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新火科技
SINOHOPE

SINOHOPE TECHNOLOGY HOLDINGS LIMITED

新火科技控股有限公司

(Incorporated in the British Virgin Islands with limited liability)

(Stock code: 1611)

**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 31 MARCH 2025**

Financial Highlights

	Six months ended 31 March		
	2025	2024	Change
	HK\$'000	HK\$'000	%
Revenue	3,455,679	655,608	427.1%
Gross profit	10,990	32,141	(65.8)%
Gross profit margin	0.3%	4.9%	(93.9)%
(Loss)/profit before income tax	(12,300)	99,266	(112.4)%
(Loss)/profit attributable to owners of the Company	(12,300)	99,813	(112.3)%
(Loss)/earning per share			
– Basic	HK cents (2.64)	HK cents 21.42	(112.3)%
– Diluted	HK cents (2.64)	HK cents 21.42	(112.3)%
	As at	As at	
	31 March	30 September	
	2025	2024	
	HK\$'000	HK\$'000	
Net cash	61,856	62,282	(0.7)%
Total equity	275,485	281,909	(2.3)%

The board of directors (the “**Board**”) of Sinohope Technology Holdings Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 31 March 2025 together with the comparative figures for the six months ended 31 March 2024.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	<i>Notes</i>	Six months ended 31 March	
		2025	2024
		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Revenue	4		
Cryptocurrency trading business		3,437,756	620,989
Other business		<u>17,923</u>	<u>34,619</u>
		<u>3,455,679</u>	<u>655,608</u>
Cost of sales and services			
Cryptocurrency trading business		(3,433,274)	(613,316)
Other business		<u>(11,415)</u>	<u>(10,151)</u>
		<u>(3,444,689)</u>	<u>(623,467)</u>
Gross profit		10,990	32,141
Other income and gains/(losses), net	5	6,043	(917)
Fair value (loss)/gain on cryptocurrencies, net		(514)	42,165
Interest income		316	759
Reversal of impairment loss on other assets		–	78,810
Reversal of impairment loss on other receivables		10,250	–
Administrative expenses		(39,263)	(54,093)
Share of result of a joint venture		–	5,080
Finance costs	6	<u>(122)</u>	<u>(4,679)</u>
(Loss)/profit before income tax	7	(12,300)	99,266
Income tax credit	8	<u>–</u>	<u>1,901</u>
(Loss)/profit for the period		<u><u>(12,300)</u></u>	<u><u>101,167</u></u>

		Six months ended 31 March	
		2025	2024
<i>Notes</i>		<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Unaudited)
(Loss)/profit for the period attributable to:			
– Owners of the Company		(12,300)	99,813
– Non-controlling interests		<u>–</u>	<u>1,354</u>
		<u>(12,300)</u>	<u>101,167</u>
(Loss)/earnings per share			
– Basic		(2.64)	21.42
– Diluted		<u>(2.64)</u>	<u>21.42</u>

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	Six months ended 31 March	
	2025	2024
<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
(Loss)/profit for the period	(12,300)	101,167
Other comprehensive income		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences arising on the translation of financial statements of foreign operations	4,338	(729)
Reclassification of foreign currency translation reserve upon disposal of subsidiaries	–	331
Item that will not be reclassified subsequently to profit or loss:		
Change in fair value of equity instruments at fair value through other comprehensive income	<u>(2,274)</u>	<u>–</u>
Other comprehensive income/(loss) for the period, net of tax	<u>2,064</u>	<u>(398)</u>
Total comprehensive (loss)/income for the period	<u>(10,236)</u>	<u>100,769</u>
Total comprehensive (loss)/income for the period attributable to:		
Owners of the Company	(10,236)	99,415
Non-controlling interests	<u>–</u>	<u>1,354</u>
	<u>(10,236)</u>	<u>100,769</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 March 2025 <i>HK\$'000</i> (Unaudited)	As at 30 September 2024 <i>HK\$'000</i> (Audited)
	<i>Notes</i>		
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		112	270
Right-of-use assets		4,130	4,830
Other receivables	11	–	18,056
Financial asset at fair value through other comprehensive income		<u>5,519</u>	<u>–</u>
Total non-current assets		<u>9,761</u>	<u>23,156</u>
Current assets			
Cryptocurrencies		27,153	96,277
Crypto investments		126,311	31,233
Financial assets at fair value through profit or loss		30,485	5,557
Trade and other receivables	11	190,958	240,685
Tax recoverable		383	383
Time deposits with original maturity of over three months		1,500	1,500
Cash and bank balances		<u>61,856</u>	<u>62,282</u>
Total current assets		<u>438,646</u>	<u>437,917</u>
Current liabilities			
Other payables and accruals		167,973	173,526
Lease Liabilities		3,100	2,718
Tax payable		<u>772</u>	<u>772</u>
Total current liabilities		<u>171,845</u>	<u>177,016</u>
Net current assets		<u>266,801</u>	<u>260,901</u>
Total assets less current liabilities		<u>276,562</u>	<u>284,057</u>

		As at 31 March 2025 <i>HK\$'000</i> (Unaudited)	As at 30 September 2024 <i>HK\$'000</i> (Audited)
	<i>Notes</i>		
Non-current liabilities			
Lease Liabilities		<u>1,077</u>	<u>2,148</u>
Net assets		<u>275,485</u>	<u>281,909</u>
EQUITY			
Share capital	12	467	466
Reserves		<u>275,018</u>	<u>281,443</u>
Total equity		<u>275,485</u>	<u>281,909</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 March 2025

1. GENERAL INFORMATION

Sinohope Technology Holdings Limited (the “**Company**”) was incorporated in the British Virgin Islands (the “**BVI**”) as a limited liability company on 27 December 1990 and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange of Hong Kong**”) on 21 November 2016. The address of the Company’s registered office is Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands and its principal place of business is Unit 702–3, 100 Queen’s Road Central, Central, Hong Kong.

The Company is an investment holding company and its subsidiaries (collectively, referred to as the “**Group**”) are principally engaged in the provision of technology solution services, a variety of services in virtual asset ecosystem, such as asset management, trust and custodian business and cryptocurrency trading. These business segments are the basis upon which the Group reports its primary segment information.

On 16 August 2024, the Company entered into sale and purchase agreements to acquire (i) the entire equity interest in Avenir Asset Holding Limited (the “**BVI Company**”), at the consideration of USD30,462,086.38 (equivalent to approximately HK\$237,604,273.76) (the “**BVI Company Acquisition**”); and (ii) approximately 7.69% of the entire issued share capital of the BitTrade Inc. (“**BitTrade**”), at the consideration of USD2,769,435.22 (equivalent to approximately HK\$21,601,594.72) (the “**BitTrade Acquisition**”, together with the BVI Company Acquisition collectively, the “**Acquisition**”).

