

HYPEBEAST

INTERIM REPORT 中期報告

2024–2025

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Interim Results

The board (the “Board”) of directors (the “Directors”) of Hypebeast Limited (the “Company”) presents the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 September 2024 (“1H2025”), together with the unaudited comparative figures for the six months ended 30 September 2023 (“1H2024”), as follows:

Management Discussion and Analysis

Business Overview

The Group is a media and e-commerce and retail company primarily engaged in (i) the provision of creative advertising services and advertising spaces for global brands (the “media segment”); and (ii) the sale of goods through its online and offline retail platform (the “e-commerce and retail segment”).

The Group produces and distributes youth-focused digital content centering on fashion, lifestyle, technology, arts & entertainment, culture and music to its visitors and followers. Digital content is distributed via the Group’s media platforms (including its Hypebeast, Hypebae and Popbee websites and mobile apps) and popular third-party social media platforms, including but not limited to Facebook, Instagram, X, TikTok, Youtube, Wechat, Weibo, Kakao and Naver. The Group also maintains multi-language versions of its flagship Hypebeast property across both website and social media platforms, with content available in English, Chinese, Japanese, Korean and Indonesian. The Group delivers bespoke creative solutions through its agency business to its brand clients, with services including but not limited to creative conceptualization, talent curation, technical production, campaign execution, data intelligence and distribution of digital media advertisement via the Group’s digital media platforms.

The Group engages in retail of footwear, apparel, accessories and other products under its HBX e-commerce platform and retail shop. The HBX e-commerce platform focuses on delivering the latest, trend-setting apparel, accessories and lifestyle products to its customers, curating and creating fashion-forward pieces and collaborations to include in its merchandise portfolio. Combining the Group’s unique insight into youth culture, and its longstanding reputation in the industry as a community and cultural leader, the Group is able to source and curate products most desired by its target demographic, thereby generating growing popularity and usage amongst shoppers.

Business Prospect and Future Developments

Operational Efficiency and Profitable Growth

We are prioritizing operational efficiency and cost management to ensure profitable growth across all of our media and e-commerce and retail divisions. By optimizing our internal processes and carefully managing expenses, we aim to maximize profitability, unlock resources for strategic reinvestment and position Hypebeast for sustainable long-term growth.

Some of the key initiatives in this area include:

- Prioritizing the correct balance of staffing across our divisions relative to impact on results and return on investment;
- Automating repetitive administrative tasks through intelligent workflow automation, freeing up our teams to focus on higher-value activities;
- Continuously reviewing and optimizing our process of delivering our products and services to save time and costs for both the company and our customers and clients;
- Rigorously evaluating our technology stack to ensure we are leveraging the most efficient and cost-effective solutions; and
- Implementing stringent cost controls and budgeting measures to maintain discipline across all operational expenditures.

Year of Efficiency

The Group has implemented significant measures this period across the entire business to promote efficiency and stabilize profits. Such actions include a holistic rightsizing of the business' people and processes, with a focus on producing impactful results and profitable growth whilst streamlining unnecessary costs. The objective is to make Hypebeast a better media and e-commerce and retail company, to improve our financial performance in challenging environments so the business can execute its long-term vision and to re-allocate its resources to the right place to produce results.

Please refer to discussions of such actions and their impact in the Business and Financial Review section below.

Focus on Engagement and Community

At the core of Hypebeast's business is our vibrant, globally-engaged community of young, style-conscious and culturally aware readers and consumers. We are deeply committed to nurturing these relationships and empowering our audience to become active participants across our platforms and points of engagement.

Our key initiatives in this area include:

- Investing in community management and delivering meaningful, thought provoking content to foster community dialogue, strengthen brand loyalty, and drive user engagement;
- Developing and curating immersive virtual and physical experiences that bring our readership and consumer community together around shared passions and interests;
- Collaborating with influential figures, tastemakers, and industry partners to curate content and product offerings that resonate with our target demographic; and
- Exploring topic adjacencies that are culturally important and relevant to our audience, such as golf, arts, entertainment and technology, and developing a unique way to experience these themes through the Hypebeast lens.

By placing our readership and consumer community at the heart of our strategy, we can deepen our understanding of their evolving needs and preferences, unlock new avenues for growth, and solidify Hypebeast's position as a trusted, go-to destination for youth culture and style.

Strengthen the Hypebeast Ecosystem

At the heart of Hypebeast's business lies a powerful, interconnected network that unites our core divisions of media and e-commerce and retail and agency services.

Our media platforms serve as the heart of the Hypebeast community, engaging our readers with captivating content that shapes trends and fuels cultural discourse. This, in turn, empowers our e-commerce and retail division to serve as a direct conduit to our engaged, style-conscious consumer base. The data and insights gleaned from our e-commerce and retail operations inform our media strategy, enabling us to deliver personalized, relevant content and product recommendations that anticipate and meet the evolving needs of our community.

Our agency business offers a unique opportunity to bridge the gap between our media influence and e-commerce and retail capabilities. By tapping into the wealth of data, insights, and creative expertise within our agency division, we can continuously optimize our own media and e-commerce and retail strategies, ensuring that we remain at the forefront of youth culture and style.

We aim to upgrade our platform into a more cohesive and effective system to further benefit from this virtuous cycle of growth and influence, bridging the relationship between brands and our audience and driving customer acquisition and conversion.

Business and Financial Review

Media Segment

Revenue and gross profit of the media segment for 1H2025 and 1H2024, are as follows:

	1H2025 HK\$'000 (Unaudited)	1H2024 HK\$'000 (Unaudited)	Change HK\$'000	% Change
Revenue	278,618	283,111	(4,493)	(1.6%)
Gross Profit	145,439	153,131	(7,692)	(5.0%)
Gross Profit Margin	52.2%	54.1%		

- Revenue from the media segment amounted to HK\$278.6 million in 1H2025, a decrease of 1.6% against a comparative of HK\$283.1 million in 1H2024. Against headwinds in the industry, slower than expected media campaign executions lead to a slightly year on year decrease in revenue in the first half of FY2025.
- Gross profit of the media segment amounted to HK\$145.4 million, representing a decrease of HK\$7.7 million, or 5.0%, versus 1H2024. Gross profit margin decreased from 54.1% in 1H2024 to 52.2% in 1H2025. The difference was mainly due to increases in campaign costs associated with “in real life” sales executions produced by the Group in the first half year of FY2025.

