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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)**

## **ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2025**

### **FINANCIAL HIGHLIGHTS**

#### **Revenue**

The total revenue dropped by approximately S\$11.0 million from approximately S\$36.1 million for the year ended 30 June 2024 to approximately S\$25.1 million for the year ended 30 June 2025, a reduction of approximately 30.5%. The reduction is contributed mainly by the online platform management services segment, which amounted to approximately S\$12.4 million for the year ended 30 June 2024, and which has been deconsolidated from the Group accounts for the year ended 30 June 2025.

#### **Gross Profit Margin**

The total gross profit margin increased by approximately 1.9%, from approximately 24.4% for the year ended 30 June 2024 to approximately 26.3% for the year ended 30 June 2025. Gross profit, however, has decreased from approximately S\$8.8 million for the year ended 30 June 2024, to approximately S\$6.6 million for the year ended 30 June 2025, due to the deconsolidation of the online platform management services segment.

#### **Loss Attributable to owner of the Company**

The loss attributable to owners of the Company for the year ended 30 June 2025 amounted to approximately S\$3.0 million, as compared to the loss of approximately S\$30.0 million for the year ended 30 June 2024. The huge loss for the year ended 30 June 2024 was due to the loss on deconsolidation of subsidiaries (note 6).

#### **Final Dividend**

The Board does not recommend the payment of final dividend for the year ended 30 June 2025 (FY2024: S\$nil).

## ANNUAL RESULTS

The board of directors of AM Group Holdings Limited (the “Company”, the “Directors” and the “Board”, respectively) hereby announces the consolidated results of the Company and its subsidiaries (collectively, “we”, “us”, “our” or the “Group”) for the year ended 30 June 2025 (“FY2025” or the “Year”) (the “Annual Results”) together with the comparative information for the year ended 30 June 2024 (“FY2024”).

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

*For the financial year ended 30 June 2025*

	<i>Note</i>	<b>2025</b> <i>S\$'000</i>	2024 <i>S\$'000</i>
<b>Revenue</b>	<i>3</i>	<b>25,073</b>	36,063
Cost of services		<u>(18,475)</u>	<u>(27,251)</u>
<b>Gross profit</b>		<b>6,598</b>	8,812
Other income	<i>4</i>	<b>414</b>	794
Other losses, net	<i>5</i>	<b>(5)</b>	(6)
Selling expenses		<b>(1,163)</b>	(1,197)
General and administrative expenses		<b>(7,472)</b>	(8,126)
Loss on deconsolidation of subsidiaries	<i>6</i>	—	(26,121)
Impairment losses under the expected credit loss model, net of reversal		<b>(575)</b>	(2,741)
Finance costs	<i>7</i>	<u>(71)</u>	<u>(167)</u>
Loss before taxation		<b>(2,274)</b>	(28,752)
Income tax expense	<i>8</i>	<u>(471)</u>	<u>(615)</u>
<b>Loss for the year</b>	<i>9</i>	<b>(2,745)</b>	(29,367)
<b>Other comprehensive income:</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of a foreign operation		<b>42</b>	5
Release of translation reserve upon deconsolidation of foreign subsidiaries		<u>—</u>	<u>1,960</u>
		<b>42</b>	1,965
<b>Total comprehensive loss for the year</b>		<u><b>(2,703)</b></u>	<u>(27,402)</u>

	<i>Note</i>	<b>2025</b> <i>S\$'000</i>	2024 <i>S\$'000</i>
<b>(Loss)/profit Attributable to:</b>			
Owners of the Company		<b>(2,997)</b>	(29,999)
Non-controlling interests		<u>252</u>	<u>632</u>
		<b><u>(2,745)</u></b>	<b><u>(29,367)</u></b>
<b>Total comprehensive (loss)/income attributable to:</b>			
Owners of the Company		<b>(2,963)</b>	(28,042)
Non-controlling interests		<u>260</u>	<u>640</u>
		<b><u>(2,703)</u></b>	<b><u>(27,402)</u></b>
<b>Loss per share (in Singapore cents)</b>			
Basic and diluted	<i>11</i>	<b><u>(0.4)</u></b>	<b><u>(3.7)</u></b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	<i>Note</i>	<b>2025</b> <i>S\$'000</i>	2024 <i>S\$'000</i>
<b>Non-current assets</b>			
Plant and equipment		113	129
Right-of-use assets		42	306
Investment property		<u>2,680</u>	<u>2,743</u>
		<u>2,835</u>	<u>3,178</u>
<b>Current assets</b>			
Trade and other receivables	12	3,053	2,802
Cash and cash equivalents		<u>9,031</u>	<u>11,589</u>
		<u>12,084</u>	<u>14,391</u>
<b>Current liabilities</b>			
Trade and other payables	13	4,002	3,824
Contract liabilities		4,005	3,924
Lease liabilities		34	272
Bank and other borrowings		1,479	1,591
Income tax payable		<u>429</u>	<u>254</u>
		<u>9,949</u>	<u>9,865</u>
<b>Net current assets</b>		<u>2,135</u>	<u>4,526</u>
<b>Total assets less current liabilities</b>		<u>4,970</u>	<u>7,704</u>
<b>Non-current liabilities</b>			
Lease liabilities		9	41
Deferred tax liabilities		<u>4</u>	<u>3</u>
		<u>13</u>	<u>44</u>
<b>Net assets</b>		<u><u>4,957</u></u>	<u><u>7,660</u></u>