The BVI Company is a company incorporated in the BVI with limited liability and is principally engaged in investment holding and holds approximately 84.62% of the issued share capital of BitTrade. BitTrade is a company incorporated in Japan with limited liability in 2016 and is principally engaged in cryptocurrency trading business. BitTrade is a licensed virtual currency exchange service provider in Japan.

Immediately after completion, the BVI Company will become a wholly-owned subsidiary of the Company and BitTrade will become an indirect subsidiary of the Company, and the financial results of the BVI Company and its subsidiary will then be consolidated in the financial statements of the Group.

The consideration of the Acquisition would be settled by (i) the allotment and issue of the 108,992,785 ordinary shares of the Company at the issue price of HK\$2.18 per share to the vendors of the BVI Company; and (ii) the allotment and issue of a maximum number of 9,908,988 ordinary shares of the Company at the issue price of HK\$2.18 per share to the vendor of BitTrade.

For the details, please refer to the announcements dated 16 August 2024 and 31 December 2024, the circular dated 14 March 2025 and the poll results announcement dated 31 March 2025 of the Company.

The BVI Company Acquisition was completed on 15 April 2025 by issuing 108,992,785 ordinary shares of the Company to the vendors of the BVI Company and the BitTrade Acquisition is still under process as at the date of this announcement.

To the best of the knowledge, information and belief of the directors of the Company (the “**Directors**”), upon issuance of new ordinary shares of the Company to the vendors of the BVI Company on 15 April 2025, the beneficial interest of Mr. Li Lin (李林) (“**Mr. Li**”) in the issued share capital of the Company was increased from 19.50% to 29.59%.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

(a) Basis of preparation

The unaudited condensed consolidated financial statements (the “**Interim Financial Statements**”) have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) and Hong Kong Accounting Standard 34, “Interim Financial Reporting” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong (the “**Listing Rules**”).

The Interim Financial Statements have been prepared under the historical cost basis except for cryptocurrencies and financial assets at fair value through other comprehensive income (“**FVTOCI**”), financial assets at fair value through profit or loss (“**FVTPL**”), cryptocurrencies, crypto investments and amounts due to sub-funds investors.

The Interim Financial Statements have been prepared with the same accounting policies adopted in the consolidated financial statements for the year ended 30 September 2024 (the “**2024 Annual Financial Statements**”), which have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA, except for those that relate to new standards or interpretations effective for the first time for periods beginning on or after 1 October 2024. Details of the new standards/interpretations adopted for the first time in the current period and their effects on the Group’s accounting policies are set out in note 2(b).

The Interim Financial Statements are presented in Hong Kong Dollars (“**HK\$**”), which is also the functional currency of the Company. All values are rounded to the nearest thousand (“**HK\$’000**”), unless otherwise stated.

The Interim Financial Statements do not include all of the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the 2024 Annual Financial Statements.

The Interim Financial Statements are unaudited but have been reviewed by the Audit Committee.

(b) New and amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

The Group has applied the following new or amendments to HKFRS Accounting Standards issued by the HKICPA that are relevant to the Group’s operations and first effective for the current accounting period of the Group.

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification Non-current of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The adoption of these new or amendments to HKFRS Accounting Standards did not have significant impact on the Group’s financial performance and financial position. The Group has not early applied any new or amendments to HKFRS Accounting Standards that is not yet effective for the current accounting period.

(c) New and amendments to HKFRS Accounting Standards in issue but not yet effective

The following new and amendments to HKFRS Accounting Standards, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date become effective.

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability ²
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ³
Amendments to HKFRS Accounting Standards	Annual improvements to HKFRS Accounting Standards – Volume 11 ³
HKFRS 18	Presentation and Disclosures in Financial Statements ⁴
Amendments to HK Int 5	Hong Kong Interpretation 5 Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ⁴

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

Except as described below, the above new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements of the Group. The Group will adopt the new and amendments to HKFRS Accounting Standards to existing standards when they become effective.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and the related amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the consolidated statement of profit or loss and disclosures in the future consolidated financial statements.

3. SEGMENT INFORMATION

The Group has determined its operating segments and prepared segmental information based on regular internal financial information reported to the chief operating decision makers, i.e. the executive Directors of the Company, who are responsible for making strategic decisions. The executive Directors review the Group's internal reporting in order to assess performance and allocate resources and have determined the operating segments based on these reports.

During the six months ended 31 March 2025 and 2024, the Group principally operated in one business segment, which is virtual assets ecosystem. Other businesses were considered relatively insignificant for the six months ended 31 March 2025 and 2024.

Geographical information

The Group's operations are mainly located in the People's Republic of China (the "PRC") (including Hong Kong Special Administrative Region ("HKSAR")). The revenue information is based on the location of the customers or location of trading cryptocurrencies.

Revenue from major customers, each of them accounting for 10% or more of the Group's revenue for the year, is set out below:

	Six months ended 31 March	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Continuing operations:		
Customer A	1,306,070	N/A [#]
Customer B	987,135	N/A [#]
Customer C	373,093	N/A [#]
Customer D	N/A [#]	187,999
Customer E	N/A [#]	91,762

[#] Revenue does not over 10% during the corresponding period.

All of the Group's non-current assets are located in the PRC (including HKSAR).

4. REVENUE

Revenue mainly includes cryptocurrency trading, provision of technology solution services and provision of virtual asset ecosystem for the period.

The Group's disaggregated revenue from its major products and service lines are as follows:

	Six months ended 31 March	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Cryptocurrency trading	<u>3,437,756</u>	<u>620,989</u>
Revenue recognised at a point in time	<u>3,437,756</u>	<u>620,989</u>
Cryptocurrency mining services	–	12,583
Provision of asset management services	12,812	17,250
Provision of custodian services	585	356
Provision of lending management services	103	716
Provision of technology solution services	3,745	2,922
Provision of consultancy services	<u>678</u>	<u>792</u>
Revenue recognised over time	<u>17,923</u>	<u>34,619</u>
Total revenue	<u>3,455,679</u>	<u>655,608</u>

5. OTHER INCOME AND GAINS/(LOSSES)

	Six months ended 31 March	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss on disposal of subsidiaries	–	(1,216)
Gain on disposal of property, plant and equipment	701	–
Gain on derecognition of subsidiary	764	–
Income and fair value change on crypto investments, net	7,444	–
Fair value gain on financial asset at FVTPL, net	1,316	–
Impairment loss on property, plant and equipment	–	(481)
Loss on exchange difference, net	(4,326)	–
Sundry income	<u>144</u>	<u>780</u>
	<u>6,043</u>	<u>(917)</u>