E-Commerce and Retail Segment

Revenue and gross profit of the e-commerce and retail segment for 1H2025 and 1H2024, are as follows:

	1H2025 HK\$'000 (Unaudited)	1H2024 HK\$'000 (Unaudited)	Change HK\$'000	% Change
Revenue	81,880	156,896	(75,016)	(47.8%)
Gross Profit	27,786	53,695	(25,909)	(48.3%)
Gross Profit Margin	33.9%	34.2%		

- Revenue from the e-commerce and retail segment decreased from HK\$156.9 million in 1H2024 to HK\$81.9 million in 1H2025, or a decrease of 47.8%. Gross profit of the e-commerce and retail segment amounted to HK\$27.8 million in 1H2025, representing a decrease of HK\$25.9 million, or 48.3%, as compared to 1H2024. This translates to a gross profit margin of 33.9%, a decrease of 0.3 percentage points as compared to 34.2% in 1H2024.
- The decrease in e-commerce revenue was primarily driven by management's right sizing of the e-commerce business and an increase in promotion and discounts deployed in the course of improving the Group's inventory portfolio. The Group's main focus within the e-commerce segment is to improve the division's long term profitability and reduce segment risk by decreasing working capital tied up in inventory, onboarding more cost effective channels for product procurement and distribution, focusing on brand and product gross margins and adhering to stringent operational cost management.

Cost of Revenue

The Group's cost of revenue decreased from HK\$233.2 million for 1H2024 to HK\$187.3 million for 1H2025, representing a decrease of approximately 19.7%. The decrease was mainly attributable to a decline in sales volume under the e-commerce and retail segment in the first half of FY2025.

Gross Profit Margin

Gross profit of the Group decreased from HK\$206.8 million for 1H2024 to HK\$173.2 million for 1H2025, representing a decrease of approximately 16.2%. The decrease was mainly caused by the decrease in revenue for 1H2025 as discussed above. The overall gross profit margin increased from approximately 47.0% for 1H2024 to approximately 48.1% for 1H2025.

Selling and Marketing Expenses

Selling and marketing expenses of the Group decreased by 28.9% from HK\$91.8 million in 1H2024 to HK\$65.2 million in 1H2025 and, correspondingly as a percentage of revenue, decreased from 20.9% in 1H2024 to 18.1% in 1H2025, primarily due to an efficiency improvement exercise deployed by the Group during the fiscal period. The Group holistically scrutinized all of the Company's expenses and significantly downsized both people and processes in order to improve margin and profitability whilst maintaining productivity.

A reduction in marketing expenses also drove a portion of the decrease. The Group shifted its marketing strategy from higher cost paid channels to lower cost organic marketing channels to drive customer acquisition and conversion within the e-commerce and retail segment. As a result, the segment maintained similar levels of performance while generating cost efficiencies.

Such cost savings are expected to continue its positive impact to the Group's financial results in the remaining fiscal periods.

Administrative and Operating Expenses

Administrative and operating expenses of the Group decreased by 32.1% from HK\$124.6 million in 1H2024 to HK\$84.6 million in 1H2025 and correspondingly as a percentage of revenue, it decreased from 28.3% in 1H2024 to 23.5% in 1H2025. The decrease was mainly led by the Group's cost efficiency actions to improve margin and profitability. As with Selling and Marketing expenses, the impact of cost savings measures are expected to continue its positive impact to the Group's financial results in the remaining fiscal periods.

Cash Flow

The Group recorded net cash inflow from operating activities of HK\$22.6 million in 1H2025 versus an inflow of HK\$3.1 million in 1H2024. Such net cash inflow was mainly driven by an increase in profit and trade and other payables due to a higher level of credit extended by suppliers.

Net cash used in investing activities amounted to HK\$41.5 million in 1H2025, compared to cash inflows of HK\$3.1 million from investing activities in 1H2024. Such cash outflows were mainly due to the placement of time deposits with original maturity over three months.

Net cash used in financing activities amounted to HK\$42.8 million in 1H2025 as compared to HK\$17.0 million in 1H2024. Such cash outflows primarily due to the dividends paid and the Group's financing of office, retail and warehouse space.

Extracts of cash flow	1H2025 HK\$'000 (Unaudited)	1H2024 HK\$'000 (Unaudited)
Net cash from operating activities	22,635	3,092
Net cash (used in) from investing activities	(41,493)	3,101
Net cash used in financing activities	(42,750)	(16,990)
Net decrease in cash and cash equivalents	(61,608)	(10,797)
Cash and cash equivalents at beginning of the year	183,492	166,021
Effect of foreign exchange rate changes	1,605	(15,530)
Cash and cash equivalents at end of the six months, representing bank balances and cash	123,489	139,694

Liquidity and Financial Resources

As at 30 September 2024, the Group had total assets of approximately HK\$628.2 million (31 March 2024: approximately HK\$629.9 million), which is financed by total liabilities and shareholders' equity (comprising share capital and reserves) of approximately HK\$154.2 million (31 March 2024: approximately HK\$149.6 million) and approximately HK\$474.0 million (31 March 2024: approximately HK\$480.3 million), respectively.

The Company's current liabilities comprise mainly of trade and other payables in the normal course of business, while long term liabilities comprise mainly of long term leases relating to the Company's warehouse and office. The Company had no outstanding interest-bearing bank borrowings of the Group as at 30 September 2024 (31 March 2024: nil). Current ratio slightly decreased from approximately 4.1 times as at 31 March 2024 and to approximately 4.0 times as at 30 September 2024.

