



香港經濟日報集團有限公司

HONG KONG ECONOMIC TIMES HOLDINGS LIMITED

Stock Code 00423

HONG KONG ECONOMIC TIMES HOLDINGS LIMITED

INTERIM REPORT

2024/2025



## INTERIM RESULTS 2024/2025

The Directors of Hong Kong Economic Times Holdings Limited (the “Company”) announce the unaudited interim results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 September 2024. These unaudited results have been reviewed by the Audit Committee of the Company.

### INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	Unaudited For the six months ended 30 September	
		2024 HK\$'000	2023 HK\$'000
<b>Revenue</b>	3	<b>407,664</b>	483,103
Cost of sales	5	<b>(253,515)</b>	(291,690)
Gross profit		<b>154,149</b>	191,413
Selling and distribution expenses	5	<b>(89,535)</b>	(104,098)
General and administrative expenses	5	<b>(106,332)</b>	(109,158)
Net (impairment losses)/reversal of impairment on financial assets		<b>(270)</b>	565
Other income	4	<b>1,015</b>	944
Operating loss		<b>(40,973)</b>	(20,334)
Finance income	6	<b>8,966</b>	5,791
Finance costs	6	<b>(349)</b>	(182)
Finance income – net	6	<b>8,617</b>	5,609
<b>Loss before income tax</b>		<b>(32,356)</b>	(14,725)
Income tax expense	7	<b>(1,255)</b>	(5,092)
<b>Loss for the period</b>		<b>(33,611)</b>	(19,817)
(Loss)/profit attributable to:			
Owners of the Company		<b>(33,711)</b>	(20,265)
Non-controlling interests		<b>100</b>	448
		<b>(33,611)</b>	(19,817)
Loss per share attributable to owners of the Company (expressed in HK cents)			
Basic and diluted	8	<b>(7.81)</b>	(4.70)

The above interim condensed consolidated income statement should be read in conjunction with the accompanying notes.

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<b>Unaudited</b>	
	<b>For the six months</b>	
	<b>ended 30 September</b>	
	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
<b>Loss for the period</b>	<b>(33,611)</b>	(19,817)
Other comprehensive income/(loss):		
Item that may be reclassified to profit or loss		
Currency translation differences arising from foreign operations	<b>342</b>	(526)
Other comprehensive income/(loss) for the period, net of tax	<b>342</b>	(526)
<b>Total comprehensive loss for the period</b>	<b>(33,269)</b>	(20,343)
Total comprehensive (loss)/income attributable to:		
Owners of the Company	<b>(33,369)</b>	(20,791)
Non-controlling interests	<b>100</b>	448
	<b>(33,269)</b>	(20,343)

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

**INTERIM CONDENSED CONSOLIDATED BALANCE SHEET**

		<b>Unaudited As at 30 September 2024 HK\$'000</b>	Audited As at 31 March 2024 HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment	10	<b>430,556</b>	428,943
Investment properties		<b>20,321</b>	20,449
Deferred income tax assets		<b>2,728</b>	2,255
Deposits paid for property, plant and equipment		<b>529</b>	–
		<b>454,134</b>	451,647
<b>Current assets</b>			
Inventories		<b>13,460</b>	15,497
Trade receivables	11	<b>129,109</b>	132,358
Deposits and other receivables		<b>28,138</b>	19,556
Prepayments		<b>17,061</b>	18,219
Tax recoverable		<b>3,813</b>	4,849
Term deposits with original maturities of over three months		<b>298,715</b>	314,420
Cash and cash equivalents		<b>152,846</b>	212,049
		<b>643,142</b>	716,948
<b>Current liabilities</b>			
Trade payables	12	<b>20,213</b>	22,644
Fees in advance		<b>114,218</b>	116,291
Accruals, other payables and provisions		<b>75,106</b>	90,339
Lease liabilities		<b>8,511</b>	1,773
Current income tax liabilities		<b>4,162</b>	2,208
		<b>222,210</b>	233,255
<b>Net current assets</b>		<b>420,932</b>	483,693
<b>Total assets less current liabilities</b>		<b>875,066</b>	935,340

