



財華社  
FINET

Finet Group Limited

(Continued in Bermuda with limited liability)  
(Stock Code: 08317)

# 20 | 20 INTERIM 24 | 25 REPORT

- HONG KONG
- SHENZHEN
- BEIJING

MOVING  
**FORWARD**



## **CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to higher market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This report, for which the directors (the “Directors”) of Finet Group Limited (the “Company”, together with its subsidiaries, the “Group”) collectively and individually accept full responsibility, includes particulars given in compliance with The Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or in this report misleading.*

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## CORPORATE INFORMATION

### Board of Directors

#### Executive Directors

Ms. LO Yuk Yee (*Chairman*)

Mr. TAI Kwok Leung, Alexander

#### Independent Non-executive Directors

Mr. WONG Wai Kin

Mr. WONG Kwok Yin

Mr. YUK Kai Yao

(resigned on 27 August 2024)

Mr. LEE Chi Hung, Samuel

(appointed on 27 August 2024)

#### Audit Committee

Mr. WONG Wai Kin (*Chairman*)

Mr. WONG Kwok Yin

Mr. YUK Kai Yao

(resigned on 27 August 2024)

Mr. LEE Chi Hung, Samuel

(appointed on 27 August 2024)

#### Remuneration Committee

Mr. WONG Kwok Yin (*Chairman*)

Mr. WONG Wai Kin

Ms. LO Yuk Yee

#### Nomination Committee

Ms. LO Yuk Yee (*Chairman*)

Mr. WONG Wai Kin

Mr. WONG Kwok Yin

#### Corporate Governance Committee

Mr. YUK Kai Yao (*Chairman*)

(resigned on 27 August 2024)

Mr. LEE Chi Hung, Samuel (*Chairman*)

(appointed on 27 August 2024)

Mr. WONG Wai Kin

Mr. WONG Kwok Yin

### Company Secretary

Ms. CHEUNG Yin, HKICPA

### Authorized Representatives

Ms. LO Yuk Yee

Ms. CHEUNG Yin

### Compliance Officer

Ms. LO Yuk Yee

### Auditor

Crowe (HK) CPA Limited

*Certified Public Accountants*

### Registered Office

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

### Head Office and Principal Place of Business in Hong Kong

30/F, Fortis Tower

77-79 Gloucester Road, Wanchai

Hong Kong

### Company Website

[www.finet.hk](http://www.finet.hk)

### Principal Banker

The Hongkong and Shanghai Banking

Corporation Limited

### Stock Code

08317

### Investor Relations

Email: [ir@finet.com.hk](mailto:ir@finet.com.hk)

Website: <http://ir.finet.hk>

## RESULTS HIGHLIGHTS

- The Group reported the revenue of approximately HK\$4,167,000 for the six months ended 30 September 2024, representing a decrease of approximately 65.8% from approximately HK\$9,380,000 for the same period in 2023.
- The Group's unaudited consolidated loss attributable to owners of the Company for the six months ended 30 September 2024 was approximately HK\$4,301,000 (six months ended 30 September 2023: approximately HK\$3,781,000).
- The Board does not recommend the payment of dividend for the six months ended 30 September 2024.

The board of Directors (the “Board”) is pleased to present the unaudited results of the Group for the six months ended 30 September 2024, together with the comparative unaudited figures for the corresponding period in 2023 as follows:

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2024

	Notes	For the six months ended 30 September	
		2024 HK\$'000 Unaudited	2023 HK\$'000 Unaudited
<b>Revenue</b>	3	<b>4,167</b>	9,380
Cost of revenue		(264)	(298)
<b>Gross profit</b>		<b>3,903</b>	9,082
Other income and other losses	3	<b>1,603</b>	3,633
Impairment loss under expected credit loss model		—	(1,878)
Selling and marketing expenses		(4)	(33)
General and administrative expenses		(9,525)	(12,815)
Finance costs	5	(110)	(33)
<b>Loss before income tax</b>	6	<b>(4,133)</b>	(2,044)
Income tax expense	7	—	—
<b>Loss for the period</b>		<b>(4,133)</b>	(2,044)
<b>(Loss)/profit attributable to:</b>			
Owners of the Company		(4,301)	(3,781)
Non-controlling interests		168	1,737
		<b>(4,133)</b>	(2,044)
<b>Loss per share for loss attributable to owners of the Company during the period</b>	9	<b>(0.43)</b>	(0.47)
— Basic and diluted (in HK cents)			

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF 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
<b>Loss for the period</b>		<b>(4,133)</b>	(2,044)
<b>Other comprehensive expense</b>			
Currency translation differences		<b>(963)</b>	(79)
<b>Other comprehensive expense for the period</b>		<b>(963)</b>	(79)
<b>Total comprehensive expense for the period</b>		<b>(5,096)</b>	(2,123)
<b>Attributable to:</b>			
Owners of the Company		<b>(5,264)</b>	(3,860)
Non-controlling interests		<b>168</b>	1,737
		<b>(5,096)</b>	(2,123)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2024