As at 30 September 2024, the Group has HK\$88.8 million available credit facilities comprising of revolving loans, term loan, trade loan, tax loan and bank guarantee, and none of the facilities has been utilized as of period end. As at 30 September 2024, the Company had bank balances and cash of HK\$123.5 million mainly denominated in HK dollar, US dollar and RMB, primarily invested in short-term, liquid term deposits and operating and savings accounts.

The Group maintained its efforts on the collection of trade receivables and the sell-through of inventories throughout 1H2025, which led to the overall health of the treasury position and working capital as at period end.

Inventories

The Group's inventories principally comprise third-party apparel and footwear for resale to end customers. The balance of the Group's inventories increased from approximately HK\$77.9 million as at 31 March 2024 to approximately HK\$81.8 million as at 30 September 2024. The increase in inventories was the reason of stocking up ahead of the anticipated demand for the coming seasons.

In addition to pricing and promotional strategies, the Group monitors various metrics in relation to its inventories such as sell-through, gross margin by product, product performance, stock turns and inventory aging to ensure inventory balances are properly and actively managed relative to sales performance, and to ensure there are no significant unsold inventories.

Property, Plant and Equipment

Property, plant and equipment consists of leasehold improvements, furniture and fixtures and office equipment. The decrease of approximately HK\$7.1 million from HK\$40.7 million as at 31 March 2024 to HK\$33.6 million as at 30 September 2024 was mainly from depreciation during 1H2025.

Right of Use Assets and Lease Liabilities

As at 30 September 2024 and 31 March 2024, the Group's rights of use assets amounted to approximately HK\$28.3 million and HK\$37.6 million, respectively, and the Group's lease liabilities amounted to approximately HK\$34.1 million and HK\$44.4 million, respectively.

Rental Deposits

As at 30 September 2024 and 31 March 2024, the Group's rental deposits amounted to approximately HK\$9.2 million and HK\$9.7 million, respectively. The decrease of approximately HK\$0.5 million in rental deposits in 1H2025 was mainly due to the combined effect of the refund of deposits from the discontinuation of some office spaces, offset against deposits paid for the venue of a festival event — Hypefest which has been launched in Hong Kong on November 2024.

Gearing Ratio

The gearing ratio of the Group as at 30 September 2024 was nil (31 March 2024: nil). The gearing ratio is calculated based on total loans and borrowings (interest-bearing bank borrowings and bank overdrafts) divided by total equity as at the period ended.

Treasury Policy

The Group finances its operations through internally generated cash, equity and bank borrowings. The objective of the Group's treasury policy is to ensure there is sufficient cash and access to capital to finance the Group's ongoing operations and execute its current and future plans. The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position for 1H2025. To manage liquidity risk, management closely monitors the Group's liquidity position and ensures there is sufficient cash and cash equivalents and available credit facilities to settle payables of the Group.

In light of uncertainties in the global economic climate, management has re-assessed and enhanced the Group's treasury policies to ensure ongoing liquidity and continued ability of the business to meet its obligations. Measures adopted include optimization of credit and collections policies to ensure timely receipt of amounts outstanding from customers, review of funding sources to ensure availability of borrowing capacity should the need arises, engagement with banking partners to obtain assurance of support and understanding of limitations with respect to availability of funds, enhanced forecasting of cash flows to ensure accurate assessment of the Group's liquidity and treasury position and performance of internal assessments on cost efficiency to ensure the Group's cost structures remain efficient.

With respect to cash generated through the Group's sales, the primary risk relates to credit and collections in relation to amounts outstanding from customers within the media segment.

The Group strives to reduce exposure to credit risk by performing credit assessments on new customers, ongoing credit assessments and evaluations of the financial status of its existing customers, as well as applying robust policies to monitor and collect on outstanding balances on a timely basis including, amongst others, late charges, prepayments for production services and regular monitoring of credit terms.

Credit facilities available to the Group are summarized in the Liquidity and Financial Resources section above. While the Group considers its internally generated cash from operations as the first and most cost-efficient source of funding, the Group assesses its capital needs on an ongoing basis and forms strategies on the utilization of available banking facilities based on operating and cash requirements. The Group maintains its facilities to provide added financial liquidity and flexibility.

Management will continue to assess the economic situation and monitor risks against the Group's treasury policies to ensure there is sufficient cash and access to capital to execute its plans. Amongst other measures, the Group continues to optimize costs through robust budget management and reviewing methods of doing business which are more cost efficient and maximizes use of the company's existing assets, including manpower, technology and other available resources.

Charges on Group Assets

As at 30 September 2024, the Group pledged its bank deposits of approximately HK\$10.0 million to a bank as collateral to secure the available and unused bank facilities granted to the Group.

Foreign Exchange Exposure

The Group undertakes certain operating transactions in foreign currency which expose the Group to foreign currency risk. The Group's foreign currency denominated monetary assets and liabilities are primarily held in US dollar and RMB. As the HK dollar is pegged with the US dollar under the Linked Exchange Rate System, and the Group's business operations and strategies involves revenues and expenditures in RMB, the Group's exposure to the US dollar, RMB exchange risk is not significant.

The Group currently does not have a foreign currency hedging policy. However, management closely monitors foreign exchange exposure and will consider and execute the hedging of significant foreign currency exposure should such need arises.

Capital Structure

The shares of the Company were successfully listed on the GEM of the Stock Exchange on 11 April 2016. On 8 March 2019, the transfer of listing of the Company's shares from GEM to the Main Board of the Stock Exchange was completed and dealing in the shares on the Main Board commenced. Save for the Subscription (as defined below) as set out in section headed "Purchase, sale or redemption of listed securities of the Company", there has been no change in the capital structure of the Company arisen from the transfer of listing to the Main Board of the Stock Exchange. The share capital of the Company only comprises of ordinary shares.

