong dollars except for per share amounts and ratios

	For the six months ended 30 June 2025 HK\$'000	For the six months ended 30 June 2024 HK\$'000	Change in percentage
Gross Merchandise value ("GMV") on order intake ¹	4,182,851	4,235,466	(1.2%)
GMV on completed orders ²	4,137,560	4,199,746	(1.5%)
Turnover	1,888,407	1,897,548	(0.5%)
EBITDA ^{3,5}	39,030	24,734	57.8%
EBITDA margin* (in %)	0.9%	0.6%	0.3%
Adjusted EBITDA ^{4,5}	48,066	37,596	27.8%
Adjusted EBITDA margin* (in %)	1.2%	0.9%	0.3%
Adjusted free cash flow ⁶	101,254	47,250	114.3%
Loss for the period	(23,205)	(27,478)	(15.6%)
Net loss margin* (in %)	(0.6%)	(0.7%)	0.1%
Capital expenditure — Property, plant and equipment (excluded other properties leased for own use)	26,888	37,127	(27.6%)

* As a percentage of GMV on completed orders

	As at 30 June 2025	As at 31 December 2024	Change in percentage
Cash position ⁷	398,223	541,705	(26.5%)
Other financial assets	148,554	170,826	(13.0%)
Total equity	1,548,961	1,871,619	(17.2%)
Number of shares in issue (in thousands)	788,886	788,546	0.0%
Net asset per share (HK\$)	1.96	2.37	(17.3%)

¹ Gross Merchandise Value ("GMV") on order intake represents the total gross sales dollar value for merchandise sold through a particular marketplace over a certain timeframe, before deduction of any discounts offered by the marketplace, rebate used, cancellation and returns of merchandise sold.

² GMV on completed orders represents the total gross sales dollar value for merchandise sold through a particular marketplace and the customer has obtained control of the promised goods and services ordered over a certain time frame, after deduction of any discounts offered by the marketplace, cancellation and returns of merchandise, and is before the deduction of certain HKTVmall dollars and promotional coupon which is considered as advertising and marketing expenses under management reporting purpose.

³ EBITDA means profit for the period plus interest on bank loans (excluded finance costs — interest on lease liabilities), income tax expense/(credit), depreciation on property, plant and equipment (excluded depreciation on other properties leased for own use) and amortisation of intangible assets and deduct investment returns.

⁴ Adjusted EBITDA means EBITDA adjusted by major non-cash items, excluded non-recurring items including government subsidies.

⁵ EBITDA and adjusted EBITDA are not measures of performance under Hong Kong Financial Reporting Standards ("HKFRSs"). These measures do not represent, and should not be used as substitutes for, net profit or cash flows from operations as determined in accordance with HKFRSs. These measures are not necessarily an indication of whether cash flow will be sufficient to fund our cash requirements. In addition, our definitions of these measures may not be comparable to other similarly titled measures used by other companies.

⁶ Adjusted free cash flow means adjusted EBITDA plus investment returns, tax refund (paid), changes in working capital and depreciation of properties leased for own use and deduct payment for the purchase of property, plant and equipment, payment for the addition to intangible assets and capital element of lease rentals paid. Adjusted free cash flow is not a measure of performance under HKFRSs. This measure does not represent, and should not be used as a substitute for, net profit or cash flows from operations as determined in accordance with HKFRSs. This measure is not necessarily an indication of whether cash flow will be sufficient to fund our cash requirements. In addition, our definition of this measure may not be comparable to other similarly titled measures used by other companies.

⁷ Cash position means cash and cash equivalents and time deposits.

Management's Discussion and Analysis

RECONCILIATION OF ADJUSTED EBITDA AND ADJUSTED FREE CASH FLOW

	For the six months ended 30 June 2025 HK\$'000	For the six months ended 30 June 2024 HK\$'000
Loss for the period	(23,205)	(27,478)
Income tax credit	(647)	(1,421)
Investment returns ⁸	(10,507)	(19,207)
Depreciation — on property, plant and equipment (excluded depreciation on other properties leased for own use)	57,848	62,035
Amortisation on intangible assets	15,541	10,805
EBITDA	39,030	24,734
Major non-cash items:		
Valuation losses on investment properties	22,570	8,550
Net exchange (gain)/loss	(6,270)	2,522
(Reversal)/provision of expected credit losses on debt securities measured at FVOCI	(923)	801
Unrealised fair value (gain)/loss on units in investment funds measured at FVPL	(4,627)	2,193
Unwinding the discounting effect of rental deposits	(434)	(404)
Government subsidies	(1,280)	(800)
Adjusted EBITDA	48,066	37,596
Represented by:		
Hong Kong Ecommerce business	161,377	133,758
Wet Market Express	(39,672)	(36,273)
Fully Automated Retail Store and System	(30,903)	(24,230)
Everuts	(16,067)	(13,639)
Life Science Projects	(7,988)	(6,806)
General technology development	(3,891)	(3,536)
Head office and corporate	(14,790)	(11,678)
Adjusted EBITDA	48,066	37,596
Investment returns received	9,748	19,294
Tax refunded	270	327
Changes in working capital	89,501	53,252
Payment for the purchase of property, plant and equipment	(24,075)	(37,936)
Payment for the addition to intangible assets	(28,660)	(26,272)
Depreciation of properties leased for own use	70,945	77,275
Capital element of lease rentals paid	(64,541)	(76,286)
Adjusted free cash flow	101,254	47,250

⁸ Investment returns include bank interest income, dividend and investment income from other financial assets, interest income from other financial assets and (gain)/loss on disposal of other financial assets.

Management's Discussion and Analysis

BUSINESS REVIEW

2025 remained a challenging year for the Hong Kong retail sector. According to government statistics, Hong Kong's total retail sales value (excluding the retail sales value of fuels, motor vehicles and parts, and optical shops) for the six months ended 30 June 2025 ("1H2025") declined by approximately 1.4% compared to the same period in 2024 ("1H2024")⁹. Although the pace of decline has moderated relative to the previous year, the sector continues to face structural challenges. Notably, outbound travel by Hong Kong residents recorded a year-on-year increase of 14.9% in 1H2025¹⁰, while cross-border consumption habits among both local residents and visitors have become increasingly entrenched. These shifts continue to influence the pace of recovery, indicating a longer-term adjustment in retail dynamics.

Against this backdrop, the Group's total Gross Merchandise Value ("GMV") on order intake recorded a slight decrease of 1.2% to HK\$4.18 billion (1H2024: HK\$4.24 billion). Within this, HKTVmall reported a decline of 2.5% to HK\$4.0 billion (1H2024: HK\$4.1 billion), reflecting the broader market conditions. In contrast, Wet Market Express continued its growth trajectory, achieving a notable increase of 51.1% to HK\$163.0 million (1H2024: HK\$107.9 million), representing 60.8% of its 2024 full-year GMV on order intake.

2025 also marked the 10th anniversary of HKTVmall, a significant milestone in the Group's development. Throughout the past decade, despite the evolving and often difficult operating environment, HKTV Group has remained true to our original aspiration: "*Continuously striving for the best in life,*" "*Always something new,*" and "*Making everything possible.*" These core values have consistently shaped our strategic direction and operational execution. We continue to drive innovation and transformation not only across our Hong Kong Ecommerce business but also our New Venture and Technology business, reinforcing our commitment to long-term sustainable development for all our stakeholders.

Hong Kong Ecommerce Business

Hong Kong Ecommerce business represents HKTVmall including 3PL service and ThePlace.

The economic and demographic shifts in Hong Kong's retail landscape have inevitably impacted the performance of our Hong Kong Ecommerce business. Still, we remained focused on strengthening our core. We dedicated significant effort to expanding our product offerings and introducing new customer engagement initiatives to stabilize revenue and unlock new growth opportunities. At the same time, we managed operating costs with care and discipline, aiming to improve profitability over time without compromising service quality or innovation.

Stabilised Performance

During the period under review, management made significant efforts to mitigate the impact of the operating environment on the performance of our Hong Kong Ecommerce business:

1. Hong Kong Ecommerce business has managed to maintain its GMV on order intake at HK\$3,999.9 million (1H2024: HK\$4,104.5 million), represented a moderate year-on-year decrease of 2.5%;
2. Number of unique customers who made purchases at our Hong Kong Ecommerce platform had a slight decrease of 1.6% to 1,199,000 (1H2024: 1,218,000);
3. Stabilised quarterly average purchase frequency per customer at 4.7x in the second quarter of 2025 ("2Q2025") (For the fourth quarter of 2024 ("4Q2024"): 4.6x); and
4. Stabilised quarterly average main categories purchased per customer at 2.8 main categories in 2Q2025 (4Q2024: 2.9 main categories).

⁹ Source: Extracted from https://www.censtatd.gov.hk/en/web_table.html?id=620-67002#

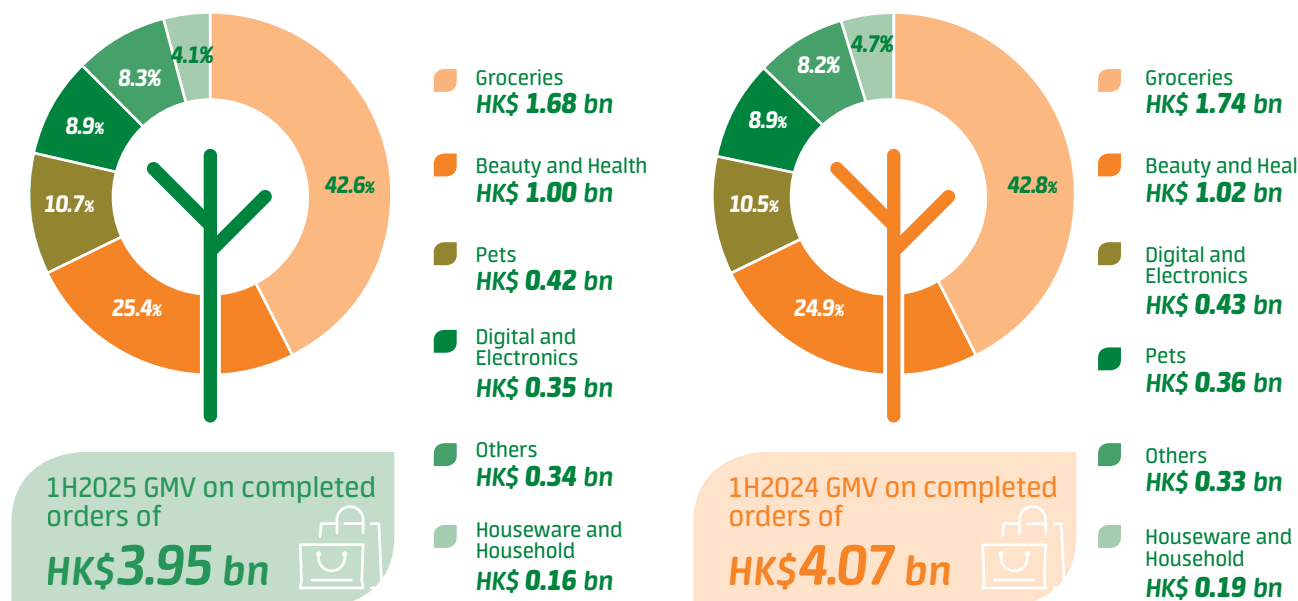
¹⁰ Source: Extracted from <https://data.gov.hk/en-data/dataset/hk-immmd-set5-statistics-daily-passenger-traffic>

Management's Discussion and Analysis

Groceries continued as Core Traffic Catalyst

On order completion basis, the Hong Kong Ecommerce business generated a GMV of HK\$3,952.4 million in 1H2025 (1H2024: HK\$4,068.9 million). The performance of major product categories is illustrated in the graph below, highlighting a remarkable 16.6% year-on-year growth in the Pets product category reaching HK\$423.6 million GMV on completed orders.

Product categories distribution (based on GMV on completed orders)



Gross Margin Improvement with Stable 1P and 3P mix

In light of the economic slowdown, management shifted focus toward stabilizing performance and improving the gross profit margin of the Hong Kong Ecommerce business.

Hong Kong Ecommerce business continued to adopt hybrid business model composed of Direct Merchandise Sales ("1P Business") and Merchant Concessionaire Sales ("3P Business") to ensure consistent and stable supplies of groceries for recurring traffic, while the enlarging merchant base and the long tail effect on product varieties enrich consumer choices.

In 1H2025, the proportion between 1P Business and 3P Business remained stable at 28.2% and 71.8% of total GMV on completed orders respectively (1H2024: 29.4% and 70.6% respectively).

