



**火岩控股**  
FIRE ROCK HOLDINGS



# 2025

ANNUAL REPORT

**火岩控股有限公司 FIRE ROCK HOLDINGS LIMITED**  
(Incorporated in the Cayman Islands with limited liability) Stock code : 1909

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## DEFINITION

“Articles of Association”	the articles of association of the Company conditionally adopted on 24 January 2016 and as amended, supplemented and otherwise modified from time to time
“audit committee”	the audit committee under the Board
“Board”	the board of directors of the Company
“browser games”	online games that can be played within a web browser which does not require active installation of client software
“commercial launch” or “commercialisation”	a game is considered commercially launched once (i) the game has been paid for sales of in-game tokens by the designated third party payment channels, and (ii) the open beta testing stage of the game has been concluded
“Company”	Fire Rock Holdings Limited (火岩控股有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board (Stock code: 1909)
“Director(s)”	the director(s) of the Company
“GEM”	GEM of the Stock Exchange
“Group” or “we”	the Company and where the context otherwise requires, all of its subsidiaries
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IDR”	Indonesian Rupiah, the lawful currency of Indonesia
“Listing”	the listing of the Shares of the Company on GEM
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Main Board”	the Main Board of the Stock Exchange
“mobile games”	online games that are downloaded to and played on mobile devices including smartphones and tablets
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in appendix C3 of the Listing Rules
“nomination committee”	the nomination committee under the Board
“paying player”	players who obtain in-game tokens with credits of licensed operators
“Placing”	the conditional placing of Shares of the Company in February 2016



## DEFINITION

“PRC” or “China”	the People’s Republic of China excluding, for the purpose of this report, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus being issued on 29 January 2016 in connection with the Placing
“remuneration committee”	the remuneration committee under the Board
“Rights Issue”	the rights issue on the basis of one rights Share for every two Shares held on the record date, which was completed on 29 December 2025
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“SGD”	Singapore dollars, the lawful currency of Singapore
“Share(s)”	ordinary share(s) with a nominal value of 1.67 Hong Kong cents (rounded to two decimals) each in the share capital of the Company which include treasury share(s), if any
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“THB”	Thai Baht, the lawful currency of Thailand
“USD”	United States dollars, the lawful currency of the USA
“%”	per cent

In this report, the terms “associate”, “close associate”, “connected”, “connected person”, “core connected person”, “controlling shareholder”, “subsidiary” and “substantial shareholder” shall have the meanings ascribed thereto under the Listing Rules, unless the context otherwise requires.

## COMPANY PROFILE

### EXECUTIVE DIRECTORS

Mr. Zhang Yan (Chairman and Chief Product Officer)  
*(appointed on 31 December 2025)*  
Mr. ZHOU Zhiwei (Chief Executive Officer)  
*(resigned on 31 December 2025)*  
Mr. KOA Jun Wei Victor (Chief Technology Officer)  
*(appointed on 1 March 2025)*  
Mr. GAO Bo  
Ms. WONG Yan

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. TAM Chik Ngai Ambrose  
Ms. CHOW Woon San Shirley  
Mr. LOK Tze Bong *(resigned on 5 September 2025)*  
Ms. Chiang Wing Yan *(appointed on 1 August 2025)*

### AUDIT COMMITTEE

Mr. TAM Chik Ngai Ambrose (Chairman)  
Ms. CHOW Woon San Shirley  
Mr. LOK Tze Bong *(resigned on 5 September 2025)*  
Ms. Chiang Wing Yan *(appointed on 1 August 2025)*

### REMUNERATION COMMITTEE

Mr. TAM Chik Ngai Ambrose (Chairman)  
Ms. CHOW Woon San Shirley  
Mr. LOK Tze Bong *(resigned on 5 September 2025)*  
Ms. Chiang Wing Yan *(appointed on 1 August 2025)*

### NOMINATION COMMITTEE

Ms. CHOW Woon San Shirley (Chairman)  
Mr. TAM Chik Ngai Ambrose  
Mr. LOK Tze Bong *(resigned on 5 September 2025)*  
Ms. Chiang Wing Yan *(appointed on 1 August 2025)*

### JOINT COMPANY SECRETARIES

Mr. CHU Hon Leung  
Ms. LI Zijuan

### AUTHORISED REPRESENTATIVES

Mr. CHU Hon Leung  
Mr. GAO Bo

### REGISTERED OFFICE

Windward 3 Regatta Office Park PO Box 1350  
Grand Cayman KY1-1108 Cayman Islands

### HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS

70 Anson Road  
#15-02, Hub Synergy Point  
Singapore 079905

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

2201-2203, 22/F  
World-Wide House  
Central  
Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited  
Windward 3  
Regatta Office Park  
PO Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

### PRINCIPAL BANKERS

Bank of Communications Co., Ltd.,  
Hong Kong Branch  
Oversea-Chinese Banking Corporation Limited

### HONG KONG LEGAL ADVISER

Li & Partners

### AUDITOR

Crowe (HK) CPA Limited  
*Certified Public Accountants*

### STOCK CODE

1909

### COMPANY WEBSITE

[www.firerock.sg](http://www.firerock.sg)

# FINANCIAL HIGHLIGHTS

## RESULTS

	For the year ended 31 December				
	2025 HKD'000	2024 HKD'000	2023 HKD'000	2022 HKD'000	2021 HKD'000
Revenue	<b>146,204</b>	140,591	134,927	115,063	1,035,215
Direct costs	<b>(50,685)</b>	(27,826)	(27,388)	(38,470)	(168,134)
Gross profit	<b>95,519</b>	112,765	107,539	76,593	867,081
(Loss)/profit for the year	<b>(43,502)</b>	1,853	572,518	35,487	(1,211,457)

## ASSETS AND LIABILITIES

	As at 31 December				
	2025 HKD'000	2024 HKD'000	2023 HKD'000	2022 HKD'000	2021 HKD'000
Non-current assets	<b>23,654</b>	57,687	51,364	57,956	38,694
Current assets	<b>134,277</b>	76,989	109,509	131,756	358,595
Total assets	<b>157,931</b>	134,676	160,873	189,712	397,289
Non-current liabilities	<b>2,941</b>	817	2,247	172,240	368,695
Current liabilities	<b>19,920</b>	19,865	18,305	438,726	484,233
Total liabilities	<b>22,861</b>	20,682	20,552	610,966	852,928
Total equity/(deficit)	<b>135,070</b>	113,994	140,321	(421,254)	(455,639)

## MAJOR FINANCIAL RATIOS

	For the year ended 31 December				
	2025	2024	2023	2022	2021
Return on equity	<b>N/A</b>	1.6%	N/A	N/A	N/A
Return on total assets	<b>N/A</b>	1.4%	326.6%	12.1%	N/A
Current ratio (times)	<b>6.7</b>	3.9	6.0	0.3	0.7

## REVENUE HIGHLIGHTS

	For the year ended 31 December									
	2025		2024		2023		2022		2021	
	HKD'000	%	HKD'000	%	HKD'000	%	HKD'000	%	HKD'000	%
The PRC	—	—	—	—	—	—	—	—	920,252	88.9
Asia Pacific	<b>146,204</b>	<b>100.0</b>	140,591	100.0	134,927	100.0	115,063	100.0	114,963	11.1
	<b>146,204</b>	<b>100.0</b>	140,591	100.0	134,927	100.0	115,063	100.0	1,035,215	100.0



## CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the annual results of Fire Rock Holdings Limited for the year ended 31 December 2025.

### 2025 FINANCIAL PERFORMANCE

During the year under review, the Group continued to engage principally in the development and operation of online games, including browser games and mobile games. Despite a highly competitive and rapidly evolving operating environment, the Group delivered a stable financial performance, supported by the sustained contributions from our core game portfolio and disciplined cost management. The Group maintained a healthy financial position, providing a solid foundation for future development.

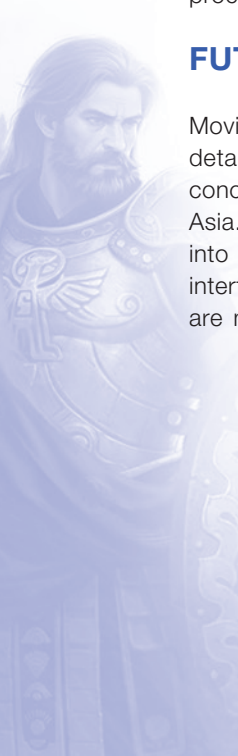
Against this backdrop, the Group recorded revenue of HKD146.2 million (2024: HKD140.6 million) and loss attributable to owners of the Company of HKD64.4 million (2024: HKD17.1 million). The loss attributable to the owners of the Company was mainly due to (i) the provision of impairment loss on intangible assets made for some of our games due to the uncertainty over the future performance, (ii) the amortisation of intangible assets for some of our new games, which were commercially launched in March 2025, and (iii) the increase in staff costs and benefits during the year under review.

### COMPLETION OF RIGHTS ISSUE

A major milestone in 2025 was the successful completion of the Rights Issue in December 2025, as detailed in the prospectus dated 20 November 2025. I would like to extend my heartfelt appreciation to our Shareholders for your confidence in the Group's long-term vision. The Rights Issue has strengthened our capital structure and enhanced our financial flexibility at a pivotal stage of our development.

In 2026, the Company plans to launch several new games in Southeast Asia. The management team and I will continue to review the Company's overall operations and future strategies together with the allocation of the proceeds from the Rights Issue to suitable areas from time to time.

### FUTURE STRATEGY



Moving forward, the Group's core competitive direction lies in striving to expand our "people-oriented, detail-driven" corporate philosophy. We remain committed to a strategy led by self-R&D of games, concentrating our resources on the R&D of various new games tailored for different regions across Southeast Asia. In terms of product R&D, we shall consistently prioritise player needs, integrating human-centric design into every interactive element. Our R&D team meticulously refines game graphics, sound effects, and user interfaces to ensure each production delivers a truly immersive and ultimate experience. For the Group, games are more than just lines of code - they serve as a bridge forging emotional connections with our players.



## CHAIRMAN'S STATEMENT

### GLOBAL VISION: GROWING PRESENCE IN SOUTHEAST ASIA AND EXPANDING OVERSEAS FOOTPRINT

Looking ahead, the Group will proactively advance its globalisation strategy, expanding its business reach into several core markets within Southeast Asia, including densely populated markets such as Thailand and Indonesia. The Group has established its regional headquarters in Singapore and is actively developing game-related peripheral industries and digital entertainment businesses in locations such as Thailand and Indonesia. We will engage in deep collaboration with local operators to bring high-quality games with multi-language support to Southeast Asian players, while carrying out differentiated operations according to local cultures.