6. FINANCE COSTS

	Six months ended 31 March	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Imputed interest on other loans from a related company	–	4,419
Interest expenses on lease liabilities	<u>122</u>	<u>260</u>
	<u><u>122</u></u>	<u><u>4,679</u></u>

7. (LOSS)/PROFIT BEFORE INCOME TAX

	Six months ended 31 March	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
(Loss)/profit before income tax is arrived at after charging:		
Cost of inventories recognised as expenses		
– cryptocurrency trading business	3,433,274	613,316
Depreciation of property, plant and equipment	157	279
Depreciation of right-of-use assets	1,380	–
Short term lease expenses	392	1,844
Employee benefit expenses (including Directors' remuneration)	<u>28,533</u>	<u>33,871</u>

8. INCOME TAX CREDIT

Income tax credit for the period comprises:

	Six months ended 31 March	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
		(re-presented)
Current income tax:		
Provision for the period		
HKSAR	–	239
Deferred tax	<u>–</u>	<u>(2,140)</u>
Income tax credit	<u><u>–</u></u>	<u><u>(1,901)</u></u>

Hong Kong profits tax is calculated at the rate of 16.5% (31 March 2024: 16.5%) on the estimated assessable profits for the period, except for the first HK\$2,000,000 of a qualified entity's assessable profit which is calculated at the rate of 8.25%, in accordance with the new two-tiered tax rate regime.

The PRC corporate income tax charge was determined in accordance with the relevant laws and regulations in Mainland China, and was assessed at a rate of 25% (31 March 2024: 25%).

Taxation arising in other jurisdictions is provided on the estimated taxable profits arising in those jurisdictions at the prevailing local rates.

9. DIVIDENDS

The Directors do not recommend the payment of an interim dividend for the six months ended 31 March 2025 and 2024.

10. (LOSS)/EARNINGS PER SHARE

Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to owners of the Company by the weighted average number of ordinary shares of 466,173,190 (31 March 2024: 465,960,665) in issue or issuable during the period.

	Six months ended 31 March	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
(Loss)/profit attributable to owners of the Company	<u>(12,300)</u>	<u>99,813</u>
	<i>Share</i>	<i>Share</i>
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	<u>466,173,190</u>	<u>465,960,665</u>

Diluted (loss)/earnings per share

The computation of diluted (loss)/earnings per share for the periods ended 31 March 2025 and 2024 do not assume the exercise of certain share options since their assumed exercise for both periods would have an anti-dilutive effect.

11. TRADE AND OTHER RECEIVABLES

		As at 31 March 2025 HK\$'000 (Unaudited)	As at 30 September 2024 HK\$'000 (Audited)
	<i>Notes</i>		
Non-current portion			
Deposits for acquisition of investments		<u>–</u>	<u>18,056</u>
Current portion			
Other assets		141,748	141,748
Less: provisions for impairment		<u>–</u>	<u>–</u>
Other assets, net	(b)	141,748	141,748
Deposits for acquisition of investments		–	16,250
Amount due from a former subsidiary	(a)	40,735	81,513
Less: provision for expected credit loss		<u>–</u>	<u>(10,250)</u>
		40,735	71,263
Trade receivables	(c)	1,705	4,384
Rental and other deposit and prepayments		5,300	5,510
Other receivables		<u>1,470</u>	<u>1,530</u>
		<u>190,958</u>	<u>240,685</u>
		<u>190,958</u>	<u>258,741</u>

- (a) As at 31 March 2025, amount due from a former subsidiary of HK\$40,735,000 (30 September 2024: HK\$81,513,000) was unsecured, interest-free and repayable on demand. Subsequent to the end of the reporting period, the amount has been fully settled in cryptocurrency of USDT.

During the six months ended 31 March 2025, a reversal of loss allowances amounting to HK\$10,250,000 have been recognised in profit or loss (six months ended 31 March 2024: nil).

- (b) On 11 November 2022, FTX group entities (“**Debtors**”), including cryptocurrency exchange FTX (“**FTX**”), has filed for bankruptcy protection in the United States. For details, please refer to the Company’s announcement dated 14 November 2022.

The Group had fiat currencies and cryptocurrencies deposited in FTX with original amounts of HK\$107,169,000 and HK\$34,579,000, respectively (“**FTX Deposits**”). On 29 March 2023, the Group thereafter completed the submission of a claim of FTX Deposits amounting to approximately US\$18,089,000 (equivalent to approximately HK\$141,748,000) (“**Claim Amount**”) against FTX to the liquidators of FTX (“**FTX Claim**”) which had been agreed and accepted by the liquidators.

On 24 May 2024, Hbit Limited (“**Seller**”), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement for the Claim Amount with an independent third party (“**Buyer**”) to dispose of the Claim Amount at a consideration of approximately US\$19,500,000 (equivalent to approximately HK\$152,125,000) (“**Consideration**”). For details, please refer to the Company’s announcement dated 24 May 2024.

The sale and purchase agreement contained a disallowance clause that:

If (i) all or any part of the FTX Claim is objected to, avoided, disallowed, subordinated, reduced, set-off, subject to any preference action or otherwise impaired, (ii) the FTX Claim is subsequently scheduled by the Debtors or is amended such that all or any portion of the FTX Claim is listed on the Debtors’ amended schedule of liabilities as unliquidated, contingent or disputed or is listed (or is otherwise allowed) in a lesser amount than the Claim Amount, or (iii) the US Bankruptcy Court does not substitute the Buyer for the Seller as the sole legal and beneficial owner of the FTX Claim (each of the foregoing, a “**Disallowance**”), then the Seller shall, no later than 5 Business Days after receiving a written notice from the Buyer of such Disallowance, make an immediate restitution payment of all or part of the Consideration proportional to disallowed portion of the FTX Claim, and the Buyer shall immediately have no further rights or interest with respect to the disallowed portion of the FTX Claim.

In view of the Claim Amount is still subject to numerous uncertainties and risks beyond the Group’s control, and the Group has an obligation to repay the Buyer any shortfall in the Claim Amount as per Clause 8 of the sales and purchase agreement, the significant risks related to the FTX Claim have not been transferred to the Buyer by the Group. Therefore, the Group has continued to recognise the full carrying amount of the FTX Claim as other asset and has recognised the cash received from the Buyer as a receipt in advance for disposal of other asset. These assets were carried at amortised cost in the Group’s consolidated statement of financial position.

Based on the latest net book value of FTX that is available to the directors of the Company as of 31 March 2025 and with reference to the transaction price of the FTX Claim, no impairment loss has been recognised as of 31 March 2025 (six months ended 31 March 2024: a reversal of impairment loss of HK\$78,810,000 has been recognised in profit or loss).