	Notes	30 September 2024 HK\$'000 Unaudited	31 March 2024 HK\$'000 Audited
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment		749	790
Right-of-use assets		3,270	4,806
Investment properties		23,900	23,900
Statutory deposits and other assets		196	155
		<b>28,115</b>	29,651
<b>Current assets</b>			
Trade receivables	10	4,995	5,836
Prepayments, deposits and other receivables		1,417	1,525
Amounts due from related companies		24,298	20,383
Client trust bank balances		147	168
Cash and cash equivalents	11	18,307	8,551
		<b>49,164</b>	36,463
<b>Total assets</b>		<b>77,279</b>	66,114



	Notes	30 September 2024 HK\$'000 Unaudited	31 March 2024 HK\$'000 Audited
<b>Current liabilities</b>			
Accounts payable	12	2,766	2,795
Contract liabilities		1,805	1,805
Accruals and other payables		6,044	3,503
Amount due to a related company		—	5
Bank borrowings	13	11,082	—
Loan from a shareholder		7,781	3,600
Lease liabilities		1,550	3,060
		<b>31,028</b>	14,768
<b>Net current assets</b>		<b>18,136</b>	21,695
<b>Total assets less current liabilities</b>		<b>46,251</b>	51,346
<b>Non-current liabilities</b>			
Lease liabilities		1,799	1,799
Deferred tax liabilities		5,706	5,705
		<b>7,505</b>	7,504
<b>Net assets</b>		<b>38,746</b>	43,842
<b>EQUITY</b>			
<b>Capital and reserves attributable to owners of the Company</b>			
Share capital	14	9,998	9,998
Reserves		35,609	39,320
		<b>45,607</b>	49,318
Non-controlling interests		(6,861)	(5,416)
<b>Total equity</b>		<b>38,746</b>	43,842

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2024

	Attributable to owners of the Company										
	Share capital HK\$'000	Share premium HK\$'000	Merger reserve HK\$'000	Employee compensation reserve HK\$'000	Other reserve HK\$'000	Translation reserve HK\$'000	Property revaluation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
<b>As at 1 April 2023 (Audited)</b>	6,665	320,095	4,870	1,728	3,757	2,016	9,989	(323,374)	25,746	(6,692)	19,054
Profit/(loss) for the period	–	–	–	–	–	–	–	(3,781)	(3,781)	1,737	(2,044)
<b>Other comprehensive income</b>											
Currency translation differences	–	–	–	–	–	(79)	–	–	(79)	–	(79)
<b>Total comprehensive (expense)/income</b>	–	–	–	–	–	(79)	–	(3,781)	(3,860)	1,737	(2,123)
<b>Rights issues</b>	2,333	28,851	–	–	–	–	–	–	32,184	–	32,184
<b>Employee compensation reserve</b>	–	–	–	–	–	–	–	–	–	–	–
<b>As at 30 September 2023 (Unaudited)</b>	9,998	348,946	4,870	1,728	3,757	1,937	9,989	(319,583)	54,072	(4,955)	49,115
<b>As at 1 April 2024 (Audited)</b>	9,998	348,946	4,870	1,728	3,757	1,901	9,989	(331,871)	49,318	(5,476)	43,842
Profit/(loss) for the period	–	–	–	–	–	–	–	(4,301)	(4,301)	168	(4,133)
<b>Other comprehensive income</b>											
Currency translation differences	–	–	–	–	–	(963)	–	–	(963)	–	(963)
<b>Total comprehensive (expense)/income</b>	–	–	–	–	–	(963)	–	(4,301)	(5,264)	168	(5,096)
<b>Employee compensation reserve</b>	–	–	–	–	–	–	–	–	–	–	–
<b>As at 30 September 2024 (Unaudited)</b>	9,998	348,946	4,870	1,728	3,757	(963)	9,989	(336,172)	44,054	(5,308)	38,746

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2024

	Notes	For the six months ended 30 September	
		2024 HK\$'000 Unaudited	2023 HK\$'000 Unaudited
<b>Net cash outflow from operating activities</b>		<b>(4,419)</b>	(868)
<b>Net cash inflow from investing activities</b>		<b>21</b>	143
Proceeds from bank loan		<b>11,082</b>	—
Proceed from Rights Issue		—	32,185
Repayment of loans from shareholder		<b>4,720</b>	(25,637)
Repayment of borrowings, interest and principal elements of lease payments		<b>(1,646)</b>	(2,084)
<b>Net cash inflow from financing activities</b>		<b>14,156</b>	4,464
<b>Net increase in cash and cash equivalents</b>		<b>9,758</b>	3,739
<b>Cash and cash equivalents, at beginning of the period</b>		<b>8,719</b>	8,022
Effect of exchange rate changes, net		<b>(170)</b>	(222)
<b>Cash and cash equivalents, at end of the period</b>	11	<b>18,307</b>	11,539

