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AM GROUP HOLDINGS LIMITED

秀商時代控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1849)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

The board of directors of AM Group Holdings Limited (the “Company”, the “Directors” and the “Board”, respectively) announces the unaudited interim financial results (the “Interim Results”) of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 31 December 2024 (the “Reporting Period”) (the “2024 Interim Results”) together with the relevant comparative figures.

FINANCIAL HIGHLIGHTS

Revenue of the Group for the Reporting Period was S\$13.1 million, representing a decrease of 13.5% over the corresponding period last year.

Gross profit for the Reporting Period stood at S\$3.8 million, representing an increase of 2% over the corresponding period last year.

Loss for the Reporting Period stood at S\$40,000, representing an improvement of 74.3% over the corresponding period last year. The improvement was mainly due to the following reasons:

1. Improvement in the gross profit margin of search engine marketing services, from 17.8% in the corresponding period last year to 25.2% in the Reporting Period. As a result, the gross profit of search engine marketing services increased by approximately S\$1 million (which was also contributed by the increase in search engine marketing services revenue by 12.4%).
2. The above is offset by the deconsolidation of the results of online e-commerce platform, whose gross profit for the corresponding period last year was approximately S\$1 million.
3. As a result of the deconsolidation of the results of the online e-commerce platform, operating expenses also decreased by approximately S\$0.4 million.
4. The drop in operating expenses is offset by a drop in reversals of impairment losses of approximately S\$0.2 million, and an increase in income tax expense of approximately S\$0.1 million, and a decrease in other income of approximately S\$0.1 million.

The Board has resolved not to declare any interim dividend in respect of the six months ended 31 December 2024 (six months ended 31 December 2023: nil).

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

For the six months ended 31 December 2024

		Six months ended	
		31 December	
		2024	2023
	<i>Notes</i>	<i>S\$'000</i>	<i>S\$'000</i>
		(Unaudited)	(Unaudited)
Revenue	4	13,080	15,128
Cost of services		<u>(9,263)</u>	<u>(11,387)</u>
Gross profit		3,817	3,741
Other income	5	173	273
Other gains, net	6	2	—
Selling expenses		(535)	(561)
General and administrative expenses		(2,988)	(3,477)
Impairment losses under expected credit loss ("ECL") model, net of reversal		(88)	268
Finance costs	7	<u>(38)</u>	<u>(70)</u>
Profit before taxation		343	174
Income tax expense	8	<u>(383)</u>	<u>(330)</u>
Loss for the period	9	(40)	(156)
Other comprehensive income/(expenses):			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of a foreign operation		<u>47</u>	<u>(115)</u>
Total comprehensive income/(expenses) for the period		<u><u>7</u></u>	<u><u>(271)</u></u>

	Six months ended	
	31 December	
	2024	2023
<i>Notes</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Unaudited)
Loss for the period attributable to:		
Owners of the Company	(2,271)	(399)
Non-controlling interests	<u>2,231</u>	<u>243</u>
	<u>(40)</u>	<u>(156)</u>
Total comprehensive income/(expenses) for the period		
attributable to:		
Owners of the Company	(2,232)	(495)
Non-controlling interests	<u>2,239</u>	<u>224</u>
	<u>7</u>	<u>(271)</u>
Loss per share (in Singapore cent)		
Basic and diluted	11 <u>(0.28)</u>	<u>(0.05)</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	<i>Notes</i>	31 December 2024 S\$'000 (Unaudited)	30 June 2024 S\$'000 (Audited)
Non-current assets			
Plant and equipment	12	118	129
Right-of-use assets		176	306
Investment property		<u>2,712</u>	<u>2,743</u>
		<u>3,006</u>	<u>3,178</u>
Current assets			
Trade and other receivables	13	3,366	2,802
Bank balances and cash	14	<u>11,389</u>	<u>11,589</u>
		<u>14,755</u>	<u>14,391</u>
Current liabilities			
Trade and other payables	15	3,979	3,824
Contract liabilities	16	3,928	3,924
Lease liabilities	17	156	272
Bank and other borrowings	18	1,536	1,591
Income tax payable		<u>466</u>	<u>254</u>
		<u>10,065</u>	<u>9,865</u>
Net current assets		<u>4,690</u>	<u>4,526</u>
Total assets less current liabilities		<u>7,696</u>	<u>7,704</u>
Non-current liabilities			
Lease liabilities	17	26	41
Deferred tax liabilities		<u>3</u>	<u>3</u>
		<u>29</u>	<u>44</u>
Net assets		<u><u>7,667</u></u>	<u><u>7,660</u></u>

		31 December	30 June
		2024	2024
	<i>Notes</i>	S\$'000	S\$'000
		(Unaudited)	(Audited)
Capital and reserves			
Share capital	19	1,389	1,389
Share premium	20	19,366	19,366
Reserves		<u>(18,568)</u>	<u>(16,336)</u>
Equity attributable to owners of the Company		2,187	4,419
Non-controlling interests		<u>5,480</u>	<u>3,241</u>
Total equity		<u>7,667</u>	<u>7,660</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2024

	Share capital	Share premium	Merger reserve	Translation reserve	Statutory reserve	Retained earnings/ losses (Accumulated)	Sub-total	Non-controlling interests	Total equity
	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000
As at 1 July 2023 (Audited)	1,389	19,366	220	(1,921)	366	13,042	32,462	5,950	38,412
Profit for the period	—	—	—	—	—	(399)	(399)	243	(156)
Other comprehensive income for the period:									
Exchange differences on translation of a foreign operation	—	—	—	(93)	—	—	(93)	(19)	(112)
Total comprehensive (expenses)/income	—	—	—	(93)	—	(399)	(492)	224	(268)
As at 31 December 2023 (Unaudited)	<u>1,389</u>	<u>19,366</u>	<u>220</u>	<u>(2,014)</u>	<u>366</u>	<u>12,643</u>	<u>31,970</u>	<u>6,174</u>	<u>38,144</u>
As at 1 July 2024 (Audited)	1,389	19,366	220	35	—	(16,591)	4,419	3,241	7,660
Profit for the period	—	—	—	—	—	(2,271)	(2,271)	2,231	(40)
Other comprehensive expense for the period:									
Exchange differences on translation of a foreign operation	—	—	—	39	—	—	39	8	47
Total comprehensive income/(expenses)	—	—	—	39	—	(2,271)	(2,232)	2,239	7
As at 31 December 2024 (Unaudited)	<u>1,389</u>	<u>19,366</u>	<u>220</u>	<u>74</u>	<u>—</u>	<u>(18,862)</u>	<u>2,187</u>	<u>5,480</u>	<u>7,667</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 December 2024