	<i>Note</i>	<b>2025</b> <i>S\$'000</i>	2024 <i>S\$'000</i>
<b>Capital and reserves</b>			
Share capital		<b>1,389</b>	1,389
Share premium		<b>19,366</b>	19,366
Reserves		<b>(16,906)</b>	(16,336)
		<hr/>	<hr/>
<b>Equity attributable to owners of the Company</b>		<b>3,849</b>	4,419
Non-controlling interests		<b>1,108</b>	3,241
		<hr/>	<hr/>
<b>Total equity</b>		<b>4,957</b>	7,660
		<hr/> <hr/>	<hr/> <hr/>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 30 June 2025*

### 1. GENERAL

The Company was incorporated and registered as an exempted company in the Cayman Islands with limited liability on 7 December 2017. Its registered office is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business is situated at 60 Paya Lebar Road, #12-51/52 Paya Lebar Square, Singapore 409051. The Company's shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") and have been listed since 26 June 2019.

The Company's parent is Activa Media Investment Limited, incorporated in the British Virgin Islands. The ultimate controlling parties of the Company are Ms. Teo Li Lian, the chairlady, an executive director and the chief executive officer of the Company and Mr. Teo Kuo Liang, an executive director of the Company.

The Company is an investment holding company and the Group is primarily engaged in the provision of online marketing services and operation of an online e-commerce platform.

The consolidated financial statements are presented in Singapore dollars ("S\$"), which is also the functional currency of the Company. All values are rounded to the nearest thousand ("S\$'000"), except when otherwise indicated.

The consolidated financial statements are approved by the Board on 30 April 2026.

### 2. APPLICATION OF AMENDMENTS TO INTERNATIONAL IFRS ACCOUNTING STANDARDS

#### **Amendments to IFRS Accounting Standards that are mandatorily effective for the current year**

In the current year, the Group has applied the following amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (the "IASB") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 July 2024 for the preparation of the consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to International Accounting Standards ("IAS") 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior year and/or on the disclosures set out in these consolidated financial statements.

## **New and amendments to IFRS Accounting Standards in issue but not yet effective**

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>3</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to IFRS Accounting Standards	Annual Improvement to IFRS Accounting Standards — Volume 11 <sup>3</sup>
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity <sup>3</sup>
Amendments to IAS 21	Lack of Exchangeability <sup>2</sup>
Amendments to IAS 21 IFRS 18	Translation to a Hyperinflationary Presentation Currency <sup>4</sup> Presentation and Disclosure in Financial Statements <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2027.

The directors of the Company anticipate that the application of all new and amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

## 2.2 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 financial year ended 30 June 2025 and 2024 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 30 June 2024 and 2025. 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 to the year ended 30 June 2024.

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.

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:

**Impact on consolidated statement of financial position**

	<b>2024</b>
	<b>S\$'000</b>
<b>Non-current assets</b>	
Plant and equipment	17
Right-of-use assets	731
Goodwill	10,759
Intangible assets	5,108
<b>Current assets</b>	
Trade and other receivables	34,404
Cash and cash equivalents	15
<b>Current liabilities</b>	
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)
<b>Non-current liabilities</b>	
Bank and other borrowings	(253)
	<u>27,511</u>
Non-controlling interest	(3,350)
	<u>24,161</u>
	<u><u>24,161</u></u>
Foreign currency translation reserve	1,960
	<u>1,960</u>
	<u><u>26,121</u></u>

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**

	<b>2024</b> <b>S\$'000</b>
Revenue	12,385
Cost of services	<u>(8,715)</u>
Gross profit	3,670
Other income	215
Selling expenses	(5)
General and administrative expenses	(1,174)
Finance cost	<u>(94)</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 statement of cash flows**

	<b>2024</b> <b>S\$'000</b>
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 in 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. REVENUE AND SEGMENT INFORMATION

The analysis of the Group's revenue for the year is as follows:

	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Search engine marketing services	21,596	20,009
Creative and technology services	2,274	2,115
Social media marketing services	1,203	1,554
Online platform management services	—	12,385
	<u>25,073</u>	<u>36,063</u>
	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
<b>Timing of revenue recognition:</b>		
Over time:		
— Search engine marketing services	21,596	20,009
— Social media marketing services	1,203	1,554
	<u>22,799</u>	<u>21,563</u>
At point in time:		
— Creative and technology services	2,274	2,115
— Online platform management services	—	12,385
	<u>2,274</u>	<u>14,500</u>
Total revenue	<u>25,073</u>	<u>36,063</u>

#### Segment information

Information reported to the chief executive officer of the Company, 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.