During the period under review, management continued to improve the gross contribution from Hong Kong Ecommerce business through 1P Business, 3P Business, multimedia advertising income, together with various customer engagement initiatives as summarized below:

Management's Discussion and Analysis

Gross profit margin and blended commission rate

In thousands of Hong Kong dollars unless specified except for ratios

On completed orders and on adjusted basis ²	For the six months ended 30 June 2025 HK\$'000	For the six months ended 30 June 2024 HK\$'000
Direct merchandise sales		
GMV on completed orders ^{2,11}	1,116,047	1,196,088
Cost of inventories	(850,229)	(897,619)
Gross profit	265,818	298,469
Gross profit margin	23.8%	25.0%
Income from concessionaire sales and other service income		
GMV on completed orders ²	2,836,385	2,872,773
Merchant payments (net off by other service income)	(2,159,506)	(2,238,391)
Income from concessionaire sales and other service income ¹²	676,879	634,382
Blended commission rate	23.9%	22.1%
Total GMV on completed orders²	3,952,432	4,068,861
Total gross profit and income from concessionaire sales and other service income^{11,12}	942,697	932,851
Total gross profit margin and blended commission rate	23.9%	22.9%
Multimedia advertising income	72,469	65,390
Gross contribution from Hong Kong Ecommerce business segment	1,015,166	998,241
Income from New Ventures and Technology business segment ¹³	38,261	23,475
Gross contribution from Ecommerce and New Ventures and Technology business segments	1,053,427	1,021,716

¹¹ For direct merchandise sales, the GMV on completed orders is before the deduction of HKTVmall dollars of HK\$1,281,000 (1H2024: HK\$5,059,000) and use of promotional coupon of HK\$16,548,000 (1H2024: HK\$18,570,000).

¹² For income from concessionaire sales and other service income, it is before the deduction of net HKTVmall dollars of HK\$791,000 (1H2024: addition of HK\$1,787,000) and included merchant annual fee amortisation and other service income.

¹³ For income from New Ventures and Technology business segment, it is before the deduction of net loyalty points from New Ventures and Technology business segment of HK\$109,000 (1H2024: HK\$Nil).

Management's Discussion and Analysis

The total gross profit margin and blended commission rate of the Hong Kong Ecommerce business increased to 23.9% in 1H2025 (1H2024: 22.9%). This improvement was primarily driven by the continued rollout and growing user adoption of various customer engagement initiatives across the 1P Business, 3P Business, and multimedia advertising products. These efforts have contributed to a more profitable revenue mix and enhanced monetization efficiency.

1. *Deliberated decrease in 1P Business gross profit margin to 23.8% (1H2024: 25.0%)*

HKTVMall launched HKTVplus, a paid membership program introduced in September 2024 to offer customers enhanced value and exclusive shopping benefits. For a subscription fee of HK\$99 every three months, members gain access to deeply discounted prices on a wide range of popular products — including food, beverages, and personal care items — which expanded substantially from the initial 500 items at launch to over 4,700 items by June 2025. More encouraging, number of paid members in June 2025 increased by 150.0% comparing to December 2024.

Despite the impact of deeply discounted products on 1P Business's gross profit margin, HKTVplus introduced a new stream of recurring membership revenue while reinforcing customer loyalty and engagement with HKTVMall. By offering exclusive discounts and added value to members, it lays the groundwork for long-term business resilience and potential expansion into other product categories.

2. *Growing 3P Business with improving blended commission rate at 23.9% (1H2024: 22.1%)*

3P Business is composed of commissions, other service income primarily earned from concessionaire sales at HKTVMall and ThePlace, service income from 3PL service, and membership fee income from HKTVplus.

The multiple business models, warehouse fulfilment options and last mile delivery options available to merchants have largely enhanced the merchant base and product choices, as well as the delivery lead time. Given the rewarding performance of certain product categories at our platform which have driven up the commission rates during 1H2025, and the growing adoption of 3PL service since its full launch in 2024, the blended commission rate for 3P Business was improved.

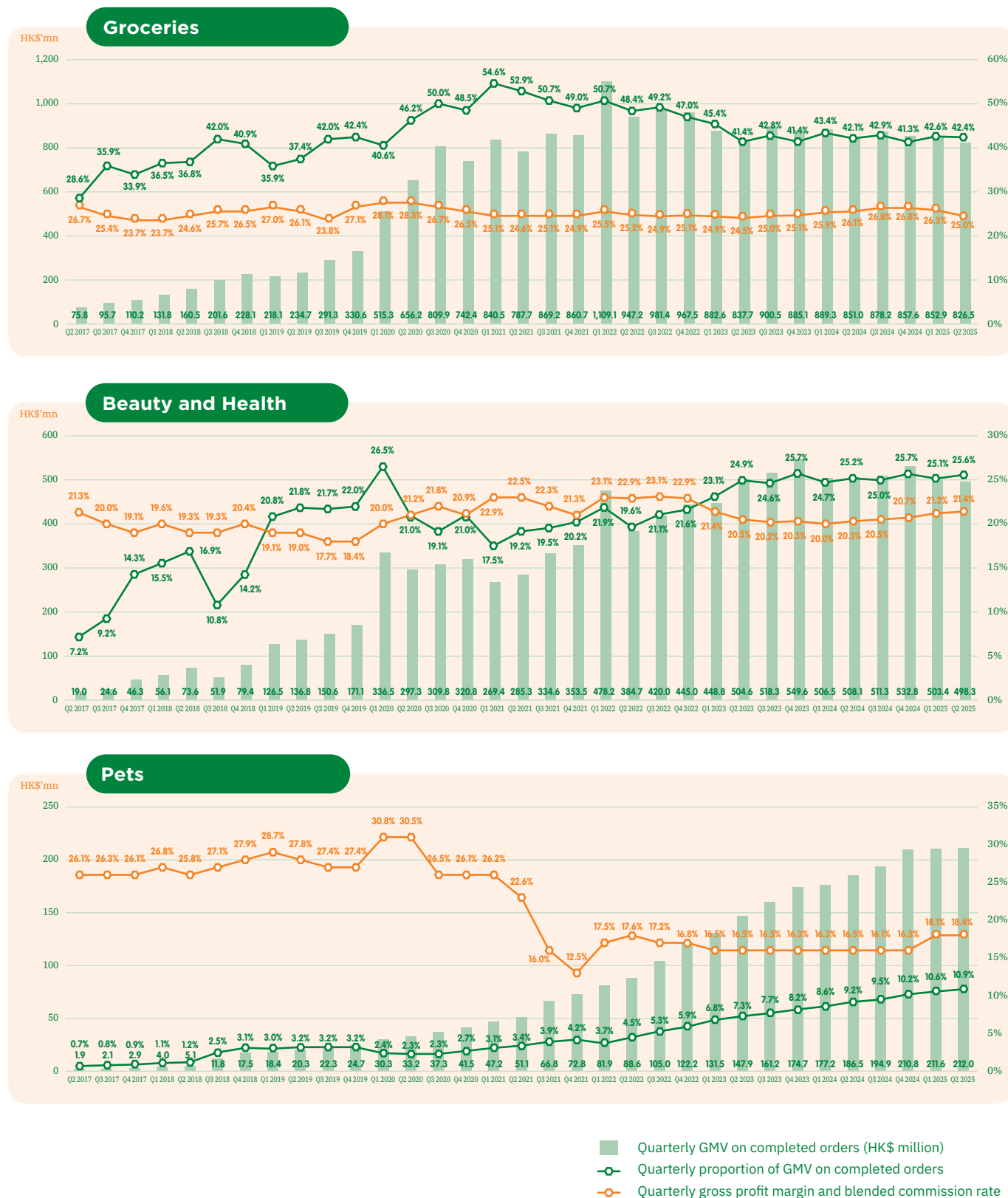
Together with 1P Business, as of June 2025, the Hong Kong Ecommerce business further increase its product offerings to approximately 2,050,000 product items to consumers (June 2024: approximately 1,900,000 product items). These products were offered by approximately 6,400 merchants and suppliers in June 2025 (June 2024: approximately 6,800 merchants and suppliers) to support the growth of the Hong Kong Ecommerce business.

3. *Sustained multimedia advertising income of HK\$72.5 million (1H2024: HK\$65.4 million)*

Despite the challenging operating environment in Hong Kong, we achieved a year-on-year growth of 10.9% in multimedia advertising income in 1H2025. This growth underscores the effectiveness of our strong digital user base, comprising approximately 1.6 million monthly active HKTVMall app users. It also reflects the growing adoption of digital channels by our suppliers, merchants, and business partners, including HKTVLive, a groundbreaking live shopping experience on the HKTVMall app.

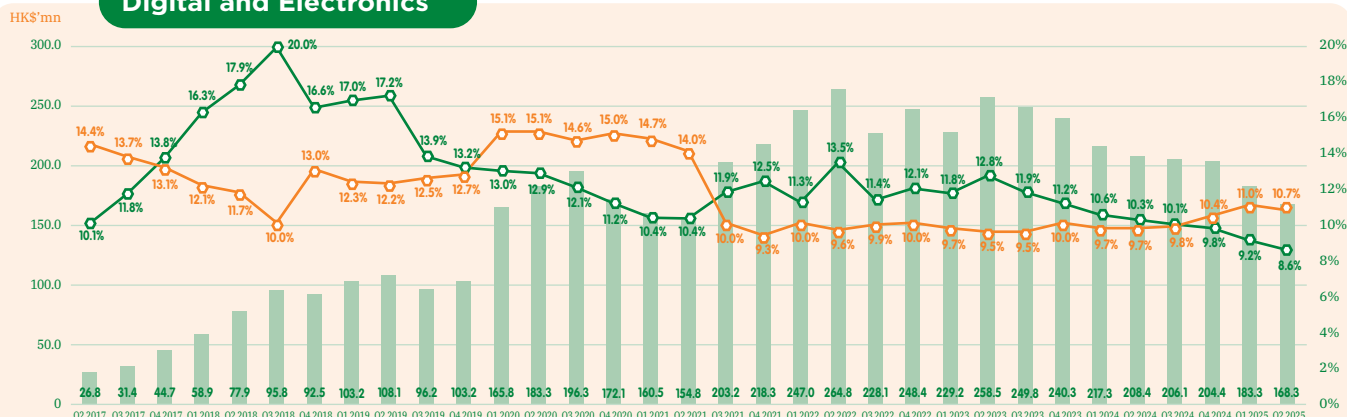
Management's Discussion and Analysis

On product category basis, the gross profit margin and blended commission rate trend is summarised as below:

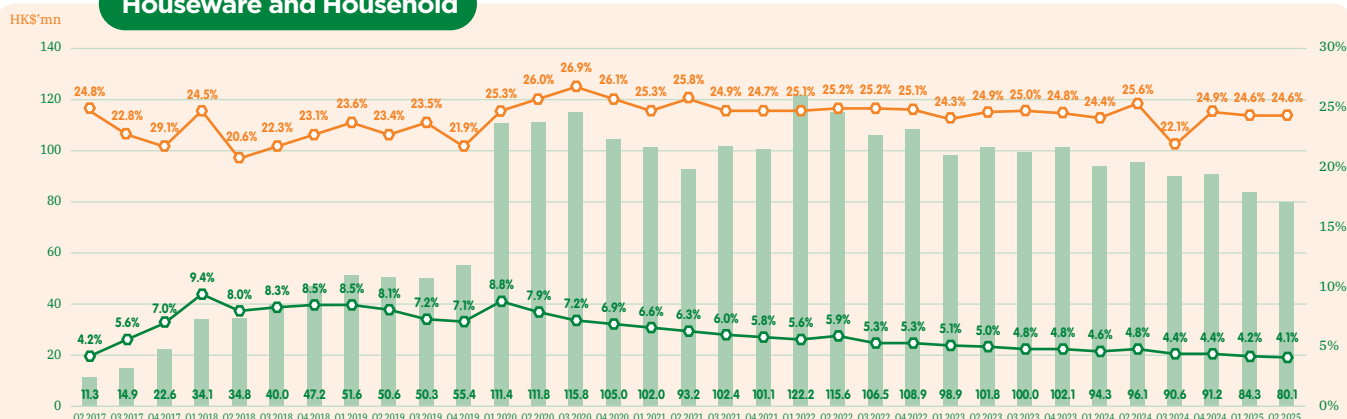


Management's Discussion and Analysis

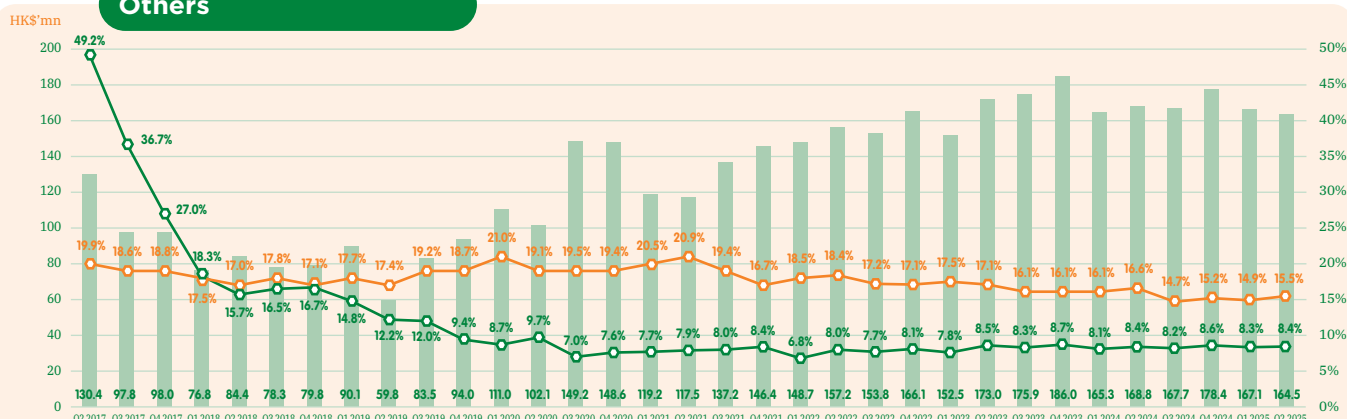
Digital and Electronics



Houseware and Household



Others

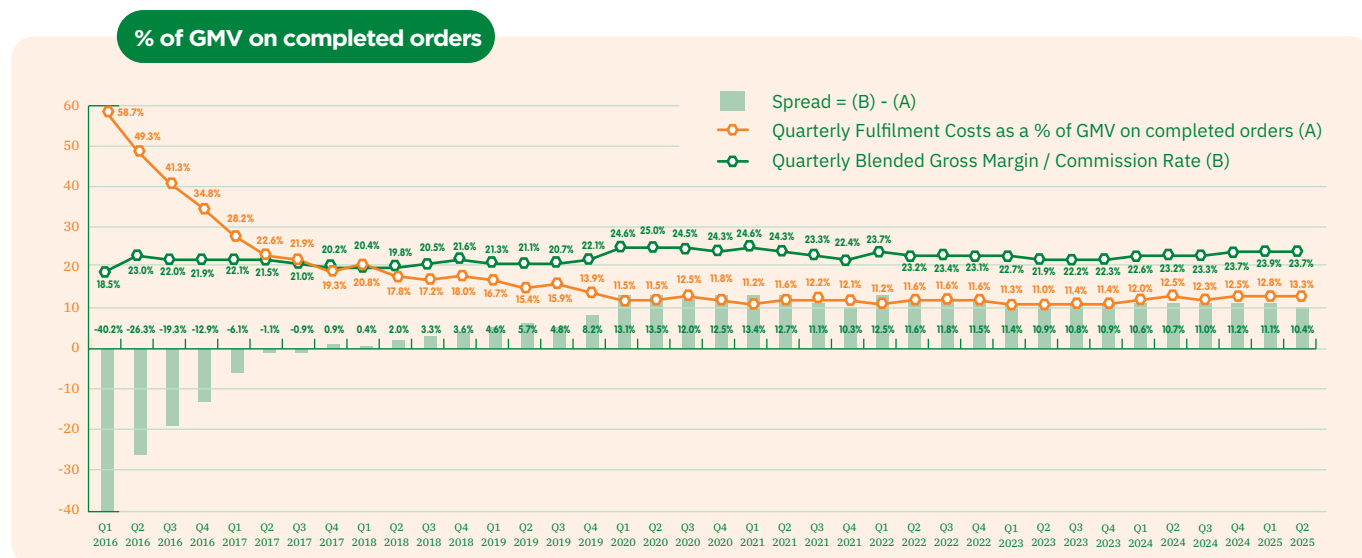


- Quarterly GMV on completed orders (HK\$ million)
- Quarterly proportion of GMV on completed orders
- Quarterly gross profit margin and blended commission rate

Management's Discussion and Analysis

Planned and Disciplined Fulfilment Cost Efficiency

The fulfilment costs as a % of GMV on completed orders for Hong Kong Ecommerce business (including the operating costs of HKTVmall and 3PL service) has increased slightly in 1H2025 mainly due to the increase in demand for 8-hour Express Delivery for consumers.



Remark:

- Quarterly Fulfilment Costs as a % of GMV on completed orders include the interest on lease liabilities under HKFRS 16 in relation to fulfilment centre, which is grouped under finance costs in the consolidated income statement.
- Quarterly Blended Gross Margin/Commission Rate for 3Q2021 and 4Q2021 have absorbed the merchant incentive rebate for 2021 which yield to a lower rate.
- Quarterly Fulfilment Costs as a % of GMV on completed orders for 4Q2022 onwards includes 3PL service fulfilment costs incurred.
- Blended Gross Margin/Commission Rate is calculated before deduction of HKTVmall dollars and use of promotional coupon which is considered as advertising and marketing expenses under management reporting purpose, and net of merchant annual fee, delivery and other income.

Management's Discussion and Analysis

Customer Engagement Initiatives

As part of our ongoing commitment to innovation and customer-centricity, the Group has continued to introduce or enhance various customer engagement initiatives in the past 10 years. During 1H2025, certain initiatives were launched or accelerated aggressively to deepen user interaction, enhance shopping satisfaction, and create new value propositions across our digital retail ecosystem.

HKTVLive

Since the revamp of HKTVLive in 2024, this enhanced interactive live shopping experience on the HKTVmall app has gained strong traction among merchants and retailers, while also becoming increasingly popular with customers. During 1H2025, over 3,300 hours live shows were conducted at HKTVmall app before taking into account the re-run, which is approximately 15.6% higher than 1H2024 with incremental 105.5% GMV on order intake achieved.

Recognizing its effectiveness in bond-building with viewers, driving product interest and boosting sales performance, regular live show schedules have been established for key business segments:

1. Fashion & Beauty — Daily session at 12PM on weekdays
2. Personal Care & Health — Every Wednesday at 12:00 PM
3. O2O Shop — Two daily sessions at 10:00 AM and 4:00 PM
4. Wet Market Express — Three daily sessions at 8:30 AM, 12:00 PM, and 6:00 PM, featuring fresh produce and wet market items from various merchants at various wet markets

In addition to these scheduled segments, merchants and retailers also make use this 24/7 platform to host live shows to introduce products directly to consumers.

Beyond serving as a sales channel, HKTVLive is expanding into lifestyle, fitness, and other interest-based content — creating a more interactive, personalized, and dynamic experience that goes beyond traditional shopping.

O2O Shop Strategy

As HKTVmall enters its 11th year, its core sales and distribution channel — O2O shops — has undergone certain strategic transformation for efficiency gain and revenue expansion.

Over the years, O2O shops have successfully built strong brand awareness across the city, serving as a major distribution channel for customer orders and as an education hub for HKTVmall app and its Lite app usage. Building on this solid offline foundation, the 1H2025 saw O2O shops further monetizing their strong online-to-offline conversion capabilities to drive revenue and improve cost efficiency, which is significantly enhancing the Group's overall profitability.

Key initiatives include:

1. New Sales Format
Live shows were introduced to promote O2O shop products, aiming to extend monetization opportunities beyond regular operating hours.
2. Cost Optimization
Strategic relocation, consolidation, and closure of underperforming point-of-sales shops. Some locations have been redesignated as customer order pick-up centers to strengthen last-mile delivery capabilities.

Management's Discussion and Analysis

3. Expanded Pick-Up Network

Partnerships with reputable service providers to broaden the customer order pick-up network:

- **Hongkong Post** (full launched in April 2025): Added 118 pick-up points across Hong Kong, including outlying islands.
- **Circle K** (full launched in July 2025): Added 101 pick-up points across Hong Kong.
- Together with HKTVMall's own O2O shops and other service partners, the network now includes 318 pick-up locations across Hong Kong which has greatly enhanced the convenience to customers.

CASHBACK

To further monetize HKTVMall's substantial user base of 1.6 million and capitalize on the strong rebound in outbound travel, HKTVMall has accelerated the enhancement of its CASHBACK program – a strategic initiative designed to generate incremental revenue through affiliate partnerships.

CASHBACK enables users to earn Mall Dollar rewards by shopping through HKTVMall's curated network of online partners across key verticals including travel, hotels, attraction tickets, fashion, beauty, skincare, and consumer electronics. Users are redirected to official partner websites – both local and international – where transactions are completed, and rebates are tracked.

This initiative effectively extends HKTVMall's digital footprint beyond its core platform, creating a broader Ecommerce ecosystem and unlocking new monetization channels through traffic diversion and affiliate commissions.

To drive adoption and capitalize on travel demand, HKTVMall launched a promotional campaign with targeted 10% Mall Dollar rebate for hotel bookings made via CASHBACK, reinforcing its position as a value-driven platform and enhancing user engagement.

Shipped from Mainland

In response to the growing demand for Mainland-sourced products which is driven by shifts in demographic composition and evolving consumer habits such as cross-border shopping, HKTVMall launched the "Shipped from Mainland" initiative in June 2025.

This new street is designed to expand product variety, offer competitive pricing comparable to major Mainland online operators, and set clearer expectations for cross-border purchases. HKTVMall targets to offer 100,000 product items by end of 2025 from Mainland with same price as other major Mainland online operators.

New Venture and Technology Business

While the New Venture projects are still at start-up investment phases, certain projects have delivered encouraging progress in 1H2025.

Wet Market Express: Scaling Freshness and Reach Across Hong Kong

Wet Market Express complements HKTVMall's ambient, chilled, and frozen product offerings by delivering fresh produce directly from 10 popular wet markets across Hong Kong Island, Kowloon, and the New Territories. This extensive network enables same-day delivery within a 3-hour window, offering unmatched convenience and reliability to consumers.

In 1H2025, Wet Market Express continued its rapid growth, achieving a 51.1% year-on-year increase in GMV on order intake, reaching HK\$163.0 million (1H2024: HK\$107.9 million). While the business still recorded an adjusted EBITDA loss of HK\$39.7 million (1H2024: HK\$36.3 million), the loss margin significantly improved. This was primarily driven by a better blended gross margin, improved commission rates, and enhanced fulfilment cost efficiency.

Management's Discussion and Analysis

To overcome geographic limitations and expand access to fresh produce beyond local districts, two key initiatives were launched in 1H2025:

1. *Daily live show*

The growing popularity of Wet Market Express live shows — driven by merchant diversity, detailed product introduction and trials, interactive dialogue with viewers and the convenience of remote shopping — has made them a standout feature among both merchants and consumers. Recognising the commercial potential of this format, we extended the program to three regular live shows daily, totaling 21 live shows per week. Each session showcases a rotating selection of merchants and fresh produce, enhancing product visibility and driving engagement.

This initiative not only strengthens merchant participation but also contributes to incremental GMV growth by converting viewer interest into real-time transactions.

2. *Expanded cross-district delivery*

From mid-June 2025 onward, Wet Market Express upgraded its delivery service from “same-district only” to “cross-district purchases and delivery”. Customers can shop from over 300 selected vendors offering 20,000+ fresh food items, regardless of their delivery address, with same-day delivery available at designated cut-off times:

- Orders before 7:00 AM → Delivery between 1:00 PM–3:00 PM
- Orders before 1:00 PM → Delivery between 6:00 PM–8:00 PM

Delivery fee is waived for purchases over HK\$300 in single market. This enhancement has significantly broadened product choices and convenience for households across Hong Kong.

Wet Market Express remains committed to aggressive customer acquisition and service adoption, aiming to capture a larger share of the online wet market segment and drive sustainable growth.

Everuts: Pioneering a Reversed Ecommerce Model

As highlighted in the 2024 annual report, the slow recovery in the retail sector and increased outbound travel have posed structural challenges to Everuts's reversed Ecommerce business model, which relies on proactive consumer engagement and personalized shopping experiences. Despite these headwinds, the business was managed with stringent discipline, maintaining operational resilience and strategic focus.

Together with live show distribution channel particularly on brands and products sourced internationally, in 1H2025, Everuts delivered HK\$25.4 million in GMV on order intake (including inter-segment GMV on order intake) (1H2024: HK\$26.5 million). The business recorded a managed adjusted EBITDA loss of HK\$16.1 million in 1H2025 (1H2024: adjusted EBITDA loss of HK\$13.6 million).

