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**火岩控股**  
FIRE ROCK HOLDINGS

**火岩控股有限公司**  
**FIRE ROCK HOLDINGS LIMITED**  
*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 1909)

## **ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024**

### **HIGHLIGHTS**

- For the year ended 31 December 2024, the Group's revenue amounted to approximately HKD140.6 million (2023: approximately HKD134.9 million), representing an increase of approximately 4.2%.
- For the year ended 31 December 2024, the Group's gross profit amounted to approximately HKD112.8 million (2023: approximately HKD107.5 million), representing an increase of approximately 4.9%.
- For the year ended 31 December 2024, the Group's profit for the year amounted to approximately HKD1.9 million (2023: approximately HKD572.5 million).
- The Board does not recommend the payment of a final dividend for the year ended 31 December 2024.

### **ANNUAL RESULTS**

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2024 together with the comparative figures for the year ended 31 December 2023.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**

*For the year ended 31 December 2024*

	<i>Notes</i>	<b>2024</b> <b><i>HKD'000</i></b>	2023 <i>HKD'000</i>
<b>Revenue</b>	5	<b>140,591</b>	134,927
Direct costs		<u>(27,826)</u>	<u>(27,388)</u>
Gross profit		<b>112,765</b>	107,539
Other income	5	<b>321</b>	19,728
Surrender of promissory notes		—	574,716
Changes in fair values of financial assets at fair value through profit or loss		<b>(891)</b>	(2,255)
Research costs		<b>(9,037)</b>	(19,780)
Distribution costs		<b>(40,692)</b>	(55,471)
Administrative expenses		<b>(43,339)</b>	(31,670)
Loss on disposals of subsidiaries		—	(2,880)
Finance costs		<u>(101)</u>	<u>(9,138)</u>
Profit before income tax	6	<b>19,026</b>	580,789
Income tax expense	7	<u>(17,173)</u>	<u>(8,271)</u>
<b>Profit for the year</b>		<u><b>1,853</b></u>	<u>572,518</u>
Other comprehensive (loss)/income <i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		<b>(1,903)</b>	1,446
Reclassification of exchange difference upon disposal of a subsidiary		—	<u>(179)</u>
<b>Other comprehensive (loss)/income for the year</b>		<u>(1,903)</u>	<u>1,267</u>
<b>Total comprehensive (loss)/income for the year</b>		<u><b>(50)</b></u>	<u>573,785</u>
<b>(Loss)/profit attributable to:</b>			
Owners of the Company		<b>(17,065)</b>	559,911
Non-controlling interests		<u>18,918</u>	<u>12,607</u>
		<u><b>1,853</b></u>	<u>572,518</u>
<b>Total comprehensive (loss)/income attributable to:</b>			
Owners of the Company		<b>(18,773)</b>	561,081
Non-controlling interests		<u>18,723</u>	<u>12,704</u>
		<u><b>(50)</b></u>	<u>573,785</u>
		<b><i>HKD cents</i></b>	<b><i>HKD cents</i></b>
<b>(Loss)/earnings per share</b>			
Basic and diluted	9	<u><b>(0.4)</b></u>	<u>14.6</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	<i>Notes</i>	<b>2024</b> <i>HKD'000</i>	2023 <i>HKD'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		3,549	5,077
Intangible assets	10	23,538	15,350
Right-of-use assets		2,022	1,172
Financial assets at fair value through profit or loss		26,333	27,511
Deposits		138	84
Deferred tax assets		2,107	2,170
		<u>57,687</u>	<u>51,364</u>
<b>Current assets</b>			
Trade receivables	11	18,218	20,645
Prepayment, deposits and other receivables		5,127	3,372
Cash and cash equivalents		53,644	85,492
		<u>76,989</u>	<u>109,509</u>
<b>Current liabilities</b>			
Lease liabilities		1,372	708
Other payables and accruals	12	10,323	12,663
Deferred revenue		334	11
Promissory notes	13	—	—
Tax payables		7,836	4,923
		<u>19,865</u>	<u>18,305</u>
<b>Net current assets</b>		<u>57,124</u>	<u>91,204</u>
<b>Total assets less current liabilities</b>		<u>114,811</u>	<u>142,568</u>
<b>Non-current liabilities</b>			
Lease liabilities		622	507
Deferred tax liabilities		195	1,740
		<u>817</u>	<u>2,247</u>
<b>Net assets</b>		<u>113,994</u>	<u>140,321</u>
<b>Equity</b>			
Share capital	14	3,200	3,200
Reserves		109,099	127,872
Total equity attributable to owners of the Company		112,299	131,072
Non-controlling interests		1,695	9,249
<b>Total equity</b>		<u>113,994</u>	<u>140,321</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

## 1. GENERAL INFORMATION

Fire Rock Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability on 3 November 2014. The address of its registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. Its principal place of business is located 20 Science Park Road, #02–25 Teletech Park, Singapore 117674.

The Company is an investment holding company. The Company and its subsidiaries (collectively the “**Group**”) are principally engaged in the development of browser, mobile games (including game design, programming and graphics) and computer software related to game operation, on the basis of which licensing self-developed browser and mobile games to licensed operators around the world (“**Game Development**”), assist the third parties in promoting game-related business and provide intellectual property rights licensing services to enterprises (“**Game Publishing**”). The Group also self-operates self-developed game products in overseas markets.

The consolidated financial statements for the year ended 31 December 2024 were approved and authorised for issue by the board of directors on 26 March 2025.