For online e-commerce platform operation, the information reported to the CODM is further categorised into online platform management services and online platform marketing services which are considered as a single reportable segment by the CODM.

### Segment revenue and results

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

#### Year ended 30 June 2025

	Search engine marketing services <i>S\$'000</i>	Creative and technology service <i>S\$'000</i>	Social media marketing services <i>S\$'000</i>	Online e-commerce platform operation <i>S\$'000</i>	Total <i>S\$'000</i>
<b>REVENUE</b>					
External sales and segment revenue	<u>21,596</u>	<u>2,274</u>	<u>1,203</u>	<u>—</u>	<u>25,073</u>
<b>RESULTS</b>					
Gross profit	<u>4,969</u>	<u>1,058</u>	<u>571</u>	<u>—</u>	<u>6,598</u>
Segment results	<u>4,474</u>	<u>1,006</u>	<u>543</u>	<u>—</u>	<u>6,023</u>
Interest income					142
Unallocated other income					272
Unallocated other losses, net					(5)
Unallocated selling expenses and general and administrative expenses					(8,635)
Unallocated finance costs					<u>(71)</u>
Loss before taxation					<u>(2,274)</u>

**Year ended 30 June 2024**

	Search engine marketing services <i>S\$'000</i>	Creative and technology service <i>S\$'000</i>	Social media marketing services <i>S\$'000</i>	Online e-commerce platform operation <i>S\$'000</i>	Total <i>S\$'000</i>
<b>REVENUE</b>					
External sales and segment revenue	<u>20,009</u>	<u>2,115</u>	<u>1,554</u>	<u>12,385</u>	<u>36,063</u>
<b>RESULTS</b>					
Gross profit	<u>3,452</u>	<u>1,011</u>	<u>679</u>	<u>3,670</u>	<u>8,812</u>
Segment results	<u>3,371</u>	<u>1,002</u>	<u>673</u>	<u>(23,507)</u>	<u>(18,461)</u>
Interest income					300
Unallocated other income					279
Unallocated other losses, net					(6)
Unallocated selling expenses and general and administrative expenses					(8,146)
Impairment loss on current accounts on deconsolidation					(2,645)
Unallocated finance costs					<u>(73)</u>
Loss before taxation					<u>(28,752)</u>

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represents the profit earned by each segment without allocation of interest income, unallocated finance costs, unallocated other income, unallocated other losses, net, unallocated selling expenses and general and administrative expenses and impairment loss on current accounts on deconsolidation. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.

There were no inter-segment sales for each 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.

## Other segment information

Amounts included in the measure of segment profit or loss or segment assets.

	Search engine marketing services <i>S\$'000</i>	Creative and technology service <i>S\$'000</i>	Social media marketing services <i>S\$'000</i>	Online e-commerce platform operation <i>S\$'000</i>	Unallocated <i>S\$'000</i>	Total <i>S\$'000</i>
<b>Year ended 30 June 2025</b>						
Addition to non-current assets	—	—	—	—	30	30
Depreciation of right-of-use assets	—	—	—	—	268	268
Depreciation of plant and equipment	—	—	—	—	51	51
Impairment loss on trade receivables, net of reversal	495	52	28	—	—	575
<b>Year ended 30 June 2024</b>						
Loss on deconsolidation	—	—	—	26,121	—	26,121
Addition to non-current assets	—	—	—	930	607	1,537
Depreciation of right-of-use assets	—	—	—	266	638	904
Depreciation of plant and equipment	—	—	—	22	70	92
Impairment loss on trade receivables, net of reversal	81	9	6	—	—	96

## 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:

	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Singapore (country of domicile)	22,593	21,866
Malaysia	2,480	1,812
PRC	—	12,385
	<b>25,073</b>	<b>36,063</b>

### Non-current assets by geographical location

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

	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Singapore (country of domicile)	2,709	3,015
Malaysia	126	163
Non-current assets	<b>2,835</b>	<b>3,178</b>

### **Information about major customers**

No single customer contributes over 10% or more of total revenue of the Group during the years ended 30 June 2025 and 2024.

#### **4. OTHER INCOME**

	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Government grants ( <i>Note (a)</i> )	74	94
Rental income	140	140
Interest income	142	300
Others ( <i>Note (b)</i> )	58	260
	<u>414</u>	<u>794</u>

*Notes:*

- (a) Included in government grants during the year ended 30 June 2025 was mainly granted by Singapore Government under Progressive Wage Credit Scheme (PWCS) to provide transitional wage support for employers amounting to approximately S\$73,000 (2024: approximately S\$93,000).
- (b) Amounting to S\$nil (2024: approximately S\$214,000) mainly represents the management fee income for the year ended 30 June 2025.