Self-Invented Fully Automated Retail Store and System: in:Five

The development of Fully Automated Retail Store and System in the UK has encountered technical difficulties that were beyond our expectations. As mentioned in the 2024 annual report, we have scaled back the pace of store deployment in the UK and focus our resources to continue to work on resolving the issues to enable the fully automated retail store and system to meet our operational standards and customer needs. A thorough reassessment of the UK project's feasibility is expected to conduct at or round the year end to chart its future course.

Life Science Projects

Life Science projects, including, without limitation, research and development on various technologies for human organ preservation and blood regeneration, are still in their early stages. During the period under review, we continued to conduct numerous experiments and research on these technologies and also in the progress of setting up a medical laboratory.

However, the prospects and timing of development and commercialization of such projects are subject to uncertainties and may take a long period of time before achieving meaningful progress.

Management's Discussion and Analysis

FINANCIAL REVIEW

During 1H2025, the Group recorded a 1.5% decrease in GMV on completed orders to HK\$4,137.6 million (1H2024: HK\$4,199.7 million). The Group's turnover decreased by 0.5% to HK\$1,888.4 million (1H2024: HK\$1,897.5 million) which is composed of:

1. HK\$1,103.3 million from direct merchandise sales (1H2024: HK\$1,172.5 million);
2. HK\$712.6 million from concessionaire sales and other service income (1H2024: HK\$659.7 million); and
3. HK\$72.5 million from multimedia advertising income (1H2024: HK\$65.4 million).

In 1H2025, there was a 5.9% decrease in direct merchandise sales while the cost of inventories decreased by 4.9% to HK\$853.7 million (1H2024: HK\$897.6 million), which led to a decrease in gross profit margin (before the deduction of HKTVmall dollars and use of promotional coupon) to 23.9% (1H2024: 25.0%), primarily as a result of the launch of HKTVplus in September 2024 which offers selected products at deep discount in return for fixed monthly fee.

Income from concessionaire sales and other service income includes commissions and other service income received from 3P Business at HKTVmall, Wet Market Express, Everuts and ThePlace, service income received from 3PL services and membership fee income from HKTVplus. The blended commission rate increased to 23.7% in 1H2025 (1H2024: 22.1%) as a result of improvement in commission rates for certain product categories and increase in 3PL service income.

In 1H2025, other operating expenses increased by HK\$22.1 million to HK\$1,066.3 million (1H2024: HK\$1,044.2 million).

Management's Discussion and Analysis

The breakdown of other operating expenses is as below which is on cost basis before considering any inter-segment mark-up:

	1H2025		1H2024	
	As a % of GMV on completed orders	HK\$ million	As a % of GMV on completed orders (restated)	HK\$ million (restated)
Fulfilment costs (<i>note 1</i>)	13.1%	516.0	12.3%	499.5
Marketing, promotional and O2O shop marketing expenses	2.1%	81.1	2.1%	86.3
O2O shop operating expenses (<i>note 2</i>)	1.5%	58.0	2.2%	88.1
Ecommerce operation and supporting costs	5.6%	222.2	5.4%	221.2
Hong Kong Ecommerce business segment key operating expenses	22.3%	877.3	22.0%	895.1
New Ventures and Technology business segment key operating expenses (<i>note 3</i>)		135.3		107.7
Other unallocated operating expenses		26.5		23.1
Total key operating expenses		1,039.1		1,025.9
Major non-cash items (<i>note 4</i>)		79.4		77.4
Less: Elimination of allocated common expenses (<i>note 5</i>)		(23.0)		(25.2)
Less: Marketing, promotional and O2O shop marketing expenses deducted in turnover		(18.7)		(21.8)
Less: Interest on lease liabilities included in finance costs		(10.5)		(12.1)
Total other operating expenses		1,066.3		1,044.2

Notes:

1. Including depreciation — other properties leased for own use of HK\$43.4 million (1H2024: HK\$40.9 million) and interest on lease liabilities of HK\$8.5 million (1H2024: HK\$10.3 million).
2. Including depreciation — other properties leased for own use of HK\$22.1 million (1H2024: HK\$32.4 million) and interest on lease liabilities of HK\$1.4 million (1H2024: HK\$1.3 million).
3. Including depreciation — other properties leased for own use of HK\$5.5 million (1H2024: HK\$3.9 million) and interest on lease liabilities of HK\$0.6 million (1H2024: HK\$0.5 million).
4. Excluded depreciation — other properties leased for own use of HK\$70.9 million (1H2024: HK\$77.3 million).
5. 1H2024 figures restated to consistently reflect the elimination of allocated common expenses.

Management's Discussion and Analysis

On Hong Kong Ecommerce business segment, the key operating expenses includes fulfilment costs, marketing, promotional and O2O shop marketing expenses, O2O shop operating expenses, and Ecommerce operation and supporting costs, which as a percentage of GMV on completed orders, has slightly increased to 22.3% in 1H2025 (1H2024: 22.0%), with details as below:

- (1) **Fulfilment costs** incurred for warehousing and logistics functions included O2O shop pick up costs allocation. The total fulfilment costs as a percentage of GMV on completed orders increased from 12.3% in 1H2024 to 13.1% in 1H2025.

The increase was mainly caused by increase in leased car expenses, in-house and outsource manpower in response to the increasing demand for 8-hour Express Delivery, though there was efficiency gain from expanding 3PL operation in 1H2025.

- (2) **Marketing, promotional and O2O shop marketing expenses** include promotional coupons and HKTVmall dollar grant, digital marketing, promotional leaflet, O2O shop marketing costs, etc., and all related functions' Talent costs.

Including the HK\$18.7 million (1H2024: HK\$21.8 million) of promotional coupons used and HKTVmall dollars granted which were deducted in the turnover, the total expenses as a percentage to GMV on completed orders was 2.1% (1H2024: 2.1%) at HK\$81.1 million (1H2024: HK\$86.3 million).

- (3) **O2O shop operating expenses** include shop operating expenses and relevant Talent costs incurred, was decreased from 2.2% of GMV on completed orders in 1H2024 to 1.5% in 1H2025. The Group achieved notable efficiency gains in operating expenses through strategic store actions — closures, relocations, and consolidations, as well as the expansion of its pick-up network, maintaining 287 pick-up points (June 2024: 106 pick up points) including 73 O2O shops as of June 2025 (June 2024: 75).

- (4) **Ecommerce operation and supporting costs** includes payment processing charges, merchant relations and acquisition, customer service, research and development costs incurred which are not qualified for capitalization as intangible assets, and other supporting functions. The Ecommerce operation and supporting costs slightly increased to 5.6% of GMV on completed orders in 1H2025 (1H2024: 5.4%).

New Venture and Technology business segment key operating expenses increased by HK\$27.6 million, mainly due to incremental operating expenses incurred for the New Venture projects, particularly for Wet Market Express operations due to enlarging business scale.

Other unallocated operating expenses mainly represent the expenses of head office and corporate expenses not allocated to Hong Kong Ecommerce business or New Ventures and Technology business.

Major non-cash items mainly include depreciation on property, plant and equipment (excluding depreciation on other properties leased for own use) and amortisation of intangible assets. The increase was mainly due to HK\$4.7 million increase in amortisation of intangible assets partially net off by HK\$3.9 million decrease in depreciation on property, plant and equipment (excluding depreciation on other properties leased for own use) resulting from the impairment loss for certain fixed assets of Fully Automated Retail Store and System recognised in 2024 due to the scale back of the pace of the UK store deployment.

A valuation loss on the Group's investment properties of HK\$22.6 million (1H2024: HK\$8.6 million) was recognised in 1H2025 based on the valuation carried out by an independent firm of surveyors.

Management's Discussion and Analysis

Other income, net, of HK\$41.5 million was recorded in 1H2025 (1H2024: HK\$36.5 million), which is mainly composed of investment returns generated from other financial assets and bank deposits of HK\$10.5 million (1H2024: HK\$19.2 million) and rental income from investment properties of HK\$11.9 million (1H2024: HK\$11.9 million), net exchange gain of HK\$6.3 million (1H2024: loss of HK\$2.5 million), the unrealised fair value gain on units in investment funds measured at FVPL of HK\$4.6 million (1H2024: loss of HK\$2.2 million) and reversal of expected credit losses on debit securities measured at FVOCI of HK\$0.9 million (1H2024: provision of HK\$0.8 million).

Finance costs are mainly composed of interest on lease liabilities of HK\$10.5 million (1H2024: HK\$12.1 million).

An income tax credit of HK\$0.6 million was recognised in 1H2025 (1H2024: HK\$1.4 million) including a deferred taxation credit of HK\$0.6 million (1H2024: HK\$1.9 million).

Overall, the Group incurred a loss for the period of HK\$23.2 million for 1H2025 (1H2024: HK\$27.5 million) and an adjusted EBITDA profit of HK\$48.1 million (1H2024: HK\$37.6 million).

If excluding the adjusted EBITDA loss (at cost basis) for New Ventures and Technology business segments, unallocated head office and corporate net income/(expense), and the inter-segment margin, the adjusted EBITDA (at cost basis) for Hong Kong Ecommerce business is HK\$161.4 million in 1H2025 (1H2024: HK\$133.8 million).

On New Ventures and Technology business segment, it incurred an adjusted EBITDA loss (at cost basis) of HK\$98.5 million in 1H2025 (1H2024: HK\$84.5 million) mainly for the below New Venture projects:

- (1) Wet Market Express of HK\$39.7 million (1H2024: HK\$36.3 million);
- (2) Fully Automated Retail Store and System of HK\$30.9 million (1H2024: HK\$24.2 million);
- (3) Everuts of HK\$16.1 million (1H2024: HK\$13.6 million); and
- (4) Life Science Projects of HK\$8.0 million (1H2024: HK\$6.8 million).

Management's Discussion and Analysis

LIQUIDITY AND CAPITAL RESOURCES

As at 30 June 2025, the Group had a total cash position representing cash and cash equivalents and time deposits of HK\$398.2 million (31 December 2024: HK\$541.7 million). The decrease in total cash position was mainly due to the payment of special dividend of HK\$299.8 million, payment of capital and interest element of lease rentals of HK\$75.1 million, payment made for purchases of property, plant and equipment of HK\$24.1 million and HK\$28.7 million payment for the addition to intangible assets partially net off by the net realisation from financial assets of the investment portfolio of HK\$35.6 million, the cash inflow generated from operating activities of HK\$236.6 million and net investment income received of HK\$9.7 million.

On investment in other financial assets, the Group has invested, at fair value, HK\$148.6 million as at 30 June 2025 (as at 31 December 2024: HK\$170.8 million) and there was a net surplus of HK\$1.3 million being recorded in fair value reserve (non-recycling and recycling) (31 December 2024: deficit of HK\$4.1 million). During the period, the total fair value change on other financial assets (after netting of expected credit losses reversed/recognised) amounted to a surplus of HK\$11.4 million (for the year ended 31 December 2024: HK\$11.3 million), in which a surplus of HK\$5.5 million (for the year ended 31 December 2024: deficit of HK\$2.9 million), surplus of HK\$2.6 million (for the year ended 31 December 2024: HK\$6.1 million) and surplus of HK\$3.3 million (for the year ended 31 December 2024: HK\$8.1 million) were recorded in profit or loss, fair value reserve (recycling) and fair value reserve (non-recycling) respectively.

Consistent with the overall treasury objectives and policy, the Group undertakes treasury management activities with respect to its surplus cash assets. The criteria for selection of investments include the relative risk profile involved, the liquidity of an investment, the after tax equivalent yield of an investment, and investments that are not speculative in nature. In line with its liquidity objectives, the Group invests mostly in liquid instruments, products or equities, such as investment grade products, constituent stocks of defined world indices or state owned or controlled companies. Investment in fixed income products are structured in different maturity profile to cope with ongoing business development and expansion need. Moreover, as and when additional cash is expected to be required to fund the business, the investments can be realised as appropriate.

As at 30 June 2025, the Group had utilised facilities of HK\$28.6 million (31 December 2024: HK\$27.4 million), leaving HK\$1,022.1 million (31 December 2024: HK\$1,010.6 million) uncommitted banking facilities available for future utilisation subject to the collateral value (if applicable).

Our total cash and cash equivalents consisted of cash at banks and in hand, and time deposits within three months of maturity, if any. As at 30 June 2025 and 31 December 2024, the Group had not pledged any bank deposits as security for the bank facilities granted by a bank for foreign exchange and interest rate hedging arrangement.

The Group was in a net cash position as of 30 June 2025 and 31 December 2024 and hence no gearing ratio was presented. The Directors are of the opinion that, after taking into consideration the internal available financial resources and the current banking facilities, the Group has sufficient funds to finance its operations and to meet the financial obligations as and when they fall due.

