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Imperium Technology Group Limited

帝國科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0776)

SECOND INTERIM RESULTS ANNOUNCEMENT FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Imperium Technology Group Limited (the “**Company**”) is pleased to announce the unaudited interim results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the twelve months ended 31 December 2025, together with the comparative figures for the twelve months ended 31 December 2024 and the relevant explanatory notes. The unaudited interim results have been reviewed by the audit committee of the Company.

FINANCIAL HIGHLIGHTS

- Revenue for the twelve months ended 31 December 2025 was approximately HK\$43,849,000, representing a decrease of approximately 14.9% over last period.
- Gross profit for the twelve months ended 31 December 2025 was approximately HK\$21,476,000, representing an increase of approximately 5.8% over last period.
- Loss for the twelve months ended 31 December 2025 was approximately HK\$39,114,000, representing a decrease of approximately 6.3% over last period.
- Basic and diluted loss per share amounted to approximately HK\$0.10.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the twelve months ended 31 December 2025

		Twelve months ended 31 December	
	Notes	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Audited)
REVENUE	3	43,849	51,510
Cost of sales		<u>(22,373)</u>	<u>(31,217)</u>
Gross profit		21,476	20,293
Other income	5	1,452	1,870
Other gains and losses	6	6,312	2,241
Distribution and selling costs		(632)	(1,390)
Administrative expenses		(39,133)	(47,665)
(Impairment loss)/Reversal of impairment loss of receivables, net		(2,921)	1,042
Impairment loss of non-financial assets, net		<u>(4,498)</u>	<u>(2,060)</u>
LOSS FROM OPERATIONS		(17,944)	(25,669)
Finance costs	7	<u>(21,109)</u>	<u>(16,030)</u>
LOSS BEFORE TAX		(39,053)	(41,699)
Income tax expense	8	<u>(61)</u>	<u>(26)</u>
LOSS FOR THE PERIOD	9	<u>(39,114)</u>	<u>(41,725)</u>
Loss for the period attributable to:			
Owners of the Company		(38,564)	(43,195)
Non-controlling interests		<u>(550)</u>	<u>1,470</u>
		<u>(39,114)</u>	<u>(41,725)</u>
LOSS PER SHARE	11		
Basic		<u>HK\$(0.10)</u>	<u>HK\$(0.13)</u>
Diluted		<u>HK\$(0.10)</u>	<u>HK\$(0.13)</u>

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

	Twelve months ended 31 December	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Audited)
LOSS FOR THE PERIOD	(39,114)	(41,725)
Other comprehensive (expense)/income:		
<i>Items that may be reclassified to profit or loss:</i>		
— Exchange differences on translating foreign operations	(651)	3,515
— Exchange differences reclassified to profit or loss upon disposal of subsidiaries	(10)	—
	<u>(661)</u>	<u>3,515</u>
Other comprehensive (expense)/income for the period, net of tax	(661)	3,515
	<u>(661)</u>	<u>3,515</u>
Total comprehensive expense for the period	<u>(39,775)</u>	<u>(38,210)</u>
Attributable to:		
Owners of the Company	(39,474)	(39,680)
Non-controlling interests	(301)	1,470
	<u>(39,775)</u>	<u>1,470</u>
	<u>(39,775)</u>	<u>(38,210)</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

		As at 31 December 2025	As at 31 December 2024
	<i>Notes</i>	<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Audited)
Non-current assets			
Property, plant and equipment	12	9,218	8,840
Investment properties		22,630	19,699
Goodwill		—	—
Intangible assets		1,746	5,220
Prepayments for acquisition of property, plant and equipment		—	2,591
Deposits, other receivables and prepayments	14	5,749	7,068
		<u>39,343</u>	<u>43,418</u>
Current assets			
Inventories		110	221
Loan receivables and interest receivables		—	—
Trade receivables	13	12,288	19,455
Current tax assets		—	24
Deposits, other receivables and prepayments	14	34,577	9,487
Financial assets at fair value through profit or loss	15	30,000	—
Cryptocurrencies		1,217	2,179
Cryptocurrency deposits and receivables		1,044	3,884
Cash and bank balances		4,957	8,491
		<u>84,193</u>	<u>43,741</u>
Current liabilities			
Trade payables	16	899	3,786
Lease liabilities		2,016	2,333
Loans from related parties	17	202,395	212,721
Other borrowings	18	14,000	—
Other payables and accruals		29,158	41,646
Contract liabilities		13	55
		<u>248,481</u>	<u>260,541</u>

		As at 31 December 2025	As at 31 December 2024
	<i>Notes</i>	<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Audited)
NET CURRENT LIABILITIES		<u>(164,288)</u>	<u>(216,800)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(124,945)</u>	<u>(173,382)</u>
Non-current liabilities			
Lease liabilities		3,738	2,834
Loans from related parties	17	—	1,963
Other payables		362	276
Deferred tax liabilities		924	795
		<u>5,024</u>	<u>5,868</u>
NET LIABILITIES		<u><u>(129,969)</u></u>	<u><u>(179,250)</u></u>
CAPITAL AND RESERVES			
Share capital	19	4,479	3,732
Reserves		<u>(135,879)</u>	<u>(185,604)</u>
Deficits attributable to owners of the Company		(131,400)	(181,872)
Non-controlling interests		<u>1,431</u>	<u>2,622</u>
CAPITAL DEFICIENCY		<u><u>(129,969)</u></u>	<u><u>(179,250)</u></u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION AND BASIS OF PREPARATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The address of its principal place of business is Room 02, 26/F., One Harbour Square, No. 181 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong. The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company is an investment holding company. The Group is principally engaged in (i) marketing and operation of mobile games and computer games and sale of non-fungible tokens (NFTs) and other digital tokens; (ii) provision of cloud computing and data storage solutions to customers; and (iii) participating in esports competitions, streaming and marketing events and merchandise sales exports.