#### **5. OTHER LOSSES, NET**

	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Net exchange losses	<u>(5)</u>	<u>(6)</u>

#### **6. DECONSOLIDATION OF SUBSIDIARIES**

##### **(a) Loss on deconsolidation of Majestic State International Limited (“MSIL”) and its subsidiaries (collectively, “MSIL Group”)**

The Group was involved in 2024 legal suit and 2025 legal suit, which are ongoing up to the date of these report and the Directors of the Group had repeated demands and request to the directors of MSIL Group for books and records, but cooperation was refused from the director.

Based on the circumstances causing the Group to the loss of control over the MSIL Group’s assets and operations, the management of the Company determined that the effective date of loss of control over MSIL Group is 30 June 2024. The management will apply deconsolidation of MSIL with effect from the same date.

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 liquidators.

Assets and liabilities as at the date of deconsolidation (30 June 2024) are as follows:

	<i>S\$'000</i>
<b>Non-current assets</b>	
Plant and equipment	17
Right-of-use assets	731
Goodwill	10,759
Intangible assets	5,108
<b>Current assets</b>	
Trade and other receivables	34,404
Cash and cash equivalents	15
<b>Current liabilities</b>	
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)
<b>Non-current liabilities</b>	
Bank and other borrowings	(253)
	<u>27,511</u>
Non-controlling interest	(3,350)
	<u>24,161</u>
Release of foreign currency translation reserve	1,960
	<u>(26,121)</u>
Net cash outflow arising on deconsolidation:	
	<i>S\$'000</i>
Cash and cash equivalents	(15)
	<u>(15)</u>

**(b) Impairment loss on amount due from MSIL Group**

As at 30 June 2024, the Group has amount due from MSIL Group of approximately S\$2,645,000. Due to the loss of control over the MSIL Group, the directors of the Group consider that the recoverability of the amount is relatively low in the foreseeable future and an impairment loss of approximately S\$2,645,000 had been provided in the Group's consolidated financial statements for the year ended 30 June 2024.

## 7. FINANCE COSTS

	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Interest on bank and other borrowings	62	117
Interest on lease liabilities	9	50
	<u>71</u>	<u>167</u>

## 8. INCOME TAX EXPENSE

	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Tax expense comprises:		
Current tax:		
— Singapore corporate income tax (“CIT”)	418	228
— Malaysia corporate tax	148	91
— PRC enterprise income tax (“EIT”)	—	392
Over-provision in respect of prior years	(96)	(96)
Deferred tax	1	—*
	<u>471</u>	<u>615</u>

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

Singapore CIT is calculated at 17% of the estimated assessable profit for the year ended 30 June 2025 and 2024.

Malaysia corporate tax is calculated at 24% (2024: 24%) of the estimated assessable profit for the year.

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 year ended 30 June 2024.

\* for identification purpose only

## 9. LOSS FOR THE YEAR

	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Loss for the year has been arrived at after charging/(crediting):		
Directors' emolument		
Fees	88	86
Salaries, allowances and other benefits	2,577	2,323
Discretionary bonuses	1,196	1,160
Retirement benefit scheme contributions	34	34
	<u>3,895</u>	<u>3,603</u>
Other staff costs:		
Salaries, allowances and other benefits	4,313	4,141
Retirement benefits scheme contributions	279	281
	<u>4,592</u>	<u>4,422</u>
Total staff costs	<u>8,487</u>	<u>8,025</u>
Auditors' remuneration		
— Audit services	180	180
— Non-audit services	7	7
Online e-commerce platform license fee (included in cost of services)	—	4,435
Depreciation charge:		
Investment property	63	63
Plant and equipment	51	92
Right-of-use assets	268	904
Amortisation of intangible assets	—	58
Impairment loss under expected credit loss model, net of reversal:		
Impairment loss on trade receivables, net of reversal	575	96
Impairment loss on current accounts on deconsolidation	—	2,645
Gross rental income from an investment property	(140)	(140)
Less: direct operating expenses incurred for investment property that generated rental income during the year	63	63
	<u>(77)</u>	<u>(77)</u>

## 10. DIVIDENDS

No dividends were paid or proposed during the years ended 30 June 2025 and 2024, nor has any dividend been proposed since the end of the reporting period.

## 11. LOSS PER SHARE

	2025	2024
Loss attributable to the owners of the Company ( <i>S\$'000</i> )	(2,997)	(29,999)
Weighted average number of ordinary shares in issue ( <i>'000</i> )	800,000	800,000
Basic and diluted loss per share ( <i>Singapore cents</i> )	<u>(0.4)</u>	<u>(3.7)</u>

The calculation of basic loss per share is based on the loss for the year 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 were convertible into shares during the years ended 30 June 2025 and 2024.

## 12. TRADE AND OTHER RECEIVABLES

	2025	2024
	<i>S\$'000</i>	<i>S\$'000</i>
Trade receivables	2,905	2,457
Unbilled revenue	<u>1,072</u>	<u>843</u>
	3,977	3,300
Less: Allowance for ECL	<u>(1,337)</u>	<u>(781)</u>
	<u>2,640</u>	<u>2,519</u>
Deposits	131	80
Prepayments	132	90
Staff loans	100	80
Other receivables	<u>50</u>	<u>33</u>
Total	<u>3,053</u>	<u>2,802</u>

The Group does not hold any collateral over these balances.