- (c) As at 31 March 2025, included in trade receivables was amounts due from related companies amounting to HK\$1,007,000 (30 September 2024: HK\$2,759,000) in which Mr. Li Lin, a director of the Company, has beneficial interests. The amount is unsecured, interest-free and trade in nature.

As at the reporting date, the aging analysis of trade receivables, based on invoice date, is as follows:

	As at 31 March 2025 <i>HK\$'000</i> (Unaudited)	As at 30 September 2024 <i>HK\$'000</i> (Audited)
0–60 days	1,132	2,182
61–90 days	16	381
91–120 days	12	67
More than 120 days	<u>545</u>	<u>1,754</u>
	<u>1,705</u>	<u>4,384</u>

The Group allows credit periods ranging from 14 to 30 days (30 September 2024: 14 to 30 days) to its trade customers depending on their credit status and geographical location during the period. The directors of the Company consider that the carrying amounts of trade and other receivables approximate to their fair values.

12. SHARE CAPITAL

	Number of ordinary shares of HK\$0.001 each <i>Share</i>	Amount <i>HK\$'000</i>
Authorised:		
At 1 October 2023, 30 September 2024, 1 October 2024	500,000,000	500
Increase in authorised shares (<i>note (iii)</i>)	<u>200,000,000</u>	<u>200</u>
At 31 March 2025 (Unaudited)	<u>700,000,000</u>	<u>700</u>
Issued and fully paid:		
At 1 October 2023 (Audited)	308,960,665	309
Issue of shares (<i>note (i)</i>)	<u>157,000,000</u>	<u>157</u>
At 30 September 2024 and 1 October 2024	465,960,665	466
Issue of shares upon exercise of share options (<i>note (ii)</i>)	<u>600,000</u>	<u>1</u>
At 31 March 2025 (Unaudited)	<u>466,560,665</u>	<u>467</u>

Notes:

- (i) An extraordinary general meeting was held on 28 July 2023 in which the resolution to approve the proposed subscription of 157,000,000 new ordinary shares of par value of HK\$0.001 each (the “**Subscription Shares**”), at the subscription price of HK\$2.08 per Subscription Share (the “**Subscription**”) was passed by the shareholders of the Company.

The proceeds of the Subscription were fully received by the Company on 25 September 2023 and the proceeds, net of related expenses, of HK\$324,605,000 were credited to capital reserve.

The Subscription was completed on 10 October 2023 and 157,000,000 ordinary shares have been issued on 10 October 2023. Approximately HK\$157,000 representing the par value of 157,000,000 new ordinary shares were credited to share capital from capital reserve. In addition, HK\$324,448,000 representing the difference between the subscription price and the par value was credited to share premium from capital reserve.

Please refer to the announcements and circular of the Company dated 26 April 2023, 30 June 2023, 6 July 2023, 28 July 2023 and 10 October 2023 for details of the Subscription.

- (ii) During the six months ended 31 March 2025, the subscription rights attaching to 126,500, 373,500 and 100,000 share options were exercised at a subscription price of HK\$1.89, HK\$1.89 and HK\$1.89 per share respectively, resulting in the issue of 600,000 new shares at par value of HK\$0.001 each for a total cash consideration of approximately HK\$1,134,000. Approximately HK\$1,133,000 representing the difference between the subscription price and the par value was credited to share premium. In addition, HK\$629,000 representing that portion of the share option reserve in relation to the exercise of the share option during the six months ended 31 March 2025 was transferred from the share option reserve to share premium account.
- (iii) An extraordinary general meeting was held on 31 March 2025 in which the resolution to approve the Company’s maximum authorised share capital was increased from 500,000,000 ordinary shares at par value of HK\$0.001 each to 700,000,000 ordinary shares at par value of HK\$0.001 each was passed by the shareholders of the Company.
- (iv) All the shares issued during the reporting period ranked *pari passu* in all respects with the then existing shares in issue.

13. EVENTS AFTER THE REPORTING PERIOD

Saved as disclosed above and elsewhere in this announcement, there were no other significant events took place subsequent to 31 March 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

MATERIAL EVENTS

Very Substantial Acquisition and Connected Transactions

On 16 August 2024, the Company as BVI Purchaser and FCCR, Lightning Pay, Sky Fort, Tekne, Vision Leader, Hong Jia, Zhen Partners, HSG, Avenir Investment, Mr. Song, Mr. Hu and Mr. Du collectively as BVI Vendors entered into the BVI Agreement, pursuant to which the BVI Vendors have conditionally agreed to sell, and the Company has conditionally agreed to acquire the BVI Sale Shares, representing the entire issued share capital of the BVI Company, at the consideration of US\$30,462,086.38 (equivalent to approximately HK\$237,604,273.76), which shall be satisfied by the allotment and issue of the Consideration Shares A at the Issue Price to the BVI Vendors (or their nominees) at completion.

On 16 August 2024, the Company as BitTrade Purchaser and Goldenway as BitTrade Vendor entered into the BitTrade Agreement, pursuant to which Goldenway has conditionally agreed to sell, and the Company has conditionally agreed to acquire the BitTrade Sale Shares, representing approximately 7.69% of the entire issued share capital of BitTrade, at the consideration of US\$2,769,435.22 (equivalent to approximately HK\$21,601,594.72), which shall be satisfied by the allotment and issue of the Consideration Shares B at the Issue Price to Goldenway (or its nominees) at completion.

Immediately after completion, the BVI Company became a wholly-owned subsidiary of the Company and BitTrade became an indirect subsidiary of the Company, and the financial results of the BVI Company and the BitTrade will be consolidated to the financial statements of the Group.

The extraordinary general meeting of the Company held on 31 March 2025 passed the related resolutions. On 15 April 2025, the BVI Agreement was completed.

For details, please refer to the Company's announcements dated 16 August 2024, 6 September 2024, 24 September 2024, 22 October 2024, 22 November 2024, 23 December 2024, 31 December 2024, 23 January 2025, 7 March 2025, 31 March 2025, the circular dated 14 March 2025, the poll results announcement dated 31 March 2025, and the Next Day Disclosure Returns dated 15 April 2025. The terms defined above have the same meanings as those defined therein.

Refreshment of Scheme Mandate Limit Under Share Option Scheme

On 16 August 2024, the Board proposed to refresh the Scheme Mandate Limit to 10% of the Shares in issue as at the date of approval by the Shareholders at the extraordinary general meeting of the Company on 31 March 2025. Upon the passing of the resolution at the extraordinary general meeting of the Company on 31 March 2025 for the approval of

refreshment of share options limit (the “**Refreshment**”), the total number of Shares available for issue under the Scheme and any other share option schemes shall not exceed 46,656,066.