**INTERIM CONDENSED CONSOLIDATED BALANCE SHEET** (Continued)

		<b>Unaudited As at 30 September 2024 HK\$'000</b>	Audited As at 31 March 2024 HK\$'000
	<i>Note</i>		
<b>Equity attributable to owners of the Company</b>			
Share capital	13	<b>43,160</b>	43,160
Reserves		<b>779,445</b>	843,026
		<b>822,605</b>	886,186
Non-controlling interests		<b>22,070</b>	21,970
<b>Total equity</b>		<b>844,675</b>	908,156
<b>Non-current liabilities</b>			
Deferred income tax liabilities		<b>17,998</b>	19,261
Lease liabilities		<b>3,390</b>	363
Other non-current liabilities		<b>9,003</b>	7,560
		<b>30,391</b>	27,184
<b>Total equity and non-current liabilities</b>		<b>875,066</b>	935,340

The above interim condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – UNAUDITED

	Attributable to owners of the Company									
	Share capital	Share premium	Merger reserve	Currency			Retained earnings	Total	Non-controlling interests	Total equity
				Capital reserve	translation reserve	Other reserves				
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
<b>Balance at 1 April 2023</b>	43,160	8,007	69,944	6,120	409	9,062	734,500	871,202	21,220	892,422
(Loss)/profit for the period	-	-	-	-	-	-	(20,265)	(20,265)	448	(19,817)
<b>Other comprehensive loss</b>										
Currency translation differences arising										
from foreign operations	-	-	-	-	(526)	-	-	(526)	-	(526)
<b>Total comprehensive (loss)/income</b>	-	-	-	-	(526)	-	(20,265)	(20,791)	448	(20,343)
<b>Transaction with owners</b>										
Final dividend for the year ended										
31 March 2023 (note 9)	-	-	-	-	-	-	(30,212)	(30,212)	-	(30,212)
<b>Balance at 30 September 2023</b>	43,160	8,007	69,944	6,120	(117)	9,062	684,023	820,199	21,668	841,867
<b>Balance at 1 April 2024</b>	43,160	8,007	69,944	6,120	(80)	13,473	745,562	886,186	21,970	908,156
(Loss)/profit for the period	-	-	-	-	-	-	(33,711)	(33,711)	100	(33,611)
<b>Other comprehensive income</b>										
Currency translation differences arising										
from foreign operations	-	-	-	-	342	-	-	342	-	342
<b>Total comprehensive income/(loss)</b>	-	-	-	-	342	-	(33,711)	(33,369)	100	(33,269)
<b>Transaction with owners</b>										
Final dividend for the year ended										
31 March 2024 (note 9)	-	-	-	-	-	-	(30,212)	(30,212)	-	(30,212)
<b>Balance at 30 September 2024</b>	43,160	8,007	69,944	6,120	262	13,473	681,639	822,605	22,070	844,675

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

## INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	<b>Unaudited</b>	
	<b>For the six months</b>	
	<b>ended 30 September</b>	
	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
<b>Cash flows from operating activities</b>		
Cash used in operations	<b>(45,967)</b>	(22,569)
Interest paid	<b>(349)</b>	(182)
Profits tax (paid)/refund	<b>(1)</b>	1
Net cash used in operating activities	<b>(46,317)</b>	(22,750)
<b>Cash flows from investing activities</b>		
Bank interest received	<b>8,966</b>	5,791
Purchase of property, plant and equipment and investment properties	<b>(3,077)</b>	(23,512)
Deposits paid for purchase of property, plant and equipment	<b>(529)</b>	(58)
Proceeds from disposal of property, plant and equipment	<b>170</b>	2
Decrease in term deposits with original maturities of over three months	<b>15,704</b>	67,752
Net cash generated from investing activities	<b>21,234</b>	49,975
<b>Cash flows from financing activities</b>		
Final dividend paid to owners of the Company	<b>(30,212)</b>	(30,212)
Principal elements of lease payments	<b>(4,250)</b>	(5,764)
Net cash used in financing activities	<b>(34,462)</b>	(35,976)
<b>Net decrease in cash and cash equivalents</b>	<b>(59,545)</b>	(8,751)
Effect of foreign exchange rate changes, net	<b>342</b>	(526)
Cash and cash equivalents at beginning of the period	<b>212,049</b>	215,509
<b>Cash and cash equivalents at end of the period</b> <i>(note)</i>	<b>152,846</b>	206,232

*Note:* As at 30 September 2024, the total cash and cash equivalents and term deposits with original maturities of over three months amounted to HK\$451,561,000 (30 September 2023: HK\$387,130,000).