Commitments

As at 30 September 2024, the contractual lease commitments of the Group were primarily related to its office premises, warehouse, retail store and the Director's quarter.

Future Plans for Material Investments and Capital Assets

Save as disclosed in this report, the Group did not have other approved plans for material investments or capital assets as of 30 September 2024.

Material Acquisitions and Disposals of Subsidiaries and Affiliated Companies

There were no significant investment, material acquisition and disposal of subsidiaries and associated companies by the Company during the six months ended 30 September 2024.

Contingent Liabilities

As at 30 September 2024, the Group had no significant contingent liabilities.

Employees and Remuneration Policies

As at 30 September 2024, the Group employed a total of 421 employees (30 September 2023: 523 employees). Staff costs of our Group (including salaries, allowances, other benefits and contribution to the defined contribution retirement plan) for the six months ended 30 September 2024 were approximately HK\$133.8 million (for the six months ended 30 September 2023: approximately HK\$171.1 million). The decrease was mainly led by the number of employees decreased in 1H2025. For each of the six months ended 30 September 2024 and 30 September 2023, the Group had no employer's voluntary contributions to the MPF Scheme that no forfeited contributions will be used to reduce the contributions payable by the Group.

The remuneration package for our employees generally includes salary and bonuses. Our employees also receive welfare benefits, including retirement benefits, occupational injury insurance, medical insurance and other miscellaneous incentives and compensation. We conduct annual reviews of the performance of our employees for determining the level of bonus and salary adjustments and promotion decisions of our employees. Our human resources department also makes reference to the remuneration packages offered for similar positions in Hong Kong in order to keep our remuneration packages at a competitive level. The Company has adopted the Share Option Scheme which is designed to provide long term incentives and rewards to help retain our outstanding employees.

Significant Investments Held

The Group did not hold any significant investments during the period ended 30 September 2024.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2024

	NOTES	For the six months ended 30 September	
		2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Revenue	4	360,498	440,007
Cost of revenue		(187,273)	(233,181)
Gross profit		173,225	206,826
Other income, other gains and losses	5	3,177	4,295
Selling and marketing expenses		(65,241)	(91,815)
Administrative and operating expenses		(84,577)	(124,579)
Impairment loss under expected credit losses model, net of reversal		(1)	–
Impairment losses recognised on intangible assets		(20)	(909)
Finance costs		(1,511)	(1,556)
Profit (loss) before tax		25,052	(7,738)
Income tax expense	6	(4,817)	(2,245)
Profit (loss) for the period	8	20,235	(9,983)
Other comprehensive income (expense)			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		1,678	(15,621)
Total comprehensive income (expense) for the period		21,913	(25,604)
Earnings (loss) per share	9		
– Basic (HK cents)		0.99	(0.49)
– Diluted (HK cents)		0.98	(0.49)

Condensed Consolidated Statement of Financial Position

As at 30 September 2024

	NOTES	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment	10	33,567	40,715
Intangible assets	16	21,211	21,258
Right-of-use assets		28,315	37,582
Financial assets at fair value through profit or loss ("FVTPL")		11,114	11,114
Rental and other deposits	11	5,642	6,047
Deferred tax assets		1,404	1,404
		101,253	118,120
Current assets			
Inventories		81,774	77,924
Trade and other receivables	11	205,307	189,960
Tax prepayments		21,411	20,915
Contract assets	12	20,530	9,625
Pledged bank deposits	13	10,000	10,438
Time deposits with original maturity over three months	13	64,485	19,403
Cash and cash equivalents	13	123,489	183,492
		526,996	511,757
Current liabilities			
Trade and other payables	14	88,086	73,387
Contract liabilities		25,959	27,115
Lease liabilities		12,766	18,308
Tax payables		6,009	4,686
		132,820	123,496
Net current assets		394,176	388,261
Total assets less current liabilities		495,429	506,381
Non-current liabilities			
Lease liabilities		21,382	26,049
Net assets		474,047	480,332
Capital and reserves			
Share capital	15	20,541	20,541
Reserves		453,506	459,791
		474,047	480,332

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2024

	Share capital HK\$'000	Share premium HK\$'000	Statutory reserve HK\$'000 (Note)	Translation reserve HK\$'000	Share option reserve HK\$'000	Accumulated profits HK\$'000	Total HK\$'000
At 1 April 2023 (audited)	20,541	45,036	5,486	(5,776)	24,219	377,099	466,605
Loss for the period	-	-	-	-	-	(9,983)	(9,983)
Other comprehensive expense for the period	-	-	-	(15,621)	-	-	(15,621)
Total comprehensive expense for the period	-	-	-	(15,621)	-	(9,983)	(25,604)
Recognition of equity-settled share-based payments	-	-	-	-	1,840	-	1,840
At 30 September 2023 (unaudited)	20,541	45,036	5,486	(21,397)	26,059	367,116	442,841
At 1 April 2024 (audited)	20,541	45,036	5,486	(17,354)	27,217	399,406	480,332
Profit for the period	-	-	-	-	-	20,235	20,235
Other comprehensive income for the period	-	-	-	1,678	-	-	1,678
Total comprehensive income for the period	-	-	-	1,678	-	20,235	21,913
Dividends paid	-	-	-	-	-	(29,210)	(29,210)
Recognition of equity-settled share-based payments	-	-	-	-	1,012	-	1,012
At 30 September 2024 (unaudited)	20,541	45,036	5,486	(15,676)	28,229	390,431	474,047

Note: Under the People's Republic of China (the "PRC") law, the wholly-owned PRC subsidiaries and the VIE (as defined in Note 1) are required to set aside at least 10% of their profit after taxation each year, if any, to fund the statutory reserve until such reserve reaches 50% of its registered capital. The transfer had been made before the distribution of dividends to equity owners. Although the statutory reserves can be used, among other ways, to increase the registered capital and eliminate future losses in excess of retained earnings of the respective companies, the reserve funds are not distributable as cash dividends except in the event of liquidation.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2024