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. General Information

The principal activity of Finet Group Limited (the “Company”) is investment holding. The Company and its subsidiaries (together the “Group”) are principally engaged in (i) the development, production and provision of financial information, advertising and investor relationship service and technology solutions to corporate and retail clients in Hong Kong and People’s Republic of China (the “PRC”); (ii) provision of brokerage, underwriting and asset management; (iii) money lending business; and (iv) property investments.

The Company was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands on 24 June 2002. On 16 June 2011, the Company was deregistered in the Cayman Islands and duly continued in Bermuda as an exempted company under the laws of Bermuda. The Company’s registered office is situated at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The Company’s principal place of business is situated at 30/F, Fortis Tower, 77–79 Gloucester Road, Wanchai, Hong Kong.

The Company’s immediate and ultimate holding company is Maxx Capital International Limited incorporated in the British Virgin Islands (“BVI”) with limited liability and Pablos International Limited incorporated in the BVI with limited liability, respectively. The ultimate controlling party is Ms. LO Yuk Yee, the controlling shareholder (as defined in the GEM Listing Rules), who controls Pablos International Limited and is also the Chairman and executive Director of the Company.

The Company’s shares have been listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 7 January 2005.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”) unless otherwise stated. These consolidated financial statements were approved and authorized for issue by the board of directors on 29 November 2024.

## 2. Basis of Preparation

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the disclosure requirements of the GEM Listing Rules.

The principal accounting policies and methods of computation used in the preparation of these accounts are consistent with those adopted in the preparation of the annual report of the Company for the year ended 31 March 2024.

The unaudited condensed consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and certain financial assets, which are carried at fair values.

The unaudited condensed consolidated financial statements do not include all the information and disclosures required in the annual report, and should be read in conjunction with the Group’s annual report for the year ended 31 March 2024.

In the current reporting period, the Group has applied, for the first time, certain new standards, amendments to standards and interpretations issued by the HKICPA that are mandatorily effective for its accounting period beginning on 1 April 2024. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group’s accounting policies and amounts reported for the current year and prior year.

The Group has not yet applied new standards and amendments to existing standards that have been issued but not yet effective, and will apply such standards when they become effective. The Group anticipates that the application of the such new standards and amendments to existing standards have no material impact on the results and the financial position of the Group.

### 3. Revenue and Other Income and Other Losses

Revenue, which is also the Group's turnover, represents total invoiced value of goods supplied and services rendered. Revenue and other income and other losses recognised during the period are as follows:

	<b>For the six months ended 30 September</b>	
	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
	<b>Unaudited</b>	Unaudited
<b>Revenue</b>		
Service income from provision of financial information services	566	111
Advertising and investor relationship service income	1,760	8,661
Brokerage commission and service income from securities business	1	2
Rental income from investment properties	1,840	606
	<b>4,167</b>	9,380
<b>Other income and other losses</b>		
Income from sharing of administrative expenses	1,590	2,749
Interest income	9	14
Gain on disposal of property, plant and equipment	—	200
Sundry income	4	670
	<b>1,603</b>	3,633

#### 4. Segment Information

The chief operating decision-maker has been identified as the executive directors of the Company (the "executive Directors"). The executive Directors have reviewed the Group's internal reports in order to assess the performance and allocate resources; they have also determined the operating segments based on these reports. The executive Directors have further considered the business from product perspective and have assessed the performance of four main business segments: (i) financial information, advertising and investor relationship services business; (ii) securities business; (iii) money lending business; and (iv) property investment.

At 30 September 2024, the Group is organized into four main operating segments:

- (i) Financial information, advertising and investor relationship service business — the development, production and provision of financial information service and technology solutions to corporate and retail clients in Hong Kong and the PRC, this segment also includes results of the media business, providing advertising, investor relationship and branding promotion and communication service;
- (ii) Securities business that specializes in the provision of brokerage, underwriting and asset management services;
- (iii) Money lending business; and
- (iv) Property investment business.