The above interim condensed consolidated cash flow statement should be read in conjunction with the accompanying notes.

## **NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION**

For the six months ended 30 September 2024

### **1. Basis of preparation and accounting policies**

The unaudited interim condensed consolidated financial information is prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and Appendix D2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

This unaudited interim condensed consolidated financial information should be read in conjunction with the Group’s audited 2024 annual consolidated financial statements, which have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA.

The accounting policies applied in the preparation of this interim condensed consolidated financial information are consistent with those of the annual consolidated financial statements for the year ended 31 March 2024, as described in those annual consolidated financial statements, except for the recognition of estimation of income tax as set out below.

#### **Income tax**

Income tax expenses for the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies and did not require any adjustments.

Certain new and amended standards have been issued but are not mandatory for application in the current reporting period. The Group did not early adopt these new and amended standards in the current reporting period and is assessing the impact of the adoption of these new and amended standards. The Group is not yet in a position to state whether they would have a material impact on the Group’s results of operations and financial position.

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements for the year ended 31 March 2024.



## **2. Financial risk management**

### **2.1 Financial risk factors**

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 March 2024.

There have been no changes in the risk management department or in any risk management policies since year end.

### **2.2 Liquidity risk**

Compared to year end, there was no material change in the contractual undiscounted cash outflows for financial liabilities.

### **2.3 Fair value of financial assets and liabilities measured at amortised cost**

The carrying amounts of trade receivables, deposits and other receivables, cash and cash equivalents, term deposits with original maturities of over three months, trade payables, accruals and other payables as at 30 September 2024 approximate their fair values due to their relatively short maturities. Lease liabilities are initially measured on a present value basis by discounting the lease payments to net present value using the Group's incremental borrowing rate.

### 3. Revenue and segment information

An analysis of the Group's revenue for the period is as follows:

	<b>Unaudited</b>	
	<b>For the six months ended 30 September</b>	
	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Advertising income	<b>189,688</b>	243,340
Circulation income	<b>13,904</b>	21,801
Service income	<b>204,072</b>	217,962
	<b>407,664</b>	483,103

The chief operating decision-maker has been identified as the Chief Executive Officer ("CEO") of the Group. He reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Group has two reportable segments:

- (i) Media segment – principally engaged in the printing and publication of newspapers, magazines and books and the operation of digital platforms, including recruitment, finance and lifestyle. This segment generates advertising income, circulation income and service income from these publications and digital platforms.
- (ii) Financial news agency, information and solutions segment - principally engaged in the provision of electronic financial and property market information and related solutions and generates service income from provision of information subscription services, solutions and other related maintenance services.

The chief operating decision-maker assesses the performance of the operating segments based on their respective segment results.

Sales between segments are carried out at arm's length.

More than 90% of the Group's activities are carried out in Hong Kong and more than 90% of the Group's assets and liabilities are located in Hong Kong. Accordingly, no analysis by geographical basis for the relevant periods is presented.

### 3. Revenue and segment information (Continued)

The segment results for the six months ended 30 September 2024 and 2023 are as follows:

	Unaudited							
	For the six months ended 30 September							
	Media		Financial news agency, information and solutions		Corporate		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
<b>REVENUE</b>								
Revenue	274,072	331,151	135,584	154,364	-	-	409,656	485,515
Inter-segment transactions	(221)	(379)	(1,771)	(2,033)	-	-	(1,992)	(2,412)
Revenue – from external customers	273,851	330,772	133,813	152,331	-	-	407,664	483,103
<b>RESULTS</b>								
(Loss)/profit for the period	(40,303)	(38,222)	5,832	15,994	860	2,411	(33,611)	(19,817)

### 4. Other income

	Unaudited	
	For the six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
Rental income from investment properties	979	906
Others	36	38
	<b>1,015</b>	944

### 5. Expenses by nature

Expenses included cost of sales, selling and distribution expenses and general and administrative expenses are analysed as follows:

	Unaudited	
	For the six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
Staff costs including Directors' and CEO's remuneration	259,654	289,832
Content costs	52,847	54,148
Depreciation of property, plant and equipment and investment properties	15,440	20,783
Provision for obsolete inventories	30	15