	31 December 2024 <i>S\$'000</i> (Unaudited)	30 June 2024 <i>S\$'000</i> (Audited)
OPERATING ACTIVITIES		
Profit/(Loss) before taxation	343	(28,752)
Adjustments for:		
Amortisation of intangible assets	—	58
Depreciation of plant and equipment	25	92
Depreciation of investment property	32	63
Depreciation of right-of-use assets	134	904
Finance costs	38	167
Interest income	(90)	(300)
Impairment loss, net of reversal on trade receivables	88	96
Loss on impairment loss on current accounts on deconsolidation	—	2,645
Loss on deconsolidation of subsidiaries	—	26,121
	570	1,094
Operating cash flows before movements in working capital		
Movements in working capital:		
Decrease in trade and other receivables	(772)	(10,331)
Increase in trade and other payables	155	7,648
Increase in contract liabilities	109	21
	62	(1,568)
Cash generated from/(used in) operations		
Income tax refunded	224	1,189
	286	(379)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES		
INVESTING ACTIVITIES		
Interest received from time deposits	90	300
Net cash outflow from deconsolidation of subsidiaries	—	(15)
Purchase of intangible asset	—	(1,910)
Purchase of plant and equipment	(6)	(43)
	84	(1,668)
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES		

	31 December 2024 S\$'000 (Unaudited)	30 June 2024 S\$'000 (Audited)
FINANCING ACTIVITIES		
Repayment of bank borrowings	(56)	(60)
Interest paid on bank and other borrowings	(32)	(117)
Repayment of lease liabilities	<u>(137)</u>	<u>(942)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(226)</u>	<u>(1,119)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	145	(3,166)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	11,589	14,739
Effect of foreign exchange rate changes	<u>(345)</u>	<u>16</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>11,389</u>	<u>11,589</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Non-pledged cash and bank balances	6,195	4,415
Time deposits	<u>5,194</u>	<u>7,174</u>
Cash and cash equivalents as stated in the condensed consolidated statement of financial position	<u>11,389</u>	<u>11,589</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

1. GENERAL INFORMATION

The Company was incorporated and registered as an exempted company in the Cayman Islands with limited liability on 7 December 2017. The registered address of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business is at 60 Paya Lebar Road, #12-51/52 Paya Lebar Square, Singapore 409051. The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) with effect from 26 June 2019.

Its parent is Activa Media Investment Limited (incorporated in the British Virgin Islands). Its ultimate controlling parties are Ms. Teo Li Lian, the chairlady, the executive Director and the chief executive officer of the Company and Mr. Teo Kuo Liang, the executive Director of the Company.

The Company is an investment holding company and its subsidiaries (together with the Company, referred to as the “Group”) are principally engaged in the provision of online marketing services and operation of online e-commerce platform.

The unaudited condensed consolidated financial statements of the Group are presented in Singapore dollars (“S\$”), which is also the functional currency of the Company.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The MSIL Group became involved as defendant in a legal suit in 2024 (the “2024 Legal Suit”), the individual who was the non-controlling interest shareholder of the MSIL Group (the “NCI Shareholder”), and was also an executive director of the Company and key management personnel of MSIL Group responsible for managing the business of MSIL Group, refused to let the Group have access to the accounting books and records and management and accounting personnel of the MSIL Group. The NCI Shareholder imposed a condition that the Group must settle the matters in relation to the 2024 Legal Suit in order to have such access to the MSIL Group.

Subsequently in 2025, the MSIL Group became the plaintiff when it brought legal action (the 2025 Legal Suit”) against the plaintiff of the 2024 Legal Suit and the controlling shareholder and holding company of the Company. With the ongoing legal suits, the Group continued not to be able to have access to the MSIL Group.

The management of the Group has no further information regarding the financial results and financial position of the MSIL Group for the Reporting Period other than the management accounts that was previously obtained from the MSIL Group. The management is also unable to establish whether the business operations of MSIL Group had been affected by the legal suits and disputes up to the date of approval of these consolidated financial statements.

The directors of the Company has undertaken all reasonable actions and steps and used their best endeavors to collect and collate the necessary financial information and documents from the MSIL Group but the MSIL Group have refused to cooperate in spite of demands and requests made to them.

In view of the facts and circumstances as described above, the Group has lost control over the MSIL Group and for the purposes of the preparation of the consolidated financial statements the loss of control was with effect from 30 June 2024. Consequently, in the preparation of the consolidated financial statements of the Group, the assets and liabilities of the MSIL Group have been derecognized from the consolidated statement of financial position of the Group on 30 June 2024 (the “Deconsolidation Date”) and the retained investment of the Group in the MSIL Group was recognised at Nil carrying amount as at 31 December 2024 and 30 June 2024. The financial performance and cash flows of MSIL Group were consolidated in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows up until 30 June 2024 based on the management accounts of MSIL Group.

In addition, the Board has also resolved to put Majestic Group under liquidation and has appointed BVI registered liquidator, Kroll (HK) Limited, as the liquidator of Majestic Group on 9 March 2026. Under the BVI laws, upon the appointment of the liquidator, the Board of Directors of the BVI company is deemed to have transferred the authority and power over the assets and matters of the BVI company to the liquidator.