During 1H2025, the Group invested HK\$24.1 million on capital expenditure as compared to HK\$37.9 million in 1H2024. For the upcoming capital expenditure requirements, we will remain cautious and it is expected to be funded by internal resources within the Group and the available banking facilities. Overall, the Group's financial position remains sound for continued business expansion.

Management's Discussion and Analysis

Fund raising activity

For the purpose of strengthening the Group's financial position and the medium term funding of its expansion and growth plan, on 11 February 2020, the Company entered into a placing agreement ("Placing Agreement") with Top Group International Limited ("Vendor") and UBS AG Hong Kong Branch ("placing agent") and a subscription agreement ("Subscription Agreement") with the Vendor, pursuant to which the placing agent agreed to place, on a fully underwritten basis, 90,000,000 existing ordinary shares of the Company to not less than six independent placees at HK\$5.15 per share ("Placing"), and the Vendor agreed to subscribe for 90,000,000 new ordinary shares of the Company ("Subscription Shares") at HK\$5.15 per share ("Subscription"). The completion of the Placing and the Subscription took place on 14 February 2020 and 24 February 2020, respectively. The gross proceeds amounted to approximately HK\$463.5 million and the net proceeds from the Subscription amounted to approximately HK\$453.2 million. The net placing price is approximately HK\$5.04 per share. The Subscription Shares represent approximately 10.96% of the issued share capital of the Company as at the date of the Placing Agreement and the Subscription Agreement and approximately 9.88% of the issued share capital of the Company as enlarged by the Subscription. The Subscription Shares have a market value of approximately HK\$540.9 million based on the closing price of the shares as at 11 February 2020.

The Company intends to use the net proceeds from the Subscription for (1) expansion of the Ecommerce and related business of the Group; and (2) general working capital, which is consistent with the intentions disclosed in the Company's announcements dated 12 February 2020 and 24 February 2020. Details of the use of net proceeds are as follows:

Intended use of net proceeds		Amount intended to be utilised	Amount utilised as at 31 December 2024	Amount utilised as at 30 June 2025	Expected timeline of utilisation
		HK\$ million	HK\$ million	HK\$ million	
Expansion of the Ecommerce and related business of the Group					
(i)	Expansion of e-fulfilment centre at Tseung Kwan O Headquarters	200	200.0	200.0	By the end of 2023
(ii)	Adding the 6th fulfilment centre	40	40.0	40.0	By the end of 2022
(iii)	Adding around 200 to 250 delivery trucks	Around 90 to 110	58.4	60.4	By the end of 2025
(iv)	Upgrading computer hardware and software	50	50.0	50.0	By the end of 2021
General working capital of the Group		Around 53.2 to 73.2	73.2	73.2	By the end of 2021
Total		453.2	421.6	423.6	

Charge on Group Assets

As of 30 June 2025, the Group's banking facilities of HK\$1,050.7 million were secured by the Group's other financial assets of HK\$148.6 million and cash of HK\$89.0 million held by various banks.

Exchange Rates

Substantially all of the Group's monetary assets and liabilities are primarily denominated in Hong Kong dollars and United States dollars. Given the exchange rate of the Hong Kong dollar to the United States dollar has remained close to the current pegged rate of HKD7.80 = USD1.00 since 1983, management does not expect significant foreign exchange gains or losses between these two currencies.

Contingent Liabilities

As of 30 June 2025 and 31 December 2024, the Group had no material contingent liabilities or off-balance-sheet obligations.

Management's Discussion and Analysis

PROSPECTS

Looking ahead, the Group remains firmly committed to its belief that innovation and persistence are fundamental pillars for sustaining long-term growth and resilience. By continuously evolving our business models, expanding into complementary verticals and exploring new jurisdictions, we aim to increase our surviving chance and unlock new value for stakeholders in an increasingly dynamic operating environment.

Hong Kong Ecommerce Business

Hong Kong Ecommerce business represents HKTVmall including 3PL Service and ThePlace.

Hong Kong Ecommerce business remained on track toward achieving its full-year 2025 business targets, with 1H2025 performance aligning closely with expectations. In response to a persistently challenging operating environment, the Group continues to manage the business with discipline and agility.

Looking ahead, we will focus on enhancing customer engagement, strengthening revenue streams through new initiatives and ongoing enrichment of product offerings. This will be supported by stringent resource management and dynamic allocation across key operating expense categories, ensuring optimal efficiency and resilience as we navigate market headwinds.

New Venture and Technology Business

New Ventures and Technology business mainly includes Wet Market Express, Everuts, Fully Automated Retail Store and System, and Life Science project.

The New Venture and Technology segment remains a strategic cornerstone of the Group's long-term sustainability and survival. While we are committed to allocating the necessary resources to drive innovation and support the development of new initiatives, management maintains a disciplined approach — closely monitoring project progress and critically evaluating the viability and strategic direction of each launched venture. Where appropriate, we will adapt our strategies and reallocate resources to align with evolving market conditions and project performance, ensuring that our innovation efforts remain both agile and impactful.

Review of 2025 Business Targets

Group	2025 Target	1H2025 Achievement
GMV on order intake	HK\$8.37 billion to HK\$8.60 billion	HK\$4.18 billion

Management's Discussion and Analysis

Hong Kong Ecommerce business		2025 Target	1H2025 Achievement
GMV on order intake		HK\$7.8 billion to HK\$8.0 billion	HK\$4.0 billion
Multimedia Advertising Income		HK\$140.0 million to HK\$150.0 million (Commitments of approximately HK\$145.0 million obtained by end of December 2024 (note 1))	HK\$72.5 million
Blended gross margin and commission rate (before including multimedia advertising income)		Approximately 23.5% to 24.5%	23.9%
Key operating expenses as a % of GMV on completed orders:			
a) Fulfilment costs		12.5%–13.0%	13.1%
b) Marketing, promotional and O2O shop marketing expenses		2.2%–2.5%	2.1%
c) O2O shop operating expenses		1.5%–1.6%	1.5%
d) Ecommerce operational and supporting costs		5.3%–5.5%	5.6%
Adjusted EBITDA Margin		Approximately 3.7% to 3.9%, (representing HK\$290.0 million to HK\$310.0 million)	4.1%
New Ventures and Technology business		2025 Target	1H2025 Achievement
Wet Market Express			
Annual GMV on order intake		HK\$469.0 million to HK\$480.0 million	HK\$163.0 million
Adjusted EBITDA loss		HK\$90.0 million	HK\$39.7 million
Everuts			
Annual GMV on order intake		HK\$65.0 million to HK\$70.0 million	HK\$25.4 million
Adjusted EBITDA loss		HK\$15.0 million to HK\$20.0 million	HK\$16.1 million
Fully Automated Retail Store and System			
Annual GMV on order intake		HK\$1.3 million to HK\$1.5 million	HK\$0.4 million
Adjusted EBITDA loss		HK\$65.0 million to HK\$70.0 million	HK\$30.9 million
Life Science Projects			
Adjusted EBITDA loss		HK\$30.0 million to HK\$35.0 million	HK\$8.0 million

Note 1: Multimedia Advertising Income commitment represents the total advertising fees committed under contractual obligations established in agreements between the Group and merchants or advertising clients by end of December 2024 and pertains to the 2025 early bird offer launched in August 2024, for advertisements to be delivered through the platform of HKTVmall during year 2025.

Management's Discussion and Analysis

TALENT REMUNERATION

Including the Directors, as at 30 June 2025, the Company had 2,213 permanent full-time Talents versus 2,216 as of 31 December 2024. The Company provides remuneration package consisting of basic salary, bonus and other benefits. Bonus payments are discretionary and dependent on both the Company's and individual performances. The Company also provides comprehensive medical and life insurance coverage, competitive retirement benefits schemes, staff training programs and operates share schemes.

Unaudited Consolidated Income Statement

For the six months ended 30 June 2025 (Expressed in Hong Kong dollars)

	Note	Six months ended	
		30 June 2025 HK\$'000	30 June 2024 HK\$'000
Turnover	3	1,888,407	1,897,548
Direct merchandise sales	3	1,103,341	1,172,459
Cost of inventories		(853,709)	(897,619)
		249,632	274,840
Income from concessionaire sales and other service income	3	712,597	659,699
Multimedia advertising income	3	72,469	65,390
Valuation losses on investment properties	10	(22,570)	(8,550)
Other operating expenses		(1,066,250)	(1,044,220)
Other income, net	4	41,514	36,516
Finance costs	5(a)	(11,244)	(12,574)
Loss before taxation	5	(23,852)	(28,899)
Income tax credit	7	647	1,421
Loss for the period		(23,205)	(27,478)
Loss per share	9		
Basic and diluted		HK\$(0.03)	HK\$(0.03)

The notes on pages 32 to 48 form part of this interim financial report.

Unaudited Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025 (Expressed in Hong Kong dollars)

	Note	Six months ended	
		30 June 2025 HK\$'000	30 June 2024 HK\$'000
Loss for the period		(23,205)	(27,478)
Other comprehensive income for the period	6		
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Equity instruments designated at fair value through other comprehensive income			
— net movement in fair value reserve (non-recycling)		3,334	5,938
Remeasurement of defined benefit plan obligations		(1,305)	760
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange difference on translation of financial statements of overseas subsidiaries		(4,761)	245
Debt securities measured at fair value through other comprehensive income			
— net movement in fair value reserve (recycling)		2,563	6,442
Other comprehensive income for the period		(169)	13,385
Total comprehensive income for the period		(23,374)	(14,093)

The notes on pages 32 to 48 form part of this interim financial report.

Unaudited Consolidated Statement of Financial Position

As at 30 June 2025 (Expressed in Hong Kong dollars)

	Note	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Non-current assets			
Property, plant and equipment	10	1,725,848	1,787,603
Intangible assets	11	179,179	166,060
Long-term receivables, deposits and prepayments		55,152	66,600
Other financial assets	12	104,522	129,506
Deferred tax assets		94,864	94,602
		2,159,565	2,244,371
Current assets			
Other receivables, deposits and prepayments		122,953	138,633
Inventories and other contract costs		116,009	133,711
Other current financial assets	12	44,032	41,320
Time deposits		122,193	–
Cash and cash equivalents		276,030	541,705
		681,217	855,369
Current liabilities			
Accounts payable	13	406,534	341,442
Other payables and accrued charges	13	450,456	450,232
Deposits received		5,757	5,757
Tax payable		27	509
Lease liabilities		125,678	139,814
		988,452	937,754
Net current liabilities		(307,235)	(82,385)
Total assets less current liabilities		1,852,330	2,161,986
Non-current liabilities			
Deferred tax liabilities		2,005	2,326
Other payables and accrued charges		14,984	11,901
Lease liabilities		286,380	276,140
		303,369	290,367
NET ASSETS		1,548,961	1,871,619
CAPITAL AND RESERVES			
Share capital	16	1,805,693	1,805,004
Reserves		(256,732)	66,615
TOTAL EQUITY		1,548,961	1,871,619

The notes on pages 32 to 48 form part of this interim financial report.

Unaudited Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025 (Expressed in Hong Kong dollars)

Note	Attributable to equity shareholders of the Company								
	Share capital	Accumulated losses	Revaluation reserve	Fair value reserve (recycling)	Fair value reserve (non-recycling)	Exchange reserve	Capital reserve	Other reserve	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 January 2025	1,805,004	(150,606)	183,338	(5,890)	1,800	610	39,877	(2,514)	1,871,619
Changes in equity for the six months ended 30 June 2025:									
Loss for the period	-	(23,205)	-	-	-	-	-	-	(23,205)
Other comprehensive income	6	-	-	2,563	3,334	(4,761)	-	(1,305)	(169)
Total comprehensive income	-	(23,205)	-	2,563	3,334	(4,761)	-	(1,305)	(23,374)
Transfer of gain on disposal of equity instruments designated at FVOCI to retained profits	-	504	-	-	(504)	-	-	-	-
Shares issued under share option scheme	689	-	-	-	-	-	(196)	-	493
Dividend approved in respect of the previous year	-	(299,777)	-	-	-	-	-	-	(299,777)
Balance at 30 June 2025	1,805,693	(473,084)	183,338	(3,327)	4,630	(4,151)	39,681	(3,819)	1,548,961

Note	Attributable to equity shareholders of the Company								
	Share capital	Retained profits	Revaluation reserve	Fair value reserve (recycling)	Fair value reserve (non-recycling)	Exchange reserve	Capital reserve	Other reserve	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 January 2024	1,805,004	138,244	183,338	(11,949)	(8,098)	(546)	42,613	(3,258)	2,145,348
Changes in equity for the six months ended 30 June 2024:									
Loss for the period	-	(27,478)	-	-	-	-	-	-	(27,478)
Other comprehensive income	6	-	-	6,442	5,938	245	-	760	13,385
Total comprehensive income	-	(27,478)	-	6,442	5,938	245	-	760	(14,093)
Transfer of loss on disposal of equity instruments designated at FVOCI to retained profits	-	(1,734)	-	-	1,734	-	-	-	-
Balance at 30 June 2024	1,805,004	109,032	183,338	(5,507)	(426)	(301)	42,613	(2,498)	2,131,255

The notes on pages 32 to 48 form part of this interim financial report.

