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Infinites Technology International (Cayman) Holding Limited

多牛科技國際（開曼）集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1961)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Infinites Technology International (Cayman) Holding Limited (the “**Company**”) announces the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 (“**First Half 2025**”) together with the comparative figures for the corresponding period in 2024.

FINANCIAL PERFORMANCE HIGHLIGHTS

	Six months ended 30 June		Change (%)
	2025 RMB’000 (Unaudited)	2024 RMB’000 (Unaudited)	
Revenue	18,997	133,899	-85.8%
Gross profit	2,991	21,147	-85.9%
Loss for the period	(33,765)	(19,458)	73.5%

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the First Half 2025 (six months ended 30 June 2024 (“**First Half 2024**”)): Nil).

REVIEW OF OPERATION

In the first half of 2025, the Company continued to make steady progress. This period also marked the first half year following the landmark return of Blizzard’s games to the Chinese market, alongside the rise of artificial intelligence (AI) technologies and the continued launch of application products. Despite positive market expectations, the overall economy in 2025 will still be struggling to digest its existing problems, with new growth drivers lacking in strength and momentum. Industry development will still face significant challenges. In the prevailing circumstances, the Company has pursued growth and resilience in the face of the crisis. We have overcome the dual pressures of dilution in overall profits and the urgent need for R&D investment in its own games and AI technologies. The Company has actively adjusted its business strategy, steadfastly focusing on its core business and resolutely pursuing its strategic goal of building a diversified digital entertainment service platform serving users worldwide, with AI at its core.

The Company’s revenue decreased by RMB114.9 million or 85.8% to approximately RMB19.0 million for the First Half 2025 from approximately RMB133.9 million for the First Half 2024. The decrease was mainly due to a decrease of approximately RMB45.7 million in revenue from mobile games business, a decrease of approximately RMB62.4 million in revenue from digital media business, and a decrease of RMB6.8 million in revenue from gaming products supply business. The gross profit decreased by approximately RMB18.1 million or 85.9% to approximately RMB3.0 million for the First Half 2025 from approximately RMB21.1 million for the First Half 2024. The decrease was mainly due to (1) a significant decline in mobile games business revenue for the current period; and (2) the Company’s AI application development and related services business was still at an early stage of development, consuming substantial resources and generating lower level of gross profit.

OUTLOOK

The Opinions on the In-depth Implementation of the “Artificial Intelligence+” Initiative (《關於深入實施「人工智能+」行動的意見》), published by the State Council at the end of August, outlined a clear development blueprint for the AI industry, in particular the software service and technological service sectors. The Opinion defines six key actions and eight foundational supporting capabilities. Grounded in the changes driven by AI technology development, it offers practical and feasible policy guidance and will form a key basis for the broad implementation of AI applications. Driven by favourable policies, the industry is expected to witness a series of significant development and investment opportunities, with far-reaching impacts in the second half of 2025 and beyond.

With the continuous evolution of AI technology, increasing policy support, and a gradual recovery in the consumer market, the digital entertainment and media industry is expected to see multifaceted development opportunities in the second half of 2025 and beyond. On the one hand, the Several Measures to Further Enrich Large-Screen Television Content and Promote the Supply of Radio, Television and Audiovisual Content (《進一步豐富電視大屏內容促進廣電視聽內容供給的若干措施》, known within the industry as the “21 Measures”) formulated and implemented by the State Administration of Radio, Film, and Television, will further expand the development space for high-quality IP. A healthy IP ecosystem will broaden multiple digital monetization channels, helping transform high-quality IP into derivatives or digital products such as playing cards, trendy toys, and games, creating new market opportunities. On the other hand, consumer recovery and rising cultural confidence also require digital entertainment and media companies to provide products that are more immersive, emotionally connected, and personalised, placing greater emphasis on interactivity and a sense of social belonging throughout the entire process.