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
NET CASH GENERATED FROM OPERATING ACTIVITIES	22,635	3,092
INVESTING ACTIVITIES		
Refund of rental deposits	1,715	205
Bank interest received	3,005	1,481
Payments for rental deposits	(1,215)	(951)
Purchase of property, plant and equipment	(354)	(834)
Placement of time deposits with original maturity over three months	(45,082)	–
Withdrawal of pledged bank deposits	438	–
Proceeds from disposal of financial assets at FVTPL	–	3,200
NET CASH (USED IN) GENERATED FROM INVESTING ACTIVITIES	(41,493)	3,101
FINANCING ACTIVITIES		
Dividend paid	(29,210)	–
Repayments of lease liabilities	(12,029)	(12,898)
Interest paid for lease liabilities	(1,511)	(1,525)
Repayments of bank borrowings	–	(2,536)
Interest paid on bank borrowings	–	(31)
NET CASH USED IN FINANCING ACTIVITIES	(42,750)	(16,990)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(61,608)	(10,797)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	183,492	166,021
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	1,605	(15,530)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD, represented by bank balances and cash	123,489	139,694

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

1. General Information

The Company was incorporated in the Cayman Islands as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 25 September 2015. The Company's shares were listed on Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Its registered office is located at Third Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1-1103, Cayman Islands. The address of its principal place of business is 40/F, Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong.

The Company is an investment holding company and its subsidiaries and the variable interest entity (the "VIE") (hereinafter together with the Company collectively referred to as the "Group") are principally engaged in the provision of advertising spaces services, provision of services for creative agency projects, publication of magazines and operation of online and offline retail platform. Its parent and ultimate holding company is CORE Capital Group Limited, a private company incorporated in the British Virgin Islands. Its ultimate controlling party is Mr. Ma Pak Wing Kevin ("Mr. Ma").

2. Basis of Preparation

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("IASB") as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

3. Principal Accounting Policies

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than additional accounting policies resulting from application of amendments to International Financial Reporting Standards ("IFRSs"), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2024 are the same as those presented in the Group's annual financial statements for the year ended 31 March 2024.

3. Principal Accounting Policies (Continued)

Application of amendments to IFRSs

In the current interim period, the Group has applied the following amendments to IFRSs issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2024 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. Revenue and Segment Information

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

The Group's turnover includes revenues from sales of goods through online and offline retail platform, commission fee from consignment sales, provision of advertising spaces, provision of services for creative agency projects and beverage income.

Specifically, the Group's reportable and operating segments under IFRS 8 *Operating Segments* are as follows:

- (i) Media segment – Provision of advertising spaces, provision of services for creative agency projects and publication of magazines
- (ii) E-Commerce and retail segment – Operation of online and offline retail platform for the sale of third-party branded clothing, shoes and accessories, commission fee from consignment sales, exhibition income and beverage income

4. Revenue and Segment Information (Continued)

	For the six months ended 30 September					
	Media		E-Commerce and retail		Total	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Sales of goods through online and offline retail platform	-	-	73,974	149,044	73,974	149,044
Commission fee from consignment sales	-	-	914	2,007	914	2,007
Provision of advertising spaces	240,003	222,293	2,909	738	242,912	223,031
Provision of services for creative agency projects	37,695	60,611	-	-	37,695	60,611
Publication of magazines	920	207	-	-	920	207
Exhibition income	-	-	1,149	3,214	1,149	3,214
Beverage income	-	-	2,934	1,893	2,934	1,893
Total revenue from contracts with customers	278,618	283,111	81,880	156,896	360,498	440,007
Geographical markets (Note)						
Hong Kong	12,985	14,313	27,136	40,990	40,121	55,303
The PRC	25,276	30,544	11,631	20,430	36,907	50,974
United States ("US")	140,768	108,621	18,659	38,960	159,427	147,581
Other countries	99,589	129,633	24,454	56,516	124,043	186,149
Total	278,618	283,111	81,880	156,896	360,498	440,007
Timing of revenue recognition						
A point in time	38,615	60,818	77,822	154,257	116,437	215,075
Over time	240,003	222,293	4,058	2,639	244,061	224,932
Total	278,618	283,111	81,880	156,896	360,498	440,007

Note: Analysis of the Group's revenue from external customers by geographic locations are determined based on the locations of customers.

4. Revenue and Segment Information (Continued)

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

Six months ended 30 September 2024

	Media HK\$'000 (Unaudited)	E-Commerce and retail HK\$'000 (Unaudited)	Consolidated HK\$'000 (Unaudited)
Total segment revenue	278,618	81,880	360,498
Segment results	69,398	(10,334)	59,064
Finance costs			(1,511)
Share-based payment expense			(1,012)
Impairment loss recognised on intangible assets			(20)
Central administration costs			(26,200)
Unallocated expenses			(5,269)
Profit before tax			25,052

4. Revenue and Segment Information (Continued)

Six months ended 30 September 2023

	Media HK\$'000 (Unaudited)	E-Commerce and retail HK\$'000 (Unaudited)	Consolidated HK\$'000 (Unaudited)
Total segment revenue	283,111	156,896	440,007
Segment results	62,694	(19,020)	43,674
Finance costs			(1,556)
Share-based payment expense			(1,840)
Impairment loss recognised on intangible assets			(909)
Central administration costs			(31,948)
Unallocated expenses			(15,159)
Loss before tax			(7,738)

5. Other Income, Other Gains and Losses

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Net exchange (losses) gains	(109)	2,576
Bank interest income	3,005	1,481
Other income	261	671
Logistics service fee income	–	329
Gain (loss) on disposal of property, plant and equipment	20	(828)
Gain on lease termination	–	66
	3,177	4,295

6. Income Tax Expense

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Current tax:		
– Hong Kong Profits Tax	5,514	–
– The PRC Enterprise Income Tax	426	458
– US Income tax	(1,334)	–
– Other jurisdictions	211	1,787
– PRC withholding tax on dividend declared from PRC subsidiaries to its holding company	–	–
	4,817	2,245
Deferred tax:		
– Credit for the period	–	–
	4,817	2,245

6. Income Tax Expense (Continued)

Income tax expense at concessionary rate

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

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

Basic income tax expense

The basic tax rate of the Company's PRC subsidiaries is 25% for both periods under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulations of the EIT Law.