In the opinion of the Directors, Diamond State Holdings Limited, a company incorporated in the British Virgin Islands, is the immediate parent and Mr. Cheng Ting Kong ("**Mr. Cheng**") is the ultimate controlling party of the Company.

On 28 November 2025, the Company has resolved to change the financial year end date from 31 December to 31 March. The forthcoming financial year end date of the Company will be 31 March 2026 and the next audited consolidated financial statements of the Company will cover a period of fifteen months from 1 January 2025 to 31 March 2026. As a result, the Company prepared and presented the second interim report which includes the unaudited condensed consolidated financial statements of the Group covering a twelve-month period from 1 January 2025 to 31 December 2025 with comparative figures cover the audited figures from 1 January 2024 to 31 December 2024.

The condensed consolidated financial statements are presented in Hong Kong dollars ("**HK\$**") and all values are rounded to the nearest thousand except when otherwise indicated, which is the Company's functional and presentation currency.

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") as well as with the applicable disclosure provision of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The Group incurred a net loss of approximately HK\$39,114,000 (2024 (audited): HK\$41,725,000) during the twelve months ended 31 December 2025 and, as of that date, the Group had net current liabilities and net liabilities of approximately HK\$164,288,000 (2024 (audited): HK\$216,800,000) and HK\$129,969,000 (2024 (audited): HK\$179,250,000) respectively.

Further, as at 31 December 2025, the Group had loans from Mr. Cheng and related parties, which are beneficially owned and controlled by Mr. Cheng, with a total principal amount of approximately HK\$212,000,000 and interest payable of approximately HK\$13,198,000. These loans will mature on 30 June 2026, while the Group recorded cash and bank balances of approximately HK\$4,957,000 as at 31 December 2025. Considering the above conditions, the Company remains cautious about its liquidity in the near term. The condition indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

Notwithstanding this fact, the Directors consider it is appropriate to prepare the condensed consolidated financial statements on a going concern basis as the Group is expected to have sufficient financial resources to meet its obligations as they fall due for at least the next twelve months based on its projected cash flow forecasts. In preparing the condensed consolidated financial statements of the Group, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will be able to finance its future working capital and fulfill its financial obligations and continue as a going concern. Certain plans and measures are being or will be taken to manage its liquidity needs and to improve its financial position, which include, but are not limited to, the following:

- (i) The Group will continuously adopt a monitoring process on the repayment status of trade receivables in order to seek to achieve timely collection and improve its operating cash flows and financial position;
- (ii) The Group will continuously take measures to tighten cost control over various costs in order to seek to achieve profit and operating cash inflows and seek to implement various strategies to enhance the Group's revenue;
- (iii) The Group will continue negotiations with its creditors for extension of its debts when they fall due and seek alternative debt and/or equity financing to meet cash flow requirements; and
- (iv) Pursuant to the extension letters dated 25 February 2026, Mr. Cheng and the related companies agreed to extend the repayment date for all loans principal and interest payable amounting to approximately HK\$212,000,000 and HK\$5,623,000 respectively up to 30 September 2027.

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the Group's condensed consolidated financial statements as the condensed consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for the investment properties and financial assets at fair value through profit or loss ("**Financial assets at FVTPL**"), which are measured at fair value at the end of each reporting period.

The accounting policies used in the condensed consolidated financial statements for the twelve months ended 31 December 2025 are consistent with those of the Group's annual consolidated financial statements for the year ended 31 December 2024 as described in those annual consolidated financial statements, except for the adoption of Amendments to HKAS 21 "Lack of Exchangeability" which are effective for the financial year beginning on 1 January 2025.

The application of the Amendments to HKAS 21 "Lack of Exchangeability" in the current period has had no material impact on the Group's results of operations and financial position.

The Group had not applied any new or amendments to HKFRS Accounting Standards that have been issued but were not yet effective for the current accounting period of the unaudited condensed consolidated financial statements. Except for HKFRS 18 “Presentation and Disclosure in Financial Statements” where the presentation and disclosures of the Group’s consolidated financial statements are expected to change, the Directors anticipate that the application of these new or amendments to HKFRS Accounting Standards will have no material impact on the results and the financial position of the Group.