Segment results for the six months ended 30 September 2024 about these businesses are as follows:

	Unaudited				Group HK\$'000
	Financial information, advertising and investor relationship service business HK\$'000	Securities business HK\$'000	Money lending business HK\$'000	Property investment business HK\$'000	
<b>Revenue</b>	2,326	1	–	1,840	4,167
Segment results	(3,740)	(369)	(4)	90	(4,023)
Finance costs					(110)
<b>Loss before income tax</b>					(4,133)
Income tax expense					–
<b>Loss for the period</b>					(4,133)



Segment results for the six months ended 30 September 2023 about these businesses are as follows:

	Unaudited				
	Financial information, advertising and investor relationship service business HK\$'000	Securities business HK\$'000	Money lending business HK\$'000	Property investment business HK\$'000	Group HK\$'000
<b>Revenue</b>	8,772	2	—	606	9,380
Segment results	(1,545)	(742)	(2)	278	(2,011)
Finance costs					(33)
<b>Loss before income tax</b>					(2,044)
Income tax expense					—
<b>Loss for the period</b>					(2,044)

**For the six months ended  
30 September**

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
	<b>Unaudited</b>	Unaudited
Revenue from contracts with customers		
— Service income from provision of financial information services	<b>566</b>	111
— Advertising and investor relationship service income	<b>1,760</b>	8,661
— Brokerage commission and services income from securities business	<b>1</b>	2
	<b>2,327</b>	8,774
Represented by:		
Timing of revenue recognition		
— At a point in time	<b>1,761</b>	8,663
— Over time	<b>566</b>	111
	<b>2,327</b>	8,774
Revenue from other sources		
— Rental income from investment properties	<b>1,840</b>	606
	<b>1,840</b>	606
	<b>4,167</b>	9,380

The segment assets and liabilities at 30 September 2024 are as follows:

	Unaudited				Group HK\$'000
	Financial information, advertising and investor relationship service business HK\$'000	Securities business HK\$'000	Money lending business HK\$'000	Property investment business HK\$'000	
Assets	46,994	5,027	39	25,219	77,279
Liabilities	30,246	159	—	8,128	38,533

The segment assets and liabilities at 31 March 2024 are as follows:

	Audited				Group HK\$'000
	Financial information, advertising and investor relationship service business HK\$'000	Securities business HK\$'000	Money lending business HK\$'000	Property investment business HK\$'000	
Assets	34,865	5,077	40	26,132	66,114
Liabilities	13,219	180	—	8,873	22,272

## 5. Finance Costs

	For the six months ended 30 September	
	2024 HK\$'000 Unaudited	2023 HK\$'000 Unaudited
Interest expenses on		
— bank borrowings	110	—
— lease liabilities	—	33
	<b>110</b>	<b>33</b>

## 6. Loss Before Income Tax

	For the six months ended 30 September	
	2024 HK\$'000 Unaudited	2023 HK\$'000 Unaudited
Loss before income tax is arrived at after charging:		
Expenses related to short-term leases/operating lease charges		
— in respect of rental premises	450	2,084
Depreciation of property, plant and equipment	72	130
Depreciation of right-of-use assets	1,536	2,148
Employee benefits expense (including directors' emoluments)	5,971	7,001

## **7. Income Tax Expense**

No Hong Kong profits tax has been provided for the six months ended 30 September 2024 (2023: Nil) as the Group had no assessable profit arising in or derived from Hong Kong for the period.

Under the law of the PRC on Enterprise Income Tax (the "EIT Law") and Regulations on the Implementation of the EIT Law, the PRC subsidiaries are subject to Enterprise Income Tax of tax rate of 25%. No Enterprise Income Tax for the PRC subsidiary has been provided during the six months ended 30 September 2024 (six months ended 30 September 2023: Nil).

The PRC income tax of nil during the six months ended 30 September 2024 (six months ended 30 September 2023: Nil) was mainly attributable to the net rental income from the investment properties of the Company in the PRC.

## **8. Dividend**

The Board does not recommend the payment of dividend for the six months ended 30 September 2024 (six months ended 30 September 2023: Nil).

## **9. Loss Per Share**

### **a) Basic**

The calculation of basic loss per share is based on the loss attributable to owners of the Company for the six months ended 30 September 2024 of approximately HK\$4,301,000 (six months ended 30 September 2023: loss of approximately HK\$3,781,000) and on the weighted average number of 999,808,161 shares in issue during the six months ended 30 September 2024 (six months ended 30 September 2023: weighted average number of 797,661,156 shares in issue).

### **b) Diluted**

The computation of diluted loss per share for the six months ended 30 September 2024 and 2023 did not assume the exercise of the Company's outstanding share options during those periods since they are anti-dilutive, as their exercise would result in a decrease in loss per share.