## 6. Finance income and costs

	Unaudited	
	For the six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
<b>Finance income</b>		
Bank interest income	8,966	5,791
<b>Finance costs</b>		
Interest on leases	(349)	(182)
Finance income – net	8,617	5,609

## 7. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits for the period.

	Unaudited	
	For the six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
Current income tax		
Hong Kong profits tax	2,990	4,438
PRC enterprise income tax	1	(1)
	2,991	4,437
Deferred income tax	(1,736)	655
	1,255	5,092

## 8. Loss per share

The calculation of basic loss per share is based on the loss attributable to owners of the Company of HK\$33,711,000 (2023: HK\$20,265,000) and the number of 431,600,000 (2023: 431,600,000) shares in issue during the period.

Diluted loss per share are the same as basic loss per share as there were no dilutive potential ordinary shares during the period ended 30 September 2024 (2023: same).

## 9. Dividends

A final dividend in respect of the year ended 31 March 2024 of HK 7.0 cents (2023: HK 7.0 cents) per share, amounting to a total dividend of HK\$30,212,000 (2023: HK\$30,212,000) was paid during the period.

The Directors have declared an interim dividend of HK 3.0 cents (2023: HK 3.0 cents) per share, amounting to HK\$12,948,000 (2023: HK\$12,948,000), for the six months ended 30 September 2024.

## 10. Property, plant and equipment

	Unaudited							Total HK\$'000
	Buildings HK\$'000	Leasehold improvements HK\$'000	Plant and machinery HK\$'000	Furniture, fixtures and equipment HK\$'000	Motor vehicles HK\$'000	Network and computer equipment HK\$'000	Right-of-use assets HK\$'000	
At 31 March 2024								
Cost	154,957	38,201	122,156	200,603	4,120	124,257	328,786	973,080
Accumulated depreciation and impairment	(50,694)	(35,908)	(105,355)	(187,019)	(3,085)	(116,230)	(45,846)	(544,137)
Net book value at 31 March 2024	104,263	2,293	16,801	13,584	1,035	8,027	282,940	428,943
At 1 April 2024	104,263	2,293	16,801	13,584	1,035	8,027	282,940	428,943
Additions	-	-	34	1,608	-	1,436	14,011	17,089
Depreciation	(2,578)	(387)	(2,851)	(2,516)	(251)	(2,056)	(4,674)	(15,313)
Disposals	-	-	-	(163)	-	-	-	(163)
Net book value at 30 September 2024	101,685	1,906	13,984	12,513	784	7,407	292,277	430,556
At 30 September 2024								
Cost	154,957	37,499	122,190	195,395	4,120	120,442	324,636	959,239
Accumulated depreciation and impairment	(53,272)	(35,593)	(108,206)	(182,882)	(3,336)	(113,035)	(32,359)	(528,683)
Net book value at 30 September 2024	101,685	1,906	13,984	12,513	784	7,407	292,277	430,556

## 11. Trade receivables

The credit period granted by the Group to its trade customers ranges from 0 to 90 days. The ageing analysis of trade receivables based on invoice date is as follows:

	<b>Unaudited 30 September 2024 HK\$'000</b>	Audited 31 March 2024 HK\$'000
0 to 30 days	<b>55,364</b>	51,928
31 to 60 days	<b>24,280</b>	32,625
61 to 90 days	<b>18,694</b>	16,098
Over 90 days	<b>34,645</b>	35,311
Trade receivables, gross	<b>132,983</b>	135,962
Less: provision for impairment of trade receivables	<b>(3,874)</b>	(3,604)
	<b>129,109</b>	132,358

## 12. Trade payables

The ageing analysis of trade payables by overdue day is as follows:

	<b>Unaudited 30 September 2024 HK\$'000</b>	Audited 31 March 2024 HK\$'000
0 to 30 days	<b>9,798</b>	12,565
31 to 60 days	<b>3,312</b>	4,127
61 to 90 days	<b>3,770</b>	3,596
Over 90 days	<b>3,333</b>	2,356
	<b>20,213</b>	22,644

## 13. Share capital

	<b>Unaudited 30 September 2024 HK\$'000</b>	Audited 31 March 2024 HK\$'000
Authorised:		
2,000,000,000 shares of HK\$0.10 each	<b>200,000</b>	200,000
Issued and fully paid:		
431,600,000 shares of HK\$0.10 each	<b>43,160</b>	43,160