3. REVENUE

Disaggregation of revenue from contracts with customers by major products or service line for both periods is as follows:

	Twelve months ended	
	31 December	
	2025	2024
	<i>HK\$’000</i>	<i>HK\$’000</i>
	(Unaudited)	(Audited)
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or services lines		
— Online game	15,336	15,080
— Cloud computing and data storage	1,316	1,858
— Esports	25,087	29,737
— Others	—	1,913
	41,739	48,588
Revenue from other sources		
— Rental income from investment properties	1,421	1,257
— Interest income from money lending business	400	700
— Rental income from cloud computing and data storage machines	289	965
	2,110	2,922
	43,849	51,510

4. SEGMENT INFORMATION

Information reported to the executive Directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered.

In prior years, the Group had six reportable segments, which were online game, cloud computing and data storage, esports, household products, property investment and money lending. During the twelve months ended 31 December 2025, based on management's assessment of size and significance and to reflect the Group's future business development, the household products and money lending segments were no longer reviewed separately. The revenue and segment results from household products and money lending business were grouped under the "Others" and do not constituting a reportable segment individually.

Comparative information has been re-presented accordingly to ensure consistency with the current period's presentation.

Segment profits or losses do not include unallocated finance cost and unallocated corporate income and expenses. Segment assets do not include financial assets at FVTPL, unallocated deposits, other receivables and prepayments, unallocated cash and bank balances and unallocated other corporate assets.

Information relating to segment liabilities is not disclosed as such information is not regularly reported to the chief operating decision-maker.

Information about reportable segment revenue, profit or loss and assets:

2025

	Online game <i>HK\$'000</i> (Unaudited)	Cloud computing and data storage <i>HK\$'000</i> (Unaudited)	Esports <i>HK\$'000</i> (Unaudited)	Property investment <i>HK\$'000</i> (Unaudited)	Others <i>HK\$'000</i> (Unaudited)	Total <i>HK\$'000</i> (Unaudited)
For the twelve months ended						
31 December 2025						
Revenue from external customers	15,336	1,605	25,087	1,421	400	43,849
Segment (loss)/profit	(7,072)	(10,172)	1,506	2,301	368	(13,069)
Bank interest income	—	—	2	—	—	2
Interest expenses	(98)	(3,902)	(3,393)	—	—	(7,393)
Depreciation and amortisation	(792)	(1,524)	(3,541)	—	—	(5,857)
Other material non-cash items:						
— (Impairment loss)/Reversal of impairment loss of receivables, net	(3,068)	—	147	—	—	(2,921)
— Impairment loss of non- financial assets, net	—	(4,498)	—	—	—	(4,498)
— Net fair value gain on investment properties	—	—	—	830	—	830
Additions to segment non-current assets	24	2,663	173	—	—	2,860
As at 31 December 2025						
Segment assets	<u>15,874</u>	<u>25,495</u>	<u>23,118</u>	<u>22,630</u>	<u>2,024</u>	<u>89,141</u>

2024

	Online game <i>HK\$'000</i> (Audited)	Cloud computing and data storage <i>HK\$'000</i> (Audited)	Esports <i>HK\$'000</i> (Audited)	Property investment <i>HK\$'000</i> (Audited)	Others <i>HK\$'000</i> (Audited)	Total <i>HK\$'000</i> (Audited)
Twelve months ended						
31 December 2024						
Revenue from external customers	15,080	2,823	29,737	1,257	2,613	51,510
Segment (loss)/profit	(16,371)	(6,746)	3,427	1,361	302	(18,027)
Bank interest income	1	—	6	—	2	9
Interest expense	(33)	(1,720)	(2,106)	—	—	(3,859)
Depreciation and amortisation	(1,638)	(5,908)	(6,013)	—	(14)	(13,573)
Other material non-cash items:						
— Reversal of impairment loss of receivables, net	15	—	971	—	56	1,042
— Impairment loss of non- financial assets, net	—	(2,060)	—	—	—	(2,060)
— Net fair value gain on investment properties	—	—	—	104	—	104
Addition to segment non-current assets	1,554	2,492	2,505	—	—	6,551
As at 31 December 2024						
Segment assets	<u>13,708</u>	<u>8,953</u>	<u>35,683</u>	<u>19,699</u>	<u>4,922</u>	<u>82,965</u>

Reconciliations of segment assets:

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
Assets		
Total assets of reportable segment	89,141	82,965
Financial assets at FVTPL	30,000	—
Unallocated deposits, other receivables and prepayments	1,495	884
Unallocated cash and bank balances	79	2,428
Unallocated other corporate assets	2,821	882
Consolidated total assets	<u>123,536</u>	<u>87,159</u>

Reconciliation of reportable segment results to consolidated loss for the period:

	Twelve months ended 31 December	
	2025 <i>HK\$'000</i> (Unaudited)	2024 <i>HK\$'000</i> (Audited)
Profit or loss		
Total loss of reportable segments	(13,069)	(18,027)
Unallocated finance costs	(13,716)	(12,171)
Unallocated corporate income	1,418	1,028
Unallocated corporate expenses	(13,747)	(12,555)
	<u>(39,114)</u>	<u>(41,725)</u>
Consolidated loss for the period	<u>(39,114)</u>	<u>(41,725)</u>

5. OTHER INCOME

	Twelve months ended 31 December	
	2025 <i>HK\$'000</i> (Unaudited)	2024 <i>HK\$'000</i> (Audited)
Bank interest income	3	10
Government grants	31	142
Gain on remeasurement of lease	—	8
One-off sponsorship income from business partner	—	1,164
Others	1,418	546
	<u>1,452</u>	<u>1,870</u>