The Company will maintain a long-term perspective and actively seize the industry opportunities presented by breakthroughs in AI technology. It will continue to increase investment in mobile game development, digital media content production, R&D of AI technology, and overseas market expansion. The Company will further explore the deep integration of AI and its business operations, continuously exploring new product deployment scenarios, integrating resources, promoting innovation, and building a more diverse product portfolio. At the same time, the Company will continue to accumulate and expand its experience in advertising distribution services, providing clients with higher-quality integrated marketing solutions and helping them achieve more efficient market promotion of their products.

PROSPECTS

In the second half of the year, the Company will continue to adhere to the principles of flexible and timely resource allocation. We will deepen our understanding of market needs, continue to expand our investments in AI, strengthen our technological development, and accelerate the evolution of our application products. We expect to achieve a more seamless integration of AI technology with the Company’s digital media services. Our goal is to achieve product iteration with greater emotional engagement and interactivity, offering services and experiences that provide deeper emotional resonance and immersive interactions.

Based on our collaborations with technology service providers and renowned game companies, we will continue to create high-quality games and strive to enhance our capabilities in digital media marketing services powered by technological innovation, content production and experience upgrades, the ability to unlock value through the IP ecosystem, and global market expansion. This will provide users with higher-quality products and services and lay a stronger foundation for the Company’s long-term development.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Mobile Games

The mobile games consists of development and operation of mobile games and information services where the Group cooperated with corporate customers to integrate media content in some of the mobile games the Group operates.

The following table sets forth certain operating statistics relating to the mobile games of the Group in the periods indicated:

	Six months ended 30 June		Change (%)
	2025	2024	
Game			
Number of paying players ('000)	0.08	211.3	-100%
Average MPUs ('000)	0.08	35.2	-100%
Average ARPPU (RMB)	188.2	176.8	6.4%

- MPUs. The average monthly paying users (“**MPUs**”) for the game business decreased to approximately 0.08 thousand for the First Half 2025 from approximately 211.3 thousand for the First Half 2024. Such decrease was primarily because the Company’s existing games have been approaching to the latter part of game life cycle, while the promotion of newly launched games were still in the initial stage of operation.
- ARPPU. The average revenue per paying user (“**ARPPU**”) level of game business increased to approximately RMB188.2 for the First Half 2025 from approximately RMB176.8 for the First Half 2024. Such increase was primarily due to the star game products operated during the period are at the end of game life cycle, with stronger attraction to paying players. Such increase is primarily attributable to the fact that retained users are sophisticated players who tend to make brief returns at the end of game life cycles and have a higher willingness to pay.

The following table sets forth the Group's interim condensed consolidated statement of profit or loss for the First Half 2025 as compared to the First Half 2024:

	Six months ended 30 June		
	2025	2024	Change
	<i>RMB'000</i>	<i>RMB'000</i>	(%)
	(Unaudited)	(Unaudited)	
Revenue	18,997	133,899	-85.8%
Cost of sales	(16,006)	(112,752)	-85.8%
Gross profit	2,991	21,147	-85.9%
Other income and gains, net	3,466	6,048	-42.7%
Selling and distribution expenses	(4,019)	(3,756)	7.0%
Administrative expenses	(19,264)	(21,768)	-11.5%
Research and development expenses	(10,504)	(16,045)	-34.5%
Impairment of trade receivables	(6,731)	(2,408)	179.5%
Other expenses	(296)	(2,313)	-87.2%
Finance costs	(367)	(199)	84.4%
Share of results of associates	–	(20)	-100.0%
Loss before tax	(34,724)	(19,314)	79.8%
Income tax credit/(expense)	959	(144)	-766.0%
Loss for the period	(33,765)	(19,458)	73.5%

Revenue

Revenue decreased by approximately RMB114.9 million or 85.8% to approximately RMB19.0 million for the First Half 2025 from approximately RMB133.9 million for the First Half 2024. The following table sets forth the revenue of the Group by business for the six months ended 30 June 2024 and 2025:

	Six months ended 30 June			
	2025	% to total	2024	% to total
	<i>RMB'000</i>	<i>revenue</i>	<i>RMB'000</i>	<i>revenue</i>
	(Unaudited)		(Unaudited)	
Mobile games				
— Development and operation	1,213	6.4%	46,760	34.9%
— Information services	—	—	117	0.1%
Digital media				
— Content distribution	76	0.4%	588	0.4%
— Advertisement distribution services	6,828	35.9%	53,724	40.1%
— Subscription fee of AIGC mobile app	—	—	1,563	1.2%
— AI application development and related services	9,193	48.4%	22,649	16.9%
Gaming products supply	1,687	8.9%	8,498	6.4%
Total revenue from contracts with customers	18,997	100.0%	133,899	100.0%

- Revenue generated from the Group's mobile games decreased by approximately RMB45.7 million or 97.4% to approximately RMB1.2 million for the First Half 2025 from approximately RMB46.9 million for the First Half 2024. Such decrease was primarily due to the intensely competitive gaming business environment this year, the Group's insufficient promoting effectiveness for gaming business, and the Company's existing games reaching the end of their life cycle.
- Revenue generated from the Group's digital media content distribution decreased by approximately RMB62.4 million or 79.5% to approximately RMB16.1 million for the First Half 2025 from approximately RMB78.5 million for the First Half 2024. Such decrease was primarily due to 1) the investment budgets of customers generally reduced compared to the corresponding period of last year, coupled with a simultaneous reduction in collaborations with the company's key and major customers; 2) a decline in cooperation intentions from customers accounting for a significant portion of revenue, who increasingly tended toward more cost-effective collaborative products. The company's digital media products exhibited low conversion efficiency, leading to the loss of some customers.

- Revenue generated from the Group's game product supply businesses decreased by approximately RMB6.8 million or 80% to approximately RMB1.7 million for the First Half 2025 from approximately RMB8.5 million for the First Half 2024. Such decrease was primarily due to the relatively saturated market for the existing products and a decline in demand for gaming products.

Cost of sales

Cost of sales decreased by approximately RMB96.8 million or 85.8% to approximately RMB16.0 million for the First Half 2025 from approximately RMB112.8 million for the First Half 2024. The decrease was mainly due to the decrease in service fees charged by the Group's distribution channel suppliers resulting from decrease in the revenue. For the First Half 2025, the percentage of cost of sales to total revenue increased to approximately 84.3% (for the First Half 2024: 84.2%) mainly due to the AI application development and related services business was currently in the stage of development, consuming more resources.

Selling and distribution expenses

Selling and distribution expenses increased by approximately RMB0.2 million or 7.0% to approximately RMB4.0 million for the First Half 2025 from approximately RMB3.8 million for the First Half 2024. Such increase was principally due to the increase in advertisement promoting expenses during the period.

Administrative expenses

Administrative expenses decreased by approximately RMB2.5 million or 11.5% to approximately RMB19.3 million for the First Half 2025 from approximately RMB21.8 million for the First Half 2024. Such decrease was principally due to a reduction in employee traveling expenses during the current period.

Research and development expenses

Research and development expenses decreased by approximately RMB5.5 million or 34.5% to approximately RMB10.5 million for the First Half 2025 from approximately RMB16.0 million for the First Half 2024. Such decrease was principally due to decreased investment in the development of multiplayer mobile games projects in response to the market changes during the period, with some of the game development projects completed.

Other income and gains, net

Other income and gains, net, decreased to approximately RMB3.5 million for the First Half 2025 from approximately RMB6.0 million for the First Half 2024. Such decrease was mainly due to the increase in gain arising from disposal of subsidiaries during the corresponding period of the preceding year.

Impairment of trade receivables

Impairment of trade receivables was approximately RMB6.7 million for the First Half 2025 as compared to approximately RMB2.4 million for the First Half 2024. The management has cautiously considered impairment risk and increased the provision for impairment.