## 14. Capital commitments

Capital commitments at the balance sheet date but not yet incurred are as follows:

	<b>Unaudited 30 September 2024 HK\$'000</b>	Audited 31 March 2024 HK\$'000
Property, plant and equipment		
Contracted but not yet provided for	<b>2,670</b>	953
Authorised but not yet contracted for	<b>487</b>	325
	<b>3,157</b>	1,278

## 15. Contingent liability

A subsidiary of the Group, which is engaged in the provision of printing services for publications, was named as one of the defendants who were alleged to be infringing intellectual property in a legal proceeding submitted to the High Court on 18 October 2022. The claim amount is not specified by the plaintiff. Management, based on the information currently available, believes that it is impracticable to evaluate the likely outcome of the case and to estimate the financial effect to the Group as it is still at an early stage of the proceedings.

## 16. Approval of the interim condensed consolidated financial information

This interim condensed consolidated financial information was approved by the Board of Directors on 25 November 2024.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Summary of Profit and Loss Account

(HK\$'000)	For the six months ended 30 September		% Change
	2024	2023	
<b>Revenue</b>	<b>407,664</b>	<b>483,103</b>	<b>-16%</b>
Cost of sales	<b>(253,515)</b>	(291,690)	-13%
Gross profit	<b>154,149</b>	191,413	-19%
<b>Gross profit margin</b>	<b>37.8%</b>	<b>39.6%</b>	
Selling and distribution expenses	<b>(89,535)</b>	(104,098)	-14%
General and administrative expenses	<b>(106,332)</b>	(109,158)	-3%
Net (impairment losses)/reversal of impairment on financial assets	<b>(270)</b>	565	-148%
Other income	<b>1,015</b>	944	8%
Operating loss	<b>(40,973)</b>	(20,334)	102%
Finance income – net	<b>8,617</b>	5,609	54%
Loss before income tax	<b>(32,356)</b>	(14,725)	120%
Income tax expense	<b>(1,255)</b>	(5,092)	-75%
<b>Loss for the period</b>	<b>(33,611)</b>	<b>(19,817)</b>	<b>70%</b>
Non-controlling interests	<b>(100)</b>	(448)	-78%
<b>Loss attributable to owners</b>	<b>(33,711)</b>	<b>(20,265)</b>	<b>66%</b>
<b>Net profit margin</b>	<b>(8.2%)</b>	<b>(4.1%)</b>	



## General

Global economic uncertainties, geopolitical tensions and the underperformance of Hong Kong stock and property markets had affected adversely the local economy and consumer market. Group's revenue for the six months ended 30 September 2024 declined by HK\$75.4 million or 16% to HK\$407.7 million when compared to the same period last year. Loss attributable to owners for the period under review recorded HK\$33.7 million as compared to HK\$20.3 million for the six months ended 30 September 2023.

## Revenue

	For the six months ended 30 September		
	2024	2023	% Change
	HK\$'000	HK\$'000	
Revenue:			
Advertising income	<b>189,688</b>	243,340	-22%
Circulation income	<b>13,904</b>	21,801	-36%
Service income	<b>204,072</b>	217,962	-6%
Total	<b>407,664</b>	483,103	-16%

Advertising income, primarily contributed by the Group's digital platforms and printed publications, decreased by HK\$53.6 million or 22% to HK\$189.7 million when compared to the same period last year. The decrease was partly due to the cessation of the publication of printed version of the Group's magazines and free daily after their full integration to the digital platforms. Local advertising market, adversely affected by the sluggish local stock and property markets and the poor market and consumer sentiments, stayed weak for the period under review. Despite government efforts to rejuvenate the local consumer market, total retail sales value recorded a year-on-year decline during the reporting period. The changes of consumption patterns by the inbound visitors, relatively strong Hong Kong dollar as well as reduced demand due to the increased outbound travels by residents and cross-border shopping, dining and entertaining in Mainland cities had accelerated the downward trend of local consumer market. Advertisers remained cautious on their advertising spending by scaling down their promotional plans. However, digital advertising, particularly mobile advertising, continued to be the focal point of the advertisers, was the largest contributor to the Group's advertising income.