6. OTHER GAINS AND LOSSES

	Twelve months ended 31 December	
	2025 <i>HK\$'000</i> (Unaudited)	2024 <i>HK\$'000</i> (Audited)
Gain on disposal of property, plant and equipment, net	1,702	4,537
Loss on disposal of subsidiaries	(31)	—
Exchange gain/(loss), net	3,854	(3,388)
Net fair value gain on investment properties	830	104
Others	(43)	988
	<u>6,312</u>	<u>2,241</u>

7. FINANCE COSTS

	Twelve months ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Interest on loans from related parties	19,518	15,525
Interest on other borrowings	1,036	—
Interest on lease liabilities	555	505
	<u>21,109</u>	<u>16,030</u>

8. INCOME TAX EXPENSE

Under the two-tiered Profits Tax regime, the first HK\$2 million of profits of qualifying group entity established in Hong Kong will be taxed at 8.25%, and profits above that amount will be subject to the tax rate of 16.5%. The profits of the group entities not qualifying for the two-tiered Profit Tax rate regime will continue to be taxed at a rate of 16.5% (2024: 16.5%). No provision for Hong Kong Profits Tax has been provided as the Group has no assessable profits arising in Hong Kong during the twelve months ended 31 December 2025 and 2024.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the Enterprise Income Tax of the PRC subsidiaries has been provided at a tax rate of 25% (2024: 25%) on the estimated assessable profits for the period. No provision for the Enterprise Income Tax has been provided as accumulated tax losses brought forward are sufficient to fully offset the assessable profits during the twelve months ended 31 December 2025 and 2024.

Malaysia Corporate Tax has been provided at a tax rate of 24% (2024: 24%) on the estimated assessable profit for the period. No provision for the Malaysia Corporate Tax has been provided as the Malaysia subsidiaries have no assessable profits during the twelve months ended 31 December 2025 and 2024.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

9. LOSS FOR THE PERIOD

The Group's loss for the period is stated after charging/(crediting) the following:

	Twelve months ended	
	31 December	2024
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Auditor's remuneration	—	980
Cost of inventories recognised as expenses	3,425	2,978
Amortisation of intangible assets (included in administrative expenses)	3,511	4,296
Depreciation of property, plant and equipment		
— Included in cost of sales	54	2,271
— Included in administrative expenses	3,471	8,300
	<u>3,525</u>	<u>10,571</u>
Impairment loss/(Reversal of impairment loss) of receivables, net		
— Trade receivables	2,921	(1,042)
Impairment loss of non-financial assets, net		
— Cryptocurrencies	1,724	1,563
— Cryptocurrency deposits and receivables	2,774	497
	<u>4,498</u>	<u>2,060</u>
Gross rental income from investment properties*	<u>(1,421)</u>	<u>(1,257)</u>

* No material outgoings had been incurred for the rental income.

10. DIVIDEND

No dividend has been paid, declared or proposed during the twelve months ended 31 December 2025 nor has any dividend been proposed since the end of the reporting period (2024: Nil).

11. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the loss attributable to owners of the Company for the twelve months ended 31 December 2025 of approximately HK\$38,564,000 (2024 (audited): HK\$43,195,000) and the weighted average number of ordinary shares of approximately 386,537,000 (2024 (audited): 322,625,000) in issue during the period.

Potential ordinary shares from the assumed exercise of share options have not been included in the calculation of diluted loss per share because they are anti-dilutive for the both periods. Therefore, diluted loss per share was the same as the basic loss per share for the both periods.

12. PROPERTY, PLANT AND EQUIPMENT

During the twelve months ended 31 December 2025, the Group had additions to property, plant and equipment in the amount of approximately HK\$5,962,000 (2024 (audited): HK\$4,059,000) and recognised a net gain on disposal of property, plant and equipment in amount of approximately HK\$1,702,000 (2024 (audited): HK\$4,537,000).

13. TRADE RECEIVABLES

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
Trade receivables	16,970	21,205
Allowance for expected credit losses	<u>(4,682)</u>	<u>(1,750)</u>
	<u>12,288</u>	<u>19,455</u>

The Group's trading terms with customers are mainly on credit. The credit terms generally range from 30 to 90 days. Overdue balances are reviewed regularly by the Directors. The aging analysis of the Group's trade receivables, based on the invoice date, and net of loss allowance, is as follows:

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
0–30 days	6,778	5,888
31–60 days	1,225	827
61–90 days	872	2,772
Over 90 days	<u>3,413</u>	<u>9,968</u>
Total	<u>12,288</u>	<u>19,455</u>

14. DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
Deposits	1,762	2,030
Prepayments (<i>Note</i>)	36,670	8,953
Other receivables	1,894	5,572
	<u>40,326</u>	<u>16,555</u>
Analysis for reporting purposes as:		
Current	34,577	9,487
Non-current	5,749	7,068
	<u>40,326</u>	<u>16,555</u>

Note: As at 31 December 2025, it included payment made to two independent software development service providers for (i) designing and developing artificial intelligence and machine learning algorithms for online games business of approximately HK\$5,991,000; and (ii) developing and enhancing its self-developed TokenTrend application of approximately HK\$21,350,000.