Other expenses

Other expenses were approximately RMB0.3 million for the First Half 2025, as compared to other expenses of approximately RMB2.3 million for the First Half 2024. Such decrease was because interests in associates have been adequately considered for impairment risk in the past, and there is less impairment provision to be recognised during the current period.

Finance costs

Finance cost amounted to approximately RMB367,000 for the First Half 2025, as compared to approximately RMB199,000 for the First Half 2024. Such increase was mainly due to the interest on loans arising from the new bank and fellow subsidiaries borrowings.

Income tax

For the First Half 2025, the Group recognised income tax credit of approximately RMB959,000, as compared to an income tax expenses of approximately RMB144,000 for the First Half 2024. Such decrease was primarily attributable to the credit from deferred income tax during the period.

Loss for the period

Based on the foregoing, the loss for the First Half 2025 was approximately RMB33.8 million, as compared to the loss of approximately RMB19.5 million for the First Half 2024.

LIQUIDITY AND FINANCIAL RESOURCES

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Cash and cash equivalents	<u>1,470</u>	<u>3,863</u>

The Group's total cash and cash equivalents decreased to approximately RMB1.5 million as at 30 June 2025 from approximately RMB3.9 million as at 31 December 2024. Such decrease was mainly due to the decline in the scale of revenue during the current period, resulting in a decrease in profitability.

The Group adopts a prudent cash and financial management policy. In order to achieve better cost control and minimise the costs of fundings, the Group's treasury activities are centralised and cash is generally deposited with banks and denominated mostly in Renminbi (“**RMB**”), followed by Hong Kong dollars (“**HKD**”), US dollars (“**USD**”), and Japanese Yen (“**JPY**”).

The Group's bank borrowing balance was RMB3 million as at 30 June 2025 (as at 31 December 2024: RMB3 million). As at 30 June 2025, the Group's gearing ratio (calculated as bank borrowings and loans from fellow subsidiaries and a related company divided by total assets) was 6.4% (as at 31 December 2024: 1.1%). The borrowing requirements of the Group are not subject to seasonality.

CONTINGENT LIABILITIES

As at 30 June 2025, the Group did not have any significant unrecorded contingent liabilities.

MATERIAL ACQUISITION AND DISPOSAL AND SIGNIFICANT INVESTMENT

During the First Half 2025 and up to the date of this announcement, there were no material acquisition and disposal or significant investment conducted by the Group.

HUMAN RESOURCES

As at 30 June 2025, the Group had a total of 108 employees (as at 30 June 2024: 110 employees) who are based in Guangzhou, Beijing, Chengdu and Hong Kong. Total staff costs were approximately RMB14.1 million for the First Half 2025. The Group provides employees with competitive remuneration and various benefits including housing, pension, medical and unemployment benefit plans, and the Group's remuneration policies are formulated according to the assessment of individual performance and are periodically reviewed. The Group provides customised and continuous on-the-job training to its new employees by experienced mentors from relevant teams or departments.

EVENT AFTER THE REPORTING PERIOD

The Group did not have any significant events after 30 June 2025 and up to the date of this announcement.

PRINCIPAL RISKS AND UNCERTAINTIES

There are certain risks that could adversely affect the Group's operations and financial results due to the immaturity of the mobile games industry in the People's Republic of China ("PRC"). The major hurdles include (i) new policies or any amendment to the current policies in relation to the mobile games industry; (ii) reliance on distribution channel providers; (iii) the game portfolio included 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.

Meanwhile, for the Group's established digital media content, the major hurdles include external interruptions such as system disruption, hacking or service suspension on any of the distribution platforms or the publishing platform.

With regard to the Group's newly expanded AI application R&D and AIGC mobile app business, this field is characterised by rapid development and intense competition. The principal difficulties faced by the Group include: (i) compliance risks arising from the evolving regulations and policies governing AI research, development and application; (ii) technological risks associated with rapid iteration of core technologies, potentially rendering products or services obsolete; and (iii) uncertainties regarding users' willingness to pay for AIGC apps and subscription retention, which may adversely impact the Group's operations and financial performance.