Under the U.S. Tax Cuts and Jobs Act, the U.S. federal corporate income tax rate has charged at flat rate of 21% during both periods. In addition, under the relevant rules of U.S. state and city taxes, the relevant tax rates are charged at ranging from 6.60% to 9.50% during both periods.

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

7. Dividend

During the six months ended 30 September 2024, a final dividend of HK\$0.00359 per ordinary share in an aggregate amount of HK\$7,370,000 and a special dividend of HK\$0.01063 per ordinary share, in an aggregate amount of HK\$21,830,000, were declared and paid to the owners of the Company.

Subsequent to the end of the current interim period, the directors of the Group have determined that an interim dividend of HK\$0.00179 per share amounting to HK\$3,677,000 in aggregate will be paid to owners of the Company whose names appear on the register of members of the Company on 11 December 2024.

8. Profit (Loss) for the Period

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Profit (loss) for the period has been arrived at after charging:		
Cost of inventories recognised as an expense (included in cost of revenue)	52,147	97,122
Depreciation of property, plant and equipment	7,503	8,239
Depreciation of right-of-use assets	11,109	12,177
Amortisation of intangible assets	50	49
Write-down of inventories (included in costs of inventories recognised as an expense)	2,170	3,134
Impairment loss recognised on intangible assets	20	909

9. Earnings (Loss) Per Share

The calculation of basic and diluted earnings (loss) per share is based on the following data:

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Earnings (loss)		
Earnings (loss) for the purpose of calculating basic and diluted earnings (loss) per share (Profit (loss) for the period attributable to owners of the Company)	20,235	(9,983)
	For the six months ended 30 September	
	2024 '000 (Unaudited)	2023 '000 (Unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share	2,054,129	2,054,129
Effect of dilutive potential ordinary shares:		
Share options	691	–
Weighted average number of ordinary shares for the purpose of diluted earnings (loss) per share	2,054,820	2,054,129
Earnings (loss) per share		
– Basic (HK cents)	0.99	(0.49)
– Diluted (HK cents)	0.98	(0.49)

9. Earnings (Loss) Per Share (Continued)

For the six months ended 30 September 2024, diluted earnings per share did not assume the exercise of certain share options granted by the Company since the exercise prices for the computation of diluted earnings per share of those share options were higher than the average market price for shares.

The computation of diluted loss per share for the six months ended 30 September 2023 did not assume the exercise of share options granted since the exercise would result in a decrease in loss per share for the six months ended 30 September 2023.

10. Property, Plant and Equipment

Property, plant and equipment

During the six months ended 30 September 2024, leasehold improvements, furnitures and fixtures and office equipment of approximately HK\$526,000 (six months ended 30 September 2023: leasehold improvements, furnitures and fixtures and office equipment of approximately HK\$1,111,000) are recognised as the additions of property, plant and equipment.

11. Trade and Other Receivables

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
Trade receivables	133,500	125,372
Unbilled receivables (Note (b))	29,083	17,181
Trade and unbilled receivables	162,583	142,553
Less: allowance for credit losses	(2,444)	(2,437)
Trade and unbilled receivables (net carrying amount)	160,139	140,116
Advance to staff	1,057	1,533
Rental and utilities deposits	14,164	14,652
Prepayments	22,170	18,744
Deposit paid for long-term investment	1,958	1,958
Consideration receivable related to disposal of a joint venture	3,149	3,149
Other receivables	8,312	15,855
Total	210,949	196,007
Analysed as:		
Current	205,307	189,960
Non-current (Note (a))	5,642	6,047
Total	210,949	196,007

Notes:

- (a) The amounts included certain rental deposit and deposit paid for long-term investment.
- (b) Certain tax bureaus in the PRC have set monthly quotas on the aggregate invoice amounts for transactions in the media segment. The unbilled receivables represent the amount of unconditional right to the consideration for completed performance obligations but the related invoices have not been issued as at period end as the quota limit has been exceeded.

11. Trade and Other Receivables (Continued)

The Group allows credit periods ranging from 30 to 60 days to its trade customers derived from provision of advertising spaces and creative agency projects, whereas no credit period is granted to customers from online and offline retail platform and consignor from consignment sales commission income. The following is an aging analysis of trade receivables presented, net of allowances for credit losses, based on the invoice date at the end of the reporting period:

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
Within 60 days	86,792	93,014
61–90 days	17,641	7,147
91–180 days	18,892	21,329
181–365 days	6,768	2,016
Over 365 days	3,407	1,866
	133,500	125,372

12. Contract Assets

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
Provision of advertising spaces	20,530	9,625

The contract assets primarily relate to the Group's right to consideration for the advertisement launched in the online platform or social media platform but not billed because the rights are conditioned on the satisfaction of the target impression rate or click rate pursuant to the contract. The contract assets are transferred to trade and unbilled receivables upon the satisfaction of the target impression rate or click rate at the end of advertising period.

As at 30 September 2024 and 31 March 2024, all contract assets are expected to be settled within 1 year, and accordingly classified as current assets.

13. Pledged Bank Deposits/Time Deposits with Original Maturity Over Three months/Cash and Cash Equivalents

Deposits amounting to HK\$10,000,000 (31 March 2024: HK\$10,438,000) have been pledged to secure a bank borrowing and the banking facilities which carry interest at prevailing market rates at 4.28% per annum (31 March 2024: 3.92%).

Bank balances carry interest at prevailing market rates of 0.625% to 5.54% per annum as at 30 September 2024 (31 March 2024: 0.001% to 5.80%).