For details, please refer to the Company’s announcements dated 16 August 2024, 6 September 2024, 24 September 2024, 22 October 2024, 22 November 2024, 23 December 2024, 31 December 2024, 23 January 2025, 7 March 2025, 31 March 2025, the circular dated 14 March 2025 and the announcement of poll results and adoption of the amended and restated memorandum and articles of association dated 31 March 2025. The terms above shall have the same meanings as those defined therein, unless otherwise specified.

Increase in Authorised Share Capital

On 16 August 2024, the Board proposed to increase the authorised share capital of the Company from HK\$500,000 divided into 500,000,000 Shares to HK\$700,000 divided into 700,000,000 Shares by the creation of an additional 200,000,000 new Shares. Such new Shares, upon issued and fully paid, shall rank *pari passu* in all respects with the Shares.

The extraordinary general meeting of the Company held on 31 March 2025 passed the related resolution.

For details, please refer to the Company’s announcements dated 16 August 2024, 6 September 2024, 24 September 2024, 22 October 2024, 22 November 2024, 23 December 2024, 31 December 2024, 23 January 2025, 7 March 2025, 31 March 2025, the circular dated 14 March 2025 and the announcement of poll results and adoption of the amended and restated memorandum and articles of association dated 31 March 2025. The terms above shall have the same meanings as those defined therein, unless otherwise specified.

Amendments to Memorandum and Articles of Association

On 16 August 2024, in view of the proposed increase in the authorised share capital of the Company, the Board proposed to make certain amendments to the existing Memorandum and Articles of Association. The proposed amendments to the Memorandum and Articles of Association has been approved by the Shareholders at the extraordinary general meeting on 31 March 2025.

For details, please refer to the Company’s announcements dated 16 August 2024, 6 September 2024, 24 September 2024, 22 October 2024, 22 November 2024, 23 December 2024, 31 December 2024, 23 January 2025, 7 March 2025, 31 March 2025, the circular dated 14 March 2025, the announcement of poll results and adoption of the amended and restated memorandum and articles of association and the constitutional documents dated 31 March 2025.

Disclosable Transaction Involving Quantitative Arbitrage Service Agreement

On 3 October 2024, HotGroup, an indirect wholly-owned subsidiary of the Company, entered into the Agreement with Top Value Limited (“**Top Value**”) pursuant to which HotGroup agreed to deposit a total of 8 million USDT (equivalent to US\$8 million and approximately HK\$62.4 million) into the Account, for Top Value to manage on behalf of HotGroup on a discretionary basis for spots and futures arbitrage trading.

For details, please refer to the Company’s announcements dated 3 October 2024 and 22 October 2024. The terms above shall have the same meanings as those defined therein, unless otherwise specified.

Continuing Connected Transaction in Relation to the Asset Management Service Framework Agreement II 2023/24

On 11 July 2024, the Asset Management Services Framework Agreement II was entered into between Sinohope Asset Management, an indirect wholly-owned subsidiary of the Company and Mr. Du, pursuant to which Sinohope Asset Management will provide asset management services to the Existing Funds II and the Other Funds, in which Mr. Du and/or his associates have subscribed or will from time to time subscribe for participating shares, limited partnership interests or other interests, for a term of three years commencing retrospectively from 1 October 2023 to 30 September 2026 (both days inclusive).

In the course of finalising the annual results of the Group for the year ended 30 September 2024, the Company discovered that the 2023/24 Transaction Amount, being the asset management service fees paid to the Group under the Asset Management Services Framework Agreement II for the year ended 30 September 2024, amounted to HK\$7,321,753.58, which exceeded the 2023/24 Annual Cap. On 13 December 2024, the Board resolved to revise the Existing Annual Caps.

For details, please refer to the Company’s announcements dated 11 July 2024 and 13 December 2024. The terms above shall have the same meanings as those defined therein, unless otherwise specified.

Litigation Updates

The Company has received a sealed consent order dated 13 February 2025 from the High Court of England and Wales that all the Claimant’s claims in relation to the UK Action against the Company have been dismissed.

Moreover, the Company has received a notice of voluntary dismissal dated 26 February 2025 from the United States Bankruptcy Court for the District of Delaware that all claims in the adversary proceeding against Hbit have been dismissed.

For details, please refer to the Company's announcements dated 20 September 2024 and 28 February 2025. The terms defined above have the same meanings as those defined therein.

PERFORMANCE REVIEW

The Group recorded a total revenue of approximately HK\$3,455.7 million for the six months ended 31 March 2025 (“**Period 2025**”), representing an increase of approximately 427.1% or HK\$2,800.1 million from approximately HK\$655.6 million for the six months ended 31 March 2024 (“**Period 2024**”).

The gross profit of the Group was approximately HK\$11.0 million for Period 2025 as compared to the gross profit of approximately HK\$32.1 million for Period 2024.

The Group recorded a net loss of approximately HK\$12.3 million for Period 2025 compared to a net profit of approximately HK\$101.2 million for Period 2024.

Basic and diluted loss per share of the Group for Period 2025 was HK 2.64 cents (Period 2024: basic and diluted earnings per share of HK21.42 cents).

BUSINESS REVIEW

Provision of technology solution services

The Group, through Sinohope APAC Limited and Sinohope Digital Limited, both wholly-owned subsidiaries of the Company, provides specific technology solution services including blockchain solutions, peripheral accessories such as browser, faucet and official website, fundamental Dapps and Software-as-a-Service to global customers in blockchain, virtual assets, fintech, big data as well as other innovative technology sectors.

The revenue from the technology solution business was approximately HK\$3.7 million for the Period 2025 compared to approximately HK\$2.9 million for Period 2024 benefiting from effective marketing and brand building.

Virtual asset ecosystem

(i) *Asset management*

The Group has carried on asset management businesses through Sinohope Asset Management (Hong Kong) Limited, (“**SINOHOPE Asset Management**”). SINOHOPE Asset Management was incorporated in Hong Kong with limited liability for carrying on businesses in Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance Chapter 571 of the laws of Hong Kong (the “**SFO**”).

SINOHOPE Asset Management's vision is to bridge the gap between traditional and virtual asset investments and offer integrated investment solutions to professional investors. The products integrate traditional financial assets and virtual assets and cover the primary and secondary markets.

SINOHOPE Asset Management is managing twelve funds containing virtual assets as at the date of this announcement. The funds include seven virtual assets funds named BitMind Trend Fund SP, Evolving Investment Crypto Multi-Strategy Fund SP, SINOHOPE Multi Strategy Crypto Fund SP, Progressive Asset Management SP, Alpha Blockchain SP1 (as sub-investment manager), Metastone Crypto Multi-Strategy Fund SP and Whizard Future Fund SP, two private equity funds for blockchain mining related businesses, one private equity fund for blockchain/web3 businesses and two FOF funds for virtual assets investment. SINOHOPE Asset Management shall only provide services to professional investors, as defined in the SFO and its subsidiary legislation.