## 2. ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

### (a) Adoption of new/revised HKFRS Accounting Standards — effective 1 January 2024

The Group has adopted the following new/revised HKFRS Accounting Standards, (“**HKFRSs**”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), for the first time for the current year’s consolidated financial statements:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 and Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback

Except as described below, the application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial position and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

#### *Amendments to HKAS 1*

The amendments defined that current liabilities do not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instruments do not affect its classification as current or non-current.

Also, the classification of long-term loan arrangements with covenants by specifying that covenants to be complied with after the reporting date do not affect the classification of loan arrangements as current or non-current at the reporting date.

The related Hong Kong Interpretation 5 is revised as a consequence of Amendments to HKAS 1 Classification of Liabilities as Current or Non-current issued in August 2020, to align the corresponding wordings with no change in conclusion. The Amendments to HKAS 1 clarify how to classify debt and other liabilities as current or non-current but do not change the existing requirements. In particular, the Amendments to HKAS 1 clarify that an entity's right to defer settlement must exist at the end of the reporting period and delete the word 'unconditional' from the classification principle.

The application of the amendments does not have any significant impact on the Group's consolidated financial statements.

#### ***Amendments to HKAS 7 and HKFRS 7***

The amendments indicated that the entity shall disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk.

The application of the amendments does not have any significant impact on the Group's consolidated financial statements.

#### ***Amendments to HKFRS 16***

The amendments add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements of HKFRS 15 Revenue from Contracts with Customers to be accounted for as a sale. The amendments require a seller-lessee to determine "lease payments" or "revised lease payments" such that the seller-lessee would not recognise a gain or loss that relates to the right of use retained by the seller-lessee. The amendments also clarify that applying the requirements does not prevent the seller-lessee from recognising in profit or loss any gain or loss relating to subsequent partial or full termination of a lease.

The application of the amendments does not have any significant impact on the Group's consolidated financial statements.

**(b) New/revised HKFRSs that have been issued but are not yet effective**

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments (amendments) <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	Contract Referencing Nature-dependent Electricity <sup>2</sup>
Annual Improvements to HKFRS Accounting Standards 2024	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 <sup>2</sup>
HKFRS 18 and consequential amendments to other HKFRSs	Presentation and Disclosure in Financial Statements <sup>3</sup>
HKFRS 19	Subsidiaries without Public Accountability: Disclosures <sup>3</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>

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

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

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

<sup>4</sup> Effective for annual periods beginning on or after a date to be determined

The directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future. The Group will further assess whether application of the amendments will have an impact on the classification of the Group's financial statements in the future. The impacts on application, if material, will be disclosed in the Group's consolidated financial statements.

**3. BASIS OF PREPARATION**

**(a) Statement of compliance**

The consolidated financial statements have been prepared in accordance with HKFRSs and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

**(b) Basis of measurement**

The consolidated financial statements have been prepared under historical costs basis, as modified by the revaluation of certain financial assets which are held at fair values.

#### 4. SEGMENT INFORMATION

##### (a) Reportable segments

The Group determines its operating segments based on the reports reviewed by the chief operating decision makers that are used to make strategic decisions.

For the years ended 31 December 2024 and 2023, the Group has two reportable segments. These segments are managed separately as each business offers different products and services which require different business strategies. The following summary describes the operations in each of the Group's reportable segments:

- Game and software development and publishing
- Game operation and publishing — Mobile game operation and/or publishing for earning game operation income

	2024 <i>HKD'000</i>	2023 <i>HKD'000</i>
<b>Revenue from contracts with customers:</b>		
Game and software development and publishing	19	3,022
Game operation and publishing	<u>140,572</u>	<u>131,905</u>
	<u><u>140,591</u></u>	<u><u>134,927</u></u>

Certain corporate expenses, mainly including director fees and professional fees, and interest income, are not allocated to the operating segments as they are not included in the measure of the segment's profit that is used by the chief operating decision-makers for assessment of segment performance.

Information regarding the Group's reportable segments for the years ended 31 December 2024 and 2023 is set out below.

	<b>For the year ended 31 December 2024</b>		
	<b>Game and software development and publishing <i>HKD'000</i></b>	<b>Game operation and publishing <i>HKD'000</i></b>	<b>Total <i>HKD'000</i></b>
Revenue from external customers	<u>19</u>	<u>140,572</u>	<u>140,591</u>
Reportable segment (loss)/profit	(35,232)	69,791	34,559
Interest income	17	81	98
Government grants	172	—	172
Finance costs	69	32	101
Depreciation and amortisation	2,532	578	3,110
Income tax expense	3,612	13,561	17,173
Reportable segment assets	<b>84,076</b>	<b>20,430</b>	<b>104,506</b>
Reportable segment liabilities	<b>3,559</b>	<b>15,083</b>	<b>18,642</b>
Additions to non-current assets <sup>#</sup>	<u>9,850</u>	<u>656</u>	<u>10,506</u>

	<b>For the year ended 31 December 2023</b>		
	<b>Game and software development and publishing <i>HKD'000</i></b>	<b>Game operation and publishing <i>HKD'000</i></b>	<b>Total <i>HKD'000</i></b>
Revenue from external customers	<u>3,022</u>	<u>131,905</u>	<u>134,927</u>
Reportable segment (loss)/profit	(40,501)	44,752	4,251
Interest income	36	104	140
Government grants	210	—	210
Finance costs	61	9	70
Depreciation and amortisation	1,619	645	2,264
Income tax expense	2,634	5,637	8,271
Reportable segment assets	104,321	41,646	145,967
Reportable segment liabilities	5,773	13,096	18,869
Additions to non-current assets <sup>#</sup>	<u>14,699</u>	<u>649</u>	<u>15,348</u>

<sup>#</sup> Additions to non-current assets during the year include all non-current assets other than financial instruments and deferred tax assets.