14. Trade and Other Payables

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
Trade payables	29,256	20,726
Commission payable to staff	9,362	8,993
Accrual for campaign cost (Note)	9,677	7,992
Other payables and accrued expenses	39,791	35,676
	88,086	73,387

Note: Accrual for campaign cost represents the accrual for expenses incurred for rendering the creative agency campaign and media project which include video shooting and photography.

The average credit period on purchases of goods is 30 days. The aging analysis of the Group's trade payables below is presented based on the invoice date at the end of the reporting period:

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
Within 30 days	18,100	10,313
31–60 days	2,315	3,710
61–90 days	1,197	1,138
Over 90 days	7,644	5,565
	29,256	20,726

15. Share Capital

	Number of shares '000	Share capital HK\$'000
<hr/>		
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 April 2023 (Audited), 30 September 2023 (Unaudited), 1 April 2024 (Audited) and 30 September 2024 (Unaudited)	6,000,000	60,000
<hr/>		
Issued:		
At 1 April 2023 (Audited), 30 September 2023 (Unaudited), 1 April 2024 (Audited) and 30 September 2024 (Unaudited)	2,054,129	20,541
<hr/>		

The new shares rank pari passu with the existing shares in all respect.

16. Intangible Assets

Intangible assets consist of crypto currencies of Bitcoin and Ethereum amounted to approximately HK\$20,613,000 and domain cost amounted to approximately HK\$598,000 as at 30 September 2024. The Group purchased approximately 30 units of Bitcoin with purchase cost of approximately HK\$13,200,000 on December 2021 and received approximately 440 units of Ethereum as a project revenue with the cost of approximately HK\$6,700,000 on May 2022. The market value of Bitcoin and Ethereum amounted to HK\$22,807,000 and HK\$12,047,000, respectively as at 21 November 2024.

Disclosure of Interests

Directors' and Chief Executives' Interests and Short Positions in the Shares, the Underlying Shares or Debentures of the Company and its Associated Corporations

As at 30 September 2024, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “Model Code”), to be notified to the Company and the Stock Exchange, were as follows:

(1) Long positions in ordinary shares of the Company:

Name of Director	Nature of interest	Number of ordinary shares of the Company	Approximate percentage of the Company's total issued shares*
Mr. Ma Pak Wing Kevin	Interest in a controlled corporation (Note)	1,485,000,000	72.29%
	Beneficial owner	780,000	0.04%
		1,485,780,000	72.33%

* The percentage represents the number of ordinary shares divided by the number of the Company's issued shares as at 30 September 2024.

Note: These shares were held by CORE Capital Group Limited (“CORE Capital”), a controlled corporation of Mr. Ma Pak Wing Kevin.

(2) Long positions in underlying shares of the Company:

Share options — physically settled unlisted equity derivatives

Name of Director	Nature of Interest	Number of underlying shares in respect of the share options granted	Approximate percentage of the Company's total issued shares*
Mr. Ma Pak Wing Kevin	Beneficial owner	9,600,000	0.47%
Ms. Lee Yuen Tung Janice	Beneficial owner	9,600,000	0.47%

Details of the shares options granted by the Company are set out under the section “Share Option Scheme” in this report.

* The percentage represents the number of underlying shares interested divided by the number of the Company's issued shares as at 30 September 2024.

(3) Long positions in ordinary shares of associated corporation — CORE Capital Group Limited, the Company's holding company:

Name of Director	Nature of interest	Number of ordinary shares of CORE Capital	Percentage of CORE Capital's total issued shares*
Mr. Ma Pak Wing Kevin	Beneficial owner	39,000	78%
Ms. Lee Yuen Tung Janice	Beneficial owner	11,000	22%

* The percentage figure is calculated with reference to the issued share capital of CORE Capital as enlarged by the allotment of shares of CORE Capital to Mr. Ma Pak Wing Kevin and Ms. Lee Yuen Tung Janice.

Save as disclosed above, as at 30 September 2024, none of the Directors nor the chief executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO.

Substantial Shareholders' Interests and Short Positions in the Shares, the Underlying Shares or Debentures of the Company

As at 30 September 2024, the following parties (other than the Directors or the chief executives of the Company) had interests of 5% or more in the shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Long positions in ordinary shares of the Company:

Name of substantial shareholder	Nature of interest	Number of ordinary shares of the Company	Approximate percentage of the Company's total issued shares*
CORE Capital	Beneficial owner (Note)	1,485,000,000	72.29%

* The percentage represents the number of ordinary shares divided by the number of the Company's issued shares as at 30 September 2024.

Note: The interest of CORE Capital was also disclosed as the interests of Mr. Ma Pak Wing Kevin in the above paragraph "Directors' and Chief Executives' Interests and Short Positions in the Shares, the Underlying Shares or Debentures of the Company and its Associated Corporations".

Save as disclosed above, as at 30 September 2024, the Company is not aware of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

Competing and Conflict of Interests

The Directors are not aware of any business or interest of the Directors nor the controlling shareholder of the Company nor any of their respective associates (as defined in the Listing Rules) that compete or may compete with the business of the Company and any other conflicts of interest which any such person has or may have with the Group during the six months ended 30 September 2024.

None of the Directors, the controlling shareholders or substantial shareholders of the Company or any of its respective close associates has engaged in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules, or has any other conflict of interests with the Group during the six months ended 30 September 2024, and confirm that none of them is engaged in any business which directly or indirectly, competes or is likely to compete with the business of the Company and any of its subsidiaries or has interest in such business.

Proposed Interim Dividend

The Board has resolved to declare an interim dividend of HK\$0.00179 per ordinary share for 1H2025 (the “Interim Dividend”) (1H2024: Nil). The Interim Dividend will be paid in cash on Monday, 23 December 2024 to the shareholders of the Company (the “Shareholders”) whose names appear on the register of members of the Company at the close of business on Wednesday, 11 December 2024.