The revenue generated from the provision of asset management services was approximately HK\$12.8 million for Period 2025, representing a decrease of approximately HK\$4.5 million or 25.7% as compared to approximately HK\$17.3 million for Period 2024. The decrease was primarily attributable to the decrease of fund performance fee income compared to Period 2024.

The total assets under management was approximately US\$88.7 million as at 31 March 2025 and US\$96.4 million as at the date of this announcement.

(ii) *Trust and custodian business*

The custodian business includes two types of business, centralised custodian and MPC self-custody business, which was being carried out through Sinohope Trust Company Limited and Sinohope Digital Limited separately during Period 2025.

Sinohope Trust HK, a company incorporated in Hong Kong and an indirectly wholly-owned subsidiary of the Company, obtained a certificate issued by the Registrar of Companies under section 78(1) the Trustee Ordinance (Cap.29 of the laws of Hong Kong) for registration as a trust company. The centralised custodian provided services including safekeeping, settlement and other customised services of its clients' assets.

Sinohope Digital Limited, a company incorporated in Seychelles and an indirectly wholly-owned subsidiary of the Company, has registered as Money Service Business (MSB) pursuant to the Bank Secrecy Act (BSA) regulations at 31 CFR 1022.380(a)-(f), administered by the Financial Crimes Enforcement Network (FinCEN). The MPC self-custody business launched WaaS (Wallet-as-a-Service), which is a comprehensive set of

MPC digital asset custody wallet infrastructure for Web3 developers. Institutions can construct and compile MPC enterprise-level wallets in a more secure and swift manner to serve the tens of millions of users and help the business develop rapidly.

The types of assets custodied under the business include virtual asset, fiat currency, financial instrument and/or any type of other assets.

The revenue generated from the provision of custodian services was approximately HK\$0.6 million for Period 2025, representing an increase of approximately HK\$0.2 million or 64.3% as compared to approximately HK\$0.4 million for Period 2024 arising from the increase of custodian size driven by the increase of virtual asset price.

(iii) *Virtual asset lending and cryptocurrency trading business*

During Period 2025, the Group has provided (i) virtual asset lending management business to clients; (ii) over-the-counter (the “OTC”) virtual asset trading business to trade virtual assets with corporate and individual customers; and (iii) trade virtual assets in cryptocurrency exchanges. The lending management services income generated from the virtual asset lending was approximately HK\$0.1 million.

The OTC trading business generates income through the trading spreads from clients who buy and/or sell virtual assets using the Group’s services. Its current clients include high-net-worth individuals, institutional investors and firms to execute large trades with more privacy, reduced slippage, and potentially better pricing.

During Period 2025, the Group also generates income from commission earned by matching clients with suppliers.

During Period 2025, the revenue from cryptocurrency trading business was approximately HK\$3,437.8 million and the cost of sales of OTC trading business was approximately HK\$3,433.3 million. The Group recognised a gross profit of approximately HK\$4.5 million during Period 2025 compared to a gross profit of approximately HK\$7.7 million for Period 2024 from the cryptocurrency trading business. The decrease in the gross profit of the cryptocurrency trading business was attributable to the increase in transaction fees by major suppliers. The Group is actively working to expand its supplier base to ensure the stability and improvement of gross profit.

(iv) *Consultancy services income*

During Period 2025, the Group has provided consultancy services in relation to Blockchain and Web3 business to its customers. The consultancy services cover different types of consultancy projects based on the terms stated in the corresponding contracts.

The revenue generated from the consultancy services income was approximately HK\$0.7 million for Period 2025, representing a slight decrease of approximately HK\$0.1 million as compared to approximately HK\$0.8 million for Period 2024.

NON-OPERATING EXPENSES OVERVIEW

Other income and gains/(losses)

Other income and gains/(losses), which includes gain or loss on disposal of subsidiaries, disposal of property, plant and equipment, and derecognition of subsidiary, net income and fair value change on crypto investments, fair value change on financial assets through profit or loss, impairment loss on property, plant and equipment, exchange difference and sundry income, has increased by approximately HK\$7.0 million to net other income and gains of approximately HK\$6.0 million for Period 2025 from net other losses of approximately HK\$0.9 million for Period 2024. The other income and gains for Period 2025 was mainly attributable to the income and fair value gains on crypto investments benefiting from the rise of crypto prices.

Administrative expenses

Administrative expenses have decreased significantly by approximately HK\$14.8 million or approximately 27.4% to approximately HK\$39.3 million for Period 2025 from approximately HK\$54.1 million for Period 2024 because of the implementation of cost management measures. The administrative expenses mainly consist of employee benefit expenses (including Director's remuneration) of approximately HK\$28.5 million for Period 2025 compared to approximately HK\$33.9 million for Period 2024.

Finance costs

Finance costs have decreased by approximately HK\$4.6 million or approximately 97.4% to approximately HK\$0.1 million for Period 2025 from approximately HK\$4.7 million for Period 2024, in line with the decrease of other loans from a related company.

(Loss)/profit before income tax

The Group's loss before income tax for Period 2025 was approximately HK\$12.3 million as compared to a net profit before income tax of approximately HK\$99.3 million for Period 2024. The loss was mainly attributable to the net effect of a decrease in revenue from other business of approximately HK\$16.7 million as compared with that of the Period 2024 mainly due to the suspension of cryptocurrency mining services. The shift from a net profit in the Period 2024 to a net loss in the Period 2025 was also attributable to the decrease in fair value gains on cryptocurrencies of approximately HK\$43 million, and the absence of a one-off reversal of the provision of impairment of the FTX Deposit of approximately HK\$78.8 million.

Income tax credit

The Group did not record any income tax expense or income tax credit for Period 2025 compared to an income tax credit of approximately HK\$1.9 million for Period 2024.

(Loss)/profit after income tax

The Group's loss after income tax for Period 2025 was approximately HK\$12.3 million as compared to a profit after income tax of approximately HK\$101.2 million for Period 2024.

Dividend

The Directors do not recommend the payment of an interim dividend for Period 2025 (Period 2024: Nil).

FINANCIAL REVIEW

Cash Flow from Operating Activities

Net cash used in operating activities was approximately HK\$46.2 million for Period 2025 (Period 2024: approximately HK\$52.3 million). The decrease in cash outflow was due to the decrease of cash used in administrative expenses and acquisition of cryptocurrencies for operating usage.

Cash Flow from Investing Activities

Net cash generated from investing activities was approximately HK\$41.8 million for Period 2025 compared to net cash generated from investing activities of approximately HK\$0.7 million for Period 2024.