Reconciliation of reportable segment profit or loss, assets and liabilities

	2024 <i>HKD'000</i>	2023 <i>HKD'000</i>
<i>Profit before income tax</i>		
Reportable segment profit	34,559	4,251
Unallocated interest income	4	6
Unallocated corporate (expenses)/income	<u>(15,537)</u>	<u>576,532</u>
Consolidated profit before income tax	<u><u>19,026</u></u>	<u><u>580,789</u></u>
<i>Assets</i>		
Reportable segment assets	104,506	145,967
Unallocated corporate assets	<u>30,170</u>	<u>14,906</u>
Consolidated total assets	<u><u>134,676</u></u>	<u><u>160,873</u></u>
<i>Liabilities</i>		
Reportable segment liabilities	18,642	18,869
Unallocated corporate liabilities	<u>2,040</u>	<u>1,683</u>
Consolidated total liabilities	<u><u>20,682</u></u>	<u><u>20,552</u></u>

**(b) Disaggregation of revenue from customers by geographic market and timing of revenue**

In the following table, revenue is disaggregated by primary geographical market and the timing of revenue recognition.

	2024 <i>HKD'000</i>	2023 <i>HKD'000</i>
<b>Primary geographical markets*</b>		
Asia Pacific	<u><u>140,591</u></u>	<u><u>134,927</u></u>

\* Based on the location of game operation.

	2024 <i>HKD'000</i>	2023 <i>HKD'000</i>
<b>Timing of revenue recognition</b>		
At a point in time	<u><u>140,591</u></u>	<u><u>134,927</u></u>

The Group's non-current assets (other than financial instruments and deferred tax assets) by geographical location of the assets are detailed below:

	2024 <i>HKD'000</i>	2023 <i>HKD'000</i>
<b>Non-current assets</b>		
Thailand	1,883	1,733
People's Republic of China (the "PRC")	962	622
Hong Kong	535	857
Singapore	<u>25,867</u>	<u>18,471</u>
	<u><b>29,247</b></u>	<u><b>21,683</b></u>

(c) **Information about major customers**

There was no revenue from customers individually contributing over 10% to the total revenue of the Group for the years ended 31 December 2024 and 2023.

**5. REVENUE AND OTHER INCOME**

	2024 <i>HKD'000</i>	2023 <i>HKD'000</i>
<b>Revenue</b>		
Game and software development and publishing	19	3,022
Game operation and publishing	<u>140,572</u>	<u>131,905</u>
	<u><b>140,591</b></u>	<u><b>134,927</b></u>
<b>Other income</b>		
Government grants	172	210
Interest income	102	146
Exchange gain, net	—	19,191
Gain on modification of lease	16	—
Others	<u>31</u>	<u>181</u>
	<u><b>321</b></u>	<u><b>19,728</b></u>

## 6. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	2024 <i>HKD'000</i>	2023 <i>HKD'000</i>
Auditors' remuneration:		
— Audit service	1,916	1,761
Depreciation of property, plant and equipment*	1,933	1,192
Depreciation of right-of-use assets*	1,177	1,072
Short-term leases expenses	408	378
Legal and professional fees	8,706	9,002
Exchange loss/(gain), net	284	(19,191)
Loss on disposals of subsidiaries	—	2,880
Expected credit loss on other receivables	—	238
	<u>18,678</u>	<u>12,124</u>

\* Included in administrative expenses in the consolidated statement of profit or loss and other comprehensive income.

## 7. INCOME TAX EXPENSE

	2024 <i>HKD'000</i>	2023 <i>HKD'000</i>
Current year — PRC Enterprise Income Tax		
— Tax for the year	114	—
Current year — Thailand Corporate Income Tax		
— Tax for the year	14,129	9,158
— Over-provision in respect of prior years	(682)	(88)
— Withholding tax on dividends	5,117	3,054
	<u>18,678</u>	12,124
Deferred tax	<u>(1,505)</u>	<u>(3,853)</u>
	<u>17,173</u>	<u>8,271</u>

## 8. DIVIDENDS

The Board does not recommend the payment of any final dividend for the years ended 31 December 2024 and 2023.

## 9. (LOSS)/EARNINGS PER SHARE

The calculation of (loss)/earnings per share is based on the loss attributable to owners of the Company of approximately HKD17,065,000 (2023: profit attributable to owners of the Company of approximately HKD559,911,000) and the weighted average number of 3,840,000,000 ordinary shares (2023: 3,840,000,000 ordinary shares) in issue during the year ended 31 December 2024.

Diluted (loss)/earnings per share are the same as the basic (loss)/earnings per share as there were no dilutive potential ordinary shares in existence during the years ended 31 December 2024 and 2023.

## 10. INTANGIBLE ASSETS

	<b>Development costs HKD'000</b>
<b>Cost</b>	
At 1 January 2023	3,218
Additions	11,894
Exchange alignment	238
	<hr/>
At 31 December 2023 and 1 January 2024	15,350
Additions	8,788
Exchange alignment	(600)
	<hr/>
At 31 December 2024	<b>23,538</b>
	<hr/>
<b>Accumulated amortisation and impairment</b>	
At 1 January 2023, 31 December 2023 and 31 December 2024	—
	<hr/>
<b>Net carrying value</b>	
At 31 December 2024	<b>23,538</b>
	<hr/> <hr/>
At 31 December 2023	15,350
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## 11. TRADE RECEIVABLES

The Group normally allows a credit period within 30 days to its third party game distribution platforms and payment channels.