Impact on consolidated statement of financial position

The carrying amounts of the assets and liabilities of the MSIL Group as at 30 June 2024 that were derecognised from the consolidated statement of financial position of the Group on 30 June 2024, are as follows:

	2024 S\$'000
Non-current assets	
Plant and equipment	17
Right-of-use assets	731
Goodwill	10,759
Intangible assets	5,108
Current assets	
Trade and other receivables	34,404
Cash and cash equivalents	15
Current liabilities	
Trade and other payables	(18,575)
Lease liabilities	(557)
Bank and other borrowings	(519)
Amounts due to non-controlling interest	(629)
Income tax payable	(2,990)
Non-current liabilities	
Bank and other borrowings	(253)
	<hr/>
	27,511
Non-controlling interest	(3,350)
	<hr/>
	24,161
	<hr/> <hr/>
Foreign currency translation reserve	1,960
	<hr/>
	26,121
	<hr/> <hr/>

The financial performance and cash flows of MSIL Group that were included in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statements of cash flows of the Group for the years ended 30 June 2024 are as follows:

Impact on consolidated statement of profit or loss and other comprehensive income

	2024 <i>SS'000</i>
Revenue	12,385
Cost of services	<u>(8,715)</u>
Gross profit	3,669
Other income	215
Selling expenses	(5)
General and administrative expenses	(1,175)
Finance cost	<u>(92)</u>
Profit before taxation	2,612
Income tax expense	<u>(392)</u>
Profit for the year	<u>2,220</u>
Other comprehensive income	<u>44</u>
Total comprehensive income for the year	<u><u>2,264</u></u>

Impact on consolidated statements of cash flows

	2024 <i>SS'000</i>
Net cash inflow from operating activities	1,786
Net cash outflow from investing activities	(1,910)
Net cash outflow from financing activities	<u>(45)</u>
Net decrease cash and cash equivalents	(169)
Cash and cash equivalents at beginning of the year	222
Effect of foreign exchange rate changes	(38)
Cash and cash equivalents at end of the year	<u><u>15</u></u>

3. APPLICATION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS

During the Reporting Period, the Group has adopted all the new and revised IFRS Accounting Standards issued by the IASB that are relevant to its operations and effective for its accounting period beginning on 1 July 2024. The application of these new and revised IFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation, of the Group's financial statements and amounts reported for the current period and prior periods. The Group has not early applied the new and revised IFRS Accounting Standards that have been issued but are not yet effective. The Directors anticipate that the application of these new standards, amendments and interpretations will have no material impact on the unaudited condensed consolidated financial statements of the Group.

4. REVENUE AND SEGMENT INFORMATION

Revenue

The analysis of the Group's revenue for the Reporting Period is as follow:

	Six months ended 31 December	
	2024	2023
	\$'000	\$'000
	(Unaudited)	(Unaudited)
Search engine marketing services	11,237	10,000
Creative and technology services	1,174	1,194
Social media marketing services	669	790
Online platform management services	—	3,144
	<u>13,080</u>	<u>15,128</u>
	<u>13,080</u>	<u>15,128</u>
	Six months ended 31 December	
	2024	2023
	\$'000	\$'000
	(Unaudited)	(Unaudited)
Timing of revenue recognition:		
Over time:		
— Search engine marketing services	11,237	10,000
— Social media marketing services	669	790
— Online platform management services	—	476
	<u>11,906</u>	<u>11,266</u>
	<u>11,906</u>	<u>11,266</u>
At point in time:		
— Creative and technology services	1,174	1,194
— Online platform management services	—	2,668
	<u>1,174</u>	<u>3,862</u>
	<u>1,174</u>	<u>3,862</u>
	<u>13,080</u>	<u>15,128</u>

The customers of the Group mainly include local and international brands across various business sectors.

The Group provides search engine marketing services and social media marketing services to customers. Such services are recognised as a performance obligation satisfied over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance. Revenue is recognised for these search engine marketing services and social media marketing services based on the stage of completion of the contract using input method. The Group generally requires customers to provide upfront payments of certain percentage of the contract sum, when the Group receives a deposit before service commences, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the specific contract completion exceeds the amount of the deposit. The period for the search engine marketing services and social media marketing services generally within 1 year. Revenues recognised from these services are based on a fixed fee. The Group generally bills the remaining balances on a periodic basis and provides credit terms of 7–30 days (2023: 7–30 days) to its customers.

The Group provides creative and technology services and online platform management services to customers. Such services are recognised at a point in time when the websites or services are available for the customers because the Group has determined that control of the performance obligation has been transferred to the customers (i.e. service performed) as the Group has the right to payment for its service and customers have accepted its services. Revenue recognised from creative and technology services are based on a fixed fee. The Group generally bills its customers when services are performed and provides credit terms of 7–30 days (2023: 7–30 days) to its customers.

The Group provides online platform management services which include commission income and technical service income. Commission income is recognised at a point in time when merchant transactions are completed on online e-commerce platform. The commission are generally determined as a percentage based on the value of merchandise being sold by the merchants. All merchant transactions are cleared through online payment processing service providers with credit terms of 7 days. Technical service income is recognised as a performance obligation satisfied over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance. Revenue is recognised for technical service based on the stage of completion of the contract using output method. The Group generally provides credit terms of 180 days (2023: 180 days) to its customers.

The Group provides online platform marketing services to customers. Such services are recognised as a performance obligation satisfied over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance. Revenue is recognised for online platform marketing services based on the stage of completion of the contract using input method. The Group generally requires customers to provide upfront payments of entire contract sum, when the Group receives a deposit before service commences, this will give rise to contract liabilities at the start of a contract. The period for these services is generally within 1 year. Revenues recognised from these services are based on a fixed fee. The Group generally provides credit terms of 30 days (2023: 30 days) to its customers.

All services are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Segment information

Information reported to the chief executive officer, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of services provided. The CODM review segment revenue and results attributable to each segment, which is measured by reference to respective segment’s gross profit.

Specifically, the Group’s reportable segments under IFRS 8 are as follows:

1. Search engine marketing services — online marketing services in Singapore and Malaysia that involves the promotion of websites by increasing their visibility in search engine results pages primarily through paid advertising.
2. Creative and technology services — website development and hosting and other advertisement supporting services in Singapore and Malaysia.
3. Social media marketing services — online advertising services in Singapore and Malaysia that utilises the unique features of social media platform to deliver customised information to specific target customers.
4. Online e-commerce platform operation — technical services, commission for transaction proceeds and marketing services on the online e-commerce platform in the PRC. The deconsolidated operation was a reportable and operating segment of the Group in previous financial years.

Segment revenue and results:

The following is an analysis of the Group’s revenue and results from continuing operations by operating and reportable segments.