Unaudited Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2025 (Expressed in Hong Kong dollars)

	Six months ended	
	30 June 2025 HK\$'000	30 June 2024 HK\$'000
Loss before taxation	(23,852)	(28,899)
Valuation losses on investment properties	22,570	8,550
Depreciation of property, plant and equipment	128,793	139,270
Amortisation of intangible assets	15,541	10,805
Interest income from other financial assets	(2,530)	(7,268)
(Reversal)/provision of expected credit losses	(923)	801
Changes in working capital	89,501	53,252
Others	7,533	34
Net cash generated from operating activities	236,633	176,545
Investing activities		
Payment for the purchase of other financial assets	(24,941)	–
Proceeds received from disposal and redemption of other financial assets	27,281	39,070
Proceeds received from maturity of debt securities	33,267	108,783
Payment for the purchase of property, plant and equipment	(24,075)	(37,936)
Payment for the addition to intangible assets	(28,660)	(26,272)
(Increase)/decrease in time deposits	(122,193)	63,062
Proceeds received from disposal of property, plant and equipment	218	–
Others	9,748	19,294
Net cash (used in)/generated from investing activities	(129,355)	166,001
Financing activities		
Capital element of lease rentals paid	(64,541)	(76,286)
Interest element of lease rentals paid	(10,549)	(12,093)
Dividend paid	(299,777)	–
Proceeds from shares issued under share option scheme	493	–
Net cash used in financing activities	(374,374)	(88,379)
Net (decrease)/increase in cash and cash equivalents	(267,096)	254,167
Cash and cash equivalents at 1 January	541,705	330,565
Effect of foreign exchange rate changes	1,421	640
Cash and cash equivalents at 30 June	276,030	585,372

The notes on pages 32 to 48 form part of this interim financial report.

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

1 BASIS OF PREPARATION

This unaudited interim financial report of Hong Kong Technology Venture Company Limited (the “Company”) and its subsidiaries (the “Group”) has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), including compliance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). It was authorised for issue on 27 August 2025.

The unaudited interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an unaudited interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

Notwithstanding the net current liabilities of HK\$307,235,000 as at 30 June 2025, the Group’s interim financial report has been prepared on a going concern basis because the directors are of the opinion that the Group would have adequate funds to meet its obligations, as and when they fall due, having regard to the following: (a) the Group is expected to generate positive operating cash flows in connection with its principal activities; and (b) financial investments of HK\$148,554,000 which are readily realisable.

This unaudited interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG’s independent review report to the Board of Directors is included on page 49 of this interim financial report. In addition, this interim financial report has been reviewed by the Company’s Audit Committee.

The financial information relating to the financial year ended 31 December 2024 that is included in the interim financial report as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 TURNOVER AND SEGMENT INFORMATION

(a) Turnover

The principal activities of the Group are Ecommerce business, including but not limited to the end-to-end online shopping mall operation, multimedia production and other related services (“Ecommerce business”) and new ventures and technology solution business (“New Ventures and Technology business”). Further details regarding the Group’s principal activities are disclosed in note 3(b).

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by nature and by timing of revenue recognition are as follows:

	Six months ended	
	30 June 2025 HK\$'000	30 June 2024 HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by nature		
— Direct merchandise sales	1,103,341	1,172,459
— Income from concessionaire sales and other service income	712,597	659,699
— Multimedia advertising income	72,469	65,390
	1,888,407	1,897,548
Disaggregated by timing of revenue recognition		
— Point in time	1,765,479	1,791,458
— Over time	122,928	106,090
	1,888,407	1,897,548

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

3 TURNOVER AND SEGMENT INFORMATION (continued)

(b) Segment information

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (product and services) and geography. In a manner consistent with the way in which information is reported internally to the Group's chief operating decision maker for the purpose of resource allocation and performance assessment. The Group has two reporting segments as follows:

- Hong Kong Ecommerce business: The Group's Ecommerce business segment derives revenue from the end-to-end online shopping mall operation (including fulfilment and logistics), multimedia production and other related services in Hong Kong. These products and services are either sourced externally or are produced in the Group's properties located in Hong Kong.
- New Ventures and Technology business: The Group's New Ventures and Technology business segment mainly derives revenue from (1) new venture projects performing research and development activities on new business models and technologies, and operating business by adopting the new business models and technologies globally; and (2) providing technology solution to the Group's Ecommerce business segment or external customer to operate online shopping operation.

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's chief operating decision maker monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of investments in financial assets and other corporate assets. Segment liabilities include accounts payable, other payables and accrued charges and lease liabilities attributable to the sales activities of the individual segments.

Revenue and expenses are allocated to the reportable segments with reference to turnover generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

Earnings before interest (including investment returns), taxes, depreciation and amortisation ("EBITDA")/(EBITDA loss) means profit/(loss) for the period plus income tax expense/(credit), depreciation on property, plant and equipment (excluded depreciation on other properties leased for own use) and amortisation of intangible assets and deduct investment returns.

Adjusted EBITDA/(adjusted EBITDA loss) means EBITDA/(EBITDA loss) adjusted by major non-cash items and excluded non-recurring items including the government subsidies and impairment loss on property, plant and equipment.

In addition to receiving segment information concerning segment profit, management is provided with segment information concerning inter-segment sales, interest income and expense from cash balances managed directly by the segments, depreciation, amortisation and impairment losses and additions to non-current segment assets used by the segments in their operations. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

3 TURNOVER AND SEGMENT INFORMATION (continued)

(b) Segment information (continued)

(i) Segment results, assets and liabilities (continued)

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2025 and 2024 is set out below.

For six months ended 30 June	Hong Kong Ecommerce business		New Ventures and Technology business		Total	
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Disaggregated by timing of revenue recognition						
Point in time	1,723,845	1,767,983	41,634	23,475	1,765,479	1,791,458
Over time	122,928	106,090	–	–	122,928	106,090
Revenue from external customers	1,846,773	1,874,073	41,634	23,475	1,888,407	1,897,548
Inter-segment revenue	–	–	65,021	63,085	65,021	63,085
Reportable segment revenue	1,846,773	1,874,073	106,655	86,560	1,953,428	1,960,633
Reportable segment profit/(loss) (EBITDA/(EBITDA loss))	138,635	108,354	(76,016)	(60,010)	62,619	48,344
Reportable segment profit/(loss) (adjusted EBITDA/(adjusted EBITDA loss))	136,393	108,859	(73,538)	(59,585)	62,855	49,274
Interest income	74	519	4	105	78	624
Inter-segment finance costs	(2,975)	(3,212)	–	–	(2,975)	(3,212)
Depreciation and amortisation for the period (excluded depreciation on other properties leased for own use)	(51,135)	(52,798)	(15,405)	(12,978)	(66,540)	(65,776)
As at 30 June/31 December						
Reportable segment assets	2,338,531	2,421,048	332,348	361,454	2,670,879	2,782,502
<i>Additions to non-current segment assets during the period</i>	78,174	132,386	37,505	85,778	115,679	218,164
Reportable segment liabilities	1,304,192	1,241,330	520,186	450,974	1,824,378	1,692,304

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

3 TURNOVER AND SEGMENT INFORMATION (continued)

(b) Segment information (continued)

(ii) Reconciliation of reportable segment revenue, profit or loss

	Six months ended 30 June 2025 HK\$'000	Six months ended 30 June 2024 HK\$'000
Revenue		
Reportable segment revenue	1,953,428	1,960,633
Elimination of inter-segment revenue	(65,021)	(63,085)
Revenue (note 3(a))	1,888,407	1,897,548
	Six months ended 30 June 2025 HK\$'000	Six months ended 30 June 2024 HK\$'000
Loss		
Reportable segment profit (EBITDA)	62,619	48,344
Income tax credit	722	1,641
Interest income	78	624
Depreciation — on property, plant and equipment (excluded depreciation on other properties leased for own use)	(53,040)	(57,018)
Amortisation of intangible assets	(13,500)	(8,758)
Unallocated head office and corporate net expense	(20,084)	(12,311)
Loss for the period	(23,205)	(27,478)

(iii) Reconciliation of reportable segment assets

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Reportable segment assets	2,670,879	2,782,502
Elimination of inter-segment receivables	(574,380)	(490,985)
Unallocated head office and corporate assets (included investments in financial assets)	744,283	808,223
Consolidated total assets	2,840,782	3,099,740

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

3 TURNOVER AND SEGMENT INFORMATION (continued)

(b) Segment information (continued)

(iv) Reconciliation of reportable segment liabilities

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Reportable segment liabilities	1,824,378	1,692,304
Elimination of inter-segment payables	(574,380)	(490,985)
Unallocated head office and corporate liabilities	41,823	26,802
Consolidated total liabilities	1,291,821	1,228,121

(v) Geographic segment information

As majority of the Group's operations are conducted in Hong Kong and majority of the assets are located in Hong Kong, accordingly, no geographical segment information is presented.

4 OTHER INCOME, NET

	Six months ended	
	30 June 2025 HK\$'000	30 June 2024 HK\$'000
Bank interest income	6,289	10,018
Dividend and investment income from other financial assets	1,688	1,922
Interest income from other financial assets	2,530	7,267
Unrealised fair value gain/(loss) on units in investment funds measured at fair value through profit or loss ("FVPL")	4,627	(2,193)
Reversal/(provision) of expected credit losses on debt securities measured at fair value through other comprehensive income ("FVOCI")	923	(801)
Rentals from investment properties	11,887	11,887
Net exchange gain/(loss)	6,270	(2,522)
Government subsidies	1,280	800
Unwinding the discounting effect of rental deposits	434	404
Others	5,586	9,734
	41,514	36,516

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

5 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting):

	Six months ended	
	30 June 2025 HK\$'000	30 June 2024 HK\$'000
(a) Finance costs		
Interest on lease liabilities	10,549	12,093
Bank charges	695	481
	11,244	12,574
(b) Other items		
Advertising and marketing expenses (excluding HK\$18,729,000 (six months ended 30 June 2024: HK\$21,842,000) being deducted in turnover)	61,832	65,021
Depreciation (Note 10)		
— owned property, plant and equipment	38,484	45,445
— right-of-use assets	90,309	93,825
Amortisation of intangible assets (Note 11)	15,541	10,805
(Gain)/loss on disposal of property, plant and equipment	(1)	153
Outsourced fulfilment expenses	196,586	176,399
Payment processing charges	47,344	46,411
Owned motor vehicles running expenses	22,608	24,133
Software licenses and registration fee	10,989	11,368
Utilities, consumables and office expenses	29,871	29,353
(c) Talent costs		
Wages and salaries	486,269	482,477
Retirement benefit costs — defined contribution plans	17,777	17,699
Less: Talent costs capitalised as intangible assets	(28,503)	(26,266)
	475,543	473,910

Talent costs include all compensation and benefits paid to and accrued for all individuals employed by the Group, including Directors.

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

6 OTHER COMPREHENSIVE INCOME

(a) Tax effects relating to each component of other comprehensive income

	Six months ended					
	30 June 2025			30 June 2024		
	Before-tax amount HK\$'000	Tax expense HK\$'000	Net-of-tax amount HK\$'000	Before-tax amount HK\$'000	Tax expense HK\$'000	Net-of-tax amount HK\$'000
Equity instruments designated at FVOCI						
– net movement in fair value reserve (non-recycling)	3,334	–	3,334	5,938	–	5,938
Remeasurement of defined benefit plan obligations	(1,305)	–	(1,305)	760	–	760
Exchange difference on translation of financial statements of overseas subsidiaries	(4,761)	–	(4,761)	245	–	245
Debt securities measured at FVOCI						
– net movement in fair value reserve (recycling)	2,563	–	2,563	6,442	–	6,442
Other comprehensive income	(169)	–	(169)	13,385	–	13,385

(b) Components of other comprehensive income, including reclassification adjustments

	Six months ended	
	30 June 2025 HK\$'000	30 June 2024 HK\$'000
Equity instruments designated at FVOCI – net movement in fair value reserve (non-recycling):		
– Changes in fair value recognised during the period	3,334	5,938
Debt securities measured at FVOCI – net movement in fair value reserve (recycling):		
– Changes in fair value recognised during the period	3,486	5,641
– Reclassified to profit or loss for (reversal)/provision of expected credit losses	(923)	801
	2,563	6,442

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

7 INCOME TAX CREDIT

The provision for Hong Kong Profits Tax for the six months ended 30 June 2025 is calculated at 16.5% (six months ended 30 June 2024: 16.5%) of the estimated assessable profits for the period, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime which the first HK\$2,000,000 of assessable profits are taxed at 8.25% (six months ended 30 June 2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (six months ended 30 June 2024: 16.5%).