## 10. Trade Receivables

		<b>30 September 2024 HK\$'000 Unaudited</b>	31 March 2024 HK\$'000 Audited
Trade receivables	(i)	<b>4,995</b>	5,836

- (i) The credit terms granted by the Group to its customers range from 10 days to 90 days. An aging analysis of trade receivables by invoice day as at the end of the reporting period is as follows:

		<b>30 September 2024 HK\$'000 Unaudited</b>	31 March 2024 HK\$'000 Audited
0-30 days		<b>62</b>	852
31-60 days		<b>180</b>	—
61-90 days		<b>19</b>	—
Over 90 days		<b>4,734</b>	4,984
		<b>4,995</b>	5,836

## 11. Cash and Cash Equivalents

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following at 30 September 2024:

		<b>30 September 2024 HK\$'000 Unaudited</b>	31 March 2024 HK\$'000 Audited
Cash at banks and on hand		<b>18,307</b>	8,551

## 12. Accounts Payable

	<b>30 September 2024 HK\$'000 Unaudited</b>	31 March 2024 HK\$'000 Audited
Accounts payable arising from securities broking		
— Clients	148	168
Other accounts payable	2,618	2,627
	<b>2,766</b>	<b>2,795</b>

An aging analysis of accounts payable to suppliers of financial information services business as at the end of the reporting period is as follows:

	<b>30 September 2024 HK\$'000 Unaudited</b>	31 March 2024 HK\$'000 Audited
0–30 days	—	86
31–60 days	—	103
61–90 days	—	63
Over 90 days	2,618	2,375
	<b>2,618</b>	<b>2,627</b>

### 13. Bank Borrowing

	<b>30 September 2024</b>	31 March 2024
	<b>HK\$'000</b>	HK\$'000
	<b>Unaudited</b>	Audited
Bank loan	<b>11,082</b>	—

At 30 September 2024, the Group had approximately HK\$11.1 million loan (as at 31 March 2024: Nil) advanced from the bank in PRC. The bank loan was obtained to finance the Group's operations. The loan is secured by certain property, plant and equipment of the Group with an aggregate carrying value of approximately HK\$20.8 million, carrying interest at 3.25% per annum and repayable in five years.

### 14. Share Capital

	<b>30 September 2024</b>		31 March 2024	
	<b>Number of shares</b>	<b>Amount HK\$'000</b>	Number of shares	Amount HK\$'000
Authorized:				
<b>Ordinary shares of HK\$0.01 each</b>	<b>15,000,000,000</b>	<b>150,000</b>	15,000,000,000	150,000
Issued and fully paid:				
At the beginning of the year	<b>999,808,161</b>	<b>9,998</b>	666,538,774	6,665
Issue of shares upon rights issue	—	—	333,269,387	3,333
At the end of the period	<b>999,808,161</b>	<b>9,998</b>	999,808,161	9,998



## 15. Related Party Transactions

In addition to the transactions and balances disclosed elsewhere in the unaudited condensed consolidated financial statements, the Group had the following related party transactions during the period:

	<b>For the six months ended 30 September</b>	
	<b>2024 HK\$'000 Unaudited</b>	<b>2023 HK\$'000 Unaudited</b>
Income from financial information services received from Top 100 Hong Kong Listed Company Research Centre Company Limited <i>(note i)</i>	<b>720</b>	3,000
Incomes from sharing of administrative expenses received from International Links Limited <i>(note i)</i>	<b>360</b>	360
Incomes from sharing of administrative expenses and marketing received from Maxx Capital Finance Limited <i>(note i)</i>	<b>680</b>	907
Income from sharing of administrative expenses received from China Hong Kong Finance Group Limited <i>(note i)</i>	<b>914</b>	1,122
Rental expenses paid to Cyber Feel Limited <i>(note i)</i>	<b>1,620</b>	1,620
Income from management services received from PR Smart Limited <i>(note i)</i>	<b>960</b>	960

*Note:*

- (i) International Links limited, Maxx Capital Finance Limited, Top 100 Hong Kong Listed Companies Research Centre Company Limited, China Hong Kong Finance Group Limited, Cyber Feel Limited and PR Smart Limited are beneficially owned by Ms. LO Yuk Yee, the chairman and the executive Director of the Company.

## 16. Event After the Reporting Period

Save as disclosed above, there were no any significant events subsequent to period end and up to the date of this report.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Overview**

#### **Financial Information, Advertising and Investor Relationship Service Business**

The service income generated from advertising and investor relationship business continues to be the major source of revenue of our Group.

Service income from provision of financial information service business was relatively insignificant in recent years.

#### **Media Business**

In addition to the production and distribution of programmes through the branding “FinTV”, the Group also engaged in investor relationship business and creative advertising. For the purpose of segment reporting in this annual results, the results of the media business has been included in the “Financial information, advertising and investor relationship service business” segment.

#### **Securities Brokerage and Assets Management Business**

The Group through its wholly-owned subsidiary, Finet Securities Limited, holds licence under the SFC (“Licence”), to engage in Type 1, 4 and 9 regulated activities. The Group focuses on securities brokerage, underwriting and asset management businesses.

#### **Property Investment Business**

The investment properties in the PRC continued to provide income and result a positive contribution to the financial results of the Group.