Circulation income decreased by 36% to HK\$13.9 million for the period under review. The decrease was mainly attributable to the cessation of the publication of printed version of magazines after their full integration to the Group's digital platforms.

Service income, mainly contributed by the Group's financial news agency, information and solutions businesses and the printing services of the Group's printing plants, decreased by 6% to HK\$204.1 million for the six months ended 30 September 2024. Amid lacklustre local stock market performance and the closure and consolidation trend of local brokerage firms, particularly the small and medium-sized brokerages, service income generated from financial news agency, information and solutions businesses recorded a drop of 8% when compared to the same period last year. Printing service income generated by Group's printing plants registered an increase of 3% for the period under review.

During the six months ended 30 September 2024, over 65% of the Group's total revenue was contributed by Group's digital platforms and information and solution businesses, which demonstrated the success of our digitalisation strategy in the recent years.

## **Operating Costs**

Gross profit margin of the Group was 37.8% for the six months ended 30 September 2024, a decline of 1.8 percentage point from last year same period. Management would continue to monitor and streamline the cost structure, re-allocate and optimise the resources to improve efficiency and cost effectiveness of the Group's operations.

Staff costs for the six months ended 30 September 2024, representing approximately 58% of the Group's total operating costs, reduced by HK\$30.2 million or 10% as compared to the same period last year. The general salary increment was offset by the decrease of headcount after a business and resources reorganisation during the period under review.

Content costs which mainly consisted of market data license fees of various exchanges, financial index providers, foreign news agencies and third party content providers, constituting around 12% of the Group's total operating costs for the six months ended 30 September 2024, decreased by HK\$1.3 million or 2% as compared to the corresponding period in 2023. The amount was in line with the market data usage of customers who had subscribed for ET Net securities and derivative quotation services under the financial news agency, information and solutions segment.

**Loss Attributable to Owners**

The Group recorded a loss attributable to owners for the six months ended 30 September 2024 of HK\$33.7 million, an increase in loss attributable to owners of HK\$13.4 million when compared to the same period last year. Negative net profit margin, increased from -4.1 percentage point to -8.2 percentage point for the six months ended 30 September 2024.

Media segment recorded negative operating results of HK\$40.3 million for the period under review, an increase of loss of HK\$2.1 million when compared to last year same period. The increase was mainly attributable to the significant decrease of advertising income resulted from the weak market sentiment amid the sluggish property and financial markets and the change of consumption patterns of inbound visitors and residents. New and continued investments in talents, technology and innovation have made us more agile and resilient. The Group would continue its investment initiatives in digital platforms to expand Group's market share in digital advertising.

Financial news agency, information and solutions segment recorded a decline in net profit of HK\$10.2 million for the six months ended 30 September 2024 when compared to the corresponding period in 2023. The decrease was mainly attributable to the decrease of market data subscription income and advertising income from its digital platform amid the sluggish local stock market and advertising market respectively. Income contributed by digital financial solutions and property data projects from banks, brokerages, wealth management, insurance and public authorities remained stable. The Group would continue its talent, innovation and technology inputs to meet the rising demand in these innovative digital solutions.

## Liquidity and Capital Resources

(in HK\$ million)	<b>As at 30 September 2024</b>	As at 31 March 2024
Net current assets	<b>420.9</b>	483.7
Term deposits and cash and cash equivalents	<b>451.6</b>	526.5
Owners' equity	<b>822.6</b>	886.2
Gearing ratio	<b>N/A</b>	N/A
Current ratio	<b>2.89 times</b>	3.07 times

The Group's net current assets as at 30 September 2024 decreased by HK\$62.8 million from the position as at 31 March 2024. The decrease was mainly attributable to the increase of operating loss of the Group for the six months ended 30 September 2024.

Net cash generated from investing activities was HK\$21.2 million, resulted from the decrease of funds placed under short-term bank deposits with maturities of over three months of HK\$15.7 million. The Group had distributed the final dividend declared for the financial year ended 31 March 2024 amounting to HK\$30.2 million.

As at 30 September 2024, the Group had a cash balance of HK\$451.6 million as compared to HK\$526.5 million as at 31 March 2024. Majority of the cash was placed under short-term deposits with banks in Hong Kong and was held in Hong Kong dollars or in United States dollars. The Group had no significant exposure to exchange rate risk.