For the six months ended 31 December 2024

	Search engine marketing services S\$’000 (Unaudited)	Creative and technology services S\$’000 (Unaudited)	Social media marketing services S\$’000 (Unaudited)	Online e-commerce platform operation S\$’000 (Unaudited)	Total S\$’000 (Unaudited)
REVENUE					
External sales and segment revenue	<u>11,237</u>	<u>1,174</u>	<u>669</u>	<u>—</u>	<u>13,080</u>
RESULT					
Segment/gross profit	<u>2,827</u>	<u>660</u>	<u>330</u>	<u>—</u>	<u>3,817</u>
Other income					173
Other gains					2
Selling expenses					(535)
General and administrative expenses					(2,988)
Impairment losses under ECL model, net of reversal					(88)
Finance costs					(38)
Profit before taxation					<u>343</u>

For the six months ended 31 December 2023

	Search engine marketing services <i>S\$'000</i> (Unaudited)	Creative and technology services <i>S\$'000</i> (Unaudited)	Social media marketing services <i>S\$'000</i> (Unaudited)	Online e-commerce platform operation <i>S\$'000</i> (Unaudited)	Total <i>S\$'000</i> (Unaudited)
REVENUE					
External sales and segment revenue	<u>10,000</u>	<u>1,194</u>	<u>790</u>	<u>3,144</u>	<u>15,128</u>
RESULT					
Segment/gross profit	<u>1,783</u>	<u>690</u>	<u>312</u>	<u>956</u>	3,741
Other income					273
Other gains					—
Selling expenses					(561)
General and administrative expenses					(3,477)
Impairment losses under ECL model, net of reversal					268
Finance costs					<u>(70)</u>
Profit before taxation					<u>174</u>

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of general and administrative expenses, selling expenses, finance costs, other income, other gains and impairment losses under ECL model, net of reversal. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

There were no inter-segment sales for each of the reporting period.

Segment assets and liabilities

Information reported to the CODM for the purposes of resources allocation and performance assessment does not include any assets and liabilities. Accordingly, no segment assets and liabilities are presented.

Geographical information

Revenue by geographical location

Information about the Group's revenue from external customers by geographical location, determined based on the location of services rendered are detailed below:

	Six months ended 31 December	
	2024	2023
	\$'000	\$'000
	(Unaudited)	(Unaudited)
Singapore (country of domicile)	11,831	11,182
Malaysia	1,249	803
PRC	—	3,143
	<u>13,080</u>	<u>15,128</u>

Non-current assets by geographical location

Information about the Group's non-current assets is presented based on the geographical location of the assets are detailed below:

	31 December	30 June
	2024	2024
	\$'000	\$'000
	(Unaudited)	(Audited)
Singapore (country of domicile)	2,858	3,015
Malaysia	148	163
Non-current assets	<u>3,006</u>	<u>3,178</u>

Information about major customers

No single customer contributes over 10% or more of total revenue of the Group during the six months ended 31 December 2024 and 2023.

5. OTHER INCOME

	Six months ended 31 December	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Unaudited)
Government grants	8	4
Rental income	70	70
Interest income for time deposit	90	174
Others	5	25
	<u>173</u>	<u>273</u>

6. OTHER GAINS, NET

	Six months ended 31 December	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Unaudited)
Net exchange gain	2	—
	<u>2</u>	<u>—</u>

7. FINANCE COSTS

	Six months ended 31 December	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Unaudited)
Interest on bank and other borrowings	32	52
Interest expense on lease liabilities	6	18
	<u>38</u>	<u>70</u>

8. INCOME TAX EXPENSE

	Six months ended 31 December	
	2024	2023
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Tax expense comprises:		
Current tax:		
— Singapore corporate income tax (“CIT”)	304	215
— Malaysia corporate income tax	79	54
— PRC enterprise income tax (“EIT”)	—	60
Overprovision from prior years	—	1
	383	330

Singapore CIT is calculated at 17% of the estimated assessable profit for the six months ended 31 December 2024.

Malaysia corporate income tax is calculated at 24% for the estimated assessable profit for the six months ended 31 December 2024.

According to the announcement of “The State Administration of Taxation on issues concerning EIT related with enhancing the Western Region Development Strategy”* (國家稅務總局關於深入實施西部大開發戰略有關稅收政策問題的通知), the Group’s PRC subsidiaries were registered with the local tax authority to be eligible to the reduced EIT rate of 15% from 2011 to 2020. According to the extension announcement of “The State Administration of Taxation on extension on EIT related with enhancing the Western Region Development Strategy”* (國家稅務總局關於延續西部大開發企業所得稅政策的公告), the Group’s PRC subsidiaries will be further eligible to the reduced EIT rate of 15% from 2021 to 2030. Accordingly, PRC EIT is calculated at a preferential income tax rate of 15% for the six months ended 31 December 2024.

The tax charge for the Reporting Period can be reconciled to the profit before taxation per the unaudited condensed consolidated statement of profit or loss and other comprehensive income as follows:

	Six months ended 31 December	
	2024	2023
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Profit before taxation	343	174
Tax at Singapore CIT rate of 17%	58	29
Tax effect of income tax not taxable for tax purpose	308	277
Tax effect of different tax rate in foreign jurisdiction	18	4
Effect of tax concessions and partial tax exemption	(1)	19
Under provision from prior years	—	1
	383	330

* for identification purposes only

9. LOSS FOR THE PERIOD

	Six months ended 31 December	
	2024	2023
	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Unaudited)
Loss for the period has been arrived at after charging/(crediting):		
Directors' emoluments:		
Fees	32	30
Salaries, allowances and other benefits	1,252	1,138
Retirement benefit scheme contributions	15	12
	<u>1,299</u>	<u>1,180</u>
Other staff costs:		
Salaries, allowances and other benefits	1,907	1,839
Retirement benefit scheme contributions	218	209
	<u>2,125</u>	<u>2,048</u>
Total staff costs	<u>3,424</u>	<u>3,228</u>
Auditor's remuneration	103	159
Depreciation expenses:		
Investment property	32	32
Plant and equipment	25	51
Right-of-use assets	134	133
Amortisation of intangible assets	—	28
Impairment loss (reversal of), net of reversal on trade receivables	88	(268)
Gross rental income from an investment property	(70)	(70)
Less: direct operating expenses incurred for investment property that generated rental income during the period	<u>32</u>	<u>32</u>
	<u>(38)</u>	<u>(38)</u>

10. DIVIDENDS

The Board has resolved not to declare any interim dividend for the six months ended 31 December 2024 (six months ended 31 December 2023: nil).