With a view to the future, Fire Rock Holdings Limited will continue to uphold its “premium product” strategy. Leveraging its leading technology and steadfast commitment to detail, it strives to consistently excel and deliver excellence on the international stage.

### APPRECIATION

I would like to express my sincere appreciation to our Shareholders, business partners, players, and employees for their continued trust, dedication, and support. With a strengthened capital structure and a clear strategic direction, the Group is well positioned to capture new opportunities and deliver long-term value.

**Zhang Yan**  
*Chairman*

Hong Kong, 23 March 2026

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW AND PROSPECTS

### Overview

During the year ended 31 December 2025, the Company maintained focused on game research and development (“R&D”) and the operation of premium games, with the aim to navigate the increasingly competitive industry landscape and establish ourselves as a leading international gaming corporation with R&D, publishing, and operational expertise. For the year ended 31 December 2025, the loss attributable to equity owners of the Company was approximately HKD64.4 million, while for the year ended 31 December 2024, the loss attributable to equity owners of the Company was approximately HKD17.1 million. The increased loss was primarily attributable to (i) the provision of impairment loss on intangible assets made for some of our games due to the uncertainty over the future performance, (ii) the amortisation of intangible assets for some of our games, which were commercially launched in March 2025, and (iii) the increase in staff costs and benefits during the year.

Looking forward, the Group will continue to strengthen its main business by concentrating the Group’s resources on game development and game publishing business in order to (i) reduce reliance on the game operating business and (ii) deliver high-quality gaming experience to players.

As such, the Group will further increase its investment in game R&D, with plans to launch several new games in Southeast Asia in the coming year. By leveraging our R&D strengths and prioritising player experience, the Group remains committed to offering more innovative and engaging games. We strive to elevate players’ gaming experience, thereby further solidifying and enhancing our competitive position in the global gaming market.

### Revenue

We are principally engaged in the development of browser, mobile games (including game design, programming and graphics) and computer software related to game operation. On this basis, we license our self-developed browser and mobile games to licensed operators around the world (“Game Development”), assist the third parties in promoting game-related business and provide intellectual property rights licensing services to enterprises (“Game Publishing”). We also self-operate our self-developed game products in overseas markets.

For the year ended 31 December 2025, the Group’s revenue was approximately HKD146.2 million, representing an increase of approximately HKD5.6 million or 4.0% from approximately HKD140.6 million for the year ended 31 December 2024. The increase was mainly due to the increase in revenue from the Royal World mobile game and our self-developed mobile game, Mythical Odyssey (神戰•洪荒), during the year.

### Revenue by geographical markets

The following table sets forth our revenue from our games based on geographical territories, in absolute amounts and as a percentage of our revenue for the years indicated:

	For the year ended 31 December			
	2025		2024	
	HKD’000	%	HKD’000	%
Asia Pacific	146,204	100.0	140,591	100.0

## MANAGEMENT DISCUSSION AND ANALYSIS

### Direct costs

The Group's direct costs mainly consisted of staff costs and benefits, amortisation of intangible assets, channel costs charged by self-operated game platforms and others direct costs. The following table sets forth a breakdown of the Group's direct costs for the years indicated:

	For the year ended 31 December			
	2025		2024	
	HKD'000	%	HKD'000	%
Staff costs and benefits	17,913	35.3	2,062	7.4
Amortisation of intangible assets	6,811	13.4	—	—
Self-operated channel costs	17,750	35.0	18,649	67.0
Others	8,211	16.3	7,115	25.6
<b>Total</b>	<b>50,685</b>	<b>100.0</b>	<b>27,826</b>	<b>100.0</b>

Staff costs and benefits represented salary and wages of staff responsible for the continuous enhancement to and maintenance of our commercially launched mobile games. Staff costs and benefits for the year ended 31 December 2025 amounted to approximately HKD17.9 million, representing a significant increase of approximately HKD15.8 million as compared to approximately HKD2.1 million for the year ended 31 December 2024, which was primarily due to the launch of the Mythical Odyssey game during the year.

Amortisation of intangible assets represented the amortisation of intellectual properties for the commercially launched mobile games. Amortisation of intangible assets for the year ended 31 December 2025 amounted to approximately HKD6.8 million. It was mainly attributable to the Mythical Odyssey game, which was commercially launched in March 2025.

Self-operated channel costs represented a certain proportion of handling fees charged by cooperation platforms with respect to the mobile games launched by the Group. Self-operated channel costs for the year ended 31 December 2025 amounted to approximately HKD17.8 million, representing a decrease of approximately HKD0.8 million as compared to approximately HKD18.6 million for the year ended 31 December 2024, which was primarily due to the handling fees from certain platforms have been lower during 2025.

Other costs mainly comprised of (i) depreciation of property, plant and equipment, (ii) amortisation of right-of-use assets; (iii) outsourcing service fees for art/graphic design and audio production of sound effects and background music provided by third-party service providers; and (iv) server expenses.

The increase in direct costs for the year ended 31 December 2025 was mainly attributable to the launch of the Mythical Odyssey game during the year which resulted in an increase in amortisation and certain direct costs.

### Gross profit and gross profit margin

Our gross profit for the year ended 31 December 2025 amounted to approximately HKD95.5 million, representing a decrease of approximately HKD17.3 million or 15.3% as compared to approximately HKD112.8 million for the year ended 31 December 2024. Our gross profit margin for the year ended 31 December 2025 amounted to approximately 65.3% and approximately 80.2% for the year ended 31 December 2024. The decrease in our gross profit margin was mainly due to direct costs, such as amortisation of intangible assets and the staff costs, for the Mythical Odyssey incurred after its commercial launch.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Other income

Our other income mainly consisted of interest income of bank deposits, government grants, exchange gains, and other gains. For the year ended 31 December 2025, our other income was approximately HKD0.9 million, compared with other income of approximately HKD0.3 million in the same period of 2024. The increase in other income was mainly due to the gain on disposal of a vehicle and the exchange gain from our overseas subsidiaries during the year.

### Impairment loss on intangible assets

Based on the latest information available to the Group, the operating income from our existing games is not expected to recover the operating costs in the foreseeable future. Accordingly, a provision for impairment loss on intangible assets of approximately HKD17.7 million was made for our existing games for the year ended 31 December 2025, while no impairment loss was recognised for the year ended 31 December 2024.

### Research costs

For the year ended 31 December 2025, the Group incurred approximately HKD16.0 million on research costs, representing an increase of approximately HKD7.0 million or 77.8% from approximately HKD9.0 million for the year ended 31 December 2024. The increase was mainly due to several projects being in the research phases during 2025, with further development planned for 2026.

### Distribution costs

Our distribution costs for the year ended 31 December 2025 amounted to approximately HKD29.5 million, representing a decrease of approximately HKD11.2 million or 27.5% as compared to approximately HKD40.7 million in the same period of 2024. The decrease was mainly due to the decrease in the advertising and promotional expenses during the year.

### Administrative expenses

The Group's administrative expenses primarily comprised salaries and employee benefits expenses, audit fees, legal and professional fees, depreciation of property, plant and equipment, depreciation of right-of-use assets, exchange difference and others.

The Group's administrative expenses for the year ended 31 December 2025 amounted to approximately HKD45.3 million, representing an increase of approximately HKD2.0 million or 4.6% as compared to approximately HKD43.3 million for the year ended 31 December 2024. The increase was mainly attributable to the increase in the travelling expenses for our staff to explore new business opportunities and the professional fees paid to the internal control expert and the professional parties for evaluating the future business opportunities.

### Income tax expense

Our income tax expense for the year ended 31 December 2025 increased by approximately HKD5.2 million or 30.2%, to approximately HKD22.4 million, as compared to approximately HKD17.2 million for the year ended 31 December 2024. The increase was mainly due to the increase in the assessable profit generated by the subsidiary in Thailand and increase in the deferred tax.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Loss for the year

As a result of the above, loss attributable to equity owners of the Company for the year ended 31 December 2025 was approximately HKD64.4 million whereas the loss attributable to equity owners of the Company for the year ended 31 December 2024 was approximately HKD17.1 million. The increased loss was primarily attributable to (i) the provision of impairment loss on intangible assets made for some of our games due to the uncertainty over the future performance, (ii) the amortisation of intangible assets for some of our games, which were commercially launched in March 2025, and (iii) the increase in staff costs and benefits during the year.

### LIQUIDITY AND FINANCIAL RESOURCES

For the year ended 31 December 2025, we mainly financed our business with the existing cash and cash equivalents held by the Group. We intend to fund our expansion and business operations through our internal resources and on-going internal growth.

#### *Treasury policy*

During the year ended 31 December 2025, the Group deposited its capital with commercial banks in Hong Kong, Thailand, the PRC, Indonesia and Singapore and did not engage in any investments with high risks or involving speculative derivative instruments.

#### *Cash and cash equivalents*

As at 31 December 2025, our cash and cash equivalents amounted to approximately HKD112.9 million, representing an increase of approximately HKD59.3 million or 110.6%, as compared with approximately HKD53.6 million as of 31 December 2024. The increase was mainly attributable to the completion of the Rights Issue in December 2025 and offset with the dividend paid to the non-controlling interests of a subsidiary in Thailand. Our cash and cash equivalents primarily consisted of cash at bank and cash on hand mainly denominated in USD (as to approximately 6.7%), THB (as to approximately 13.7%), HKD (as to approximately 72.3%), RMB (as to approximately 5.2%), SGD (as to approximately 1.0%) and IDR (as to approximately 1.1%).

#### *Capital expenditures*

Our capital expenditures comprised expenditures on the purchase of furniture and office equipment and leasehold improvements. For the year ended 31 December 2025, our total capital expenditures amounted to approximately HKD1.3 million, representing the purchase of furniture and office equipment and leasehold improvement (2024: approximately HKD0.5 million, including the purchase of furniture and office equipment and leasehold improvements). We funded our capital expenditure by existing cash and cash equivalents held by the Group.

#### *Capital Commitment*

As at 31 December 2025, the Group did not have any material capital commitments.