The Group had no borrowing as at 30 September 2024.

## **OUTLOOK**

Looking ahead, the global economy will continue to face significant challenges and uncertainties. The complicated macroeconomic conditions, geopolitical uncertainties, increasing trade conflicts, uncertainties over the economic policy and pace of US interest rate cuts after US presidential election will continue to shape the global market and the local business environment. The changes in the consumption patterns of visitors and residents and the relatively strong Hong Kong dollars shall continue to pose challenges to the local consumer markets. Nevertheless, monetary easing across major central banks and an improved outlook for Mainland economy following the introduction of a wide range of stimulus measures would help support sentiment and activities in the local markets. Lower mortgage rates and the easing of mortgage-financing requirement, raising loan-borrowing limit and increasing the debt-servicing ratio by Hong Kong Monetary Authority would also provide support to the residential property market.

The Group would continue its investment initiatives in digital platforms and AI technology which will benefit our businesses in innovation, value creation, customer engagement and user experience as well as improvement in operational efficiency and cost saving through automation. The Group has a strong balance sheet with cash position of approximately HK\$451.6 million as at 30 September 2024. The Group is determined to maintain a sustainable dividend policy as well as strong liquidity to preserve its strength for strategic business investment and development, and support future growth opportunities.

## **EMPLOYEES**

As at 30 September 2024, the Group had 1,054 employees (30 September 2023: 1,234 employees). The Directors believe that employees are the most valuable assets of the Group and competitive remuneration packages are offered to retain quality staff. Employee benefits include medical insurance, discretionary bonus, provident fund schemes and other staff benefits.

## **INTERIM DIVIDEND**

The Directors have declared an interim dividend of HK 3.0 cents (2023: HK 3.0 cents) per share, amounting to HK\$12,948,000 (2023: HK\$12,948,000), payable on 20 December 2024 to shareholders whose names appear on the Register of Members of the Company at the close of business on 12 December 2024.

## **CLOSURE OF REGISTER OF MEMBERS**

The Register of Members of the Company will be closed from 11 December 2024 to 12 December 2024, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 10 December 2024.

## **DIRECTORS**

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

### **Executive Directors**

Mr. FUNG Siu Por, Lawrence (*Chairman*)

Ms. SEE Sau Mei Salome

Ms. WONG Ching

### **Non-executive Director**

Mr. CHU Yu Lun

### **Independent Non-executive Directors**

Mr. LO Foo Cheung

Mr. O'YANG Wiley

Mr. SIN Hendrick

## DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2024, the interests and short positions of each Director and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance (“SFO")), as recorded in the register required to be kept by the Company under Section 352 of Part XV of the SFO or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) were as follows:

### Ordinary shares of the Company

Name of Directors	Capacity/ Nature of interest	Number of shares held	Percentage
			of number of issued shares of the Company
Mr. FUNG Siu Por, Lawrence ( <i>Note 1</i> )	Corporate	54,359,000	12.595%
Mr. CHU Yu Lun ( <i>Note 2</i> )	Corporate	87,435,000	20.258%
Mr. LO Foo Cheung	Beneficial owner	740,000	0.171%

*Note 1:* The interests in the 54,359,000 shares are in respect of the deemed corporate interests held by Mr. Fung Siu Por, Lawrence through Golden Rooster Limited which is wholly owned by Mr. Fung Siu Por, Lawrence and his wife, Ms. Lee Suk Wai Alexandra. For the purpose of Part XV of the SFO, Mr. Fung Siu Por, Lawrence is therefore deemed interested in the shares held by Golden Rooster Limited.

*Note 2:* The interests in the 87,435,000 shares are in respect of the deemed corporate interests held by Mr. Chu Yu Lun through Sky Vision Investments Limited which is wholly owned by Mr. Chu Yu Lun and his wife, Ms. Chow Chiu Hing. For the purpose of Part XV of the SFO, Mr. Chu Yu Lun is therefore deemed interested in the shares held by Sky Vision Investments Limited.

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



At no time during the six months ended 30 September 2024 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors and chief executive of the Company (including their spouses or children under 18 years of age) to acquire benefits by means of acquisition of shares or underlying shares in, or debentures of, the Company or any other body corporate.