11. LOSS PER SHARE

The calculation of basic and diluted loss per share attributable to owners of the Company is based on the following data:

	Six months ended 31 December	
	2024	2023
	(Unaudited)	(Unaudited)
Loss attributable to the owners of the Company (<i>S\$'000</i>)	(2,271)	(399)
Weighted average number of ordinary shares in issue (<i>'000</i>)	800,000	800,000
Basic and diluted earnings per share (Singapore cent)	<u>(0.28)</u>	<u>(0.05)</u>

The calculation of basic loss per share is based on the loss for the period attributable to owners of the Company and the weighted average number of shares in issue.

Diluted loss per share is the same as the basic loss per share because the Group had no potential dilutive securities that are convertible into shares during both periods.

12. MOVEMENT IN PLANT AND EQUIPMENT

During the six months ended 31 December 2024, the Group acquired plant and equipment at a total cost of approximately S\$6,000 (six months ended 31 December 2023: S\$18,000). There was no disposal of plant and equipment during the six months ended 31 December 2024 (six months ended 31 December 2023: nil).

As at 31 December 2024, plant and equipment with carrying amount of approximately S\$118,000 (30 June 2024: S\$129,000).

13. TRADE AND OTHER RECEIVABLES

	31 December	30 June
	2024	2024
	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Audited)
Current assets:		
Trade receivables	2,756	2,457
Unbilled revenue	<u>1,129</u>	<u>843</u>
	<u>3,885</u>	<u>3,300</u>
Less: Allowance for ECL	<u>(869)</u>	<u>(781)</u>
	<u>3,016</u>	<u>2,519</u>
Deposits	80	80
Prepayments	124	90
Staff loans	101	80
Other receivables	<u>45</u>	<u>33</u>
Total	<u>3,366</u>	<u>2,802</u>

The Group generally requires advance payments of certain percentage of contract sums from customers for search engine marketing services, creative and technology services and social media marketing services segments. The average credit period granted is 7–30 days (2023: 7–30 days).

The Group's trade receivables arising from commission for transaction proceeds on the online e-commerce platform operation are settled through online payment processing service providers. The credit period is 7–30 days (2023: 7–30 days).

The Group generally grants credit period of 180 days to customers of technical services on the online e-commerce platform operation.

The Group generally requires advance payments of entire contracts sums from customers from online platform marketing services segments. The average credit period granted is 30 days (2023: 7–30 days).

The table below is an analysis of trade receivables and unbilled revenue, net of allowance of ECL presented based on the invoice dates as at the end of each reporting period.

	31 December 2024 \$'000 (Unaudited)	30 June 2024 \$'000 (Audited)
Unbilled revenue	1,129	806
Not yet past due	—	1,267
Less than 30 days	1,133	242
31 to 60 days	402	169
61 to 90 days	210	35
Over 90 days	142	—
	<u>3,016</u>	<u>2,519</u>

Movement in lifetime ECL that has been recognised in accordance with simplified approach set out in IFRS 9 is as follows:

	Lifetime ECL — not credit impaired individually assessed S\$'000	Lifetime ECL — credit impaired S\$'000	Total S\$'000
As at 1 July 2023	1,172	2,970	4,142
Amounts charged to profit or loss	58	38	96
Written off	—	(56)	(56)
Deconsolidation	(1,011)	(2,390)	(3,401)
	<u>219</u>	<u>562</u>	<u>781</u>
As at 30 June 2024 and 1 July 2024	219	562	781
Amounts charged to profit or loss	—	88	88
	<u>219</u>	<u>650</u>	<u>869</u>
As at 31 December 2024	219	650	869

14. BANK BALANCES AND CASH

	31 December 2024 <i>S\$'000</i> (Unaudited)	30 June 2024 <i>S\$'000</i> (Audited)
Time deposits	5,194	7,174
Cash at bank and on hand	<u>6,195</u>	<u>4,415</u>
	<u><u>11,389</u></u>	<u><u>11,589</u></u>

15. TRADE AND OTHER PAYABLES

	31 December 2024 <i>S\$'000</i> (Unaudited)	30 June 2024 <i>S\$'000</i> (Audited)
Trade payables	2,881	2,863
Accrued expenses	595	503
Deposit received	255	211
Other tax payables	163	183
Other payables	<u>85</u>	<u>64</u>
	<u><u>3,979</u></u>	<u><u>3,824</u></u>

An ageing analysis of the trade payables based on invoice date at the end of reporting periods is as follows:

	31 December 2024 <i>S\$'000</i> (Unaudited)	30 June 2024 <i>S\$'000</i> (Audited)
1 to 30 days	1,416	2,853
31 to 60 days	1,456	—*
61 to 90 days	—	—
Over 90 days	<u>9</u>	<u>10</u>
	<u><u>2,881</u></u>	<u><u>2,863</u></u>

* The amount is less than \$1,000.

16. CONTRACT LIABILITIES

	31 December 2024 S\$'000 (Unaudited)	30 June 2024 S\$'000 (Audited)
Revenue recognised that was included in the contract liabilities balance at the beginning of the period/year	<u>3,924</u>	<u>3,903</u>

17. LEASE LIABILITIES

	31 December 2024 S\$'000 (Unaudited)	30 June 2024 S\$'000 (Audited)
Maturity analysis:		
— Within one year	159	281
— Later than one year but not later than two years	27	34
— Later than two years but not later than five years	<u>—</u>	<u>8</u>
	186	323
Less: future finance charge	<u>(4)</u>	<u>(10)</u>
	<u>182</u>	<u>313</u>

	31 December 2024 S\$'000 (Unaudited)	30 June 2024 S\$'000 (Audited)
Analysed as:		
Current	156	272
Non-Current	26	41
	182	313

The incremental borrowing rates applies to lease liabilities at 5% (30 June 2024: 5%).

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

18. BANK AND OTHER BORROWINGS

	31 December 2024 S\$'000 (Unaudited)	30 June 2024 S\$'000 (Audited)
Bank borrowings — Secured and guaranteed	1,536	1,591
Carrying amount of the above borrowings that are variable-rate and repayable:		
— Within one year	116	113
— Later than one year but not later than two years	121	118
— Later than two years but not later than five years	256	382
— Later than five years	1,043	978
	1,536	1,591

The bank borrowings are guaranteed by Ms. Teo Li Lian and Mr. Teo Kuo Liang and secured by the investment property of the Group. The personal guarantee given by Ms. Teo Li Lian and Mr. Teo Kuo Liang has been released on 11 March 2020 and replaced by a corporate guarantee given by the Company.