With regard to the Group's newly established business, gaming products supply, as the Group's suppliers include both domestic and overseas suppliers, the main difficulties faced by the Group include (i) the quality of game products purchased from suppliers, as well as losses during transportation; (ii) relying on a single customer; and (iii) fluctuations in foreign exchange rates that may adversely affect the Group's cash flow or financial results.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		Six months ended 30 June	
		2025	2024
	Notes	RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Revenue	4	18,997	133,899
Cost of sales		<u>(16,006)</u>	<u>(112,752)</u>
Gross profit		2,991	21,147
Other income and gains, net	4	3,466	6,048
Selling and distribution expenses		(4,019)	(3,756)
Administrative expenses		(19,264)	(21,768)
Research and development expenses		(10,504)	(16,045)
Impairment of trade receivables		(6,731)	(2,408)
Other expenses		(296)	(2,313)
Finance costs		(367)	(199)
Share of results of associates		<u>–</u>	<u>(20)</u>
Loss before tax	5	(34,724)	(19,314)
Income tax credit/(expense)	6	<u>959</u>	<u>(144)</u>
Loss for the period		<u>(33,765)</u>	<u>(19,458)</u>
Attributable to:			
Owners of the parent		(31,438)	(22,380)
Non-controlling interests		<u>(2,327)</u>	<u>2,922</u>
		<u>(33,765)</u>	<u>(19,458)</u>
Loss per share attributable to ordinary equity holders of the parent	8		
Basic and diluted		<u>RMB(4.3) cents</u>	<u>RMB(3.3) cents</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Loss for the period	(33,765)	(19,458)
Other comprehensive income/(loss)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of financial statements of group companies	(3,079)	2,338
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	<u>(91)</u>	<u>(3,496)</u>
Other comprehensive loss for the period	<u>(3,170)</u>	<u>(1,158)</u>
Total comprehensive loss for the period	<u><u>(36,935)</u></u>	<u><u>(20,616)</u></u>
Attributable to:		
Owners of the parent	(34,608)	(23,538)
Non-controlling interests	<u>(2,327)</u>	<u>2,922</u>
	<u><u>(36,935)</u></u>	<u><u>(20,616)</u></u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
	<i>Notes</i>		
Non-current assets			
Property, plant and equipment		4,299	5,089
Right-of-use assets		3,116	4,611
Goodwill	11	61,279	61,279
Interests in associates		–	296
Equity investments designated at fair value through other comprehensive income		2,913	3,004
Prepayments and deposits		1,262	6,945
Intangible asset		47,877	53,193
Total non-current assets		120,746	134,417
Current assets			
Trade receivables	9	58,772	152,689
Prepayments, deposits and other receivables		135,397	259,654
Loans to the ultimate holding company		4,104	–
Cash and cash equivalents		1,470	3,863
Total current assets		199,743	416,206
Current liabilities			
Trade payables	10	17,379	129,731
Contract liabilities		–	463
Other payables and accruals		121,073	212,853
Interest-bearing bank borrowings		3,000	3,000
Lease liabilities		2,616	2,903
Loans from fellow subsidiaries		7,500	3,220
Tax payable		1,807	1,802
Total current liabilities		153,375	353,972
Net current assets		46,368	62,234
Total assets less current liabilities		167,114	196,651

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Non-current liabilities		
Lease liabilities	523	1,796
Loans from a related company	10,000	—
Deferred tax liabilities	14,272	15,601
	<hr/>	<hr/>
Total non-current liabilities	24,795	17,397
	<hr/>	<hr/>
Net assets	142,319	179,254
	<hr/> <hr/>	<hr/> <hr/>
EQUITY		
Equity attributable to owners of the parent		
Issued capital	6,650	6,650
Reserves	116,686	151,294
	<hr/>	<hr/>
	123,336	157,944
	<hr/>	<hr/>
Non-controlling interests	18,983	21,310
	<hr/>	<hr/>
Total equity	142,319	179,254
	<hr/> <hr/>	<hr/> <hr/>

NOTES

1. CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is located at Room 606, West Building, Fangyuan E Time, 12-1 Keyun Road, Tianhe District, Guangzhou, PRC. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 17 March 2020.