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

	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Unbilled revenue	1,004	806
Not yet past due	1,225	1,267
Less than 30 days	277	242
31–60 days	100	169
61–90 days	34	35
	<u>2,640</u>	<u>2,519</u>

### 13. TRADE AND OTHER PAYABLES

	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Trade payables	2,890	2,863
Accrued expenses	572	503
Deposits received	281	211
Other tax payables	194	183
Other payables	65	64
	<u>4,002</u>	<u>3,824</u>

The aging analysis of the trade payables based on invoice date at the end of reporting periods are as follows:

	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
1 to 30 days	2,881	2,853
31 to 60 days	—	—*
61 to 90 days	—	—
Over 90 days	9	10
	<u>2,890</u>	<u>2,863</u>

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

### 14. CONTINGENT LIABILITIES

Save as disclosed in note 2.2 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 30 June 2025 being the end of the year and up to the date of this report.

### 15. SUBSEQUENT EVENT

Save as disclosed in note 2.2 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 30 June 2025 being the end of the year and up to the date of this report.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Overview and Prospects

The Group is a leading player in the online marketing industry, focusing on providing services in the following segments, and catering to clients in Singapore and Malaysia:

- Search engine marketing services — ensuring optimal visibility and reach for our clients
- Search engine optimization — drives organic growth
- Social media marketing — foster engaged communities

We continue to face macro-economic challenges, arising from supply chain disruptions, heightened trade barriers and geopolitical tensions.

As we map out our trajectory for the upcoming year, we will position ourselves to capitalize on the momentum we have built over the years. Leveraging our established strengths and expertise, we are committed to navigating the uncertainties, embracing emerging opportunities, and drive sustained growth and success.

The Group will continue to work hard to capture the market in new emerging advertising platforms, as well as investing in relevant forefront technologies that will enhance our performance and increase our productivity.

### Financial Review

#### Revenue

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

The following table sets forth the revenue breakdown by segments of the revenue for the Year and FY2025:

	2025		2024		Variance	
	<i>S\$'000</i>	%	<i>S\$'000</i>	%	<i>S\$'000</i>	%
Search engine marketing services	<b>21,596</b>	<b>86.1</b>	20,009	55.5	1,587	7.9
Creative and technology services	<b>2,274</b>	<b>9.1</b>	2,115	5.9	159	7.5
Social media marketing services	<b>1,203</b>	<b>4.8</b>	1,554	4.3	(351)	(22.6)
Online e-commerce platform operation	—	—	12,385	34.3	(12,385)	(100)
	<b><u>25,073</u></b>	<b><u>100.0</u></b>	<b><u>36,063</u></b>	<b><u>100.0</u></b>	<b><u>(10,990)</u></b>	<b><u>(30.5)</u></b>

The Group's total revenue dropped by approximately S\$11.0 million for the year ended 30 June 2025, from approximately S\$36.1 million for the FY2024 to approximately S\$25.1 million for the FY2025, a reduction of approximately 30.5%

The reduction in the Group's total revenue is contributed mainly by the online e-commerce platform operation segment, which was deconsolidated from the Group accounts for FY2025.

Revenue from the search engine marketing segment increased by approximately 7.9% from approximately S\$20.0 million for the FY2024 to approximately S\$21.6 million for the FY2025. Revenue from the creative and technology services increased by approximately S\$0.2 million, increasing from approximately S\$2.1 million to approximately S\$2.3 million for the FY2025.

Revenue from social media marketing services decreased by approximately 22.6%, from approximately S\$1.6 million for FY2024, to approximately S\$1.2 million for FY2025.

### ***Cost of services***

Our cost of services decreased by approximately 32.2%, dropping from approximately S\$27.3 million for the FY2024 to approximately S\$18.5 million for the FY2025. The decrease in the cost of services by approximately 32.2%, is in line with the drop in revenue by approximately 30.5%.

### ***Other income***

Other income consisted of (i) government grants received from the Singapore Government under Progressive Wage Credit Scheme (PWCS) to provide transitional wage support for employers; (ii) rental income; and (iii) interest income.

Other income decreased by approximately 47.9%, dropping from approximately S\$0.8 million for FY2024 to approximately S\$0.4 million for FY2025. This drop is attributable to the drop in interest income (due to the drop in fixed deposits and fixed deposits interest rates), and the omission of the logistics income for delivery management services due to the deconsolidation of the PRC subsidiaries. Such logistics income amounted to approximately S\$214,000 in FY2024.

### ***Selling expenses***

Our selling expenses primarily consist of staff costs, sales commission for our sales personnel, and marketing-related expenses directly related to our sales and marketing activities.

In FY2025, The Group's selling expenses remain stable amounted to approximately S\$1.2 million in FY2025 and FY2024.