The ageing analysis of trade receivables (net), based on invoice date, as of the end of the reporting period is as follows:

	2024 <i>HKD'000</i>	2023 <i>HKD'000</i>
0–30 days	10,504	10,486
31–60 days	5,818	8,192
61–90 days	52	47
91–180 days	126	1,629
181–365 days	218	291
Over 1 year	1,500	—
	<u>18,218</u>	<u>20,645</u>

## 12. OTHER PAYABLES AND ACCRUALS

	2024 <i>HKD'000</i>	2023 <i>HKD'000</i>
Accruals	6,194	11,210
Other tax payables	4,129	1,453
	<u>10,323</u>	<u>12,663</u>

## 13. PROMISSORY NOTES

	2024 <i>HKD'000</i>	2023 <i>HKD'000</i>
At beginning of the year	—	584,167
Accrued interest expenses	—	8,231
Imputed interest accrued	—	837
Surrender of promissory notes ( <i>note</i> )	—	(574,716)
Exchange alignment recognised in profit or loss	—	(18,519)
	<u>—</u>	<u>—</u>

*Note:*

On 30 June 2023, the Company, the promissory notes holders and their respective ultimate beneficial owners have all agreed upon negotiation to procure all the promissory notes holders to surrender the promissory notes to the Company and give up the right to the outstanding principal and the respective interests payable as at 30 June 2023.

## 14. SHARE CAPITAL

	Number of ordinary shares	Amount <i>HKD'000</i>
<b>Authorised:</b>		
At 31 December 2023, 1 January 2024 and 31 December 2024	<u>24,000,000,000</u>	<u>20,000</u>
<b>Issued and fully paid:</b>		
At 31 December 2023, 1 January 2024 and 31 December 2024	<u>3,840,000,000</u>	<u>3,200</u>

## 15. DISPOSALS OF SUBSIDIARIES

### (a) Disposal of Lord Metaverse Co., Ltd. (“Lord Metaverse”)

On 6 March 2023, the Group disposed of its entire equity interest in Lord Metaverse at a cash consideration of approximately HKD185,000.

The carrying amounts of the assets and liabilities on the date of disposal were as follows:

	<i>HKD'000</i>
Property, plant and equipment	—
Bank balances and cash	100
Other payables	(6)
Amounts due to the Group	<u>(5,203)</u>
Net liabilities	(5,109)
Release of foreign exchange reserve	(179)
Release of non-controlling interests	3,041
Waiver of receivables from the disposal group	5,203
Loss on disposal of Lord Metaverse	<u>(2,771)</u>
Total consideration satisfied by cash	<u>185</u>
Net cash outflow arising on disposal	
Cash and cash equivalents disposed of	<u>(100)</u>
	<u>(100)</u>

Subsequent to the year ended 31 December 2023, the Group received the consideration of HKD185,000.

**(b) Disposal of Tak Shing International Holdings Limited (“Tak Shing International”)**

On 30 November 2023, the Group disposed of its entire equity interest in Tak Shing International at a consideration of HKD10,000.

The carrying amounts of the assets and liabilities on the date of disposal were as follows:

	<i>HKD'000</i>
Bank balances and cash	127
Other payables	<u>(8)</u>
Net assets	119
Loss on disposal of Tak Shing International	<u>(109)</u>
Total consideration satisfied by cash	<u>10</u>
Net cash outflow arising on disposal	
Cash and cash equivalents disposed of	<u>(127)</u>
	<u><u>(127)</u></u>

Subsequent to the year ended 31 December 2023, the Group received the consideration of HKD10,000.

**16. MAJOR NON-CASH TRANSACTIONS**

During the year ended 31 December 2024, the Group did not have material non-cash transactions.

During the year ended 31 December 2023, the Group had the following major non-cash transactions:

- The equity interest in Summer Mountain Group of approximately HKD13,668,000 was initially recognised in financial assets at fair value through profit or loss by transferring the same amount from the deposits paid;
- The equity interest in a private fund of approximately HKD16,000,000 was initially recognised in financial assets at fair value through profit or loss by transferring the same amount from the deposits paid; and
- As disclosed in Note 13, on 30 June 2023, the promissory notes holders surrendered the promissory notes. The resulting gain on surrender of promissory notes of approximately HKD574,716,000 was recognised to profit or loss for the year ended 31 December 2023.

## 17. EVENTS AFTER THE REPORTING PERIOD

On 3 March 2025, the Board proposed to implement a share consolidation whereby every twenty (20) issued and unissued shares of the Company will be consolidated into one (1) consolidated share (the “**Share Consolidation**”).

An extraordinary general meeting will be convened and held for the shareholders of the Company to consider and, if thought fit, approve the Share Consolidation on 27 March 2025. Details are set out in the circular of the Company dated 12 March 2025.

Apart from the events as disclosed above and elsewhere in the consolidated financial statements, the Group did not have other material events after the reporting period and up to the date of this announcement.



## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW AND PROSPECTS

#### Overview

The Group is a well-established game developer, publisher and operator. The Group also strategically expanded its main business to more diversified services, including publishing Internet application technology business and investment business. For the year ended 31 December 2024, the loss attributable to equity holders of the Company was approximately HKD17.1 million, while for the year ended 31 December 2023, the profit attributable to equity holders of the Company was approximately HKD559.9 million. The decrease was mainly due to the one-time non-recurring income from surrender of promissory notes recognised for the year ended 31 December 2023 only.

Looking forward, the Group will continue to strengthen its main business by concentrating the Group's resources on game development and game publishing business in order to (i) reduce reliance on the game operating business and (ii) deliver high-quality gaming experience to players.

As such, the Group expects to devote more resources to the R&D of games with the intention of launching new games in the coming year. In particular, the Group will set up another working team in Southeast Asia for the R&D of online and mobile games so as to further strengthen the market position of the Group's self-developed games in Indonesia and other Southeast Asian regions.

#### Revenue

We are principally engaged in the development of browser, mobile games (including game design, programming and graphics) and computer software related to game operation, on the basis of which we license our self-developed browser and mobile games to licensed operators around the world ("**Game Development**"), assist the third parties in promoting game-related businesses and provide intellectual property rights licensing services to enterprises ("**Game Publishing**"). We also self-operate our self-developed game products in overseas markets.

For the year ended 31 December 2024, the Group's revenue was approximately HKD140.6 million, representing an increase of approximately HKD5.7 million or 4.2% from approximately HKD134.9 million for the year ended 31 December 2023. The increase was mainly due to increase in revenue from our game operation and publishing segment.

### ***Revenue by geographical markets***

The following table sets forth our revenue from our games based on geographical territories in absolute amounts and as a percentage of our revenue for the years indicated:

	For the year ended 31 December			
	2024		2023	
	<i>HKD'000</i>	%	<i>HKD'000</i>	%
Asia Pacific	<u>140,591</u>	<u>100.0</u>	<u>134,927</u>	<u>100.0</u>

### **Direct costs**

The Group's direct costs mainly consisted of staff costs and benefits, channel costs charged by self-operated game platforms and others, which remained fairly stable for the years ended 31 December 2024 and 2023. The following table sets forth a breakdown of the Group's direct costs for the years indicated:

	For the year ended 31 December			
	2024		2023	
	<i>HKD'000</i>	%	<i>HKD'000</i>	%
Staff costs and benefits	2,062	7.4	1,370	5.0
Self-operated channel costs	18,649	67.0	19,179	70.0
Others	<u>7,115</u>	<u>25.6</u>	<u>6,839</u>	<u>25.0</u>
<b>Total</b>	<u>27,826</u>	<u>100.0</u>	<u>27,388</u>	<u>100.0</u>

Others mainly comprised (i) depreciation; (ii) outsourcing services fee for art/graphic design and audio production of sound effects and background music provided by third party service providers; and (iii) server expenses.

### **Gross profit and gross profit margin**

Our gross profit for the year ended 31 December 2024 amounted to approximately HKD112.8 million, representing an increase of approximately HKD5.3 million or 4.9% as compared to approximately HKD107.5 million for the year ended 31 December 2023. Our gross profit margin for the year ended 31 December 2024 amounted to approximately 80.2% and approximately 79.7% for the year ended 31 December 2023. The increase in our gross profit margin was mainly due to the effective cost control on the channel costs and the increase in revenue.

## **Other income**

Our other income mainly consisted of interest income of bank deposits, government grants, exchange gains and other gains. For the year ended 31 December 2024, our other income was approximately HKD0.3 million, compared with other income of approximately HKD19.7 million in the same period of 2023. The decrease in other income was mainly due to the decrease in net exchange gain during the year.

## **Surrender of promissory note**

During the year ended 31 December 2023, the Group recorded gain on surrender of promissory notes to the Company of approximately HKD574.7 million. Please refer to the announcement dated 30 June 2023 for further information.

## **Research costs**

For the year ended 31 December 2024, the Group incurred approximately HKD9.0 million on research costs, representing a decrease of approximately HKD10.8 million or 54.5% from approximately HKD19.8 million for the year ended 31 December 2023. The decrease was mainly due to less projects were under research phases in 2024.

## **Distribution costs**

Our distribution costs for the year ended 31 December 2024 amounted to approximately HKD40.7 million, representing a decrease of approximately HKD14.8 million or 26.7% as compared to approximately HKD55.5 million in the same period of 2023. The decrease was mainly due to the decrease in the advertising and promotional expenses during the year.

## **Administrative expenses**

The Group's administrative expenses primarily comprised salaries and employee benefits expenses, depreciation of right-of-use assets, audit fees, legal and professional fees, depreciation of property, plant and equipment and others.

The Group's administrative expenses for the year ended 31 December 2024 amounted to approximately HKD43.3 million, representing an increase of approximately HKD11.6 million or 36.6% as compared to approximately HKD31.7 million for the year ended 31 December 2023. The increase was mainly attributable to the increase in the depreciation of the property, plant and equipment, increase in the travelling expenses for our staff to explore new business opportunities and increase in staff costs related to general and administrative functions.

## **Income tax expense**

Our income tax expense for the year ended 31 December 2024 increased by approximately HKD8.9 million or 107.2%, to approximately HKD17.2 million, as compared to approximately HKD8.3 million for the year ended 31 December 2023. The increase was mainly due to the increase in the assessable profit generated by the subsidiary in Thailand.