#### **Money Lending Business**

The Group holds Money Lenders Licence to engage in money lending business for providing loan and financing to customers. In order to minimize the default risk of loan receivable, we need to tighten our internal works of credit control measurement. The difficulties in granting loan became higher and relevant income is insignificant in recent years.

#### **Financial Review**

The Group reported the revenue of approximately HK\$4,167,000 for the six months ended 30 September 2024, representing a decrease of approximately 55.6% from approximately HK\$9,380,000 for the same period in 2023.

During the six months ended 30 September 2024, the Group recorded cost of revenue amounting to approximately HK\$264,000, representing a decrease of approximately 11.4% from approximately HK\$298,000 for the same period in 2023.

Other income and other losses of the Group recorded approximately HK\$1,603,000 for the six months ended 30 September 2024 (six months ended 30 September 2023: gain of approximately HK\$3,633,000).

General and administrative expenses of the Group for the six months ended 30 September 2024 was approximately HK\$9,525,000 (six months ended 30 September 2023: approximately HK\$12,815,000), which represented a decrease of approximately 25.7% when compared to the same period of 2023. The decrease was mainly due to the decrease in staff costs and professional fee.

Finance costs for the six months ended 30 September 2024 was approximately HK\$110,000 (six months ended 30 September 2023: approximately HK\$33,000), which represented interest expenses on bank borrowings and lease liabilities. Finance costs for the six months ended 30 September 2024 included interest expenses on bank borrowing.

The Group's unaudited consolidated loss attributable to the owners of the Company for the six months ended 30 September 2024 was approximately HK\$4,301,000 (six months ended 30 September 2023: loss of approximately HK\$3,781,000).

## **Liquidity and Financial Resources**

At 30 September 2024, the net current assets of the Group was approximately HK\$18,136,000 (At 31 March 2024: approximately HK\$21,695,000); the total equity of the Group was approximately HK\$38,746,000 (At 31 March 2024: approximately HK\$43,842,000); the cash and cash equivalents of the Group was approximately HK\$18,307,000 (At 31 March 2024: approximately HK\$8,551,000); and no unutilised banking facilities of the Group (At 31 March 2024: Nil).

## **Charges of Assets**

At 30 September 2024, certain property, plant and equipment of the Group with aggregate carrying value of approximately HK\$20,834,000 (At 31 March 2024: Nil) were pledged as securities for the borrowing facilities of the Group.

## **Gearing Ratio**

The Group's gearing ratio, representing net debt (bank and other borrowings and lease liabilities less cash and cash equivalents) divided by total equity, was approximately 90.0% as at 30 September 2024 (At 31 March 2024: approximately 98%).

## Prospect

We will continue to allocate our resources to strengthen our leading position in providing financial news services. With our competitive edge and strength arising from our integrated multiple platforms in our three vertical websites and two mobile App (Finet.hk, FinTV.hk, Finet.com.cn, FinTV APP, Finet Finance Pro APP), we can achieve a further improvement in our market share in the media industry in China and Hong Kong, and further strengthen our digital marketing business development.

We will continue to strengthen our sales and marketing team to boost and diversify the Group revenue. Moreover, FinTV is expected to provide strong support to our investor relationship business (“IR business”). IR business is expected to become our profitable stream of the Group in the coming years. IR business will both cover the listed companies and pre-IPO assignments. The services that we have been providing include the followings: (1) production of promotional videos; (2) arrangement of press conferences and celebration events; (3) arrangement of investor meetings; (4) preparing of investor relationship articles; (5) news distribution for the listed companies and pre-IPO assignments; and (6) online results announcement.

Our outstanding FinTV production team will continue to support the growth and expansion of our IR business.

The Group continues to host the TOP 100 HK Listed Companies selection events that created a strong foundation for us to develop the event management business and to achieve lots of reputation and recognition in China including Hong Kong.

Meanwhile, Finet Securities Limited (“Finet Securities”), our securities arm, continue to expand our services including discretionary portfolio management, investment advisory and management of private funds. Finet Securities is expected to generate satisfactory management fee and performance fee income from fund management business in near future.

## Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries and Associated Companies

As at 30 September 2024, there was no significant investments held which exceed 5% of the total assets of the Group.

The Group did not have any material acquisitions and disposals of subsidiaries and associated companies during the reporting period.

## Exposure to Fluctuation in Exchange Rates

The Group holds investment properties in Renminbi. The Group is therefore exposed to currency risks, as the rental income will fluctuate due to change in exchange rates.

## Contingent Liabilities

During the year ended 31 March 2008, three libel actions were brought by a company and an individual (collectively the “Plaintiffs A”) against the Group in respect of the publication of words alleged to be defamatory and concerning articles published on the Group’s website in 2007. The Plaintiffs A sought, among other things, injunctive relief and unliquidated damages. The Executive Directors of the Company are of the opinion that the Group has a meritorious defense against such claims and therefore filed defense on 13 November 2007 and 9 April 2008 against all three libel actions consecutively. No further steps have been taken by the Plaintiffs A since the filing of the defense.