Taxation for overseas branch of a subsidiary is calculated at 20% (six months ended 30 June 2024: 20%) of the estimated assessable profits for the period.

The amount of income tax credit in the consolidated income statement represents:

	Six months ended	
	30 June 2025 HK\$'000	30 June 2024 HK\$'000
Current taxation		
Hong Kong Profits Tax	—	—
Overseas	63	(497)
Deferred taxation		
Origination and reversal of temporary differences	584	1,918
	647	1,421

8 DIVIDENDS

a) Dividends attributable to the interim period:

The Board of Directors has resolved not to declare any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

b) Dividends attributable to the previous financial year, approved and paid during the interim period:

According to the Annual General Meeting on 20 May 2025, special dividend of HK38 cents per share was approved and paid during the six months ended 30 June 2025.

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

9 LOSS PER SHARE

The calculation of basic loss per share is based on the loss attributable to equity shareholders of the Company for the period of HK\$23,205,000 (six months ended 30 June 2024: HK\$27,478,000) and the weighted average of 788,636,986 ordinary shares (six months ended 30 June 2024: 888,545,781 shares) in issue during the period.

The diluted loss per share for the six months ended 30 June 2025 and 2024 is the same as the basic loss per share, as the Group's share options would result in an anti-dilutive effect on loss per share.

10 PROPERTY, PLANT AND EQUIPMENT

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
At the beginning of the period/year	1,787,603	1,970,085
Additions	51,783	142,129
Lease modification	35,749	19,075
Early termination	–	(169)
Disposals	(217)	(537)
Valuation losses on investment properties (note (a))	(22,570)	(21,150)
Exchange difference	2,293	(1,019)
Impairment loss	–	(42,101)
Depreciation charge	(128,793)	(278,710)
At the end of the period/year	1,725,848	1,787,603

Note:

- (a) All investment properties of the Group were revalued as at 30 June 2025 and 31 December 2024 by direct comparison approach determined by reference to recent sales price of comparable properties on a price per square feet basis using market data which is publicly available. The valuations were carried out by an independent firm of surveyors, CBRE Limited, who has among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued.

During the six months ended 30 June 2025, the Group entered into a number of tenancy agreements for use of offices and retail stores and therefore recognised the additions to right-of-use assets of HK\$24,895,000 (six months ended 30 June 2024: HK\$21,442,000).

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

11 INTANGIBLE ASSETS

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
At the beginning of the period/year	166,060	135,226
Additions	28,660	58,221
Amortisation	(15,541)	(27,387)
At the end of the period/year	179,179	166,060

Intangible assets included the indefeasible right of use in certain capacity of the telecommunications network of the former subsidiary for a term of 20 years and capitalised development costs for systems and platforms for Ecommerce business and New Ventures and Technology business.

The Group holds indefeasible right of use in certain capacity of the telecommunications network for its Ecommerce business. Lump sum payments were made upfront to acquire these intangible assets, and there are no ongoing payments to be made under the terms of the contract.

The amortisation charge of intangible assets for the period are included in “other operating expenses” in the consolidated income statement.

12 OTHER FINANCIAL ASSETS

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Equity instruments designated at FVOCI (non-recycling)		
– Equity securities	31,538	28,297
– Perpetual bonds	14,570	29,535
	46,108	57,832
Debt securities measured at FVOCI (recycling)		
– Maturity dates within 1 year	44,032	41,320
– Maturity dates over 1 year	7,999	26,882
	52,031	68,202
Units in investment funds measured at FVPL	50,415	44,792
Representing		
– Non-current portion	104,522	129,506
– Current portion	44,032	41,320
	148,554	170,826

All of these financial assets were carried at fair value as at 30 June 2025 and 31 December 2024.

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

13 ACCOUNTS PAYABLE, OTHER PAYABLES AND ACCRUED CHARGES

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Accounts payable (note (a))	406,534	341,442
Contract liabilities	232,575	265,940
Other payables and accrued charges (note (b))	217,881	184,292
	450,456	450,232
	856,990	791,674
Non-current other payables and accrued charges (note (b))	14,984	11,901
	871,974	803,575

(a) The ageing analysis of the accounts payable is as follows:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Current—30 days	396,585	321,223
31–60 days	2,291	8,483
61–90 days	2,306	2,312
Over 90 days	5,352	9,424
	406,534	341,442

(b) Other payables and accrued charges

Other payables and accrued charges primarily consist of accruals for Talent salaries and related costs, payables for purchase of property, plant and equipment, outsourced manpower services expenses and advertising and promotional expenses.

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

14 BANKING FACILITIES

At 30 June 2025, the uncommitted banking facilities of the Group amounted to HK\$1,022,113,000 (31 December 2024: HK\$1,010,615,000) subject to the collateral value (if applicable). These banking facilities were secured by the Group's other financial assets of HK\$148,554,000 (31 December 2024: HK\$155,329,000) and bank balances of HK\$88,968,000 (31 December 2024: HK\$233,112,000) as at 30 June 2025. The facilities were utilised to the extent of HK\$28,574,000 as at 30 June 2025 (31 December 2024: HK\$27,569,000).

All of the Group's banking facilities are subject to the fulfilment of covenants as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants.

15 EQUITY-SETTLED SHARE-BASED TRANSACTIONS

The Company operates a share option scheme (the "2012 Share Option Scheme") which was adopted by shareholders of the Company on 31 December 2012 whereby the directors may, at their discretion, invite eligible participants to receive options to subscribe for shares subject to the terms and conditions stipulated therein. The 2012 Share Option Scheme expired on 31 December 2022 at its 10th anniversary of adoption.

Under the 2012 Share Option Scheme, the Company may grant options to Talents (including executive, non-executive and independent non-executive directors), suppliers and professional advisers to subscribe for shares of the Company. The maximum number of options authorised under the 2012 Share Option Scheme may not, when aggregated with any shares subject to any other executive and talent share option scheme, exceed 10% of the Company's issued share capital on the date of adoption. The exercise price of the option is determined by the Company's board of directors at a price not less than the higher of (a) the average closing price of the Company's shares for five trading days preceding the grant date; and (b) the closing price of the Company's shares on the date of grant. The 2012 Share Option Scheme is valid and effective for a ten-year period up to 30 December 2022 subject to earlier termination by the Company by resolution in general meeting or by the board of directors. The period during which the option may be exercised will be determined by the board of directors at its discretion, save that no option may be exercised after more than ten years from the date of grant.

No share options were granted during the six months ended 30 June 2025 and year ended 31 December 2024.

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

15 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (continued)

There were no share-based payment expenses reversed or recognised during the six months ended 30 June 2025 and 30 June 2024.

	Period ended 30 June 2025		Year ended 31 December 2024	
	Weighted average exercise price HK\$	Number of options	Weighted average exercise price HK\$	Number of options
2012 Share Option Scheme				
Outstanding at the beginning of the period/year	2.50	41,707,662	2.70	43,081,762
Exercised during the period/year	1.45	(340,000)	–	–
Forfeited during the period/year	3.42	(169,000)	8.87	(1,374,100)
Outstanding at the end of the period/year	2.50	41,198,662	2.50	41,707,662
Exercisable at the end of the period/year	2.50	41,198,662	2.50	41,707,662

The weighted average closing share price immediately before the dates on which the options were exercised during the six months ended 30 June 2025 was HK\$2.13. There were no share options exercised during the six months ended 30 June 2024.

The options outstanding at 30 June 2025 had exercise prices ranging from HK\$1.45 to HK\$4.43 (31 December 2024: ranging from HK\$1.45 to HK\$4.43) and a weighted average remaining contractual life of 3 years (31 December 2024: 3.5 years).

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

16 SHARE CAPITAL

	30 June 2025		31 December 2024	
	No. of shares	Amount HK\$'000	No. of shares	Amount HK\$'000
Ordinary shares, issued and fully paid:				
At the beginning of the period/year	788,545,781	1,805,004	888,545,781	1,805,004
Shares issued under share option scheme	340,000	689	–	–
Shares repurchased and cancelled	–	–	(100,000,000)	–
At the end of the period/year	788,885,781	1,805,693	788,545,781	1,805,004

(a) Shares issued under share option scheme

During the six months ended 30 June 2025, 340,000 ordinary shares were issued at weighted average exercise price of HK\$1.45 per ordinary share to share option holders who had exercised their options with an aggregate cash consideration of HK\$493,000 of which HK\$689,000 was credited to share capital and the balance of HK\$196,000 was debited to the capital reserve. There were no share options exercised during the six months ended 30 June 2024.

(b) Shares repurchased and cancelled

On 30 July 2024, the Company announced the completion of a conditional cash offer of share buy-back and cancellation of 100,000,000 shares bought-back by the Company at HK\$2.15 per share. The aggregate consideration (including related expenses) was HK\$220,416,000 paid wholly out of retained profits. As a result, the total number of issued ordinary shares was reduced from 888,545,781 to 788,545,781 and 100,000,000 shares bought back were cancelled during the year as governed by section 257 of the Hong Kong Companies Ordinance.

17 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial assets and liabilities measured at fair value

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified as determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair values measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair values measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair values measured using significant unobservable inputs

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

17 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

(a) Financial assets and liabilities measured at fair value (continued)

30 June 2025	Fair value measurements categorised into			
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Assets:				
– Debt securities measured at FVOCI	–	52,031	–	52,031
– Units in investment funds measured at FVPL	17,552	32,863	–	50,415
– Equity securities designated at FVOCI	31,538	–	–	31,538
– Perpetual bonds designated at FVOCI	7,614	6,956	–	14,570

31 December 2024	Fair value measurements categorised into			
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Assets:				
– Debt securities measured at FVOCI	26,882	41,320	–	68,202
– Units in investment funds measured at FVPL	15,259	29,533	–	44,792
– Equity securities designated at FVOCI	28,297	–	–	28,297
– Perpetual bonds designated at FVOCI	23,008	6,527	–	29,535

During the six months ended 30 June 2025 and year ended 31 December 2024, there were transfers of financial assets between Level 1 and Level 2 due to observability of prices in the market resulting from level of market activities, while there were no transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Valuation techniques and inputs used in Level 2 fair value measurements

The fair values of other financial assets are based on quoted market prices in active markets for similar instruments or quoted prices for identical or similar instruments in markets that are not considered active at the end of the reporting period.

(b) Fair value of financial instruments carried at other than fair value

The carrying amounts of the Group's financial instruments carried at amortised cost were not materially different from their fair value as at 30 June 2025 and 31 December 2024.

Notes to the Financial Statements

(Expressed in Hong Kong dollars)

18 CAPITAL COMMITMENTS

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Purchase of property, plant and equipment		
Contracted but not provided for	32,514	23,284
Construction of Ecommerce and Distribution Centre		
Contracted but not provided for	5,951	8,888

In addition, at 30 June 2025 the Group has entered or committed to enter into certain number of leases of 2 to 3 years that are not yet commenced, the lease payments under which amounted to HK\$3,307,000 in total (31 December 2024: a lease of 3 years that is not yet commenced, the lease payments under which amounted to HK\$1,105,000 in total).

19 MATERIAL RELATED PARTY TRANSACTIONS

The Group entered into the following material related party transactions.

Key management personnel remuneration

Remuneration for key management personnel of the Group is as follows:

	Six months ended	
	30 June 2025 HK\$'000	30 June 2024 HK\$'000
Short-term employee benefits	11,932	12,133
Retirement scheme contributions	720	715
	12,652	12,848

Independent Review Report



Review report

To the Board of Directors of Hong Kong Technology Venture Company Limited

(Incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 27 to 48 which comprises the consolidated statement of financial position of Hong Kong Technology Venture Company Limited and its subsidiaries as of 30 June 2025 and the related consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and condensed consolidated cash flow statement for the six month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim financial reporting*, as issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2025 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*.

KPMG

Certified Public Accountants

8th Floor, Prince's Building

10 Chater Road

Central, Hong Kong

27 August 2025

Other Information

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2025.