### CAPITAL STRUCTURE

The Shares were listed on GEM of the Stock Exchange on 18 February 2016. Listing of the Shares has been transferred from GEM to the Main Board since 27 June 2019. The capital structure of the Company comprises issued share capital and reserves.



## MANAGEMENT DISCUSSION AND ANALYSIS

### *Share consolidation*

On 3 March 2025, the Company proposed to implement the share consolidation (the “**Share Consolidation**”) on the basis that every twenty issued and unissued Shares of one-twelfth Hong Kong cent each in the share capital of the Company consolidated into one Share of par value of 1.67 Hong Kong cents (rounded to two decimals). The Share Consolidation was approved by the shareholders of the Company at the extraordinary general meeting of the Company on 27 March 2025, and came into effect on 31 March 2025. The authorized number of share capital of the Company decreased from 24,000,000,000 shares to 1,200,000,000 consolidated shares thereafter. For more details of the Share Consolidation, please refer to the announcements of the Company dated 3 March 2025 and 27 March 2025, and the circular of the Company dated 11 March 2025.

### *Rights issue*

On 29 December 2025, the Company completed the Rights Issue on the basis of one rights Share for every two Shares held on the record date at the subscription price of HKD1.58 per rights Share and issued 50,821,041 ordinary Shares. The gross proceeds raised from the Rights Issue (including the compensatory arrangements) were approximately HKD80.3 million and the net proceeds from the Rights Issue after deducting the relevant expenses were approximately HKD79.5 million. Details of the Rights Issue and the compensatory arrangements are set out in the announcements of the Company dated 5 October 2025, 7 November 2025, 9 December 2025 and 24 December 2025, the circular of the Company dated 24 October 2025, and the prospectus of the Company dated 20 November 2025.

The net proceeds raised from the Rights Issue were approximately HKD79.5 million. As disclosed, the Company intends to utilise the net proceeds, in the following manner:

- (i) approximately HKD6.7 million will be used for building up a new development team in the PRC including the recruitment of approximately 8–10 professional staff members and the purchase of necessary office equipment, IT software and hardware;
- (ii) approximately HKD6.1 million will be used for setting up a development base in Indonesia including the rental of a new office in Indonesia, the recruitment of 15–20 local professional and support staff members and the purchase of necessary office equipment, IT software and hardware;
- (iii) approximately HKD22.2 million will be used for acquisition of new simulation games including purchase of the patents, trademarks, intellectual properties and licenses;
- (iv) approximately HKD30.0 million will be used for marketing for existing games and new games in Indonesia and other markets in Southeast Asia including advertising campaigns, promotion events and purchase of promotional materials; and
- (v) approximately HKD14.5 million will be used for general working capital purposes.

## BORROWING AND GEARING RATIO

As at 31 December 2025, the Group did not have any short-term or long-term borrowings.

As at 31 December 2025, the gearing ratio of the Group, calculated as total liabilities divided by total assets, was approximately 14.5% (31 December 2024: approximately 15.4%).

## MANAGEMENT DISCUSSION AND ANALYSIS

### CHARGE ON GROUP ASSETS

As at 31 December 2025, no asset of the Group was pledged as a security for bank borrowing or any other financing facilities (31 December 2024: Nil).

### EVENTS AFTER THE REPORTING PERIOD

Apart from the events as disclosed above and elsewhere in the annual report, the Group did not have other material events after the reporting period and up to the date of this report.

### INFORMATION ON EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group had 188 employees (31 December 2024: 151), who were mainly based in Thailand, Singapore, the PRC, Indonesia and Hong Kong. The table below sets forth the number of employees by function as at 31 December 2025 and 2024:

Department	2025		2024	
	Number of employees	% of total	Number of employees	% of total
<b>Management</b>	<b>9</b>	<b>4.8</b>	7	4.6
<b>Project development</b>	<b>86</b>	<b>45.7</b>	60	39.7
Game design	<b>34</b>	<b>18.1</b>	22	14.6
Programming	<b>32</b>	<b>17.0</b>	27	17.9
Art	<b>20</b>	<b>10.6</b>	11	7.2
<b>Project Support</b>	<b>60</b>	<b>31.9</b>	59	39.1
Marketing	<b>27</b>	<b>14.4</b>	26	17.2
Licensing and operator support	<b>30</b>	<b>16.0</b>	31	20.5
Information technology	<b>3</b>	<b>1.5</b>	2	1.4
<b>Finance and administration</b>	<b>33</b>	<b>17.6</b>	25	16.6
<b>Total</b>	<b>188</b>	<b>100.0</b>	151	100.0

The total remuneration of the employees of the Group was approximately HKD53.9 million for the year ended 31 December 2025 (2024: approximately HKD31.1 million).

The remuneration committee of the Board will regularly review and recommend to the Board from time to time the remuneration and reward of the Directors and senior management of the Group with reference to their experience, responsibilities, workload and time devoted to the Group as well as the performance of the Group.

The Group offers competitive remuneration packages commensurate with industry practice and provides benefits to employees of the Group, including social insurance coverage, defined contribution retirement scheme and bonus. In determining staff remuneration, the Group takes into account salaries paid by comparable companies, time commitment and responsibilities and employment conditions for other positions within the Group. The staff remuneration is reviewed regularly.



## MANAGEMENT DISCUSSION AND ANALYSIS

Contributions to the Group's defined contribution retirement schemes charged to the Group's consolidated statement of comprehensive income during the year ended 31 December 2025 were approximately HKD6.7 million (2024: approximately HKD3.5 million). There was no contribution forfeited by the Group on behalf of employees who left their respective scheme prior to vesting fully in such contribution, which may be used by the Group to reduce the existing level of contributions during the two years ended 31 December 2025 and 2024. As at 31 December 2025 and 31 December 2024, there was no forfeited contribution available to reduce the level of contributions in future years.

The Directors believe that maintaining a stable and motivated staff force is critical to the success of the Group's business. Aspiring to be a fast-growing company, the Group is able to provide its employees with ample career development choices and opportunities for advancement. The Group organises various training programs on a regular basis for its employees to enhance their knowledge of online game development and operation, improve time management and internal communications and strengthen team building.

## SIGNIFICANT INVESTMENTS IN OR MATERIAL ACQUISITIONS OR DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

For the year ended 31 December 2025 and 2024, there were no significant investments in or material acquisitions and disposals of subsidiaries and associated companies by the Company.

## FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as those disclosed in this report, there were no plans authorised by the Board for material investments or additions of capital assets as at the date of this report.

## CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any significant unrecorded contingent liabilities (31 December 2024: Nil).

## FOREIGN EXCHANGE RISKS

The functional currency of the Group is HKD and the Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD, THB, RMB, SGD and IDR. All of the Group's revenue is denominated in currencies other than the functional currency of the operating units generating the revenue for the years ended 31 December 2025 and 2024. Therefore, foreign exchange risk primarily arose from the recognition of assets upon the Group's receipt or planned receipt of foreign currencies from overseas partners.

The Group currently does not have any hedging policy in respect of the foreign currency risk. However, our management team closely monitors foreign exchange exposure to ensure appropriate measures are implemented in a timely and effective manner. In this respect, we are not exposed to any significant foreign currency exchange risk in our operation.

### LOSS PER SHARE

The calculation of loss per share is based on the loss attributable to owners of the Company of approximately HKD64.4 million or loss per share of approximately 32.73 Hong Kong cents for the year ended 31 December 2025 (for the year ended 31 December 2024: loss attributable to owners of the Company of approximately HKD17.1 million or loss per share of approximately 8.73 Hong Kong cents, as restated) and the weighted average number of 196,779,438 ordinary shares for the year ended 31 December 2025 (for the year ended 31 December 2024: 195,482,492 ordinary shares, as restated) in issue. The weighted average number of ordinary shares used in the calculation of loss per share for the year ended 31 December 2024 has been adjusted to reflect the Share Consolidation and issuance of shares on Rights Issue.

Diluted loss per share are same as the basic loss per share as there are no dilutive potential ordinary shares in existence during the year ended 31 December 2025 and 2024.

### RISK FACTORS FACED BY THE COMPANY AND RISK MITIGATION MEASURES

The Group principally engaged in the development and operation of our software and games in different language versions and licensing our games to different licensed operators for operation or operating by the Group internationally. The major risks involved in our business include credit risks, interest rate risks, liquidity risks, currency risks and business risks. Details of the above-mentioned major risks and risk mitigation measures are set forth in Note 33 “Financial risk management and fair values of financial instruments” to the consolidated financial statements in this annual report.

We believe that there are certain risks involved in our operations, which mainly include (i) risks relating to our business; (ii) risks relating to our industry; and (iii) risks relating to policies.

#### *(i) Risks relating to our business*

Although the Group has achieved significant success in the gaming industry, there are certain risks that could adversely impact the Group’s operations and financial results. The main hurdles include: (i) if the Group fails to keep up with technological developments and is unable to continuously keep track of cutting-edge technology trends, it may lead to a decline in the competitiveness of its games and loss of market share, (ii) facing constantly changing player preferences, if the Group is unable to continuously launch novel and high-quality game content, it may affect user retention, (iii) the game portfolio includes games that are self-developed or licensed games, so the Group’s operations may be adversely affected if the Group cannot seek alternatives in a timely manner; and (iv) the Group may be exposed to payment delays or defaults from settlement agents, which would adversely affect the Group’s cash flow or financial results.

#### *(ii) Risks relating to our industry*

As a game developer, publisher and operator, we expect to face intense competition from many counterparts domestically and internationally. We also face vigorous competition from other forms of entertainment generally available to the public such as console gaming, offline games, cinema, television, sports and music. In response, we continue to regularly upgrade and modify existing games to keep players interested and maintain their experience in our portfolio of games, and incentivise game players to increase their spending on our games. Furthermore, we also continue to focus on research and development of new games and explore new markets to maintain our competitiveness in the gaming industry.



## MANAGEMENT DISCUSSION AND ANALYSIS

### *(iii) Risks relating to policies*

The operation of online games of the Group is subject to supervision and management by a number of government authorities in the markets where we operate. Any administrative changes in government regulatory authorities may also affect market conditions, which in turn may affect our results of operations.

## RISK MANAGEMENT


The audit committee is responsible for risk management, including (but not limited to): (i) regularly reviewing the Company's risk management and internal control system to ensure the system's effectiveness; (ii) reviewing the sufficiency of the Company's internal resources and staff qualifications, experience and training; and (iii) conducting investigation and research of risk management and internal control matters and reports to the Board on such matters.