The range of effective interest rates of the Group's bank borrowing at 3.98% for the six months ended 31 December 2024 (1.98% to 6.25% for year ended 30 June 2024).

19. SHARE CAPITAL

The authorised and issued share capital of the Company are as follows:

	Number of shares	Par value <i>HK\$</i>	Share capital <i>HK\$'000</i>
At 1 July 2023, 30 June 2024 and 31 December 2024	<u>10,000,000,000</u>	<u>0.01</u>	<u>100,000</u>
		Number of shares	Share capital <i>S\$'000</i>
Issued and fully paid: At 1 July 2023, 30 June 2024 and 31 December 2024		<u>800,000,000</u>	<u>1,389</u>

20. SHARE PREMIUM

Share premium represents the excess of share issue over the par value set off against the effect of share issuance expenses under share offer.

21. CONTINGENT LIABILITIES

Save as disclosed in note 2 to the consolidated financial statements of the Company in this report in respect of the 2024 and 2025 legal suit, the Group did not have any significant contingent liabilities as at 31 December 2024 being the end of the Year and up to the date of this report.

22. SUBSEQUENT EVENT

Save as disclosed in note 2 to the consolidated financial statements of the Company in this report in respect of the Board has resolved to put Majestic Group under liquidation and has appointed BVI registered liquidator, the Group has no material events subsequent to 31 December 2024 being the end of the Year and up to the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW AND PROSPECTS

The Group, including its subsidiaries, is primarily engaged in the field of online marketing, including search engine marketing, search engine optimisation, social media marketing, web design and development as well as online e-commerce platform operations.

With our comprehensive range of digital services and extensive market reach into the flourishing business hubs of Singapore and Malaysia, the Group is well-positioned to further cement and grow its presence in the year ahead as the world moves into the post-pandemic landscape.

For the six months ended 31 December 2024, in the midst of the challenging global economic outlook caused by heightened trade barriers, geopolitical tensions and increased operational costs, the Group recorded a slight loss of S\$0.04 million, an improvement over the loss incurred in the corresponding period last year.

Our core service, search engine marketing services, continues to produce healthy growth, while the other segments either remain stable or face headwinds from our customers switching interests to new advertising platforms.

The Group expresses its gratitude to its shareholders, staff and business partners for their continued trust and support, as it looks forward to the year ahead with opportunities for recovery and growth.

FINANCE REVIEW

Revenue

We derived our revenue from online marketing services consisting of: (i) search engine marketing services; (ii) creative and technology services; (iii) social media marketing services; and (iv) online e-commerce platform operation.

The following table sets forth the revenue breakdown by the four segments of the revenue for the six months end indicated:

	For the six months ended 31 December					
	2024		2023		Variance	
	<i>\$'000</i>	%	<i>\$'000</i>	%	<i>\$'000</i>	%
Search engine marketing services	11,237	85.9	10,000	66.1	1,237	12.4
Creative and technology services	1,174	9.0	1,194	7.9	(20)	(1.7)
Social media marketing services	669	5.1	790	5.2	(121)	(15.3)
Online e-commerce platform operation	<u>—</u>	<u>—</u>	<u>3,144</u>	<u>20.8</u>	<u>(3,144)</u>	<u>(100.0)</u>
	<u>13,080</u>	<u>100.0</u>	<u>15,128</u>	<u>100.0</u>	<u>(2,048)</u>	<u>(13.5)</u>

Overall, the total revenue of the Group decreased by around 13.5% from approximately S\$15.1 million for the six months ended 31 December 2023 to approximately S\$13.1 million for the Reporting Period. This decrease was mainly due to the deconsolidation of the results of the PRC subsidiary, which operates the online e-commerce platform operations.

Revenue from search engine marketing services also increased by approximately 12.4%, from approximately S\$10 million for the six months ended 31 December 2023 to approximately S\$11.2 million for the Reporting Period.

Revenue from creative and technology services remained stable, decreased by approximately S\$0.02 million for the Reporting Period, as compared to the six months ended 31 December 2023.

Revenue from social media marketing services decreased by 15.3% from approximately S\$0.79 million for the six months ended 31 December 2023 to approximately S\$0.67 million for the Reporting Period, mainly due to customers partly turning their interests towards new emerging advertising platforms.

Revenue from online e-commerce platform operation for the Reporting Period has been excluded following the deconsolidation of the results of the PRC subsidiary.

Cost of services

The overall cost of services decreased from approximately S\$11.4 million in the six months ended 31 December 2023 to approximately S\$9.3 million in the six months ended 31 December 2024. The decrease in overall cost of services align with the overall decrease in revenue.

Other income

Other income decreased by 36.6% from approximately S\$273,000 for the six months ended 31 December 2023 to approximately S\$173,000 for the Reporting Period, mainly due to a decreasing interest income from time deposits, contributed by reducing interest rates and a reduced time deposit balance.

Other gains

Other gains consisted of net exchange gains arising (i) from our subsidiaries in Malaysia and (ii) the net proceeds received from the share offer, which were denominated in Hong Kong dollars. The fluctuations of other gains were primarily arouse from movements in Hong Kong dollars and Singapore dollars exchange rates. During the Reporting Period, the Group did not experience any significant difficulty or impact on its operations or liquidity due to fluctuations in currency exchange rates. The management will continue to monitor the foreign exchange exposure and take prudent measures to reduce foreign exchange risks.

Selling expenses

The Group's selling expenses decreased by around 4.6% from approximately S\$0.56 million for the six months ended 31 December 2023 to approximately S\$0.54 million for the Reporting Period. The selling expenses mainly consisted of sales staff costs, sales commission and marketing-related expenses like advertising. The decrease in selling expenses for the period was mainly due to the deconsolidation of the results of the PRC subsidiary.

General and administrative expenses

Our general and administrative expenses primarily consisted of staff costs, depreciation, rental expenses, entertainment expenses, office expenses and travelling expenses. Our general and administrative expenses decreased from approximately S\$3.5 million in the six months ended 31 December 2023 to approximately S\$3.1 million in the six months ended 31 December 2024.