### ***General and administrative expenses***

Our general and administrative expenses primarily consist of staff costs, directors' remuneration, depreciation, rental expenses, entertainment expenses, and office expenses. These expenses decreased by approximately 7.4%, dropping from approximately S\$8.1 million for FY2024, to approximately S\$7.5 million for FY2025, mainly due to the deconsolidation of the PRC subsidiaries.

### **Impairment losses under the ECL model**

In the FY2024, MSIL Group recorded impairment losses totaling approximately S\$2.7 million under the ECL model. This provision is due to increase in credit-impaired trade receivables that are overdue over 90 days.

In the FY2025, the Group recorded impairment losses of about S\$0.6 million, a drop of approximately 77.8%.

### ***Finance Costs***

Finance costs decreased by approximately 57.5%, from approximately S\$167,000 for FY2024 to approximately S\$71,000 for FY2025. This decrease is attributable mainly to the drop in interest expenses on lease liabilities and on amount due to non-controlling interests.

### ***Income tax expense***

Our income tax expenses consisted of provisions for Singapore, and Malaysia current income tax expenses. The income tax expense decreased by approximately 16.7% from approximately S\$0.6 million in FY2024 to approximately S\$0.5 million in FY2025.

### ***Loss for the Year***

The Group recorded a loss of approximately S\$2.7 million for the Year, in contrast to a loss of approximately S\$29.4 million in FY2024. The main reason for the significant drop in losses was the loss on deconsolidation of the MSIL Group of approximately S\$26.1 million in FY2024.

## **FINANCIAL POSITIONS**

Our total equity declined from approximately S\$7.7 million in FY2024 to approximately S\$5.0 million in FY2025.

As at 30 June 2025, our net current assets amounted to approximately S\$2.1 million, a decrease from approximately S\$4.5 million as at 30 June 2024.

## LIQUIDITY AND CAPITAL RESOURCES

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

### Bank and other Borrowings

The bank borrowings are guaranteed by the Company and secured by the investment property of the Group.

The range of effective interest rates (which are also equal to contracted interest rates) of the Group's bank borrowings are as follows:

	2025	2024
Effective interest rate:		
Variable-rate borrowings — bank borrowings	3.98%	1.98%–6.25%

### Charge on Assets

The bank borrowings as at 30 June 2025 were secured against investment property of the Group with a carrying amount of approximately S\$2.7 million as at 30 June 2025.

### 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 Year.

### Gearing Ratio

As at 30 June 2025, the Group's gearing ratio was approximately 29.8%, representing an increase compared to the previous year (30 June 2024: approximately 20.8%). This increase was due to the drop in the Group's total equity, attributed to the drop in current assets by approximately S\$2.3 million. The drop in the Group's total equity was approximately S\$2.7 million. The Group will continue to monitor its leverage ratio very closely.

The gearing ratio is determined by dividing the total interest-bearing liabilities by the total equity at the end of the respective financial year.

### Foreign Exchange Exposure

The main operations of the Group are in Singapore and Malaysia. The majority of the Group's transactions, cash, and cash equivalents are denominated in S\$ and Malaysian Ringgit. Currently, the Group does not have any foreign currency hedging policy, but the Group's management continuously monitors its foreign exchange exposure.

## Litigation

Save as disclosed in note 2.2 basis of preparation of consolidated financial statements, we did not have any significant litigation against the Group.

## Contingent Liabilities and Guarantees

Save as disclosed in note 2.2 and 14 to the consolidated financial statements, we did not have any unrecorded significant contingent liabilities against the Group.

## 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 stated in the Company’s announcement dated 29 October 2020 and 26 September 2022 (the “Announcements”). For details of the change in use of the unutilised Net Proceeds, please refer to the Announcements.

For further details on utilization of the Net Proceeds, please refer to the table below. The table below presents the breakdown of the intended use and the timeline for utilisation as at 30 June 2025. The Net Proceeds amounted to approximately HK\$92 million.

	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 Year <i>HK\$ million</i>	Remaining balance as at 30 June 2025 <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	Q4 2026
Acquisition of a website development and hosting company	26.2	28.5	—	—	—	—	—	N/A
Establishment of a sales office in Johor Bahru, Malaysia	5.3	5.7	—	—	—	—	—	N/A
Working Capital	2.3	2.5	2.3	2.5	2.30	—	—	N/A
Acquisition of additional interest in an associated company	—	—	31.5	34.2	31.50	—	—	N/A
	<u>92.0</u>	<u>100.0</u>	<u>92.0</u>	<u>100.0</u>	<u>33.80</u>	<u>—</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 30 June 2025, the Group had 89 (30 June 2024: 94) employees and our employee remuneration for the Year totalled approximately S\$8.5 million (including salary, bonuses, and other employee benefits). The amount was approximately S\$8.0 million for the FY2024. The remuneration of our employees is determined based on their performance, experience, competence and market comparable. Their remuneration package includes salaries, bonuses related to their performance, allowances and retirement benefit schemes for employees in Singapore, Malaysia and 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 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 30 June 2025 and no option was exercised or cancelled or lapsed during the Year.