Closure of Register of Members

For determining the entitlement of the Shareholders to receive the Interim Dividend, the Company’s register of members will be closed from Monday, 9 December 2024 to Wednesday, 11 December 2024, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to receive the Interim Dividend, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Friday, 6 December 2024.

Purchase, Sale or Redemption of Listed Securities of the Company

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the six months ended 30 September 2024.

As at 30 September 2024, there were no treasury shares held by the Company.

Corporate Governance Practice

The Company recognizes the importance of corporate transparency and accountability. The Company is committed to achieving and maintaining a high standard of corporate governance, as the Board believes that effective corporate governance practices are key to obtaining and maintaining the trust of the shareholders and other stakeholders of the Company, and are essential for encouraging accountability and transparency so as to sustain the success of the Group in its creation of long-term value for the shareholders of the Company.

To the best knowledge of the Board, the Company has met the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules during the six months ended 30 September 2024, save for the deviation from the code provision C.2.1.

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established. Mr. Ma Pak Wing Kevin currently assumes the role of both chairman and chief executive officer of the Company. The Board considers that consolidation of these roles by Mr. Ma provides strong and consistent leadership to the Company which facilitates effective planning and efficient management of the Company. Furthermore, having considered Mr. Ma's extensive experience in the digital media industry, the relationships Mr. Ma has built with the customers and the historical development of the Group, the Board considers that it is beneficial for the Group for Mr. Ma to continue to act as both chairman and chief executive officer of the Company.

Directors' Securities Transactions

The Company adopted the required standard of dealings set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, as part of its code of conduct regarding Directors' transactions in the securities of the Company. Specific enquiry has been made of all the Directors and all Directors confirmed that they had fully complied with the required standard of dealings and there was no event of non-compliance throughout the six months ended 30 September 2024.

Share Option Schemes

On 18 March 2016, the Company conditionally approved and adopted the pre-IPO share option scheme (the “Pre-IPO Scheme”) and the post-IPO share option scheme (the “Post-IPO Scheme”) where eligible participants may be granted options entitling them to subscribe for the Company’s shares. The purpose of the share option schemes is to enable the Company to grant share options to selected participants as incentives or rewards for their contributions.

No share option available for grant under the Pre-IPO Scheme as at 1 April 2024 and 30 September 2024, respectively.

114,270,833 and 114,270,833 shares options are available for grant under the Post-IPO Scheme as at 1 April 2024 and 30 September 2024, respectively.

Details of the movements within the two share option schemes of the Company for the six months ended 30 September 2024 are set out below:

(1) Pre-IPO Scheme

Category of grantee	Date of grant	Exercise period	Exercise price per share (HK\$)	Number of share options		
				As at 1 April 2024	Exercised during the period	As at 30 September 2024
Employees in aggregate	18 March 2016	From 18 March 2019 to 17 March 2026	0.026	750,000	–	750,000
Total				750,000	–	750,000

Notes:

- (1) The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- (2) No share options have been granted/cancelled/lapsed under the Pre-IPO Scheme during the six months ended 30 September 2024.

(2) Post-IPO Scheme

Category of grantee	Date of grant	Exercise period	Exercise price per share (HK\$)	Number of share options					As at 30 September 2024
				As at 1 April 2024	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	
Director									
Mr. Ma Pak Wing Kevin	28 June 2019	From 28 June 2019 to 27 June 2029	1.04	4,800,000	–	–	–	–	4,800,000
	8 December 2020	From 8 December 2024 to 7 December 2030	0.788	4,800,000	–	–	–	–	4,800,000
Ms. Lee Yuen Tung Janice	28 June 2019	From 28 June 2019 to 27 June 2029	1.04	4,800,000	–	–	–	–	4,800,000
	8 December 2020	From 8 December 2024 to 7 December 2030	0.788	4,800,000	–	–	–	–	4,800,000
				19,200,000	–	–	–	–	19,200,000
Employees in aggregate									
	6 July 2017	From 6 July 2020 to 5 July 2027	0.198	333,333	–	–	–	–	333,333
	10 August 2018	From 10 August 2021 to 9 August 2028	0.62	8,300,000	–	–	–	–	8,300,000
	28 June 2019	From 28 June 2022 to 27 June 2029	1.04	2,766,666	–	–	–	–	2,766,666
	28 June 2019	From 28 June 2023 to 27 June 2029	1.04	10,725,000	–	–	–	–	10,725,000
	8 December 2020	From 8 December 2023 to 7 December 2030	0.788	6,866,667	–	–	–	–	6,866,667
	8 December 2020	From 8 December 2024 to 7 December 2030	0.788	6,825,000	–	–	–	–	6,825,000
				35,816,666	–	–	–	–	35,816,666
Total				55,016,666	–	–	–	–	55,016,666

Notes:

- (1) The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- (2) No share options have been granted/exercised/lapsed/cancelled under the Post-IPO Scheme during the six months ended 30 September 2024.

The Group recognised total expenses of approximately HK\$1,012,000 for the six months ended 30 September 2024 (for the six months ended 30 September 2023: HK\$1,839,000) in relation to the share options granted by the Company.

Review by Audit Committee

The interim results and the unaudited condensed consolidated interim financial information of the Group for the six months ended 30 September 2024 have been reviewed by the audit committee of the Company.

Events after the Reporting Period

Save as disclosed above, there have been no important events subsequent to 30 September 2024 and up to the date of this interim report, which would affect the Group's business operations in material aspects.

By Order of the Board

Hypebeast Limited

Ma Pak Wing Kevin

Chairman and executive Director

Hong Kong, 22 November 2024

As at the date of this report, the executive Directors are Mr. Ma Pak Wing Kevin and Ms. Lee Yuen Tung Janice; and the independent non-executive Directors are Ms. Poon Lai King, Mr. Wong Kai Chi and Ms. Kwan Shin Luen Susanna.