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
Financial assets at FVTPL comprises:		
— Unlisted notes	<u>30,000</u>	<u>—</u>

It represented the unlisted notes subscribed through an asset management company and is held for trading. The notes carry an interest rate at 18% per annum with no fixed term, and are redeemable at the Group's option on any day in whole or in part with accrued interest.

16. TRADE PAYABLES

The Group normally obtains credit terms ranging from 30 to 90 days from its suppliers. The aging analysis of trade payables, based on the invoice date, is as follows:

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
0–30 days	322	560
31–60 days	178	556
61–90 days	134	737
Over 90 days	265	1,933
	<hr/>	<hr/>
Total	899	3,786

17. LOANS FROM RELATED PARTIES

As at 31 December 2025, the Group had loans from Mr. Cheng and related companies, which are companies beneficially owned and controlled by Mr. Cheng, with aggregate principal amount of approximately HK\$212,000,000 (2024 (audited): HK\$217,000,000). These loans were unsecured, interest bearing from 0% to 2% (2024 (audited): from 0% to 2%) per annum and repayable within one year (2024 (audited): within 1 to 2 years). The fair value of these loans were estimated at the prevailing market interest rates for equivalent loans which ranged from approximately 11.41% to 15.28% (2024 (audited): from 4.64% to 7.26%) per annum on initial recognition.

On 18 March 2025, Mr. Cheng and the related companies, extended the maturity date of the loans due with the principal amount of approximately HK\$217,000,000 to 30 June 2026. The difference between fair value of the extended loans and amortised costs of the original loans of approximately HK\$26,608,000 was treated as capital contribution and recognised in “Other reserves” within the equity.

The carrying amounts of the loans from related parties are repayable:

	At 31 December 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
Within one year	202,395	212,721
Within a period of more than one year but not exceeding two years	—	1,963
	<hr/>	<hr/>
	202,395	214,684
Less: Amounts due within one year shown under current liabilities	(202,395)	(212,721)
	<hr/>	<hr/>
Amount shown under non-current liabilities	—	1,963

18. OTHER BORROWINGS

As at 31 December 2025, the amount represented the borrowings of HK\$14,000,000 advanced from an independent third party, which was unsecured, carried fixed interest at 12% per annum and repayable within one year.

19. SHARE CAPITAL

	Ordinary shares of HK\$0.01 each	
	Number of shares	Par value HK\$'000
Authorised:		
At 1 January 2024 (audited), 31 December 2024 (audited), 1 January 2025 (audited) and 31 December 2025 (unaudited)	<u>5,000,000,000</u>	<u>50,000</u>
Issued and fully paid:		
At 1 January 2024 (audited)	311,036,000	3,110
Placing of new shares (<i>note (i)</i>)	<u>62,207,200</u>	<u>622</u>
At 31 December 2024 (audited) and 1 January 2025 (audited)	373,243,200	3,732
Placing of new shares (<i>note (ii)</i>)	<u>74,648,500</u>	<u>747</u>
At 31 December 2025 (unaudited)	<u>447,891,700</u>	<u>4,479</u>

Notes:

- (i) On 24 October 2024, the Company placed a total of 62,207,200 shares at HK\$1.79 per placing share to not less than six independent placees in accordance with the placing agreement dated 2 October 2024 (the “**2024 Placing**”). The gross proceeds from the 2024 Placing were approximately HK\$111,351,000. The net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) incidental to the 2024 Placing of approximately HK\$1,114,000, were approximately HK\$110,237,000.
- (ii) On 28 October 2025, the Company completed the placing of 74,648,500 shares at HK\$0.845 per placing share to not less than six independent placees in accordance with the placing agreement dated 2 October 2025 (the “**2025 Placing**”). The gross proceeds from the 2025 Placing were approximately HK\$63,078,000. The net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) incidental to the 2025 Placing of approximately HK\$630,000, were approximately HK\$62,448,000.

BUSINESS REVIEW AND OUTLOOK

For the twelve months ended 31 December 2025 (the “**Period**”), the Group’s total revenue decreased by approximately 14.9% to approximately HK\$43,849,000 (2024: HK\$51,510,000), mainly due to decrease in revenue from esports segment. Loss attributable to the owners of the Company for the Period was approximately HK\$38,564,000 (2024: HK\$43,195,000). The decreases in loss as compared to that for twelve months ended 31 December 2024 are mainly attributed to reduction in research and development costs for Holosens under the online game business.

Online Game business

According to the marketing report issued by NewZoo, the total revenue of in the global game market increased by approximately 3.4% in 2025 but the expected compounded annual growth rate (“**CAGR**”) was reduced to 2.9% from 2022 to 2028, down from the previous estimated CAGR of 3.1% from 2022 to 2027. In particular, the Asia-Pacific market was estimated to grow by approximately 2.3% only which was mainly driven by the increase in revenue in China due to expanding Steam adoption. Hence, the growth in the Southeast Asia region would be even lower. The report also highlighted the challenges in post-launch content enrichment to prolong the gamers’ interests and modernizing the long-standing titles as two major themes in 2026.