Save as disclosed above, at no time during the six months ended 30 September 2024 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors and chief executive of the Company (including their spouses or children under 18 years of age) to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporation required to be disclosed pursuant to the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## **SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES**

The register of substantial shareholders required to be kept under Section 336 of Part XV of the SFO shows that as at 30 September 2024, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's number of issued shares. These interests are in addition to those disclosed above in respect of the Directors and chief executive:

<b>Name of Substantial Shareholders</b>	<b>Number of ordinary shares held (long position)</b>	<b>Percentage of number of issued shares of the Company</b>
Sky Vision Investments Limited ( <i>Note 1</i> )	87,435,000	20.258%
MaMa Charitable Foundation Limited	58,169,000	13.478%
Golden Rooster Limited ( <i>Note 2</i> )	54,359,000	12.595%
WEBB David Michael ( <i>Note 3</i> )	43,214,000	10.013%
The University of Hong Kong	43,160,000	10.000%
Preferable Situation Assets Limited ( <i>Note 3</i> )	25,321,200	5.867%

*Note 1:* Sky Vision Investments Limited is wholly owned by Mr. Chu Yu Lun and his wife, Ms. Chow Chiu Hing. For the purpose of Part XV of the SFO, Mr. Chu Yu Lun and Ms. Chow Chiu Hing are therefore deemed interested in the shares held by Sky Vision Investments Limited.

*Note 2:* Golden Rooster Limited is wholly owned by Mr. Fung Siu Por, Lawrence and his wife, Ms. Lee Suk Wai Alexandra. For the purpose of Part XV of the SFO, Mr. Fung Siu Por, Lawrence and Ms. Lee Suk Wai Alexandra are therefore deemed interested in the shares held by Golden Rooster Limited.

*Note 3:* Mr. Webb David Michael held 17,893,000 shares as beneficial owner and, as Preferable Situation Assets Limited is wholly owned by Mr. Webb David Michael, he is deemed to be interested in the 25,321,000 shares held by Preferable Situation Assets Limited for the purpose of Part XV of the SFO.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES**

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the six months ended 30 September 2024.

## **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

The Company has complied with the code provisions set out in the Corporate Governance Code (the "Code Provisions") contained in Appendix C1 of the Listing Rules except as stated and explained below.

Under Part 2 Code C.2.1 of the Code Provisions, the roles of Chairman and CEO should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and CEO should be clearly established and set out in writing. However, the Company has appointed Mr. Fung Siu Por, Lawrence as both its Chairman and the CEO. The Board of Directors (the "Board") believes that vesting the roles of the Chairman and the CEO in the same person would allow the Company to be more effective and efficient in developing long-term business strategies and execution of the business plans. The Board believes that the balance of power and authority is adequately ensured by the operation of the Board, which comprises experienced and high calibre individuals with a substantial number thereof being Non-executive Directors.

## **CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company confirmed the adoption of the Model Code as set out in Appendix C3 of the Listing Rules. All Directors of the Company confirmed their compliance with the required standard set out in the Model Code regarding directors' securities transactions throughout the six months period ended 30 September 2024.

## **AUDIT COMMITTEE**

The Company established an Audit Committee in 2005 with written terms of reference. The Audit Committee comprises Non-executive Director, Mr. Chu Yu Lun and two Independent Non-executive Directors, Mr. O'Yang Wiley as Committee Chairman and Mr. Lo Foo Cheung. The Group's unaudited interim results for the six months ended 30 September 2024 have been reviewed by the Audit Committee.

## **REMUNERATION COMMITTEE**

The Company established a Remuneration Committee in 2005 with written terms of reference. The Remuneration Committee comprises Non-executive Director, Mr. Chu Yu Lun and two Independent Non-executive Directors, Mr. Lo Foo Cheung as Committee Chairman and Mr. O'Yang Wiley.

## **NOMINATION COMMITTEE**

The Company established a Nomination Committee in 2005 with written terms of reference. The Nomination Committee comprises three Independent Non-executive Directors, Mr. Sin Hendrick as Committee Chairman, Mr. Lo Foo Cheung and Mr. O'Yang Wiley.

On behalf of the Board

**Hong Kong Economic Times Holdings Limited**

**Fung Siu Por, Lawrence**

*Chairman*

Hong Kong, 25 November 2024