During the period, the Company and its subsidiaries (collectively referred to as the “**Group**”) were principally engaged in the development and operation of mobile games, the distribution of digital media content and gaming products supply in China and overseas.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

The interim condensed consolidated financial information has been prepared under the historical cost convention, except for equity investments designated at fair value through other comprehensive income which have been measured at fair value. They are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

Going concern

The Group incurred a loss for the period of RMB34 million with net cash outflows used in operating activities of RMB15 million during the six months ended 30 June 2025. As at 30 June 2025, the Group’s cash and cash equivalents amounted to RMB1.5 million, and interest-bearing borrowings amounted to RMB10.5 million which have been classified as current liabilities.

The above conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern. In view of such circumstances, the directors of the Company are undertaking a number of plans and measures to improve the Group’s liquidity and financial position, including, inter alia:

- (i) To finance the Group’s businesses, the Group has obtained a long-term loan facility from an entity of which its controlling shareholder was appointed as a non-executive director of the Company effective from 28 March 2025 in the amount of HK\$250 million; and

- (ii) To improve the current and future financial performance and liquidity conditions, various financial performance and resources improvement plans and measures have been implemented/contemplated by the Group to focus on improving the financial performance and liquidity of the Group and to enable the Group to take advantage of any growth opportunities in the future, including:
 - (a) Focusing resources in digital marketing;
 - (b) Implementing measures to speed up the collection of outstanding trade and other receivables; and
 - (c) Exploring other debt or equity financing arrangements.

They are of the opinion that, taking into account of the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due within the next 12 months from 30 June 2025. Accordingly, the directors of the Company are opinion that that it is appropriate to prepare the interim condensed consolidated financial information on a going concern basis.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period's financial information.

Amendments to HKAS 21

Lack of Exchangeability

The nature and impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in mobile games development and operation, digital media content distribution and gaming products supply in China and overseas. Information reported to the Group's chief operating decision maker, for the purpose of resource allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

Geographical information

(a) Revenue from external customers

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Mainland China	16,549	78,716
Other countries/regions	2,448	55,183
Total revenue	18,997	133,899

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	As at 30 June 2025	As at 31 December 2024
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Mainland China	115,771	123,048
Other countries/regions	800	1,420
Total non-current assets	116,571	124,468

The non-current asset information above is based on the locations of the assets and excludes equity investments designated at fair value through other comprehensive income, prepayments and deposits.

Information about major customers

Revenue of gaming products supply for the six months ended 30 June 2025 approximately RMB1,687,000 (six months ended 30 June 2024: RMB8,498,000) was derived from sales to a single customer, including sales to a group of entities which are known to be under common control with that customer.

Revenue from major customers, each of whom accounted for 10% or more of the total revenue is set out as below:

		Six months ended 30 June	
		2025	2024
Segment		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Customer A	AI application development and related services	6,323	N/A
Customer B	AI application development and related services	2,869	N/A

4. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of revenue is as follows:

		Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
<i>Revenue from contracts with customers</i>			
Types of goods and services			
Mobile games			
—	Development and operation	1,213	46,760
—	Information services	—	117
Digital media			
—	Content distribution	76	588
—	Advertisement distribution services	6,828	53,724
—	Subscription fee of AIGC mobile app	—	1,563
—	AI application development and related services	9,193	22,649
Gaming products supply		1,687	8,498
Total		18,997	133,899
Geographical markets			
Mainland China		16,549	78,716
Other countries/regions		2,448	55,183
Total		18,997	133,899
Timing of revenue recognition			
Point in time		10,880	80,860
Over time		8,117	53,039
Total		18,997	133,899