## ENVIRONMENT POLICY AND PERFORMANCE

The Group's planning, devising, implementation, operation, review and assessment in relation to matters pertaining to environmental management are conducted with reference to the characteristics of our industry. In daily activities, our Group strictly controls the use of water and electricity in office, actively adopts measures to propagate environment-friendly ideas and encourages staff to reduce consumption of water and electricity and practice the sorting of solid waste. The Group also actively promotes electronic informatisation management in its daily operation to facilitate the "paperless" office.

The Group has implemented internal recycling and reusing program on a continual basis for consumable goods such as office papers to minimise the operational impact on the environment and natural resources. The Group has also negotiated with the property management companies of our leased properties in relation to the implementation of energy-saving measures for the use of air-conditioning in our office premises in order to reduce unnecessary electricity consumption.

## RELATIONSHIP WITH STAKEHOLDERS



The Company values stakeholders' concerns and opinions on our business performance and progress, and strive to maintain effective communication with our stakeholders, including the Shareholders, employees, customers, suppliers, business partners, users, media and the public through a range of communication channels, such as the Company's official website and emails to maintain a close and harmonious relationship with them.

## COMPLIANCE WITH LAWS AND REGULATIONS

So far as the Board is concerned, there were no material breaches of or non-compliance with the relevant rules and regulations by our Group that have significant impacts on the business and operations of our Group.

## ANNUAL GENERAL MEETING

It is proposed that the annual general meeting of the shareholders of the Company will be held on a date to be fixed by the Board. Notice of annual general meeting will be published and despatched to the shareholders of the Company in due course.



# CORPORATE GOVERNANCE REPORT

The Board is pleased to present the corporate governance report of the Group for the year ended 31 December 2025.

## INTRODUCTION

We are committed to maintaining high level of corporate governance as the Board recognises that sound and effective corporate governance is the key element to success. We have adopted a number of measures to protect interests of the Shareholders and other stakeholders.

## COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirms that the Directors have complied with the required standard set out in the Model Code during the year ended 31 December 2025.

## CORPORATE GOVERNANCE PRACTICES

The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the “Code”) set out in Appendix C1 of the Listing Rules. In the opinion of the Directors, the Company has complied with the code provisions set out in the Code for the year ended 31 December 2025.

## BOARD OF DIRECTORS

The Board is responsible for coordinating and supervising the Group and identifying its deviations so as to achieve the success of the Group. The Board has established board committees, and delegated their respective duties in accordance with their terms of references to board committees. Details of the respective committees’ terms of reference are available at the Stock Exchange’s and the Company’s websites. All Directors have carried out duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and its Shareholders at all times.

The Board reserves discretion to decide on all major matters relating to policy matters, strategies and budgets, internal control and risk management, discloseable transactions and connected transactions, nomination of Directors and company secretary (or joint company secretaries) and other material financial and operational matters. All Directors contributed precious business experience, knowledge and professional skills to keep the Company functioning with high efficiency. All Directors can obtain comprehensive relevant materials and receive from the company secretary (or joint company secretaries) advice and services to ensure the Board procedures and all applicable laws, rules and regulations are followed.

The senior management has been delegated with the responsibility for the day-to-day management, administration and operation of the Group, the powers delegated to the management are being reviewed regularly. The senior management has to be authorised by the Board before entering into any material transactions.

The Board is responsible for performing the functions set out in the code provision A.2.1 of the Code. The Board, with the assistance of other board committees of the Group, is responsible for performing the corporate governance functions, and it accordingly reviews and monitors the training and continuing professional development of Directors and the senior management, and ensures its policies and practices are in compliance with relevant laws and regulatory requirements. The Board has reviewed and discussed the corporate governance policy of the Group, and was satisfied with the Company’s performance of the corporate governance policy.



## CORPORATE GOVERNANCE REPORT

### COMPOSITION

As at 31 December 2025, the Board consisted of seven Directors, including four executive Directors and three independent non-executive Directors. The Directors are:

#### *Executive Directors*

Mr. Zhang Yan (Chairman and Chief Product Officer) *(appointed on 31 December 2025)*

Mr. KOA Jun Wei Victor (Chief Technology Officer) *(appointed on 1 March 2025)*

Mr. GAO Bo

Ms. WONG Yan

#### *Independent non-executive Directors*

Mr. TAM Chik Ngai Ambrose

Ms. CHOW Woon San Shirley

Ms. Chiang Wing Yan *(appointed on 1 August 2025)*

The list of Directors (by category) is disclosed in all corporate communications issued by the Company pursuant to the Listing Rules. Independent non-executive Directors are also listed out in all corporate communications issued by the Company pursuant to the Listing Rules. The Company should maintain on its website and on the Stock Exchange's website an updated list of Directors identifying their role and function and whether they are independent non-executive Directors.

Save as disclosed in the Prospectus and in this annual report, as far as the Company has knowledge, there is no relationship (including financial, business, family, or other material relationship(s)) among the Board members.

For the year ended 31 December 2025, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors, accounting for at least one third of the Board, with at least one independent non-executive Director possessing the appropriate professional qualifications, accounting or related financial management expertise.

Mr. KOA Jun Wei Victor (being appointed as an executive Director on 1 March 2025), Ms. Chiang Wing Yan (being appointed as an independent non-executive Director on 1 August 2025) and Mr. Zhang Yan (being appointed as an executive Director and chairman of the Board on 31 December 2025), had obtained legal advice referred to in Rule 3.09D of the Listing Rules on 23 January 2025, 30 July 2025 and 30 December 2025, respectively, from a law firm qualified to advise on Hong Kong laws. Each of them had confirmed that he or she understood all the obligations and requirements under the Listing Rules applicable to him or her in the capacity as a Director.

According to the guidelines set out in the Rule 3.13 of the Listing Rules, the Company has received a written confirmation from each of the independent non-executive Directors in respect of their independence. The Company considers that all independent non-executive Directors are independent by reference to the provisions on independence set out in the Listing Rules. The Company has established mechanisms whereby independent non-executive Directors can express their views in an open and candid manner and provide their independent professional judgments on the assessment of the development, performance and risk management of the Group. These include dedicated meeting sessions with other Board members and senior management outside the boardroom. The Board will review the implementation and effectiveness of the abovementioned mechanisms on an annual basis to ensure that independent views and input are available to the Board.

## APPOINTMENT AND RE-ELECTION OF DIRECTORS

The procedures and process of appointment, re-election and removal of Directors are stated in the Company's Articles of Association. The nomination committee is responsible for reviewing the Board composition, considering and formulating the relevant procedures for nomination and appointment of Directors, and monitoring the appointment and succession planning of Directors, and assessing the independence of the independent non-executive Directors.

Each of the executive Directors has entered into service contract with the Company for a term of three years, which is subject to termination by either party giving not less than three months' written notice. Each of the independent non-executive Directors has signed a letter of appointment with the Company for a term of three years, and is subject to termination by either party giving not less than three months' written notice. Such appointments are subject to retirement by rotation provisions in the Articles of Association.

The Company had re-elected and appointed certain Directors at the annual general meeting on 30 May 2025.

None of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation. In accordance with the Articles of Association, all Directors of the Company is subject to retirement by rotation at least once every three years, new Directors appointed by the Board as additional Directors and to fill casual vacancies are subject to election or re-election at the first general meeting/annual general meeting.

## DIRECTORS' TRAINING AND CONTINUING PROFESSIONAL DEVELOPMENT

Each of the Directors should keep abreast of the responsibilities as a Director, and of the conduct, business activities and developments of the Company.

Directors are aware of the code provision C.1.4 of the Code, regarding continuing professional development programme for directors. For the year ended 31 December 2025, all Directors participated in the training regarding director responsibilities and duties in relation to the Listing Rules. Such programmes were related to corporate governance, listed company and directors' continuing obligations.



## CORPORATE GOVERNANCE REPORT

A summary of the training received by the Directors for the year ended 31 December 2025 is set out below:

	Corporate governance	Listed company and directors' continuing obligations
<b>Executive Directors</b>		
Mr. Zhang Yan (Chairman and Chief Product officer) <i>(appointed on 31 December 2025)</i>	✓	✓
Mr. ZHOU Zhiwei (Chief Executive Officer) <i>(resigned on 31 December 2025)</i>	✓	✓
Mr. KOA Jun Wei Victor (Chief Technology Officer) <i>(appointed on 1 March 2025)</i>	✓	✓
Mr. Gao Bo	✓	✓
Ms. Wong Yan	✓	✓
<b>Independent Non-executive Directors</b>		
Mr. Tam Chik Ngai Ambrose	✓	✓
Ms. Chow Woon San Shirley	✓	✓
Mr. Lok Tze Bong <i>(resigned on 5 September 2025)</i>	✓	✓
Ms. Chiang Wing Yan <i>(appointed on 1 August 2025)</i>	✓	✓

## DIRECTORS' LIABILITY INSURANCE

Each of our Directors was qualified and experienced to perform their duties and obligations. The Company predicts that in the foreseeable future, the risk of any events that lead to liabilities of the Directors is relatively low. Nevertheless, the Company is currently in the process of selecting appropriate Directors' liability insurance to indemnify the current Directors for their liabilities arising out of corporate activities.

## BOARD MEETINGS AND SHAREHOLDERS' MEETINGS

### *Number of Board meetings and Directors' attendance*

Pursuant to the code provision C.5.1 of the Code, the Board meetings should be held at least four times a year at approximately quarterly intervals. Regular Board meetings will normally involve the active participation, either in person or through electronic means of communication, of a majority of Directors entitled to be present.