## **(Loss)/profit for the year**

As a result of the above, loss attributable to equity owners of the Company for the year ended 31 December 2024 was approximately HKD17.1 million whereas the profit attributable to equity owners of the Company for the year ended 31 December 2023 was approximately HKD559.9 million. The decrease was mainly due to the one-time non-recurring income from the surrender of promissory notes, which was recognised for the year ended 31 December 2023 only.

## **LIQUIDITY AND FINANCIAL RESOURCES**

For the year ended 31 December 2024, we mainly financed our business with the existing cash and cash equivalents held by the Group. We intend to fund our expansion and business operations through our internal resources and on-going internal growth.

### **Treasury policy**

During the year ended 31 December 2024, the Group deposited its capital with commercial banks in Hong Kong, Thailand, the PRC and Singapore and did not engage in any investments with high risks or involving speculative derivative instruments.

### **Cash and cash equivalents**

As at 31 December 2024, our cash and cash equivalents amounted to approximately HKD53.6 million, representing a decrease of approximately HKD31.9 million or 37.3%, as compared with approximately HKD85.5 million as of 31 December 2023. The decrease was mainly attributable to dividend paid to the non-controlling interests of a subsidiary in Thailand. Our cash and cash equivalents primarily consisted of cash at bank and cash on hand mainly denominated in USD (as to approximately 80.8%), THB (as to approximately 2.2%), HKD (as to approximately 6.2%), RMB (as to approximately 5.5%) and SGD (as to approximately 5.3%).

## **Capital expenditures**

Our capital expenditures comprised expenditures on the purchase of furniture and office equipment and leasehold improvements. For the year ended 31 December 2024, our total capital expenditures amounted to approximately HKD0.5 million, representing the purchase of furniture and office equipment and leasehold improvement (2023: approximately HKD3.0 million, including the purchase of furniture and office equipment and leasehold improvements). We funded our capital expenditure by existing cash and cash equivalents held by the Group.

## **Capital Commitment**

As at 31 December 2024, the Group did not have any capital commitments.

## **CAPITAL STRUCTURE**

The Shares were listed on GEM of the Stock Exchange on 18 February 2016. Listing of the Shares has been transferred from GEM to the Main Board of the Stock Exchange since 27 June 2019. The capital structure of the Company comprises issued share capital and reserves.

## **BORROWING AND GEARING RATIO**

As at 31 December 2024, the Group did not have any short-term or long term borrowings.

As at 31 December 2024, the gearing ratio of the Group, calculated as total liabilities divided by total assets, was approximately 15.4% (31 December 2023: approximately 12.8%).

## **CHARGE ON GROUP ASSETS**

As at 31 December 2024, no asset of the Group was pledged as security for bank borrowings or any other financing facilities (31 December 2023: Nil).

## INFORMATION ON EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2024, the Group had 151 employees (31 December 2023: 108), who were mainly based in Thailand, Singapore, the PRC and Hong Kong. The table below sets forth the number of employees by function as at 31 December 2024 and 2023:

Department	2024		2023	
	<i>Number of employees</i>	<i>% of total</i>	<i>Number of employees</i>	<i>% of total</i>
<b>Management</b>	7	4.6	6	5.6
<b>Project development</b>	60	39.7	43	39.8
Game design	22	14.6	15	13.9
Programming	27	17.9	16	14.8
Art	11	7.2	12	11.1
<b>Project Support</b>	59	39.1	41	38.0
Marketing	26	17.2	22	20.4
Licensing and operator support	31	20.5	19	17.6
Information technology	2	1.4	—	—
<b>Finance and administration</b>	25	16.6	18	16.6
<b>Total</b>	<u>151</u>	<u>100.0</u>	<u>108</u>	<u>100.0</u>

The total remuneration of the employees of the Group was approximately HKD31.1 million for the year ended 31 December 2024 (2023: approximately HKD35.4 million).

The Remuneration Committee will regularly review and recommend to the Board from time to time the remuneration and reward of the Directors and senior management of the Group with reference to their experience, responsibilities, workload and time devoted to the Group and performance of the Group.

The Group offers competitive remuneration package commensurate in line with industry practice and provides benefits to employees of the Group, including social insurance coverage, defined contribution retirement scheme and bonus. In determining staff remuneration, the Group takes into account salaries paid by comparable companies, time commitment and responsibilities and employment conditions for other positions within the Group. The staff remuneration is reviewed regularly.

Contributions to the Group's defined contribution retirement schemes charged to the Group's consolidated statement of comprehensive income during the year ended 31 December 2024 were approximately HKD3.5 million (2023: approximately HKD5.8 million). There was no contribution forfeited by the Group on behalf of its employees who left their respective scheme prior to vesting fully in such contribution, which may be used by the Group to reduce the existing level of contributions during the two years

ended 31 December 2024 and 2023. As at 31 December 2024 and 31 December 2023, there was no forfeited contribution available to reduce the level of contributions in future years.

The Directors believe that maintaining a stable and motivated staff force is critical to the success of the Group's business. Aspiring to be a fast-growing company, the Group is able to provide its employees with ample career development choices and opportunities of advancement. The Group organises various training programs on a regular basis for its employees to enhance their knowledge of online game development and operation, improve time management and internal communications and strengthen team building.

## **SIGNIFICANT INVESTMENTS IN OR MATERIAL ACQUISITIONS OR DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES**

In March 2023, the Group disposed its entire equity interest in Lord Metaverse Co., Ltd. at a cash consideration of THB810,000 (approximately HKD185,000). Subsequent to the year ended 31 December 2023, the Group received the consideration of HKD185,000.