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2025, the interests or short positions of the Company's Directors, chief executives and their associates in the shares and underlying shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix C3 of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") were as follows:

Long positions in ordinary shares and underlying shares of the Company

Name of Director	Interests in shares			Total interests in shares	Interests in underlying shares pursuant to share options	Aggregate Interests	Approximate percentage interests in the Company's issued share capital (Note 1)
	Personal interests	Corporate interests	Family Interests				
Mr. Cheung Chi Kin, Paul	26,453,424	24,924,339 (Note 2(i))	–	51,377,763	9,000,000	60,377,763	7.65%
Mr. Wong Wai Kay, Ricky	–	355,051,177 (Note 2(ii))	–	355,051,177	10,000,000	365,051,177	46.27%
Ms. Wong Nga Lai, Alice	50,000	–	–	50,000	4,000,000	4,050,000	0.51%
Mr. Lau Chi Kong	–	–	–	–	4,000,000	4,000,000	0.51%
Ms. Zhou Huijing	–	–	–	–	3,500,000	3,500,000	0.44%

Notes:

- This percentage is based on 788,885,781 ordinary shares of the Company issued as at 30 June 2025.
- The corporate interests of Mr. Cheung Chi Kin, Paul ("Mr. Cheung") and Mr. Wong Wai Kay, Ricky ("Mr. Wong") arise through their respective interests in the following companies:
 - 24,924,339 shares are held by Worship Limited which is 50% owned by Mr. Cheung.
 - 355,051,177 shares are held by Top Group International Limited ("Top Group"). On 26 June 2025, Mission Forward Limited ("Offeror", 100% owned by Mr. Wong), entered into sale and purchase agreements ("SPAs") to purchase, an aggregate of 29.5% of the total issued share capital of Top Group, from its two existing shareholders. The completion of the SPAs took place immediately after the signing of the SPAs on 26 June 2025. Immediately after the completion, the Offeror and Mr. Wong hold approximately 51.80% of the issued share capital of Top Group, for details, please refer to the announcement of the Company dated 26 June 2025; the interests of Top Group in the Company is also disclosed under the section "Substantial Shareholder" in this report.

Save as disclosed above, as at 30 June 2025, none of the Directors nor the chief executives (including their spouse and children under 18 years of age) of the Company had any interests or short positions in the shares, underlying shares and derivative to ordinary shares of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Other Information

SHARE OPTION SCHEMES

2012 Share Option Scheme

The Company adopted a share option scheme approved by its shareholders on 31 December 2012 (“2012 Share Option Scheme”).

Under this scheme, the Directors may, at their discretion, invite eligible participants to take up options to subscribe for shares subject to the terms and conditions stipulated therein.

This scheme expired on the 10th anniversary of its adoption (i.e. 31 December 2022), after which no further option can be granted thereunder but in all other respects, the provisions of this scheme shall remain in force and all options granted prior to such expiry shall continue to be valid and exercisable in accordance therewith.

Details of the share options granted under the 2012 Share Option Scheme during the six months ended 30 June 2025 are as follows:

Participants	Date of grant	Exercise price per share HK\$	Balance as at 1 January 2025	Options granted during the period	Options exercised during the period	Options canceled/lapsed during the period	Balance as at 30 June 2025	Vesting period	Exercise period
Directors									
Mr. Cheung Chi Kin, Paul	26 May 2017	1.464	9,000,000	-	-	-	9,000,000	26 May 2017 to 28 February 2018	1 March 2018 to 22 March 2027
Mr. Wong Wai Kay, Ricky	26 May 2017	1.464	10,000,000	-	-	-	10,000,000	26 May 2017 to 28 February 2018	1 March 2018 to 22 March 2027
Ms. Wong Nga Lai, Alice	23 March 2017	1.464	1,000,000	-	-	-	1,000,000	23 March 2017 to 28 February 2018	1 March 2018 to 22 March 2027
	27 March 2020	4.434	1,500,000	-	-	-	1,500,000	27 March 2020 to 26 March 2021	27 March 2021 to 26 March 2030
	27 March 2020	4.434	1,500,000	-	-	-	1,500,000	27 March 2020 to 26 March 2022	27 March 2022 to 26 March 2030
Mr. Lau Chi Kong	21 February 2017	1.450	1,000,000	-	-	-	1,000,000	21 February 2017 to 28 February 2018	1 March 2018 to 20 February 2027
	27 March 2020	4.434	1,500,000	-	-	-	1,500,000	27 March 2020 to 26 March 2021	27 March 2021 to 26 March 2030
	27 March 2020	4.434	1,500,000	-	-	-	1,500,000	27 March 2020 to 26 March 2022	27 March 2022 to 26 March 2030
Ms. Zhou Huijing	21 February 2017	1.450	500,000	-	-	-	500,000	(Note 1)	(Note 1)
	27 March 2020	4.434	1,500,000	-	-	-	1,500,000	27 March 2020 to 26 March 2021	27 March 2021 to 26 March 2030
	27 March 2020	4.434	1,500,000	-	-	-	1,500,000	27 March 2020 to 26 March 2022	27 March 2022 to 26 March 2030
Talents under continuous employment contracts									
Talents	21 February 2017	1.450	393,000	-	-	-	393,000	(Note 1)	(Note 1)
	21 February 2017	1.450	2,535,000	-	340,000 (Note 2)	-	2,195,000	21 February 2017 to 28 February 2018	1 March 2018 to 20 February 2027
	27 December 2019	3.420	3,307,050	-	-	56,950 (Note 3)	3,250,100	27 December 2019 to 31 December 2020	1 January 2021 to 26 December 2029
	27 December 2019	3.420	4,972,612	-	-	112,050 (Note 3)	4,860,562	27 December 2019 to 31 December 2021	1 January 2022 to 26 December 2029
Total			41,707,662	-	340,000	169,000	41,198,662		

Other Information

SHARE OPTION SCHEMES (continued)

2012 Share Option Scheme (continued)

Notes:

1. The exercise of the options is subject to certain conditions that must be achieved by the grantees. The options vested on 1 March 2018 and shall be exercised not later than 20 February 2027.
2. The weighted average closing price of the shares immediately before the dates on which the options were exercised was HK\$2.13.
3. The options were cancelled during the period under review.

2020 Share Option Scheme

The Company adopted a share option scheme approved by its shareholders on 2 June 2020 ("2020 Share Option Scheme").

Under this scheme, the Directors may, at their discretion, invite eligible participants to take up options to subscribe for shares subject to the terms and conditions stipulated therein.

Up to the date of this report, the Company has not granted any share option under this scheme since its adoption.

As at 1 January 2025 and 30 June 2025, the number of options available for grant under the 2020 Share Option Scheme is 89,957,714 and 89,957,714 respectively.

SHARE AWARD SCHEME

2021 Share Award Scheme

The Company adopted a share award scheme on 31 March 2021 ("2021 Share Award Scheme").

Up to the date of this report, the Company has not granted any share awards under this scheme since its adoption.

As at 1 January 2025 and 30 June 2025, the number of awarded shares available for grant under the 2021 Share Award Scheme is 91,598,574 and 91,598,574 respectively.

SUBSTANTIAL SHAREHOLDER

As at 30 June 2025, the interests or short positions of the persons, other than the Directors or chief executives of the Company, in the shares and underlying shares of the Company as recorded in the register maintained by the Company required to be kept under Section 336 of the SFO were as follows:

Name	Interests in shares in long positions	Approximately percentage interests (Note)
Top Group International Limited	355,051,177	45.01%

Note: This percentage is based on 788,885,781 ordinary shares of the Company issued as at 30 June 2025.

Save as disclosed above, as at 30 June 2025, the Company had not been notified of any persons (other than the Directors and chief executives of the Company) having any interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

Other Information

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Throughout the six months ended 30 June 2025, the Company complied with all the applicable code provisions as set out in Appendix C1 of the Listing Rules.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct for securities transactions by Directors of the Company (“Company Code”).

Having made specific enquiry with the Directors, all of them have confirmed that they have fully complied with the required standard set out in the Model Code and the Company Code throughout the six months ended 30 June 2025.

UPDATE ON DIRECTORS’ INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in the Directors’ information since the disclosure made in the Company’s last published annual report is set out as follows:

1. Mr. Ann Yu Chiu, Andy has been appointed as the chairman of the environmental, social and governance committee of the Company (“ESG Committee”) since its establishment on 27 March 2025.
2. Each of (i) Mr. Lee Hon Ying, John; (ii) Mr. Peh Jefferson Tun Lu; (iii) Mr. Mak Wing Sum, Alvin; (iv) Ms. Wong Nga Lai, Alice; (v) Mr. Lau Chi Kong; and (vi) Ms. Zhou Huijing has been appointed as a member of the ESG Committee since its establishment on 27 March 2025.
3. Ms. Wong Nga Lai, Alice has been appointed as a member of the nomination committee of the Company with effect from 16 June 2025.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

REVIEW BY AUDIT COMMITTEE

The audit committee of the Company (“Audit Committee”) has reviewed and discussed with the management of the Company the unaudited interim results of the Company for the six months ended 30 June 2025.

The Audit Committee comprises four Independent Non-executive Directors, namely Mr. Lee Hon Ying, John (the Chairman of the Audit Committee), Mr. Peh Jefferson Tun Lu, Mr. Mak Wing Sum, Alvin and Mr. Ann Yu Chiu, Andy.

DIVIDEND POLICY AND INTERIM DIVIDEND

The Board has adopted a dividend policy with aims to give reasonable returns on investment to investors and shareholders whilst maintaining the Company’s sustainable growth by retaining sufficient capital and reserves.

The Company expects to distribute dividends in the amount of 30%–60% of the adjusted EBITDA per the existing dividend payout guidance. If any significant investment opportunity arises, the Board will review this guidance.

The proposal of payment and determination of amount of any dividend is made at the discretion of the Board, taking into account factors including:

1. The Company’s prevailing and expected results of operations and profitability;
2. The Company’s liquidity position;
3. The Company’s capital investment plans (including investment opportunities and development plans); and
4. Market condition.

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil) in view of current operating environment and for future development plans.

UNCONDITIONAL MANDATORY CASH OFFERS

On 26 June 2025, the Board was informed by Mission Forward Limited (“Offeror”, a company incorporated in the British Virgin Islands with limited liability and is wholly and beneficially owned by Mr. Wong Wai Kay, Ricky (“Mr. Wong”), being the Vice-Chairman, Group Chief Executive Officer and an Executive Director of the Company) that it entered into sale and purchase agreements (“SPAs”) to purchase an aggregate of 29.5% of the total issued share capital of Top Group International Limited (“Top Group”) from its two existing shareholders for an aggregate consideration of HK\$62,834,312.

The completion of the SPAs took place immediately after the signing of the SPAs on 26 June 2025 (“Completion”). Immediately following Completion and as at the date of the joint announcement, the Offeror and Mr. Wong hold approximately 51.80% of the issued share capital of Top Group and are indirectly interested in 355,051,177 shares of the Company (“Shares”) held by Top Group, representing approximately 45.01% of the total issued share capital of the Company. Pursuant to Rules 26.1 and 13 of the Hong Kong Code on Takeovers and Mergers, upon the Completion, Somerley Capital Limited, on behalf of the Offeror, has made a mandatory unconditional cash offer (“Offers”) to acquire all of the issued shares and to cancel all outstanding options of the Company (other than those shares and options already owned by the Offeror and its concert parties). The offer period (“Offer Period”) has commenced since 22 July 2025 and closed on 12 August 2025.

Taking into account the valid acceptances in respect of a total of 1,865,248 Offer Shares under the Offers, immediately upon the close of the Offers on 12 August 2025, the Offeror and Mr. Wong are directly or indirectly interested in an aggregate of 356,916,425 Shares, representing approximately 45.10% of the issued share capital of the Company.

Between the commencement of the Offer Period and immediately prior to 6 August 2025, a total of (1)2,588,000 share options had been exercised resulting in an allotment and issue of a total of 2,588,000 Shares; and (2)8,017,962 share options had lapsed pursuant to the rules of the 2012 Share Option Scheme.

As stated in the composite document of the Company dated 22 July 2025 (“Composite Document”), pursuant to the rules of the 2012 Share Option Scheme, all share options which have not been exercised during the period within 14 days after the publication of the Composite Document will lapse automatically at the expiry of such period. In light of the above, on 6 August 2025, 30,500,000 share options were lapsed pursuant to the rules of the 2012 Share Option Scheme and immediately after the lapse of such share options, the Company has no outstanding share options.

For more information, please refer to the announcements of the Company dated 26 June 2025, 10 July 2025, 17 July 2025, 22 July 2025, 23 July 2025, 24 July 2025, 25 July 2025, 28 July 2025, 29 July 2025, 30 July 2025, 31 July 2025, 1 August 2025, 4 August 2025, 5 August 2025, 6 August 2025 and 12 August 2025; and composite document of the Company dated 22 July 2025.

By Order of the Board
Cheung Chi Kin, Paul
Chairman

Hong Kong, 27 August 2025