The decrease in general and administrative expenses was mainly due to the deconsolidation of the results of the PRC subsidiary.

Finance cost

Finance costs decreased by around 45.7% from approximately S\$70,000 for the six months ended 31 December 2023 to approximately S\$38,000 for the Reporting Period. This item comprised interest expenses on bank borrowing and finance cost incurred on right-of-use assets.

Income tax expense

Our income tax expense primarily consisted of provision for Singapore, Malaysia and PRC current income tax expense. The Group's income tax expense increased from approximately S\$330,000 in the six months ended 31 December 2023 to approximately S\$383,000 in the six months ended 31 December 2024. The increase is attributed mainly to the increase in income tax expense in the Group's subsidiaries in Singapore.

Loss for the period

The Group reported a 74.4% decrease in losses to approximately S\$40,000 for the Reporting Period (for the six months ended 31 December 2023: S\$156,000), mainly due to the improvement in gross profit margin of search engine marketing services and a drop in operating costs.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Reporting Period (six months ended 31 December 2023: Nil).

FINANCIAL POSITIONS

As at 31 December 2024, our total equity is relatively stable at approximately S\$7.7 million as compared to approximately S\$7.7 million as at 30 June 2024.

As at 31 December 2024, our net current assets were approximately S\$4.7 million as compared to approximately S\$4.5 million as at 30 June 2024.

LIQUIDITY AND CAPITAL RESOURCES

We principally financed our working capital and other liquidity requirements through a combination of cash flow from operations and advance payments received from our clients. Our principal uses of cash have been, and are expected to continue to be, operational costs, repayments of bank borrowings and business expansion in Singapore and Malaysia.

Borrowings

Our bank borrowings of approximately S\$1.5 million as at 31 December 2024 were secured against investment property of the Group and guarantee given by the Company. As at 31 December 2024, all of the bank borrowings were denominated in Singapore dollars (30 June 2024: S\$1.6 million were denominated in Singapore dollars). Among all the bank borrowings, 8% was repayable within one year, 8% was repayable more than one year but not exceeding two years, 17% was repayable more than two years but not exceeding five years and 67% was repayable more than five years.

Charge on assets

The bank borrowings as at 31 December 2024 were secured against investment property of the Group with carrying amount of approximately S\$2.7 million as at 31 December 2024.

Material Acquisition and Disposal of Subsidiaries and Associates and Joint Ventures

The Group did not have any material acquisition and disposal of subsidiaries and associates and joint ventures during the Reporting Period.

Future Plans for Material Investments or Capital Assets and the Expected Sources of Funding

Save for the business plan disclosed in the Prospectus and the paragraph headed “Use of Net Proceeds from Listing” in this announcement, there was no other plan for material investments or capital assets as at 31 December 2024.

Gearing Ratio

The gearing ratio of the Group as at 31 December 2024 was approximately 20% (30 June 2024: 20.8%). The gearing ratio is calculated as total interest-bearing liabilities divided by total equity as at the respective period end. The decrease was mainly due to the repayment of the interest-bearing liabilities.

Foreign Exchange Exposure

The main operations of the Group are in Singapore, Malaysia and PRC. Most of the Group’s transactions and cash and cash equivalents are denominated in S\$, MYR and RMB. The Group retains the net proceeds from the share offer in Hong Kong dollars that are exposed to fluctuations in foreign exchange risks. Currently, the Group does not have any foreign currency hedging policy, but the Group’s management continuously monitors its foreign exchange exposure.

Contingent Liabilities and Guarantees

Save as disclosed elsewhere, we did not have any unrecorded significant contingent liabilities, guarantees or any litigations against us.

USE OF NET PROCEEDS FROM LISTING

The shares of the Company were successfully listed on the Main Board of the Stock Exchange on 26 June 2019 (the “Listing”). The Board, after considering the business operating environment and the development of the Group, has resolved to change the use of the unutilised net proceeds from the Listing (the “Net Proceeds”) as set out in the announcements of the Company dated 29 October 2020 and 26 September 2022 (the “Nets Proceeds Announcements”). For details, please refer to the Nets Proceeds Announcements. The Net Proceeds were approximately HK\$92 million.

For further details on utilisation of the Net Proceeds, please refer to the table below sets forth the breakdown of the intended use and the timeline for utilisation as at 31 December 2024:

Intended use of Net Proceeds from the share offer (per Prospectus) <i>HK\$ million</i>	Approximate percentage of Net Proceeds %	Revised allocation of Unutilised Net Proceeds <i>HK\$ million</i>	Approximate percentage of Net Proceeds %	Amount utilised as at 30 June 2024 <i>HK\$ million</i>	Amount utilised during the Reporting Period <i>HK\$ million</i>	Remaining balance as at 31 December 2024 <i>HK\$ million</i>	Expected timeline to use unutilised Net Proceeds
Strengthening the technological infrastructure	58.2	63.3	58.2	63.3	—	58.20	Q42026
Acquisition of a website development and hosting company	26.2	28.5	—	—	—	—	
Establishment of a sales office in Johor Bahru, Malaysia	5.3	5.7	—	—	—	—	
Working capital	2.3	2.5	2.3	2.5	2.30	—	
Acquisition of additional interest in an associated company	—	—	31.5	34.2	31.50	—	
	<u>92.0</u>	<u>100.0</u>	<u>92.0</u>	<u>100.0</u>	<u>33.80</u>	<u>58.20</u>	

The Board is still of the view that developing and strengthening the technological infrastructure is critical to the Group’s future development as paying efforts in this direction will enable the business of the Group be more scalable and will extend the Group’s lead in this rapidly evolving online marketing industry. Since the Company expects to take some time to locate a suitable replacement vendor, the Group intends to allocate the fund generally for the purpose of strengthening the technological infrastructure at this stage.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2024, the Group had 89 (30 June 2024: 94) employees and our employee remuneration for the Reporting Period totalled approximately S\$3.4 million (including salary, bonus, and other employee benefits). The amount was approximately S\$8.0 million for the year ended 30 June 2024. The remuneration of our employees is determined based on their performance, experience, competence and market comparable. Their remuneration package includes salaries, bonus related to their performance, allowances and retirement benefit schemes for employees in Singapore, Malaysia and the PRC. The Group also provides customised training to its staff to enhance their technical and product knowledge.