Save as disclosed, the Directors consider that there was no other significant investment in or material acquisition and disposal of subsidiaries and associated companies by the Company.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

As at the date of this announcement, there was no plan authorised by the Board for material investments or additions of capital assets.

## **CONTINGENT LIABILITIES**

As at 31 December 2024, the Group did not have any significant unrecorded contingent liabilities (31 December 2023: Nil).

## **FOREIGN EXCHANGE RISKS**

The functional currency of the Group is HKD and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD, THB, RMB and SGD. All of the revenue are denominated in currencies other than the functional currency of the operating units making the revenue for the year ended 31 December 2024 and 2023. Therefore, foreign exchange risk primarily arose from the recognition of assets upon the Group's receipt or planned receipt of foreign currencies from overseas partners.

The Group currently does not have any hedging policy in respect of the foreign currency risk. However, our management team closely monitors foreign exchange exposure to ensure appropriate measures are implemented in a timely and effective manner. In this respect, we are not exposed to any significant foreign currency exchange risk in our operation.

## USE OF PROCEEDS FROM THE PLACING

The Company's shares were listed on GEM of the Stock Exchange on 18 February 2016 and net proceeds from the placing (the "Placing") were approximately HKD28.9 million. Listing of the Shares has been transferred to the Main Board from GEM on 27 June 2019. As at 31 December 2024, the Group has spent approximately HKD28.9 million, in aggregate, of the proceeds from the Placing (approximately HKD7.2 million on development of new games on mobile devices platform, approximately HKD7.2 million on development of new browser games, approximately HKD2.9 million on the continual optimisation of our existing games on various platforms, approximately HKD2.9 million on enhancing our game development capabilities, approximately HKD3.6 million on the acquisition/investment of game developers and related companies, approximately HKD1.5 million for working capital and other general corporate uses, and approximately HKD3.6 million for seeking opportunities to obtain/acquire the adaptation rights of appropriate source materials).

No additional shares of the Company were issued at the time of the Transfer of Listing.

As at 31 December 2024, the Company's use of proceeds from the Placing is set out as follows:

			31 December 2024	31 December 2024
	Original allocation <i>HKD million</i>	Original allocation <i>Percentage</i>	Amount used <i>HKD million</i>	Amount used <i>Percentage</i>
Continual optimisation of our existing games on various platforms	2.9	10.0%	2.9	10.0%
Development of new games — Browser games	7.2	25.0%	7.2	25.0%
Development of new games — Mobile games	7.2	25.0%	7.2	25.0%
Seeking opportunities to obtain/acquire the adaptation rights of appropriate source materials	3.6	12.5%	3.6	12.5%
Acquiring of/investment in game developers and related companies	3.6	12.5%	3.6	12.5%
Enhancement and diversification of our game development capabilities	2.9	10.0%	2.9	10.0%
Working capital and other general corporate purposes	1.5	5.0%	1.5	5.0%
Total	<u>28.9</u>	<u>100.0%</u>	<u>28.9</u>	<u>100.0%</u>

As at 31 December 2024, all proceeds from the Placing were utilised and applied in the manner consistent with the original allocations.



## **(LOSS)/EARNINGS PER SHARE**

The calculation of (loss)/earnings per share is based on the loss attributable to owners of the Company of approximately HKD17.1 million for the year ended 31 December 2024 (2023: profit attributable to owners of the Company of approximately HKD559.9 million) and the weighted average number of 3,840,000,000 ordinary shares (2023: 3,840,000,000 ordinary shares) in issue during the year.

The calculation of diluted (loss)/earnings per share are the same as the calculation of basic (loss)/earnings per share as there are no dilutive potential ordinary shares in existence during the years ended 31 December 2024 and 2023 respectively.

## **RISK FACTORS FACED BY THE COMPANY AND RISK MITIGATION MEASURES**

The Group is principally engaged in the development and operation of software and games in different language versions and licensing our games to different licensed operators for operation or operating by the Group internationally. The major risks involved in the Group's business include credit risks, interest rate risks, liquidity risks, currency risks and business risks. Details of the above-mentioned major risks and risk mitigation measures will be set forth in the consolidated financial statements in the annual report for the year ended 31 December 2024.

The Board believes that there are certain risks involved in the Group's operations, which mainly includes (i) risks relating to our business; (ii) risks relating to our industry; and (iii) risks relating to policies.

### **(i) Risks relating to our business**

Although the Group has achieved significant success in the gaming industry, there are certain risks that could adversely impact the Group's operations and financial results. The main hurdles include: (i) if the Group fails to keep up with technological developments and is unable to continuously keep track of cutting-edge technology trends, it may lead to a decline in the competitiveness of its games and loss of market share, (ii) facing constantly changing player preferences, if the Group is unable to continuously launch novel and high-quality game content, it may affect user retention, (iii) the game portfolio includes games that are self-developed or licensed games, so the Group's operations may be adversely affected if the Group cannot seek alternatives in a timely manner; and (iv) the Group may be exposed to payment delays or defaults from settlement agents, which would adversely affect the Group's cash flow or financial results.

## **(ii) Risks relating to our industry**

As a game developer, publisher and operator, the Group expects to face intense competition from many counterparts domestically and internationally. The Group also faces vigorous competition from other forms of entertainment generally available to the public such as console gaming, offline games, cinema, television, sports and music. In response, the Group continues to regularly upgrade and modify existing games to keep players interested and maintain their experience in our portfolio of games, and incentivise game players to increase their spending on our games. Furthermore, the Group also continues to focus on research and development of new games and explore new markets to maintain our competitiveness in the gaming industry.