During the year ended 31 March 2022, a way of a writ of summons by a company and a statement of claim were filed by a company (the “Plaintiff B”) on 10 October 2021 and 18 January 2022 respectively, the Plaintiff B commenced high court action 1578 of 2021 against the Group alleging the Group having published/participated in the publication of defamatory statements against it. The Group has filed a defense on 19 April 2022 and the Plaintiff B has filed their reply on 27 July 2022. No further steps have been taken by Plaintiff B since the filing of the reply.

Accordingly, the Executive Directors of the Company are of the opinion that these claims would not have any material adverse effect on the Group, and no provisions have been made in the consolidated financial statements in respect thereof.

## Disclosure Under Chapter 17 of the GEM Listing Rules

The Directors confirmed that they were not aware of any circumstances which would give rise to disclosure requirement under Rules 17.15 to 17.21 of the GEM Listing Rules.

## Employee Information

At 30 September 2024, the Group had 32 (At 31 March 2024: 52) full-time employees (including directors) in Hong Kong and the PRC.

The total staff costs (including Directors’ remuneration) for the six months ended 30 September 2024 was approximately HK\$5,971,000 (six months ended 30 September 2023: approximately HK\$7,001,000). Other benefits provided by the Group to the employees include contribution to the mandatory provident fund under the Mandatory Provident Fund Schemes Ordinance and medical coverage.

## Events After the Reporting Period

Save as disclosed above, there were no other significant events subsequent to the period end and up to the date of this report.

## OTHER INFORMATION

### Directors' and Chief Executives' Interests and Short Positions in the Shares and Underlying Shares

So far as is known to the Directors, as at 30 September 2024, the interests and short positions of the Directors and the 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 (the "SFO")) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 to 5.67 of the GEM Listing Rules, were as follows:

### Long Positions in the Shares and Underlying Shares of the Company and its Associated Corporations

Name of Director	Name of Group member/ associated corporations	Number of shares and capacity in which the shares were held		% of shares in issue (Note 2)
		Beneficial owner	Interest of controlled corporation	
<b>Executive Director:</b>				
Ms. LO Yuk Yee ("Ms. LO")	The Company	79,349,087 (L)	594,340,889 (L)	67.38%
Ms. LO	Maxx Capital International Limited ("Maxx Capital") (Note 1)	—	2 ordinary shares	100%
Ms. LO	Pablos International Limited ("Pablos") (Note 1)	1,000 ordinary shares	—	100%

(L) denotes long positions

#### Notes:

- 594,340,889 ordinary shares were held by Maxx Capital which was wholly-owned by Pablos, and Pablos was wholly owned by Ms. LO. Accordingly, Ms. LO were deemed by virtue of the SFO to be interested in 673,689,976 ordinary shares.
- As at 30 September 2024, the Company had 999,808,161 ordinary shares in issue.

Save as disclosed above, as at 30 September 2024, none of the Directors or chief executives of the Company nor their respective associates had any interests or short positions in the shares, underlying shares and 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 under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules.

## Substantial Shareholders' Interest and Short Position in the Shares of the Company

As at 30 September 2024, so far as the Directors are aware, persons other than Directors or chief executives of the Company who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO, were as follows:

### Long Positions in the Shares and Underlying Shares of the Company

Name of Shareholders	Capacity	Number of Shares held	Approximate percentage of existing shareholding (Note 2)
<b>Substantial shareholders</b>			
Pablos (Note 1)	Interest of Controlled Corporation	594,340,889 (L)	59.45%
Maxx Capital (Note 1)	Beneficial Owner	594,340,889 (L)	59.45%
Broadgain International Limited	Beneficial Owner	47,052,000 (L)	7.06%
Wang Yuan	Beneficial Owner	39,000,000 (L)	5.85%

(L) denotes long positions

Notes:

- 594,340,889 ordinary shares were held by Maxx Capital, which was wholly-owned by Pablos and Pablos was wholly-owned by Ms. LO, a director of the Company. Ms. LO is a director of each of Maxx Capital and Pablos.
- As at 30 September 2024, the Company had 999,808,161 ordinary Shares in issue.

## Other Persons who are Required to Disclose Their Interests

Save as disclosed above, the Directors are not aware of other person who, as at 30 September 2024, had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

## Change in Information of Directors and Chief Executives

Change in Directors' information since the date of approval on the Annual Report 2024 of the Company, which is required to be disclosure pursuant to Rule 17.50A(1) of the GEM Listing Rules, is set out below:

With effect from 27 August 2024, Mr. YUK Kai Yao resigned as an independent non-executive Director, chairman of the Corporate Governance Committee and a member of the Audit Committee and Mr. LEE Chi Hung, Samuel appointed as an independent non-executive Director, chairman of the Corporate Governance Committee and a member of the Audit Committee.