The revenue from the online game business of the Group increased by approximately 1.7% to HK\$15,336,000 for the Period (2024: HK\$15,080,000). The revenue generated from the two online games: “Jiuyin Zhenjing” 《九陰真經》 in the Southeast Asia region and “Champion Horse Racing” 《冠軍人馬》 globally, during the Period stayed at approximately the same level as compared to the twelve months ended 31 December 2024. To diversify its product portfolio, the Group has continuously explored new initiatives including distribution of game cards through social media platforms in China which contributed approximately HK\$3,737,000 in revenue in 2025 as well as the participation in the global launch of the “Myth of Empires” 《帝國神話》 which contributed approximately HK\$3,067,000 in revenue in 2024. However, both initiatives have been suspended as they are unlikely to deliver sustainable contributions to the Group due to lack of unique competitive edges in these operations. In addition, the Group’s efforts in developing its own game titles over the past few years have yet to produce meaningful return to the shareholders. After evaluating the financial position of the Group, the status of the Holosens project, the rapidly changing AI environment and related customer needs, the Group has scaled down its development of Holosens in 2025.

During the Period, revenue from “Jiuyin Zhenjing” 《九陰真經》 contributed to approximately 70% of the segment revenue. As the title has been published for over ten years, it has repeatedly faced challenges to retain customers when new games with similar gameplay were released. Historically, the Group has been successful in restoring the revenue back to target level several months after the launch of new games by competitors. In the fourth quarter of 2025, the global launch of two major new titles namely “Sword of Justice” 《逆水寒》 and “Where Winds Meet” 《燕雲十六聲》 had created similar effect and the Group’s revenue from “Jiuyin Zhenjing” 《九陰真經》 was reduced by over 40% during the fourth quarter. The Group is developing marketing plans to retain customers and working with the game developer to modernize the title. The medium-term impact of these new games on “Jiuyin Zhenjing” 《九陰真經》 will be a major consideration when renewing the license for this game in mid-2026. In the fourth quarter of 2025, the Group also engaged a software development service provider to design and develop artificial intelligence (“AI”) and machine learning algorithms to enhance and maintain the competitiveness of its online games business. Approximately HK\$3,000,000 was recognised as expenses during the Period for the initial collection and analysis of customer behaviour and preference.

The segment loss for the Period was approximately HK\$7,072,000 (2024: HK\$16,371,000), representing primarily the cost incurred in the development of the Holosens project and impairment loss of trade receivables. The reduction in segment loss was mainly driven by the reduction in research and development expenditure for Holosens.

Cloud computing and data storage business

The revenue from cloud computing and data storage business of the Group for the Period was approximately HK\$1,605,000 (2024: HK\$2,823,000), representing decrease of approximately 43.1%. The decrease was driven mainly by reduction in unit output of Filecoin as the size of the system expanded over time as well as reduction in market price of Filecoin. The new Bitcoin operation commenced in early 2025 has contributed approximately HK\$881,000 in revenue to mediate the decrease in segment revenue. The segment loss was approximately HK\$10,172,000 (2024: HK\$6,746,000) due to the decrease in market price of the cryptocurrencies and the poor operation efficiency of the Bitcoin operation. As the Bitcoin operation had not achieved the target performance level, the Group has ceased the Bitcoin operation in mid-2025.

In September 2025, the Group launched “TokenTrend”, a one-stop application focused on digital currency market trends. It provides users with real-time market data, industry insights, and investment strategy support, including cryptocurrency news and analysis.

To improve its competitiveness and expand its user base, the Group engaged a software development service provider in the fourth quarter of 2025 to enhance the overall features of the application, including development of AI and machine learning algorithms, front-end and back-end functionality implementation, expansion of data and analytics tools, establishment of social platform modules, and server and infrastructure upgrades. As at 31 December 2025, the project was at the initial stage, involving the collection and analysis of data and customer needs, as well as the selection of appropriate technical personnel and resources.

Esports business

The Group's esports arm participated in a number of top-ranking leagues in China in 2025 including PEL 《和平精英職業聯賽》, Valorant 《無畏契約》, League of Legends: Wildrift 《英雄聯盟手遊》 and Delata Force 《三角洲行動》. The revenue from the esports business of the Group for the Period was approximately HK\$25,087,000 (2024: HK\$29,737,000), representing a decrease of approximately 15.6%, and resulted in the segment profit of approximately HK\$1,506,000 (2024: HK\$3,427,000).

Whilst the PEL 《和平精英職業聯賽》 team remained the major revenue contributor, the League of Legends: Wildrift 《英雄聯盟手遊》 team and the Valorant team 《無畏契約》 together contributed approximately 44.3% of the segmental revenue during the Period (2024: 26.1%). Furthermore, the Group believed that Delata Force 《三角洲行動》 will be a fast-growing league in 2026 and further diversify the Group's portfolio.