During the year ended 31 December 2025, the Board convened ten meetings to discuss various matters of the Group, review and approve financial performance and results of operations and to consider and approve overall strategies and policies of the Group. The attendance of each individual Director at the board meeting, board committee meetings and general meeting is set out in the following table:

Directors	Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	Annual General Meeting	Extraordinary General Meeting
<b>Executive Directors</b>						
Mr. Zhang Yan <i>(appointed on 31 December 2025)</i>	N/A	N/A	N/A	N/A	N/A	N/A
Mr. Zhou Zhiwei <i>(resigned on 31 December 2025)</i>	10/10	N/A	N/A	N/A	1/1	2/2
Mr. Koa Jun Wei Victor <i>(appointed on 1 March 2025)</i>	8/10	N/A	N/A	N/A	1/1	2/2
Mr. Gao Bo	10/10	N/A	N/A	N/A	1/1	2/2
Ms. Wong Yan	10/10	N/A	N/A	N/A	1/1	2/2
<b>Independent Non-executive Directors</b>						
Mr. Tam Chik Ngai Ambrose	10/10	2/2	3/3	3/3	1/1	2/2
Ms. Chow Woon San Shirley	10/10	2/2	3/3	3/3	1/1	2/2
Mr. Lok Tze Bong <i>(resigned on 5 September 2025)</i>	6/10	1/2	2/3	2/3	1/1	1/2
Ms. Chiang Wing Yan <i>(appointed on 1 August 2025)</i>	6/10	1/2	1/3	1/3	N/A	1/2

Code provision C.1.6 of the Code stipulates that independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders.

## PRACTICES AND GUIDELINES OF MEETINGS

Annual meeting schedules and draft agenda of each meeting are normally made available to the Directors in advance. The Company has put in place arrangements to ensure that the Directors have opportunity to propose matters to be discussed into the meeting agenda.

Notices of regular Board meetings are normally served to all Directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notice is generally given.



## CORPORATE GOVERNANCE REPORT

Board documents together with all appropriate, complete and reliable information are sent to all Directors at least 3 days before each Board meeting or committee meeting to keep the Directors apprised of the latest developments and financial position of the Group and to enable them to make informed decisions. The Board and each Director also have separate and independent access to the senior management whenever necessary.

The chief executive officer and member of the senior management attend all regular Board meetings and where necessary, other Board and committee meetings to advise on business developments, financial and accounting matters, regulatory compliance matters, corporate governance and other major aspects of the Group.

The company secretary (or the joint company secretaries) is responsible to take and keep minutes of all Board meetings and committee meetings. Minutes of Board meetings and meetings of committees should record in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed. Draft minutes are normally circulated to Directors for comment within a reasonable time after each meeting and the final version is open for Directors' inspection.

The Articles of Associations contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest. Such matter should also be dealt with by a physical board meeting rather than a written resolution. Independent non-executive directors who have no material interest in the matter should be present at the board meeting.

## BOARD COMMITTEES

The Board established three committees, namely, remuneration committee, audit committee and nomination committee to oversee particular aspects of the Group's affairs. Each of the three committee has its defined scope of duties and terms of reference.

All members of remuneration committee, audit committee and nomination committee are independent non-executive Directors.

The Board committees have sufficient resources to perform their duties, and are able to seek independent professional advice in appropriate circumstances at the Company's expense.

### *Remuneration Committee*

The remuneration committee's terms of reference include, but not limited to:

- i. to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- ii. to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- iii. to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- iv. to make recommendations to the Board on the remuneration of non-executive Directors;
- v. to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;

## CORPORATE GOVERNANCE REPORT

- vi. to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- vii. to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- viii. to ensure that no Director or any of his associates is involved in deciding his own remuneration; and
- ix. to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules, if any.

As at 31 December 2025, the remuneration committee consisted of three independent non-executive Directors namely Mr. Tam Chik Ngai Ambrose, Ms. Chow Woon San Shirley and Ms. Chiang Wing Yan. Mr. Tam Chik Ngai Ambrose was the chairman of the remuneration committee. For the year ended 31 December 2025, the remuneration committee convened three meetings to discuss the matters set out above, in particular, to review the remuneration package and structure of the Directors and senior management, the performance of executive Directors and the existing terms of reference of the remuneration committee.

### REMUNERATION OF THE MEMBERS OF THE SENIOR MANAGEMENT BY BAND

Pursuant to code provision E.1.5 of the Code, details of the annual remuneration of the senior management by band for the year ended 31 December 2025 are as follows:

Remuneration band	Number of individuals
Nil – HKD1,000,000	1
HKD1,000,001 – HKD1,500,000	–

Details of the remuneration of each Director for the year ended 31 December 2025 are set out in Note 14(a) to the consolidated financial statements.

### Audit Committee

We established the audit committee with written terms of reference in compliance with the requirements of the Listing Rules and the Code. The primary responsibilities of the audit committee are to supervise our internal control, financial information disclosure and financial reporting matters, which include but are not limited to:

- i. to be primarily responsible for making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;
- ii. to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;
- iii. to discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences;



## CORPORATE GOVERNANCE REPORT

- iv. to develop and implement policy on engaging an external auditor to supply non-audit services. For this purpose, “external auditor” includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The audit committee should report to the Board, identifying and making recommendations on any matters where action or improvement is needed;
- v. to monitor integrity of the Company’s financial statements and annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgements contained in them;
- vi. in reviewing the aforementioned paragraph v before submission to the Board, the committee should focus particularly on:
  1. any changes in accounting policies and practices;
  2. major judgmental areas;
  3. significant adjustments resulting from audit;
  4. the going concern assumptions and any qualifications;
  5. compliance with accounting standards;
  6. compliance with the Listing Rules and legal requirements in relation to financial reporting;
- vii. in reviewing the aforementioned paragraph v and vi:
  1. members of the committee should liaise with the Board and senior management and the committee must meet, at least twice a year, with the Company’s auditors; and
  2. the committee should consider any significant or unusual items that are, or may need to be, reflected in the report and accounts, it should give due consideration to any matters that have been raised by the Company’s staff responsible for the accounting and financial reporting function, compliance officer or auditors;
- viii. to review the Company’s financial controls, and unless expressly addressed by a separate Board risk committee, or by the Board itself, to review the Company’s risk management and internal control systems;
- ix. to discuss the risk management and internal control systems with management to ensure that management has performed its duty to have effective systems. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company’s accounting, internal auditing and financial reporting function;
- x. to consider major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management’s response to these findings;



## CORPORATE GOVERNANCE REPORT

- xi. where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;
- xii. to review the Group's financial and accounting policies and practices;
- xiii. to review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response;
- xiv. to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;
- xv. to review arrangements employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. The audit committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action;
- xvi. to act as the key representative body for overseeing the Company's relations with the external auditor;
- xvii. to report to the Board on the matters set out above;
- xviii. to consider and implement other matters, as defined or assigned by the Board from time to time;
- xix. to formulate and review the corporate governance policies and practices of the Company and make recommendations to the Board;
- xx. to review and monitor the training and continuous professional development of Directors and senior management;
- xxi. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- xxii. to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- xxiii. to review the Company's compliance with the Code and disclosure in the Corporate Governance Report.

As of 31 December 2025, the audit committee consisted of three independent non-executive Directors namely Mr. Tam Chik Ngai Ambrose, Ms. Chow Woon San Shirley and Ms. Chiang Wing Yan. The chairman of the audit committee was Mr. Tam Chik Ngai Ambrose, who holds the appropriate professional qualifications as required under Rules 3.10(2) of the Listing Rules. For the year ended 31 December 2025, the audit committee convened two meetings to discuss the matters set out above, in particular, to (a) discuss and review the Group's results for the year ended 31 December 2024 and recommended the same to the Board for approval; (b) review and consider the existing terms of reference of the audit committee; (c) discuss and review the Group's results for the six months ended 30 June 2025 and recommended the same to the Board for approval; (d) discuss and review the audit plan of the Group for the year ending 31 December 2025; and (e) review the adequacy and effectiveness of the Group's internal controls and risk management systems through discussions with the external compliance adviser.



## CORPORATE GOVERNANCE REPORT

### *Nomination Committee*

The nomination committee was established with terms of references in compliance with code provision B.3.1 of the Code. The nomination committee should perform the duties, including but not limit to:

- i. review the structure, size, composition and diversity (including the sex, age, cultural and educational background, race, professional experience, skills, knowledge and term of service) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- ii. formulate the policies of nominating directors, identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships. The committee shall consider an individual's strengths while seeking for suitable candidates and take into consideration of the composition diversity of the Board with an objective view;
- iii. assess the independence of independent non-executive Directors;
- iv. to review the Board's diversity policy in appropriate circumstances, the measurable goal set by the Board to implement the Board diversity policy, the progress in achieving such goal, as well as to disclose the review results in the Corporate Governance Report annually; and
- v. to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for Directors, in particular the chairman and the chief executive, taking into the Company's corporate strategy and the mix of skills, knowledge, experience and diversity needed in the future.

As at 31 December 2025, the nomination committee consisted of three independent non-executive Directors namely Mr. Tam Chik Ngai Ambrose, Ms. Chow Woon San Shirley and Ms. Chiang Wing Yan. Ms. Chow Woon San Shirley was the chairman of the nomination committee. For the year ended 31 December 2025, the nomination committee convened three meetings to discuss the matters set out above, in particular, to review and consider the composition of the Board, appointment of Directors, the independence of the independent non-executive Directors and the existing terms of reference of the Nomination Committee.

Under the Group's nomination policy for Directors, the Nomination Committee will consider various factors regarding a candidate, including but not limited to (a) skills, experience and professional expertise relevant to the operations of the Group; (b) diversity; (c) ability to commit in devoting sufficient time and participation in the Board affairs; (d) character and integrity; and (e) requirements of independence of proposed independent non-executive Directors in accordance with the Listing Rules. Upon the Nomination Committee's recommendation, the Board will review and if appropriate, approve the nomination of such Director.

### *Policy of Board Diversity and the Execution*

When identifying suitable candidates for directorship, the nomination committee carries out the selection process by making reference to the skills, experience, background, professional knowledge, personal integrity and time commitments of the proposed candidates, and also the Company's needs and other relevant statutory requirements and regulations required for the positions. All candidates must be able to meet the standards as set forth in Rules 3.08 and 3.09 of the Listing Rules. A candidate who is to be appointed as an independent non-executive Director should also meet the independence criteria set out in Rule 3.13 of the Listing Rules. Qualified candidates will then be recommended to the Board for approval.



## CORPORATE GOVERNANCE REPORT

In considering new or potential appointments to the Board, the Board, with the assistance and recommendation from the nomination committee of the Company, would review the structure, size, composition and diversity of the Board from a number of aspects, including but not limited to age, gender, geographical background, length of service, and the professional experience, skills and expertise he/she can provide.