The remuneration of Directors and members of senior management is determined based on the basis of each individual's responsibilities, qualification, position, experience, performance, seniority and time devoted to our business. They receive compensation in the form of salaries, bonuses, and other allowances and benefits-in-kind, including the Company's contribution to their retirement benefit schemes on their behalf.

Furthermore, the Company has adopted a share option scheme (the "Scheme") for the purpose of providing incentives or rewards to eligible persons for their contributions to the Group. As no share option has been granted by the Company under the Scheme since the Listing, there was no share option outstanding as at 31 December 2024 and no option was exercised or cancelled or lapsed during the Reporting Period.

EVENTS AFTER THE REPORTING PERIOD

The Board has resolved to put Majestic Group under liquidation and has appointed BVI registered liquidator, Kroll (HK) Limited, as the liquidator of Majestic Group on 9 March 2026. Under the BVI laws, upon the appointment of the liquidator, the Board of Directors of the BVI company is deemed to have transferred the authority and power over the assets and matters of the BVI Company to the liquidator.

OTHER INFORMATION

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

During the Reporting Period, the Company did not redeem any of its listed securities nor did the Company or any of its subsidiaries purchase or sell (including sale of treasury shares, if any) such securities.

As at 31 December 2024, the Company did not hold any treasury shares.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to implementing high standards of corporate governance to safeguard the interests of the shareholders of the Company (the “Shareholders”) and enhance the corporate value as well as the responsibility commitments. The Company has adopted the Corporate Governance Code as contained in Appendix C1 to the Listing Rules (the “CG Code”) as its own code of corporate governance and complied with all applicable code provisions of the CG Code during the Reporting Period except disclosed as follows:

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Ms. Teo Li Lian (“Ms. Teo”) currently holds both positions. Throughout the Group’s history, Ms. Teo has held key leadership position of the Group and has been responsible for overall strategic planning, sales and marketing, management and operation of the Group. In order to achieve effective strategic planning and to monitor the implementation of such plans, the Board (including the independent non-executive Directors (the “INEDs”)) considers that Ms. Teo is the best candidate for both positions and the present arrangements are beneficial to and in the interests of the Group and the Shareholders as a whole. All major decisions are made in consultation with all the members of the Board, including the INEDs offering independent perspectives, the Board believes that there are adequate safeguards in place to ensure sufficient balance of powers within the Board.

The Board will continue to review and monitor the corporate governance practices of the Company for the purpose of complying with the code provisions of the CG Code and maintaining a high standard of corporate governance of the Company.

Compliance with rules 3.10 and 3.21 of the Listing Rules

Immediately following the resignation of Ms. Zhang Hong as an independent non-executive Director, a member of the audit committee (the “Audit Committee”), the Remuneration Committee and the Nomination Committee of the Board on 10 October 2024, the Company did not meet the requirement of Rules 3.10 and 3.21 of the Listing Rules. On the 1 March 2025, following the appointment of Mr. Koh Boon Chiao as an independent non-executive Director, a member of the Audit Committee and the Nomination Committee of the Board, the Company has fulfilled the aforesaid requirements of 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 as contained in Appendix C3 to the Listing Rules (the “Model Code”) as its own code of conduct governing the securities transactions by the Directors. Following a specific enquiry made by the Company on each of the Directors, all Directors have confirmed that they had complied with the Model Code during the Reporting Period.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with the CG Code. As at the date of this announcement, the Audit Committee consists of three INEDs, namely Mr. Tan Kia Jing, Mr. Lee Shy Tsong and Mr. Koh Boon Chiao. Mr. Tan Kia Jing is the chairman of the Audit Committee. The primary duties of the Audit Committee are to review the financial information of the Group, oversee the Group’s financial report system, risk management and internal control systems, provide advice and comments to the Board, and monitor the independence and objectivity of the external auditor.

REVIEW OF INTERIM RESULTS

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 31 December 2024, including the applicable accounting policies and accounting standards adopted by the Group, and considers that such statements have been prepared in compliance with the applicable Listing Rules.

APPRECIATION

On behalf of the Board, I would like to extend our sincere thanks to our Shareholders, business partners and customers for their continuous support to the Group. I would also extend my gratitude and appreciation to all my fellow Directors, the management and staff for their hard work and dedication throughout the Reporting Period.

DELAY IN PUBLICATION OF THE INTERIM REPORT FOR THE REPORTING PERIOD (THE “2024 INTERIM REPORT”)

As disclosed in the announcements of the Company dated 23 September 2024, 24 September 2024, 30 September 2024, 23 December 2024, 14 February 2025, 23 June 2025 and 23 September 2025 (the “Announcements”), owing to the delay in the publication of the 2024 Interim Results, the 2024 Interim Report was not despatched by the Company by 31 March 2025. The Company will keep the Shareholders and potential investors updated on the expected date of the despatch of the 2024 Interim Report in due course.

DELAY IN PUBLICATION OF THE AUDITED CONSOLIDATED RESULTS OF THE GROUP FOR THE YEAR ENDED 30 JUNE 2025 (THE “2025 ANNUAL RESULTS”) AND PUBLICATION OF ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2025 (THE “2025 ANNUAL REPORT”) AND THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT FOR THE PERIOD FROM 1 JULY 2024 TO 30 JUNE 2025 (THE “2025 ESG REPORT”)

As disclosed in the Announcements, owing to the delay in the publication of the 2024 Annual Results and the 2024 Interim Results, the Company would not publish 2025 Annual Results. It is also expected that the despatch of the 2025 Annual Report will also be delayed. The Company will keep the Shareholders and potential investors updated on the expected date of the despatch of the 2025 Annual Report and the publication of the 2025 ESG Report in due course.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 24 September 2024 and will remain suspended pending fulfilment of all the conditions stated in the Resumption Guidance.

Shareholders and potential investors should exercise caution when dealing in the Company’s shares.

By order of the Board
AM Group Holdings Limited
Teo Li Lian

Chairlady, executive Director and Chief Executive Officer

Hong Kong, 30 April 2026

As at the date of this announcement, the Board of the Company comprises two executive Directors, namely Ms. Teo Li Lian (Chairlady and Chief Executive Officer), and Mr. Teo Kuo Liang and three independent non-executive Directors, namely Mr. Tan Kia Jing, Mr. Lee Shy Tsong and Mr. Koh Boon Chiao.