An analysis of other income and gains, net is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other income		
Interest income	9	5
Government grants*	15	12
Commission income on the provision of advertisement traffic	623	–
Reversal of impairment of deposits and other receivables	1,597	–
Reversal of impairment of interest in an associate	–	2,299
Others	1,222	259
	<u>3,466</u>	<u>2,575</u>
Total other income	<u>3,466</u>	<u>2,575</u>
Gains, net		
Gain on disposal of subsidiaries	–	3,151
Gain on lease termination	–	322
	<u>–</u>	<u>3,473</u>
Total gains, net	<u>–</u>	<u>3,473</u>
Total other income and gains, net	<u><u>3,466</u></u>	<u><u>6,048</u></u>

* There are no unfulfilled conditions or contingencies relating to these grants.

5. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of sales	16,006	112,752
Depreciation of property, plant and equipment	691	937
Depreciation of right-of-use assets	1,477	1,836
Employee benefit expense (including directors' and chief executives' remuneration):		
Wages, fees, salaries, bonuses and allowances	12,878	8,966
Pension scheme contributions*	2,797	894
Total	15,675	9,860
Impairment/(reversal of impairment) of deposits and other receivables [#]	(1,597)	5
Impairment of interests in associates [#]	296	969
Loss on disposal of items of property, plant and equipment [#]	–	4
Amortisation of intangible asset	5,316	–

[#] The gains are included in “Other income and gains, net” and the losses are included in “Other expenses” in the interim condensed consolidated statement of profit or loss.

* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

6. INCOME TAX

All subsidiaries of the Group established in the PRC are subject to PRC corporate income tax at a standard rate of 25% during the period (six months ended 30 June 2024: 25%), except for certain subsidiaries of the Group applied the Small-Scaled Minimal Profit Enterprise Income Tax Preferential Policy announced by the PRC's State Administration of Taxation.

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Current — Mainland China		
Charge for the period	370	144
Deferred	(1,329)	—
	<hr/>	<hr/>
Total tax charge/(credit) for the period	<u>(959)</u>	<u>144</u>

7. DIVIDEND

The board of directors does not recommend the payment of any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss for the period attributable to ordinary equity holders of the parent of RMB31,438,000 (six months ended 30 June 2024: RMB22,380,000), and the weighted average number of ordinary shares of 734,301,174 (six months ended 30 June 2024: 670,102,723) outstanding during the period.

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2025 and 2024.

9. TRADE RECEIVABLES

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Trade receivables	123,198	210,384
Impairment	(64,426)	(57,695)
	58,772	152,689

The Group's trading terms with its debtors are on credit. The credit periods range from 30 to 90 days. The Group seeks to maintain strict control over its outstanding trade receivables to minimize credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aging analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Within 30 days	2,857	30,153
31 to 60 days	2,107	16,113
61 to 90 days	292	3,268
91 to 180 days	57	30,758
181 to 365 days	53,459	70,268
Over 365 days	–	2,129
Total	58,772	152,689

10. TRADE PAYABLES

An aging analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Within 1 month	393	13,722
1 to 2 months	1,460	19,256
2 to 3 months	1,144	3,870
Over 3 months	14,382	92,883
	<hr/>	<hr/>
Total	17,379	129,731
	<hr/>	<hr/>

The trade payables are non-interest-bearing and are normally settled on terms ranging from 30 to 90 days.

11. BUSINESS COMBINATION

On 24 April 2024, the Group acquired a 100% equity interest in Infinities Wonder Limited (“IWL”) from an intermediate holding company of the Company. IWL is an investment holding company with 60% equity interest in Beijing Wande Game Technology Company Limited (“Wande”). Wande is principally engaged in the development of mobile gaming products. The acquisition was made as part of the Group’s strategy to strengthen the diversification of products and expansion of business portfolio. The purchase consideration for the acquisition was in the form of allotment and issuance of 96,300,000 consideration shares of RMB84,761,000 on 24 April 2024.