As at 31 December 2025, the Board has one female executive Director and two female independent non-executive Director out of a total of seven Directors. The Group had 68 female employees and 120 male employees as of 31 December 2025. The Company is of the view that gender diversity in respect of the Board and the Group's workforce has been achieved. The Company reviews the implementation and effectiveness of its Board diversity policy on an annual basis, and will continue to embrace gender diversity when making future Board appointments but no specific targets or timelines to further enhance gender diversity have been set as it is of the view that all aspects of diversity should be considered as a whole in the selection of suitable candidates for appointment to the Board.

### *Directors' Responsibilities for the Financial Reporting*

The Directors are responsible for the preparation of the Group's and the Company's consolidated financial statements for the year ended 31 December 2025.

The Board is responsible for presenting a balanced, clear and understandable assessment in the Company's annual and interim reports, price-sensitive announcement and other financial disclosures required under the Listing Rules and other requirements from relevant regulations.

Senior management provides explanation and information to the Board so as to enable the Board to make an informed assessment of the financial information and position. The management also provides the Board with monthly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail to enable the Directors to discharge their duties in compliance with the Listing Rules.

## INTERNAL CONTROL

The Group's internal control system primarily aims to provide a reasonable, but not absolute, assurance that assets are properly safeguarded against misappropriations, transactions are executed in accordance with the management's authorisation, and accounting records are reliable and proper for preparing financial information and are not materially misstated. The procedures under the internal control system are designed to identify, evaluate and manage risks effectively rather than to eliminate all risks of failure.

The internal control system includes a well-established organisational structure with clearly defined lines of responsibility and authority. Each department is responsible for its daily operation and be accountable for its own practices and performances, and shall operate within the power and authority delegated to it and strictly comply and implement the overall strategic policies formulated by the Company from time to time. All departments must report to the Board any risks, suspected activities and internal control implications associated with its operations.

For the year ended 31 December 2025, the Group has adopted the following risk management and internal control measures:

- i. trainings have been provided to the senior management and board members of each subsidiary of the Company on the applicable laws and regulations in Singapore, Hong Kong, Thailand and the PRC;



## CORPORATE GOVERNANCE REPORT

- ii. personnel at the mid-level management of the Group with good track-record have been tasked with reporting the business, financial and internal control statuses and other governance improvements to the Board regularly;
- iii. a compliance committee comprising two executive Directors, Ms. Wong Yan and Mr. Gao Bo, and an independent non-executive Director, Ms. Chow Woon San Shirley, has been responsible for developing, monitoring and maintaining the Group's compliance requirements under the relevant Listing Rules and the applicable laws;
- iv. an external compliance adviser and internal control consultant was appointed to review and enhance the Company's internal control mechanism annually;
- v. a separate department has been responsible for monitoring and reporting the suspected activities of game players to the Board; and
- vi. a whistleblowing email address which allows base-level employees to report the risks and issues to the Board directly has been in place.

The Board should review and ensure the effectiveness of the risk management and system of internal controls annually. For the year ended 31 December 2025, the Board reviewed the effectiveness of the internal control of the Group, covering areas of finance, operation, compliance and risk management. The review was conducted by the audit committee (which assumes the internal audit function of the Company) through discussions with the Company's management officers, external auditors, internal auditors and external compliance adviser. The Board believes the existing internal control is sufficient and effective.

With respect to procedures and internal controls for the handling and dissemination of inside information, the Company is aware of its obligations under the SFO and the Listing Rules and is required, as soon as reasonably practicable after any inside information has come to its knowledge, to disclose the information to the public.

## JOINT COMPANY SECRETARIES

Mr. Chu Hon Leung and Ms. Li Zijuan acted as the joint company secretaries of the Company during the reporting period. The two joint company secretaries took no less than 15 hours of relevant professional training during the year pursuant to Rule 3.29 of the Listing Rules.

For details of Mr. Chu Hon Leung and Ms. Li Zijuan, please refer to the section headed "Directors and Senior Management" in this report.

## NON-COMPETITION UNDERTAKING

A deed of non-competition (the "Deed of Non-Competition") was executed by each of the Substantial Shareholders (as defined in the Prospectus, being Mr. Zhang Yan, Sulfulon International Limited ("Sulfulon"), Mr. Wu Zhe, R&P Global, Mr. Huang Yong, Raglon International, Mr. Rao Zhenwu and Meteor Technology (as defined in the Prospectus), collectively referred to as "Covenantors") in favour of the Company. The Covenantors had confirmed to the Company that they had provided the Group all information necessary for the enforcement of the undertakings contained in the Deed of Non-Competition and had complied with the Deed of Non-Competition for the year ended 31 December 2025.



## CORPORATE GOVERNANCE REPORT

The independent non-executive Directors have reviewed and confirmed that each of the Covenantors had complied with the Deed of Non-Competition which has been enforced by the Company in accordance with its terms, and that there was no Business Opportunity (as defined in the Prospectus) being directed by the Covenantors to the Company as provided under the Deed of Non-Competition.

### REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Details of the Directors' remunerations and the five individuals with the highest emoluments are disclosed in Note 14 to the consolidated financial statements in this annual report in accordance with the provisions of the Listing Rules.

### INDEPENDENT AUDITOR'S REMUNERATION

Crowe (HK) CPA Limited has been appointed as the Company's auditor. The fees in relation to the audit services provided by Crowe (HK) CPA Limited to the Group amounted to approximately HKD1.5 million for the year ended 31 December 2025 (year ended 31 December 2024: HKD1.8 million). Apart from that, the fees in relation to non-audit services provided by Crowe (HK) CPA Limited to the Group amounted to approximately HKD0.1 million for the year ended 31 December 2025 (year ended 31 December 2024: Nil).

### MATERIAL CHANGES IN CONSTITUTIONAL DOCUMENTS

There was no change in the Articles of Association during the year. The latest version of the Articles of Association is available on the Stock Exchange's website and the Company's website.

### DIVIDEND POLICY

The proposal of payment and the amount of our dividends will be made at the discretion of our Board and will depend on our general business condition and strategies, cash flows, financial results and capital requirements, Shareholders' equity, taxation conditions, statutory and regulatory restrictions and other factors that our Board deems relevant.

In addition, as our Company is a holding company registered in the Cayman Islands and our operations are conducted through our subsidiaries, the availability of funds for dividend payments to Shareholders and debts servicing depends on dividends received from these subsidiaries.

### COMMUNICATION WITH SHAREHOLDERS AND INVESTORS RELATIONS

The Company has adopted a shareholders communication policy with the objective of ensuring that the Shareholders and potential investors are provided with ready, equal and timely access to balanced and understandable information about the Company. The Company believes, effective communications with Shareholders and investors is essential to facilitate the Shareholders' understanding of the business performance and strategies of the Group. The Company also acknowledges the significance of the transparency of the company information and timely disclosure of such information so as to enable Shareholders and investors to make an informed investment decision.

The Company has established a number of channels to communicate with the Shareholders as follows:

- (i) corporate communications such as annual reports, interim reports and circulars are issued in printed form (if requested) and are available on the Main Board website at [www.hkexnews.hk](http://www.hkexnews.hk);



## CORPORATE GOVERNANCE REPORT


- (ii) periodic announcements are made through the Stock Exchange and published on the respective websites of the Stock Exchange and the Company;
- (iii) corporate information is made available on the Company's website, where updated information of business development and operation, finance resources, corporate governance practices and other materials are available for public inspection;
- (iv) annual and extraordinary general meetings provide a forum for the Shareholders to make comments and exchange views with the Directors and senior management. The chairman of the Board and the chairmen of remuneration committee, audit committee, nomination committee, and in their absence, other members of these Board committees, attend general meetings to answer questions raised by Shareholders at the general meetings; and
- (v) the Hong Kong share registrar of the Company serves the Shareholders in respect of share registration, dividend payment and related matters.

The Company keeps on promoting investor relations and enhancing communication with the existing Shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public. Enquiries to the Board or the Company may be sent by post to the Company's principal place of business in Hong Kong.

Joint Company Secretary  
2201-2203,  
22/F, World-Wide House  
Central, Hong Kong

Based on the above, the Board considers that the Company's communication with Shareholders is effective for the year ended 31 December 2025.

## SHAREHOLDERS' RIGHT



As one of the measures to safeguard Shareholder's interest and rights, separate resolutions are proposed at Shareholders' meetings on each substantial issue, including the election of individual Directors, for Shareholders' consideration and voting. All resolutions put forward at Shareholders' meeting will be voted by poll pursuant to the Listing Rules and the poll voting results will be posted on the Hong Kong Stock Exchange's website and the Company's website after the relevant Shareholders' meeting.

Extraordinary general meeting may be convened by the Board on requisition of Shareholders holding Shares that represent not less than one-tenth of the voting rights at general meeting of the Company on a one vote per Share basis or by such Shareholders who made the requisition (the "Requisitionists") (as the case may be) pursuant to the Article of Associations. Such requisition must state the object of business to be transacted at the meeting and must be signed by the Requisitionists and deposited at the registered office of the Company or the Company's principal place of business in Hong Kong. Shareholders should follow the requirements and procedures as set out in such Article for convening an extraordinary general meeting. Shareholders may put forward proposals at general meeting of the Company by sending the same to the Company at the principal place of business of the Company in Hong Kong.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## ABOUT THE REPORT

This Environmental, Social and Governance (“ESG”) Report (the “Report”) aims to explain various initiatives taken by the Group to achieve sustainable growth. The Report will provide a detailed explanation of the Group’s environmental, social and governance management strategy, governance structure, sustainability measures, and its performance. For ease of reference by stakeholders, a content index is appended at the end of the Report.

### *Reporting Scope and Period*

The Report covers the environmental and social performance of the Group’s major subsidiaries, including Firerock Capital Pte. Ltd. (“Firerock Cap.”) in Singapore, Firerock Co., Ltd. (“Firerock Co.”) in Thailand, Pt Fire Rock Indonesia (“Firerock Indo.”), Chun-Pu Technology (Shenzhen) Company Limited (“Chun-Pu Technology”), and Xiyun (Shenzhen) Network Technology Co., Ltd. (“Xiyun (Shenzhen)”) in Shenzhen, from 1 January 2025 to 31 December 2025 (the “Year”). Compared with the section headed Environmental, Social and Governance Report in the 2024 Annual Report, the reporting scope of the Report has been expanded to include Pt Fire Rock Indonesia, which was newly established on 15 December 2025.

### *Reporting Principles*

The Report is prepared in accordance with the Environmental, Social and Governance Reporting Code (the “ESG Code”) in Appendix C2 to the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), including the four reporting principles of materiality, quantitative, balance, and consistency stated therein.