## **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 Year, the Company did not redeem any of its listed securities nor did the Company or any of its subsidiaries purchase or sell such securities.

## **Postponement of Annual General Meeting**

References are made to 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”) regarding, amongst others, the Company’s delay in (i) the publication of the 2024 Annual Results, the unaudited interim financial results of the Group for the six months ended 31 December 2024 (the “2024 Interim Results”) and the Annual Results for the year ended 30 June 2025 (the “2025 Annual Results”) and (ii) the despatch of annual report for the year ended 30 June 2024 (the “2024 Annual Report”), interim report for the six months ended 31 December 2024 (the “2024 Interim Report”) and annual report for the year ended 30 June 2025 (the “2025 Annual Report”).

As such, the Board announces that annual general meeting of the Company (“AGM”) for the shareholders of the Company (the “Shareholders”) to consider and adopt the 2024 Annual Report and 2025 Annual Report and other ordinary businesses will be postponed and the Company will publish further announcement and notice of AGM will be published, disseminated and despatched to the Shareholders in accordance with the requirements of the articles of association of the Company and the Listing Rules.

## **Scope of Work of HLB Hodgson Impey Cheng Limited**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Group’s auditors, HLB Hodgson Impey Cheng Limited (“HLB”), to the amounts set out in the Group’s audited consolidated financial statements for the Year. The work performed by HLB in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by HLB on this announcement.

## **ADDITIONAL INFORMATION REGARDING THE DISCLAIMER OF OPINION**

As stated in the section headed “Basis for Disclaimer Opinion” in the draft extract of the independent auditor’s report on the consolidated financial statements of the Group for the year ended 30 June 2025 (the “Independent Auditor’s Report”), the draft extract of which are set out in the section headed “Extract of Independent Auditor’s Report on the Consolidated Financial Statements for the year ended 30 June 2025” in this announcement, the auditor of the Company (the “Auditor”) has indicated that it would not express an opinion on the consolidated financial statements of the Group for the year ended 30 June 2025 (the “2025 Disclaimer Opinion”). The basis for the disclaimer of opinion is more particularly set out in the Independent Auditor’s Report and is essentially relating to the deconsolidation of MSIL Group. The following is an extract of the independent auditor’s report on the Group’s audited consolidated financial statements for the year ended 30 June 2025.

## **DISCLAIMER OF OPINION**

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements and as to whether they have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### **Basis for Disclaimer of Opinion**

#### ***Lack of access to the accounting books and records and deconsolidation of Majestic State International Limited (“MSIL”) and its subsidiaries (“MSIL Group”)***

As disclosed in Note 3 — Basis of preparation and Note 22 — Deconsolidation of subsidiaries, after the date when 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 to be unable to have access to the MSIL Group.

The management of the Group had no further information regarding the financial results and financial position of the MSIL Group for the financial years ended 30 June 2025 and 2024 other than the management accounts for the year ended 30 June 2024 that was previously obtained from the MSIL Group. The management was 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 asserted that management of the Group had undertaken all reasonable actions and steps and used their best endeavors to try to collect and collate the necessary financial information and documents from the MSIL Group but the MSIL Group had refused to cooperate in spite of demands and requests made to them.

As disclosed in note 3 to the consolidated financial statements concerning the basis of preparation of the consolidated financial statement, the directors of the Company are of the opinion that in view of the facts and circumstances as described above, the Group had 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 had been derecognised 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 30 June 2024 and 2025. 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 for the year ended 30 June 2024.

Due to the lack of supporting documents concerning the MSIL Group provided to us due to the facts and circumstances described above, we were unable to perform audit procedures to corroborate the directors’ assertions related to the loss of control by the Group over the MSIL Group referred to above. Based on the facts and circumstances as described above, we were unable to satisfy ourselves as to whether, and if so when, the Group has lost control of the MSIL Group. Hence we were unable to be satisfied whether the deconsolidation of the MSIL Group from the consolidated financial statements of the Group with effect from 30 June 2024 was appropriate and in accordance with the requirements of International Financial Reporting Standard 10 “Consolidated Financial Statements” which requires consolidation of the MSIL Group to cease when the Group loses control of the MSIL Group. Any adjustments found necessary in respect of these matters may have significant effects on the consolidated revenue, income, expenses, gains and losses and cash flows of the Group presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows of the Group for the years ended 30 June 2025 and 2024 and the carrying amounts of consolidated assets and liabilities of the Group presented in the consolidated statement of financial position of the Group as at 30 June 2025 and 2024.