OTHER INFORMATION

Purchase, Sale or Redemption of the Company's Listed Securities

During the First Half 2025 and up to the date of this announcement, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities listed on The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") (including sale of treasury shares).

As at 30 June 2025, the Company did not hold any treasury shares (as defined in the Listing Rules).

Audit Committee

The audit committee of our Company (the "**Audit Committee**") currently has three members, including two independent non-executive Directors, Mr. Leung Ming Shu (chairman of Audit Committee) and Mr. Tang Shun Lam and a non-executive Director, Mr. Liang Junhua, with terms of reference in compliance with the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The Audit Committee has reviewed with the Board about the accounting standards and practices adopted by the Group and the unaudited interim condensed consolidated financial information of the Company for the First Half 2025, and has discussed matters in relation to the accounting policies and practices adopted by the Company and the internal control and risk management systems and financial reporting with the management. The Audit Committee considered that the interim financial results for the six months ended 30 June 2025 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

Non-compliance with Listing Rules

With effect from 28 March 2025, Mr. Yan Chi Kwan ("**Mr. Yan**") has resigned as an independent non-executive Director, a member of the audit committee of the Board and a member of the remuneration committee of the Board.

Following Mr. Yan's resignation, the number of independent non-executive Directors of the Company has fallen below the minimum number required under Rules 3.10(1) and 3.10A of the Listing Rules. To comply with the relevant provisions of the Listing Rules, the Board has been actively taking measures to identify suitable candidates to fill the casual vacancy of an independent non-executive Director since the date of Mr. Yan's resignation and will issue a further announcement in due course.

Corporate Governance Code

The Company has committed to delivering and maintaining a higher standard of corporate governance to meet the business needs and expectation from the shareholders of the Company (the “**Shareholders**”). The Company has adopted principles and code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Part 2 of Appendix C1 to the Listing Rules as the basis of the Company’s principles and corporate governance practices. During the Reporting Period and up to the date of this announcement, the Company has complied with all applicable code provisions of the CG Code. On 28 March 2025, the Company appointed a female director, Ms. Wang Yan, as a non-executive Director to achieve board diversity requirement pursuant to Rule 13.92 of the Listing Rules, and meet the Board’s gender diversity requirements. For further information on this appointment, please refer to the announcement dated 28 March 2025.

Model Code for Securities Transactions by Directors

The Company has adopted the code of conduct and procedures governing Directors’ securities transactions in stringent compliance with the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules. Specific enquiries have been made to all the Directors and they have confirmed that they have complied with the code of conduct and procedures governing Directors’ securities transactions during the First Half 2025.

The Company’s employees, who are likely to be in possession of unpublished inside information of the Company, are also subject to the Model Code.

Publication of the Unaudited Condensed Consolidated Interim Results Announcement and Interim Report

This interim results announcement is published on the websites of Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.infinities.com.hk>). The interim report of the Company for the First Half 2025 containing all the information required by the Disclosure of Financial Information as set out in Appendix D2 to the Listing Rules will be despatched to the Shareholders, if necessary, and published on the websites of the Stock Exchange and the Company in due course.

Appreciation

The Board would like to express its sincere gratitude to the Shareholders, management teams, employees, business partners and customers of the Group for their continued support and contribution to the Group.

By Order of the Board
Infinites Technology International (Cayman) Holding Limited
多牛科技國際(開曼)集團有限公司
Li Qiang
Chairman and Executive Director

Hong Kong, 29 August 2025

As at the date of this announcement, the Board comprises two executive Directors namely Mr. Li Qiang and Mr. Wang Le; three non-executive Directors namely Mr. Liang Junhua, Mr. Wang Ning and Ms. Wang Yan; and two independent non-executive Directors namely Mr. Leung Ming Shu and Mr. Tang Shun Lam.