## **(iii) Risks relating to policies**

The operation of online games of the Group is subject to supervision and management by a number of government authorities in the market where the Group operates. Any administrative changes in government regulatory authorities may also affect market conditions, which in turn may affect the Group's operation results.

## **RISK MANAGEMENT**

The Audit Committee is responsible for risk management. The Audit Committee regularly reviews the Company's risk management and internal control system to ensure the system's effectiveness. The Audit Committee also reviews the sufficiency of the Company's internal resources and staff qualifications, experience and training. The Audit Committee conducts investigation and research of risk management and internal control matters and reports to the Board on such matters.

## **ENVIRONMENT POLICY AND PERFORMANCE**

The Group's planning, devising, implementation, operation, review and assessment in relation to matters pertaining to environmental management are conducted with reference to the characteristics of our industry. In daily activities, our Group strictly controls the use of water and electricity in office, actively adopts measures to propagate environment-friendly ideas and encourages staff to reduce consumption of water and electricity and practice the sorting of solid waste. The Group also actively promotes electronic informatisation management in its daily operation to facilitate the "paperless" office.

The Group has implemented internal recycling and reusing program on a continual basis for consumable goods such as office papers to minimise the operational impact on the environment and natural resources. The Group has also negotiated with the property management companies of our leased properties in relation to the implementation of energy-saving measures for the use of air-conditioning in our office premises in order to reduce unnecessary electricity consumption.

## **RELATIONSHIP WITH STAKEHOLDERS**

The Company values stakeholders' concerns and opinions on our business performance and progress, and strive to maintain effective communication with our stakeholders, including the Company's shareholders (the "**Shareholders**"), employees, customers, suppliers, business partners, users, media and the public through a range of communication channels, such as the Company's official website and emails to maintain a close and harmonious relationship with them.

## **FINAL DIVIDENDS**

### **Dividend Policy**

The proposal of payment and the amount of our dividends will be made at the discretion of our Board and will depend on our general business condition and strategies, cash flows, financial results and capital requirements, Shareholders' equity, taxation conditions, statutory and regulatory restrictions and other factors that our Board deems relevant.

In addition, as the Company is a holding company registered in the Cayman Islands and the Company's operations are conducted through our subsidiaries, the availability of funds for dividend payments to Shareholders and debts servicing depends on dividends received from these subsidiaries.

### **Dividends**

The Board does not recommend the payment of any final dividend for the year ended 31 December 2024 and 2023.

## **ANNUAL GENERAL MEETING**

It is proposed that the annual general meeting of the Shareholders will be held on a date to be fixed by the Board. Notice of annual general meeting will be published and despatched to the Shareholders in due course.

## **CORPORATE GOVERNANCE PRACTICES**

The Group is committed to achieving a high standard of corporate governance, to protect the interests of the Shareholders and other stakeholders of the Company, improve corporate value and accountability.

The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the "**Code**") contained in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"). In the opinion of the Directors, the Company has complied with the code provisions set out in the Code for the year ended 31 December 2024.

## **COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (the “**Model Code**”) as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirms that the Directors have complied with the required standard set out in the Model Code during the year ended 31 December 2024.

## **REPURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES**

Neither the Company nor any of its subsidiaries repurchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2024.

## **AUDIT COMMITTEE**

The Company established its Audit Committee on 24 January 2016. The chairman of the Audit Committee is Mr. Tam Chik Ngai Ambrose, our independent non-executive Director, and other members include our independent non-executive Directors. The written terms of reference of the Audit Committee are published on the Stock Exchange’s website and the Company’s website.

The primary duties of the Audit Committee are mainly to review the financial information and reporting process, internal control procedures and risk management system, audit plan and relationship with external auditors and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Company has complied with Rule 3.21 of the Listing Rules in that at least one of the members of the Audit Committee (which must comprise a minimum of three members and must be chaired by an independent non-executive Director) is an independent non-executive Director who possesses appropriate professional qualifications or accounting related financial management expertise.

The Group’s audited annual results for the year ended 31 December 2024 have been reviewed by the Audit Committee. The Audit Committee is of the view that the preparation of the Group’s audited financial statements for the year ended 31 December 2024 complied with applicable accounting standards, the Listing Rules and that adequate disclosures have been made.

## **SCOPE OF WORK OF CROWE (HK) CPA LIMITED**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this preliminary announcement have been agreed by the Group's auditor, Crowe (HK) CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Crowe (HK) CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or no assurance conclusion has been expressed by Crowe (HK) CPA Limited on this preliminary announcement.

## **PUBLICATION OF ANNUAL RESULTS AND DESPATCH OF ANNUAL REPORT**

This announcement will be published on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) and on the Company's website at [www.firerock.sg](http://www.firerock.sg). The annual report of the Company for the year ended 31 December 2024 containing all the information required by the Listing Rules will be despatched to the shareholders and published on the above websites in due course.

By order of the Board  
**Fire Rock Holdings Limited**  
**Wong Yan**  
*Executive Director*

Hong Kong, Wednesday, 26 March 2025

*As at the date of this announcement, the executive Directors are Mr. Zhou Zhiwei, Mr. Gao Bo, Mr. Victor Koa Jun Wei and Ms. Wong Yan; and the independent non-executive Directors are Ms. Chow Woon San Shirley, Mr. Tam Chik Ngai Ambrose and Mr. Lok Tze Bong.*