Save as disclosed above, during the six months ended 30 September 2024 and up to the date of this interim report, there has been no change in Directors of the Company, and there is no other information that is required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules.

## Movement of Options

Details of movements of the share options granted under the share option scheme adopted on 4 September 2014 for the six months ended 30 September 2024 are as follows:

Name of grantee	Date of grant (Note 1)	Exercise price	Number of share options			Balance as at 30 September 2024
			Balance as at 1 April 2024	Granted during the period (Note 2)	Forfeited during the period	
Employee	1 December 2020	HK\$0.5523	9,618,040	—	(579,400)	9,038,640



*Notes:*

1. For share options granted on 1 December 2020

Validity period: From 1 December 2020 ("Date of grant") to 3 September 2024 (both days inclusive)

Vesting period: 2 years after 1 December 2020 100%

2. Allotment and issue new shares under Rights Issue.

## **Competing Interests**

None of the Directors nor the controlling shareholder of the Company nor any of their respective close associates (as defined in GEM Listing Rules) had any interest in a business that competed or was likely to compete, either directly or indirectly, with the business of the Group, other than being a director of the Company and/or its subsidiaries.

## **Audit Committee**

The Company established an audit committee with written terms of reference in accordance with Rule 5.28 and 5.29 of the GEM Listing Rules. The audit committee of the Company comprises three members who are independent non-executive directors, namely, Mr. WONG Wai Kin (Chairman), Mr. WONG Kwok Yin and Mr. LEE Chi Hung, Samuel, with written terms of reference in accordance with code provision D.3.3 and D.3.7 of the CG Code.

The principal duties of the audit committee of the Company are to review and supervise the financial reporting process and internal control procedures of the Group.

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

## **Directors' Interest in Contracts**

Except for the transactions stated in Note 15 to the unaudited condensed consolidated financial statements, no contracts of significance in relation to the Group's business to which the Group was a party and in which any of the Directors had a material interest, whether directly or indirectly, subsisted during or at the end of the six months ended 30 September 2024 or at any time during such period (2023: Nil).

## Securities Transactions by Directors

The Company has adopted the required standard of dealings (“Required Standard of Dealings”) as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors. Specific enquiry has been made with all Directors and Directors have confirmed that they have complied with the Required Standard of Dealings throughout the six months ended 30 September 2024.

The Company has adopted a compliance manual for securities transactions by senior management as written guidelines no less exacting than the Required Standard of Dealings for relevant employees (“Written Guidelines”) in respect of dealing in the Company’s share. During the six months ended 30 September 2024, the Company is not aware of any incident of non-compliance of the Required Standard of Dealings and Written Guidelines by the relevant employees.

## Purchase, Sale or Redemption of the Company Listed Shares

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed shares during the six months ended 30 September 2024.

## Corporate Governance Practices

The Board considers good corporate governance a key element in managing the business and affairs of the Group.

The Company has complied with the code provisions as set out in the Code on Corporate Governance Practices (“CG Code”) contained in Appendix C1 to the GEM Listing Rules during the six months ended 30 September 2024, except for the following deviation:

Code provision C.2.1 of the CG Code stipulates that the roles of the chairman and the chief executive officer should be separate and should not be the same individual. Ms. LO Yuk Yee is the chairman of our Board and she has been managing the Group’s business and supervising the overall operations of the Group since 2011. The Directors consider that vesting the roles of the chairman of the Board and the chief executive officer of the Company in Ms. LO is beneficial to the management and business development of the Group and will provide a strong and consistent leadership to the Group. The Board will continue to review and consider separating the roles of the chairman of the Board and the chief executive officer at a time when it is appropriate by taking into account the circumstances of the Group as a whole.

The Company has not arranged insurance cover in respect of legal action against its directors as the Board considers that the Board adopts prudent management policy. The needs for insurance policy will be reviewed from time to time.

## **Appreciation**

The Board would like to take this opportunity to express its sincere gratitude to the Group's customers, business partners and shareholders for their continuous support for and trust in the Group. The Board also wishes to express its heartfelt appreciation to all of the staff of the Group for their dedication and hard work throughout the period.

By Order of the Board

**LO Yuk Yee**

*Chairman and executive Director*

Hong Kong, 29 November 2024

*As at the date of this report, the executive Directors are Ms. LO Yuk Yee and Mr. TAI Kwok Leung, Alexander; and the independent non-executive Directors are Mr. WONG Wai Kin, Mr. WONG Kwok Yin and Mr. LEE Chi Hung, Samuel.*