The organizers for esport leagues award the esports teams through (i) prize money and (ii) rewards based on teams' contributions in promoting the leagues on various social media platforms to increase engagement with viewers. The prize money and the rewards represented 7.7% (2024: 6.2%) and 70.1% (2024: 48.3%) of the segment revenue respectively. Proceeds from transfer of players contributed 14.4% (2024: 25.5%) of the segment revenue as there were more transfers in 2024 as compared with the Period. The Group has been successful in developing new talents to uphold its positions in the leagues and generating income through transfer of players. The remaining revenue of the segment were derived from commercial activities including live cast by players on social media platforms. In line with the organizers' strategy, the contribution from live cast by players had been reduced. This was partly compensated by the increase in rewards from the organizers.

Other businesses

For the Period, the Group's revenue from property investment business was approximately HK\$1,421,000 (2024: HK\$1,257,000), mainly due to the increase in rental income. The segment profit was approximately HK\$2,301,000 (2024: HK\$1,361,000) as the fair value of investment properties increased during the Period.

The revenue from the remaining business, namely household products business and money lending business for the Period was approximately HK\$400,000 (2024: HK\$2,613,000), while the combined segment profit was approximately HK\$368,000 (2024: HK\$302,000). The Group will take initiatives to increase revenue by strengthening its customer base.

Future Prospects

In recent years, AI technologies have taken an increasingly prominent role in online game and digital development. The Group believes that the implementation and utilisation of AI technologies in its existing business will enable it to enhance and maintain its competitiveness in the market. In 2025, the Group engaged different software development service providers to develop AI and machine learning algorithms to support its existing businesses. Moving forward, the Group will continue to leverage its expertise in blockchain technology, AI, and Web3.0 to explore new business opportunities and diversify its revenue streams, including but not limited to other commercial applications such as biotechnology.

In view of the fast-changing market environment in these business sectors, the Group remains cautious when developing related projects.

FINANCIAL REVIEW

The Group's revenue for the Period amounted to approximately HK\$43,849,000, representing a decrease of approximately 14.9% over the corresponding period of 2024. Such decrease is mainly due to the decrease of revenue from esports segment.

Gross profit margin of the Group increased from 39.4% for 2024 to approximately 49.0% for the Period was mainly due to increase gross profit margin of online game business and esports business.

Other income decreased from approximately HK\$1,870,000 for the twelve months ended 31 December 2024 to approximately HK\$1,452,000 for the Period, mainly due to an one-off sponsorship income from business partners was recognised in the twelve months ended 31 December 2024.

Distribution and selling costs decreased from approximately HK\$1,390,000 for the twelve months ended 31 December 2024 to approximately HK\$632,000 for the Period, as there was decrease in marketing expenses for online game and esports business during the Period.

Administrative expenses decreased from approximately HK\$47,665,000 for the twelve months ended 31 December 2024 to approximately HK\$39,133,000 for the Period, mainly due to the decrease in staff costs and reduction in depreciation and amortisation expense.

Impairment loss on non-financial assets, net increased from approximately HK\$2,060,000 during the twelve months ended 31 December 2024 to approximately HK\$4,498,000 for the Period, was attributable to the impairment of cryptocurrencies and cryptocurrency deposits and receivables resulted from the decrease in market price of the cryptocurrencies.

Finance costs increased from approximately HK\$16,030,000 during the twelve months ended 31 December 2024 to approximately HK\$21,109,000 for the Period, mainly attributable to the increase in effective interest rate of loans from related parties and increase in other borrowings during the Period.

LIQUIDITY, FINANCIAL RESOURCES, FUNDING AND TREASURY POLICY

As at 31 December 2025, the Group had cash and bank balances of approximately HK\$4,957,000 (2024: HK\$8,491,000).

As at 31 December 2025, the Group had current assets of approximately HK\$84,193,000 (2024: HK\$43,741,000) and current liabilities of approximately HK\$248,481,000 (2024: HK\$260,541,000).

As at 31 December 2025, the Group had loans from related parties of approximately HK\$202,395,000 (2024: HK\$214,684,000). The loans from related parties carried interest at fixed rate ranging from 0% to 2% per annum and repayable within one year. Pursuant to the extension letters dated 25 February 2026, the related parties agreed to extend the maturity date to 30 September 2027.

On 14 March 2025, the Company entered into a revolving loan facilitate with an independent third party for an amount up to HK\$25,000,000. The rate of interest applicable to the loan facilities shall be 12% per annum from the date of drawdown. All loan facilities had been fully utilised during the Period. As at 31 December 2025, the Group had other borrowings of HK\$14,000,000, which carried fixed rate at 12% per annum and repayable within one year.

Nevertheless, the Group will seek for other financial resources as alternative means to meet working capital requirement.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 2 October 2025, the Company entered into the placing agreement with the placing agent, pursuant to which the Company agreed to place through the placing agent up to a maximum of 74,648,500 placing shares to not less than six independent placees at the placing price of HK\$0.845 per placing share on a best effort basis (the “**Placing**”). Further details were set out in the Company’s announcements dated 2 October 2025 and 17 October 2025.

On 23 October 2025, all conditions precedent were fulfilled and the completion took place on 28 October 2025 in accordance with the terms and conditions of the placing agreement. The gross proceeds and net proceeds (the “**Net Proceeds**”) from the Placing amounted to approximately HK\$63,078,000 and HK\$62,350,000 respectively.