The directors of the Company were also of the opinion that the financial information of MSIL Group for the year ended 30 June 2024 available to the management of the Group was insufficient for the purposes of the preparation of the consolidated financial statements of the Group as the Group was unable to collect and collate the necessary financial information and documents from the MSIL Group to support the management accounts of the MSIL Group used in the consolidation of the MSIL Group up to the Deconsolidation Date. Given that, under these facts and circumstances, we could not have access to the accounting books and records, and supporting documents, and management and accounting personnel of MSIL Group, we were unable to perform any audit procedures on the financial information of MSIL Group for the financial year ended 30 June 2024 that was used by management of the Group for the preparation of the consolidated financial statements of the Group for the financial year ended 30 June 2024. We were therefore unable to obtain sufficient appropriate audit evidence to satisfy ourselves that (i) the results and cash flows of MSIL Group included in the consolidated revenue, income, expenses, gains and losses and cash flows of the Group presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows of the Group for the year ended 30 June 2024, which amounts are disclosed in Note 3.1 to the consolidated financial statements, and (ii) the carrying amounts of assets and liabilities of MSIL Group derecognised from the consolidated statement of financial position as at 30 June 2024 and included in the determination of the loss on deconsolidation of MSIL Group recognised in the consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 30 June 2024, which amounts are disclosed in Notes 3.1 and 22 to the consolidated financial statements, were free of material misstatements.

For the same reasons, we were also unable to obtain sufficient appropriate audit evidence to satisfy ourselves that the loss on deconsolidation of the MSIL Group amounting to S\$26,121,000 and impairment loss on amount due from MSIL Group amounting to S\$2,645,000 recognised in consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2024 as disclosed in Note 22 — Deconsolidation of subsidiaries was free of material misstatement.

On 15 June 2025, the Audit Committee of the Company engaged a law firm (the Investigator”) to conduct an independent investigation (the “Investigation”) for the purpose of fulfilling the relevant Resumption Guidance issued by the Stock Exchange on 23 December 2024 and 7 March 2025, as subsequently modified on 12 September 2025. The scope of the Investigation, as agreed with the Audit Committee and as a fact-finding exercise, included investigating into whether the Group’s acquisition of the 20% and the subsequent 60% interest in MSIL in June 2020 and in November 2020 respectively (the “Majestic Acquisition”) were related to, and if so to what extent, the alleged cooperation agreement that is the subject matter of the 2024 Legal Suit and 2025 Legal Suit. The Investigation did not identify evidence that the Majestic Acquisition on the Company’s part was related to the alleged cooperation agreement. However, it cannot be concluded at this stage that the Majestic Acquisition was not related to the alleged cooperation

agreement, while the eventual outcome of the 2024 Legal Suit and 2025 Legal Suit may have possible effects on the carrying amounts of the assets and liabilities of the MSIL Group recognised in the consolidated financial statements of the Group. Consequently, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves that (i) the results and cash flows of MSIL Group included in the consolidated revenue, income, expenses, gains and losses and cash flows of the Group presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows of the Group for the year ended 30 June 2024, which amounts are disclosed in Note 3.1 to the consolidated financial statements, (ii) the carrying amounts of assets and liabilities of MSIL Group as at 30 June 2024 included in the determination of the loss on deconsolidation of MSIL Group on 30 June 2024, which amounts are disclosed in Note 3.1 to the consolidated financial statements, and (iii) the loss on deconsolidation of the MSIL Group amounting to S\$26,121,000 and impairment loss on amount due from MSIL Group amounting to S\$2,645,000 recognised in consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2024 were free of material misstatements.

There were no other satisfactory alternative audit procedures that we could perform to obtain sufficient audit evidence regarding the matters set out above. As a result of these matters, we were unable to determine whether any adjustments might have been found to be necessary in respect of the items as set out above, and the related elements of and disclosures in the consolidated financial statements.

### **Compliance with the Corporate Governance Code**

The Group is committed to implementing high standards of corporate governance to safeguard the interests of 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 14 to the Listing Rules (the “CG Code”) as its own code of corporate governance and complied with all mandatory disclosure requirements and all applicable code provisions as set out in the section headed “Part 2 — Principles of good corporate governance, code provisions and recommended best practices” of the CG Code during the Year 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.

### **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 10 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 Year.

### **Audit Committee**

The Company has established the audit committee (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 Annual Results**

The consolidated financial results of the Group for the FY2025 have been reviewed by the Audit Committee and the figures in respect of the Group’s consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, and the related notes thereto for the FY2025 as set out in this announcement have been agreed by our independent auditor, HLB, to the amounts set out in the Group’s consolidated financial statements for the FY2025. The Group’s audited annual results in respect of the year ended 30 June 2025 have been reviewed by existing members of the Audit Committee. The Audit Committee has reviewed and agreed with the views and concerns of the independent auditor with respect to the disclaimer opinion on the consolidated financial statements of the Group for the year ended 30 June 2025.

### **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 year.

## **Publication of Annual Results**

The annual report of the Company for the FY2025 containing all the relevant information required by the Listing Rules will be despatched to the Shareholders and published on the respective websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.amgroup Holdings.com](http://www.amgroup Holdings.com)) in due course in the manner as required by the Listing Rules.

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; three independent non-executive Directors, namely Mr. Tan Kia Jing, Mr. Lee Shy Tsong and Mr. Koh Boon Chiao.*