The cash inflows for Period 2025 mainly resulted from the receipt of repayment from amount due from a former subsidiary.

Cash Flow from Financing Activities

Net cash used in financing activities was approximately HK\$0.4 million for Period 2025 compared to approximately HK\$223.0 million cash used in financing activities for Period 2024. The outflow for Period 2025 was mainly repayment of lease liabilities.

Capital Expenditure

There is no capital expenditure in Period 2025 (Period 2024: HK\$24,000) financed by internal resources and credit facilities.

Treasury Management

During Period 2025, there has been no material change in the Group's funding and treasury policies. The Group has a sufficient level of cash for the conduct of its trade in the normal course of business.

We closely review our trade receivable balances and any overdue balances on an ongoing basis and only trade with creditworthy parties. To manage liquidity risk, we closely monitor the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

For exchange risk management, the Group's foreign currency risk is mainly concentrated on the fluctuation of the US dollars against Renminbi and Singapore dollars. During Period 2025, the Group did not enter into any financial instrument for hedging purpose. The Group seeks to manage its foreign currency exposures by constructing natural hedges as well as entering into certain forward foreign exchange contracts to minimise any currency risks, when necessary.

Capital Structure

The Company has no outstanding borrowings as at 31 March 2025 (30 September 2024: HK\$Nil). As at 31 March 2025, the Group's gearing ratio was 0% (30 September 2024: 0%). Gearing ratio equals total borrowings divided by net asset value as at the end of the reporting period.

Charge on Group Assets

As at 31 March 2025, there is no banking facilities of the Company's wholly-owned subsidiaries which were based in Mainland China and HKSAR (30 September 2024: HK\$Nil).

As at 31 March 2025, there is no other asset pledged (30 September 2024: HK\$Nil).

Significant Investments, Material Acquisitions and Disposals, and Future Plans for Significant Investment or Acquisition of Capital Assets

During Period 2025, save as disclosed in the section "MANAGEMENT DISCUSSION AND ANALYSIS" of this announcement, there were no other material acquisitions or disposals of subsidiaries, associates and joint ventures or significant investments, and the Company does not have any specific plans for material investments or acquisitions of capital assets in the coming year.

Contingent Liabilities

As at 31 March 2025, the Group did not have any material contingent liabilities (30 September 2024: except for certain matters related to litigations disclosed in Note 44 to the consolidated financial statements in the annual report for year 2024, the Group did not have any material contingent liabilities).

Major Customers and Major Suppliers

Sales to the largest customer and the five major customers respectively accounted for 37.9% and 90.2% of total revenue of the Group for Period 2025. Purchases from the largest supplier and the five largest suppliers respectively accounted for 35.8% and 85.5% of the total purchases of the Group for Period 2025. As at the date of this announcement, as far as the Directors were aware of, none of the Directors, their associates, or any shareholder of the Company had any interest in the aforementioned customers or suppliers of the Company.

Changes in Principal Subsidiaries and Major Non-controlling Interests

During Period 2025, save as disclosed in the section “MANAGEMENT DISCUSSION AND ANALYSIS” of this announcement, there has been no material change in the Company’s principal subsidiaries and the Group’s major non-controlling interests.

Capital Commitments

As at 31 March 2025, the Group has no capital commitments in respect of acquisition of property, plant and equipment (30 September 2024: HK\$Nil).

Liquidity, Financial Resources and Funding

The Group finances its operations primarily through cash generated from operations, bank and other borrowings. The Group’s net liquidity position as at 31 March 2025, together with the position as at 30 September 2024 is summarised below:

	As at 31 March 2025 HK\$'000	As at 30 September 2024 HK\$'000
Cash and cash equivalents	61,856	62,282
Less: Other borrowings	<u>—</u>	<u>—</u>
Net cash	<u>61,856</u>	<u>62,282</u>

Cash and cash equivalents were denominated in Hong Kong Dollars, US Dollars, Renminbi and Singapore Dollars.

As at 31 March 2025 and 30 September 2024, the Group did not have any borrowings.

RISK REVIEW

Foreign Currency Risk

The Group's principal operating subsidiaries carry out their operations in the PRC (including HKSAR) and Singapore. Entities in the Group regularly transact in currencies other than their respective functional currencies with regard to the selling and purchase of products. As a consequence of the various trading activities, certain bank balances and trade receivables of the Group are denominated in foreign currencies. Exposure to movements in exchange rates for such trading transactions may affect the Group's financial position. While the Group has no formal hedging policy, it does seek to manage its foreign currency exposures by constructing natural hedges as well as entering into certain forward foreign exchange contracts to minimise any currency exposure risks.

Risk Related to Digital Assets and Related Digital Asset Business

The fast-developing nature of digital asset markets including evolving regulations, custody and trading mechanisms, the dependency on information technology integrity and security, as well as valuation and volume volatility all subject the digital assets and business of the Group to unique risks. Changes in regulations and laws in particular may impact the Group's operation and increase the need for monitoring compliance. The Directors consider that such risks and uncertainties are largely related to information technology, safekeeping of digital assets, fluctuation of asset prices, compliance, and the ever-evolving nature of the markets. As the industry is in a growth stage, the Group has been implementing an operational infrastructure to support business development and growth. These initiatives include expanding IT infrastructure and hiring additional management personnel with an emphasis on experience in legal, regulatory, compliance, financial reporting, operations and technology development.

Risks Related to Safekeeping of Digital Assets

The Group maintains digital assets in both "hot" (connected to the Internet) and "cold" (not connected to the Internet) wallets. "Hot" wallets are more susceptible to cyber-attacks or potential theft as they are connected to the public Internet. Given the Group's business activities and involvement in digital assets, the risks related to safekeeping may adversely affect the Group's operation and business plan. To mitigate such risks, the Group has implemented a series of internal controls, including but not limited to the implementation of two-factor authentication, segregation of duties, and day-to-day wallet management.

Price Risk of Digital Assets

The Group holds cryptocurrencies for daily operation and businesses. The volatility and unpredictability of the price of cryptocurrencies relative to fiat currencies could cause impact to the Group's performance. The Group provides trust and custody services to its clients. Such assets constitute trust assets and are not accounted for as assets of the Group and do not give rise to liabilities to the relevant customers. Accordingly, the Group has no price volatility exposure from these holdings.

Risks Related to Anti-money Laundering

During Period 2025, the Group provides trust and custody services to its clients and is required to comply with the relevant requirements of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong) and the guidelines issued by the Companies Registry of Hong Kong. The risks of failure to comply with such anti-money laundering requirements and consequences of breach may undermine the Group's performance. To mitigate such risks, the Group has implemented policies and procedures for Anti-Money-Laundering (AML) and Know-Your-Client (KYC) that are initiated during the client onboarding process and are applied by way of continuous monitoring and reporting. In enhancing these policies and procedures, we have also considered industry best-practice and the recommendations of the Financial Action Task Force (FATF).

EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2025, the Group had 75 employees (30 September 2024: 86 employees) working in Mainland China, HKSAR and Singapore.

The total employment costs (including Directors' remuneration and mandatory provident fund contributions) for the six months ended 31 March 2025 amounted to approximately HK\$28.5 million (for the six months ended 31 March 2024: HK\$33.9 million). The remuneration policy and package of the Group's employees are structured in accordance to market terms, individual employee performance, qualifications and experience and statutory requirements where appropriate. The Group also provides other staff benefits such as share option scheme and medical insurance scheme. In addition, the Group continues to provide training (including professional skills training) and development plans.

EVENTS AFTER THE REPORTING PERIOD

On 22 April 2025, an aggregate of 8,020,000 share options to subscribe for 8,020,000 Shares of HK\$0.001 each in the Company was granted to certain eligible participants at the exercise price of HK\$1.60 per share of the Company.

For detail, please refer to the Company's announcement dated 22 April 2025.

OUTLOOK

While continuing to adhere to the service principles of security, compliance, professionalism and diversity, the Group will focus on the core businesses including a variety of services in virtual asset ecosystem, such as asset management, trust and custodian business, cryptocurrency trading, and Web 3 and public chain technology solutions, and develop the quantitative arbitrage business. This provides customers with more professional one-stop virtual asset services experience, establishing a leading profile of the Company in the financial technical services industry of Web3 in Asia-Pacific region and across the globe.

The Group will focus on comprehensively upgrading our one-stop virtual asset service ecosystem and continue to integrate custody, asset management and quantitative product services by taking the compliance exchange business as a new starting point to create a seamless one-stop product matrix. By optimising the user experience throughout the entire process, customers can realise closed-loop management from fiat currency deposit and withdrawal, virtual asset trading, asset custody to diversified investment through a single point. Meanwhile, the Group will deepen its cooperation with financial institutions and public chain ecosystems in the Asia-Pacific region to expand the custody service scenario, thereby enabling institutions and individual users to participate in the global virtual asset market more flexibly.

In the aspect of exchange business, up to now, Sinohope Tech has completed the acquisition of more than 50% of the shares in BitTrade, a Japanese compliant exchange, and thus has become the controlling shareholder with the highest shareholding in BitTrade. After the completion of the acquisition, Sinohope Tech will indirectly hold 92.31% of the shares in BitTrade, and at that time, Sinohope Tech will create a new exchange market to expand global users, forming a full ecological business matrix with exchange business as the core and multi-terminal coordinated development of asset management, custody and quantitative businesses.

The custody business will continue to focus on the brand positioning of “one-stop custody platform”, while concentrating on the two directions of “complementing product capabilities and integrating compliance services” and upgrading from “brand and security” to “business scenarios and value-added services”. In the aspect of product capabilities, we are catching up with first-tier custody service providers to make up for the shortcomings of its products. We have introduced functions such as automatic pooling, energy leasing and trading strategies which equipped it with the ability to serve exchanges, payment service providers and other customer types. In the aspect of value-added services, the Group has bridged the gap between custody, OTC and quantitative businesses, realising effective synergies between business lines and providing customers with the ability of trading and appreciation of their assets.

In the aspect of asset management business, the Group will further expand the business in the Hong Kong market with its first-mover advantage. Furthermore, the Group will continue to optimize the virtual asset fund product mix of SINOHOPE Asset Management to provide a more diversified virtual asset investment fund portfolio for customers. In a market with increasingly rich investment targets and diverse demands, SINOHOPE Asset Management hopes to provide a wide range of product choices for professional investor (PI) clients, such as family offices, high net worth individuals and professional institutions.

This year, we will place great emphasis on expanding our quantitative trading business. We will continue to develop and refine our trading systems and quantitative strategies, aiming to provide clients with quantitative services that offer stable returns and neutral risk exposure. Sinohope Quant's neutral arbitrage strategy primarily employs fee arbitrage as its main trading approach, complemented by basis arbitrage. Meanwhile, it introduces exchange node staking and mining. This composite strategy stacking method effectively mitigates the issue of unstable returns caused by market fluctuations associated with a single strategy; it enables adaptive position allocation based on market conditions, ensuring that capital provides liquidity to the market in a more efficient manner.

To better match products with clients' risk preferences, Sinohope Quant will also launch strategies such as Delta-neutral strategies, Accumulator option strategies, CTA strategies, high-frequency trading strategies and market-making strategies. This comprehensive coverage of quantitative trading strategy types ensures that clients can receive one-stop services from Sinohope Tech for asset appreciation and quantitative trading needs.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during Period 2025.

CORPORATE GOVERNANCE CODE

The Board and the management of the Company are committed to establishing and maintaining good corporate governance standards, a robust internal control mechanism and effective risk management. They are convinced that sound corporate governance is the cornerstone for the Company's long-term success and can establish a framework for effective management, superior corporate culture, successful business development and shareholder value. At the same time, the Board also actively improves transparency and accountability to all shareholders.

For the six months ended 31 March 2025, the Company has applied the principles of and complied with all the applicable code provisions set out from time to time in the Corporate Governance Code (the “**CG Code**”) under Appendix C1 to the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules. Following specific enquiries by the Company, all Directors have confirmed that they fully complied with the requirements under the Model Code for the six months ended 31 March 2025.

AUDIT COMMITTEE

The audit committee of the Company, comprising Mr. Yip Wai Ming (Chairman), Mr. Yu Chun Kit and Dr. LAM, Lee G., *BBS, JP*, has reviewed, together with the participation of the management, the accounting principles and practices adopted by the Group and discussed the auditing and financial reporting matters including the review of the unaudited interim condensed consolidated financial statements of the Group for the six months ended 31 March 2025.

PUBLICATION OF UNAUDITED INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<https://www.sinohope.com>). The interim report of the Company for the six months ended 31 March 2025 containing all information required by the Listing Rules will be despatched to the Company’s shareholders and available on the above websites in due course.

By order of the Board
SINOHOPE TECHNOLOGY HOLDINGS LIMITED
Du Jun
Executive Director

Hong Kong, 26 May 2025

As at the date of this announcement, the Board comprises (1) Mr. Li Lin (Chairman) as a non-executive Director; (2) Mr. Du Jun (Chief Executive Officer) and Ms. Zhang Li as executive Directors; and (3) Mr. Yu Chun Kit, Mr. Yip Wai Ming and Dr. LAM, Lee G., BBS, JP as independent non-executive Directors.