USE OF PROCEEDS

Set out below are details of the allocation of the Net Proceeds, the utilised and unutilised amounts of the Net Proceeds as at 31 December 2025:

	Planned use of Net Proceeds <i>HK\$'000</i>	Utilised amounts as at 31 December 2025 <i>HK\$'000</i>	Unutilised amounts as at 31 December 2025 <i>HK\$'000</i>	Expected timeline for unutilised proceeds
(i) Supporting the Company's existing businesses including online game business and cryptocurrency business with direct and/or indirect investment in the development of AI technologies	30,350	3,000	27,350	By end of June 2026
(ii) Potential direct or indirect financial investment in an identified AI solution and service provider in the biotechnology and healthcare sector	22,000	—	22,000	By end of March 2026
(iii) General working capital	10,000	4,367	5,633	By end of October 2026
Total	<u>62,350</u>	<u>7,367</u>	<u>54,983</u>	

BANK BORROWINGS

No bank borrowings as at 31 December 2025 and 2024.

GEARING RATIO

As at 31 December 2025, the Group's gearing ratio, which was derived from loans from related companies and other borrowings to total assets, decreased to approximately 175.2% from that of approximately 246.3% as at 31 December 2024.

PLEDGE OF ASSETS

As at 31 December 2025, the Group did not have any pledge of assets (2024: Nil).

COMMITMENTS

As at 31 December 2025 and 2024, the Group had no capital commitments.

CONTINGENT LIABILITIES

As at 31 December 2025 and 2024, the Group had no material contingent liabilities.

CAPITAL STRUCTURE

The share capital of the Company comprises of ordinary shares only.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not acquire and dispose of any material subsidiaries, associate and joint ventures during twelve months ended 31 December 2025.

DIVIDENDS

The Board has resolved not to declare an interim dividend for the twelve months ended 31 December 2025 (2024: Nil).

FOREIGN EXCHANGE EXPOSURE

Most of the trading transactions, assets and liabilities of the Group were denominated in Renminbi, United States dollars, Hong Kong dollars, Malaysia Ringgit and Thai Baht. The Group is exposed to foreign exchange risk with respect to the fluctuation of Renminbi which may affect the Group's performance and assets. The Group has not entered into any derivative contract to hedge against the risk.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group employed 108 staff. The Group's remuneration to employees, including Directors' emoluments, amounted to approximately HK\$23,897,000 for the Period. The Group reviews employee remuneration annually and rewards its employee with reference to the length of services and performance. The Group also grants share options and bonuses to employees of the Group at the discretion of the Directors and based on the financial performance of the Group.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contract of significance to which the Company or any of its subsidiaries or its holding company, was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the Period under review or any time during the Period under review save and except for the transactions disclosed as connected and/or related party transactions in accordance with the requirements of the Listing Rules and accounting principles generally accepted in Hong Kong.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares for the Period.

CORPORATE GOVERNANCE

The Group is committed to ensuring high standards of corporate governance and business practices. The Company's corporate governance practices are based on the principles and the code provisions (the "**Code Provisions**") as set out in the Corporate Governance Code and Corporate Governance Report (the "**CG Code**"), amended from time to time, contained in Appendix C1 of the Listing Rules. As far as the CG Code is concerned, during the Period, the Company complies with all aspect of the Code Provisions except disclosed below:

Under the code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The role of the chairman of the Board was shared among the members of the Board since the position became vacant on 3 July 2025 and the role of chief executive officer was shared among the members of the Board during the Period. There is no time schedule to change this structure, as the Directors consider that this structure provides the Group with consistent leadership in the Company's decision making process and operational efficiency. The Board shall review this arrangement from time to time to ensure appropriate and timely action is taken to meet changing circumstances.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as its code of conduct regarding securities transactions of the Directors. On specific enquiries made, all directors have confirmed that they have complied with the required standard as set out in the Model Code during the Period.

AUDIT COMMITTEE

The Company has established an Audit Committee with written terms of reference in accordance with the Listing Rules. The primary duties of the Audit Committee are to review the Company’s interim and annual reports and accounts and to provide advice and comments thereon to the Board. The Audit Committee is also responsible for reviewing internal control procedures of the Group. The Audit Committee comprises of three independent non-executive Directors, namely Mr. Fung Tze Wa (Chairman), Mr. Hui Ka Lung and Mr. Zhao Yi.

The Audit Committee has reviewed the unaudited condensed consolidated financial statements for the Period.

PUBLICATION OF SECOND INTERIM RESULTS ANNOUNCEMENT AND SECOND INTERIM REPORT

This second interim results announcement is published on the websites of the Company (<http://www.776.hk>) and the Stock Exchange (<http://www.hkexnews.hk>). The second interim report containing all the information required by the Listing Rules will be dispatched to the shareholders and published on the aforesaid websites in due course.

By order of the Board
Imperium Technology Group Limited
Xiao Junjia
Executive Director

Hong Kong, 27 February 2026

As at the date of this announcement, the executive directors of the Company are Mr. Lin Junwei, Mr. Yeung Tong Seng Terry, Mr. Xiao Junjia and Ms. Li Tingting; and the independent non-executive directors of the Company are Mr. Fung Tze Wa, Mr. Hui Ka Lung and Mr. Zhao Yi.