Principles	Description
Materiality	The Group identified environmental, social and governance issues that significantly affect stakeholders and its business. For the process and results of the materiality analysis, please refer to the section headed “Materiality Assessment”.
Quantitative	Key performance indicators (“KPIs”) were quantified and presented where possible. The Report also set out the relevant calculation basis and source of conversion factors.
Balance	The Report presents the overall ESG performance for the Year in an objective and unbiased manner.
Consistency	Unless otherwise stated, there was no significant adjustment to the disclosure scope of the Report as compared with the Company’s previous ESG reports, and consistent disclosure and statistical methods have been adopted.

For details of corporate governance, please refer to the section headed “Corporate Governance Report” in the annual report of the Group.

### *Feedback*

The Group welcomes opinions and suggestions from stakeholders in respect of this ESG Report and its sustainability performance. You can provide your opinions by email to [lizj@firerock.sg](mailto:lizj@firerock.sg).



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### **SUSTAINABILITY APPROACH**

The Group is committed to providing players with innovative and premium online gaming experiences, while fully integrating ESG concepts into its daily operations and long-term development. Regarding the environment, the Group implements various energy-saving and emission-reduction measures to reduce the environmental impact of its operations. In terms of society, the Group provides employees with a safe and healthy working environment, competitive remuneration and benefits, and comprehensive training and development opportunities, while encouraging employees to participate in public welfare activities such as community services, charitable donations, and environmental protection, thereby strengthening staff cohesion and a sense of social responsibility.

#### *Statement from the Board*

The board of directors (the “Board”) recognises the importance of sound ESG management to the Company and continuously strives to enhance its ESG management standards. As the highest decision-making body of the Group, the Board assumes ultimate responsibility for all ESG matters, including ensuring that strategies are aligned with sustainability goals, establishing a robust ESG risk management framework, overseeing and assessing ESG risks and opportunities, identifying and reviewing material ESG issues and determining their priorities, as well as maintaining an effective internal control system.

To ensure that the Board and the ESG Working Group possess the appropriate professional skills and competence to oversee climate-related risks and opportunities, they continue to strengthen relevant professional capabilities by accessing online resources and training materials provided by HKEX’s ESG Academy.

The Board has reviewed and approved the Report and confirms that, to the best of its knowledge, it accurately reflects the identified material ESG issues and truly presents the Group’s ESG management approach and relevant performance.

#### *ESG Governance Structure*

The Group believes that sound ESG governance is essential for the long-term development of its business. The Group has established an ESG governance system with the Board as the core and clearly defined responsibilities for the continuous and effective management of ESG matters. The Board, as the ultimate decision-making unit for ESG matters, has overall responsibility for the Group’s ESG strategies and performance. To support the execution of the strategy, the Group has established the ESG Working Group, comprising various major functional departments. The ESG working group, as the executive unit, is responsible for implementing and promoting ESG-related policies and measures.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG (including climate change) governance structure	Major responsibilities
<b>Decision-making unit</b>	
Board	<ul style="list-style-type: none"> <li>• Be fully responsible for overseeing the Group’s sustainability strategy, ESG (including climate change) governance and risk management</li> <li>• Establish sustainability goals and provide strategic guidance for the execution of sustainable development</li> <li>• Through the reporting by the ESG Working Group, review ESG-related goals and their progress annually, and monitor the progress of managing relevant ESG risks (including climate change), so as to ensure that the policies and measures formulated by the Board are effectively implemented within the Group’s operations</li> <li>• Review and approve annual ESG reports</li> <li>• Oversee the Group’s risk management and internal control mechanisms (including ESG risks) to ensure effective implementation of internal control measures, and incorporate ESG issues into the Group’s risk management procedures</li> </ul>
<b>Execution body</b>	
ESG Working Group	<ul style="list-style-type: none"> <li>• Under the delegation of the Board, be responsible for identifying, evaluating and effectively managing ESG-related risks and opportunities (including climate change) and goals, tracking the progress of achieving these targets and reporting to the Board on an annual basis</li> <li>• Assist the Board in monitoring material climate-related risks, and report the ESG updates and material climate change matters to the Board annually</li> <li>• Advise the Board on sustainability strategy, work plans and goals</li> <li>• Review and implement ESG-related policies, procedures and measures</li> <li>• Collect ESG information and data for ESG disclosure</li> </ul>

To ensure that the Board and the ESG Working Group possess the appropriate skills and professional competence required to oversee climate-related risks and opportunities, they continue to enhance relevant capabilities by studying online resources and educational materials provided by HKEX’s ESG Academy (the “ESG Academy”).

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### *Responding to United Nations Sustainable Development Goals (UNSDGs)*

As one of the major trends of global initiatives, the importance of sustainable development cannot be ignored. To this end, we respond to the United Nations' call to work together to promote sustainable development in line with the globally agreed 2030 Sustainable Development Goals ("SDGs"). We have identified 7 of these SDGs that are most relevant to our business nature and vision, and ensured that our ESG development approach aligns with them.

#### Professional talents

- Provide equal employment opportunities
- Encourage innovation, foster a creative environment and a workplace that promotes learning and growth
- Create a healthy and comfortable office environment
- Resolutely oppose child labour and forced labour



#### Green environment

- Strive to reduce energy consumption and greenhouse gas emissions
- Strive to reduce water consumption and conserve water resources
- Strive to reduce the environmental impact of waste produced from our operation



#### Community support

- Uphold the belief of taking responsibility to repay society while developing the economy
- Be a responsible corporate citizen to actively participate in charitable activities to contribute to society



#### Anti-corruption

- Operate with high ethical standards and prohibit any form of bribery or corruption



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### STAKEHOLDER ENGAGEMENT

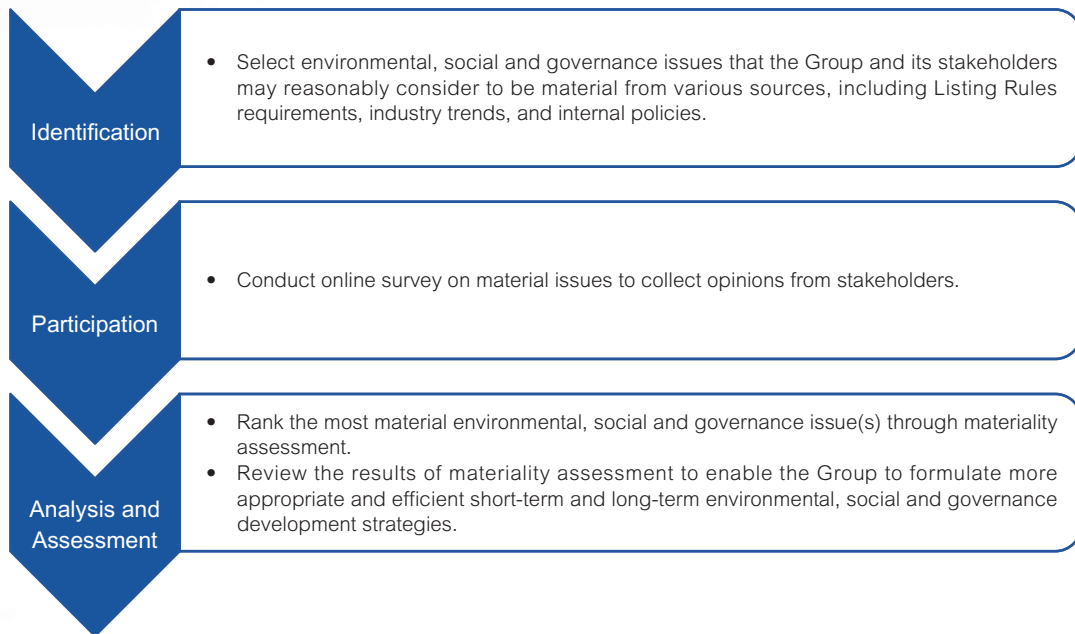
The Group attaches great importance to communication and interaction with stakeholders, collecting opinions through diverse channels to continuously optimise its sustainability practices. Major stakeholders, issues of concern and communication channels are as follows:

Stakeholders	Expectations and concerns	Communication channels
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Business strategies</li> <li>• Business strategies</li> <li>• Compliant operation</li> </ul>	<ul style="list-style-type: none"> <li>• General meetings</li> <li>• Company's official website</li> <li>• Annual reports and other public information</li> </ul>
<b>Game users</b>	<ul style="list-style-type: none"> <li>• Game quality</li> <li>• Data privacy</li> <li>• Cyber security</li> </ul>	<ul style="list-style-type: none"> <li>• Online customer service</li> <li>• Social media interaction</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Supply chain sustainability</li> <li>• Fair and open procurement</li> </ul>	<ul style="list-style-type: none"> <li>• Emails</li> <li>• Meetings</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Remuneration packages</li> <li>• Equal opportunity and training</li> <li>• Health and safety</li> </ul>	<ul style="list-style-type: none"> <li>• Employee activities</li> <li>• Performance assessment</li> </ul>
<b>Government and regulatory authorities</b>	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations</li> <li>• Tax payment in accordance with the law</li> </ul>	<ul style="list-style-type: none"> <li>• Company's website</li> <li>• Statutory reports</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>• Community development</li> <li>• Public welfare activities</li> </ul>	<ul style="list-style-type: none"> <li>• Community activities</li> <li>• Company's official website</li> </ul>

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### MATERIALITY ASSESSMENT

To understand the areas of concern of the stakeholders and identify the environmental, social and governance issues that are or will be material to our business, we conducted a materiality assessment with the following steps to formulate strategies and approaches for sustainable development:



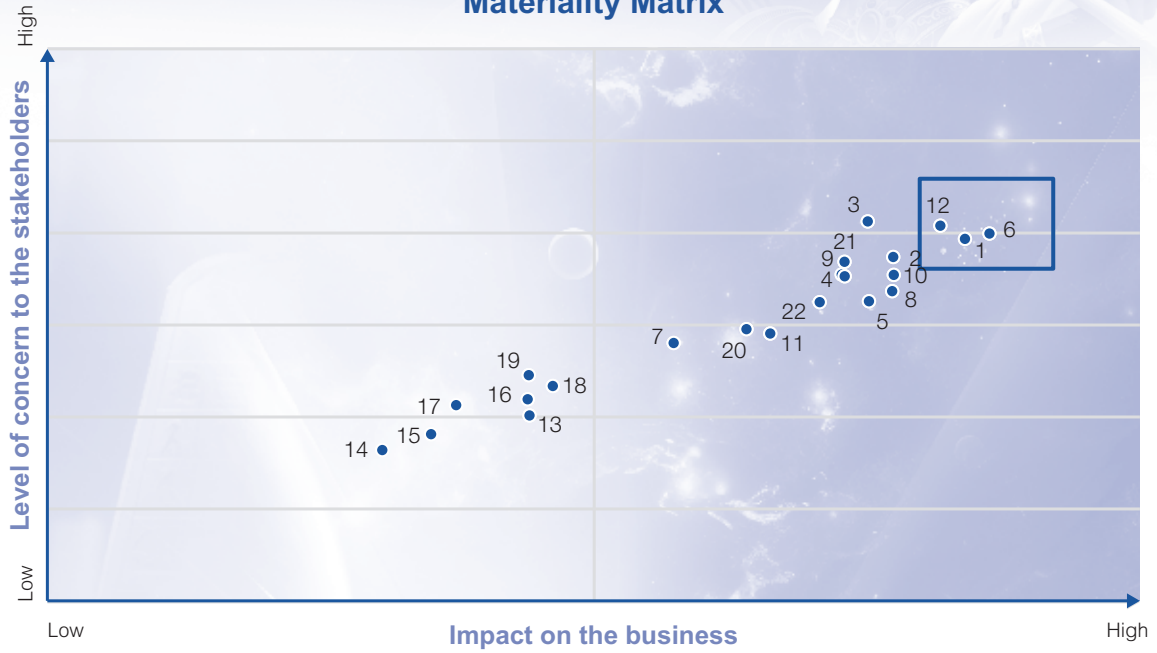
As shown in the top right corner of the following materiality matrix, the top three most important issues for the Year are:

- Game innovation and R&D capabilities
- Player satisfaction
- Employee benefits

The Report will focus on the disclosure of the aforementioned material issues.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Materiality Matrix



### Issues

- |   |   |
|---|---|
| 1. Game innovation and R&D capabilities                 | 12. Employee benefits                           |
| 2. Game quality, health and safety                      | 13. Emission management                         |
| 3. Privacy protection and cyber security                | 14. Resource management                         |
| 4. Product liability                                    | 15. Waste disposal                              |
| 5. Player complaint handling                            | 16. Climate change                              |
| 6. Player satisfaction                                  | 17. Green procurement                           |
| 7. Equal opportunity, diversity and anti-discrimination | 18. Environmental and social risks of suppliers |
| 8. Employment relationship                              | 19. Supplier management                         |
| 9. Occupational safety and health                       | 20. Anti-corruption                             |
| 10. Training and development                            | 21. Protection of intellectual property rights  |
| 11. Child labour and forced labour prevention           | 22. Social contribution                         |



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### GAME DEVELOPMENT

The Group is a game developer, publisher and operator primarily focusing on developing web-based games and mobile device games. The game products are available in multiple language versions, including English, German, French, Thai and simplified Chinese, which allow both domestic and overseas game players to experience our distinctive game offerings. We have authorised a number of well-known game operators to operate in designated regions and arranged for Firerock Co to self-operate our games in Thailand. The Group's games can be experienced on mainstream platforms such as Facebook, Apple App Store and Google Play, as well as on authorised third-party platforms.

### OPERATIONAL PRACTICES

#### *Healthy and Stable Cyberspace*

The Group's operations are mainly based in Thailand. The Company strictly adheres to the relevant laws and regulations pertaining to product responsibility, such as the Electronic Transactions Act, the Computer Crime Law and the Personal Data Protection Law of Thailand. During the Year, the Group was not aware of any non-compliance with the aforementioned laws and regulations concerning game operation, network security and health. At the same time, Firerock Co., as a self-operated body, has leased cloud servers and network bandwidth in Thailand and Singapore to ensure user experience during peak times and provide players with stable, high-speed game services.

#### *Game Development*

The Group's game R&D process encompasses various stages, including concept establishment, feasibility assessment, R&D, programming, and commercialisation. To ensure the quality of game products and meet players' needs, the Group has established a professional technical team to continuously execute testing and optimisation during the R&D and operational stages. We launch internal beta versions for preliminary testing and collect employee feedback to eliminate major system issues prior to the official launch, ensuring the stable operation of the games. Following the launch, the team continuously monitors operational data, analyses player behaviour and feedback, and optimises functions in a timely manner to further enhance overall user experience.

#### *Game Operation and Feedback from Players*

Customer satisfaction is the core of the Group's sustainable development. Once problems or defects in game programming are found, the R&D and testing departments follow up and rectify them promptly. In general, the customer service department communicates with our players and handles the issue directly. If the issue involves comments about game quality or more serious complaints, customer service personnel will contact the department manager for direct follow-up to ensure that the issue is properly resolved and that we can continuously improve our service and game quality. During the Year, the Group did not receive any material complaints.

#### *Player Privacy Protection*

As a game company, we collect, transmit, and store personal identification information and data generated by players in the course of our operations. The protection of players' data privacy and other related information is therefore of paramount importance to the Group. The Group strictly complies with the Personal Data Protection Act 2012 (2020 Revised Version) and the Personal Data Protection Law of Thailand, the Personal Data Protection Act of Singapore, the Personal Information Protection Law of the People's Republic of China, the Data Security Law of the People's Republic of China, and other laws and regulations.



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

When the games are running, information pertaining to registration, game roles, value top-up, game experience and items provided by players through authorised operational platforms and game systems is regarded as private and personal data of the game players. In order to enhance the protection and careful handling of users' information, we have adopted the following measures in data management to ensure players' personal information is well-protected:

- Access control: Hierarchical access and access restrictions are implemented, allowing only authorised employees to access related information within the defined limitations.
- Network security: Anti-virus software and firewall equipment are installed to prevent illegal external access to the user database and protect the players' information.
- Data back-up and encryption: Data is regularly backed up, and sensitive information is encrypted during transmission and storage to enhance data security.
- Distributed storage: Collected data is stored in different locations across servers to reduce the risk of large-scale data loss.
- Permission review: User permissions for the database system are regularly checked to prevent unauthorised personnel from carrying out illegal operations.

In addition, employees are required to sign a Confidentiality Agreement upon recruitment, which strictly prohibits the leakage, tampering, damage, sale, or illegal provision of user information to others. Employees in violation will be subject to warnings or disciplinary actions, and those who commit serious violations or repeated misconduct will be dismissed. During the Year, the Group did not identify any material non-compliance incidents relating to data security and privacy.

### *Intellectual Property Rights of Games*

The Group regards intellectual property rights ("IPR(s)") as the fruit of the team's innovation efforts and a vital cornerstone for its steady development. The Group strictly complies with relevant laws and regulations, including the Patent Law, the Trademark Law, the Copyright Law, and the Administrative Measures on Internet Domain Names of the People's Republic of China; the Intellectual Property Act, the Copyright Act, the Trade Marks Rules and the Patents Rules of Singapore; and the Patent Act, the Copyright Act and the Trademark Act of Thailand. To the best of the knowledge of the Directors of the Company, there were no significant incidents of non-compliance with the aforesaid laws and regulations relating to IPRs during the Year.

The Group has formulated the Intellectual Property Management Manual and has established internal regulations on source code protection and confidentiality management to specify the relevant responsibilities of employees, authorised operators and other third parties in the preparation and use of confidential information. At the same time, written agreements with service providers and authorised operators, containing clauses for IPR protection, are also signed to safeguard the Group's works, trade secrets, and related intangible assets from unauthorised use. Besides, the Group has dedicated personnel who are responsible for IPRs management, ensuring the timely registration of various IPRs, including internet domain names, trademarks, software copyrights, and game codes, in the places where the business operates, thereby safeguarding the interests of its IPRs. Also, we arrange dedicated personnel to conduct routine inspections. If any infringement or acts detrimental to the Company's interests are identified, lawyers will be engaged to assist in safeguarding our proprietary IPRs. To ensure that the materials are originally created by our employees, an IPR analysis is conducted prior to the launch of games to mitigate infringement risks.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### *Advertisement Promotion*

The Group promotes and advertises its game products through various channels, including online advertisements. To ensure the accuracy and compliance of promotional and advertising content, all advertisements must undergo vigorous review by the marketing department prior to publication. During the Year, the Group did not experience any incidents of non-compliance with advertising-related laws and regulations, including the Advertising Law of the People's Republic of China, the Consumer Protection Act of Thailand and the Code of Advertising Practice of Singapore.

Given the nature of the Group's business, regulations relating to product labelling are not applicable to the Group.

### *Supply Chain Management*

The Group engages with suppliers in a fair and open manner and selects suppliers in a just and unbiased way. Through its supplier evaluation and assessment mechanism, the Group utilises the Operator Assessment Form during the selection stage to compare at least two suppliers. Under equal conditions, priority is given to suppliers with sustainability practices to more effectively manage and control ESG risks in the supply chain. New suppliers are required to submit past cases for review, while existing supplier partners must provide past works for inspection. Furthermore, business specialists conduct annual evaluations of suppliers based on the assessment criteria of the Annual Evaluation Form for Outsourced Suppliers, including quality and timeliness of delivery, etc., to ensure compliance with the Group's quality requirements.

Given the increasing public attention to sustainability issues, the Group not only continues to strengthen its own ESG performance but also monitors the sustainability performance of its suppliers. We require outsourced service providers for art and audio production to sign agreements that include IPR commitment clauses, ensuring that the deliverables they provide have obtained appropriate IPR ownership or legal authorisation.

The primary suppliers of our business include server and bandwidth leasing companies, game operation service providers, online payment service providers, and outsourced providers for art and audio production. The distribution of major suppliers by region is as follows:

Regions	Number of major suppliers	
	2025	2024
Thailand	4	4
PRC	9	9
Total	13	13

### TALENT MANAGEMENT

#### *Employment Management*

The Group believes that maintaining a stable and innovative workforce is crucial to the success of our business. We attract talent through a people-oriented, harmonious, and inclusive workplace culture. We respect and protect the legitimate interests of every employee, and strictly comply with the Labour Law, the Labour Contract Law, and the Social Insurance Law of the People's Republic of China; the Employment Act 1968 of Singapore; the Working of Alien Act, the Social Security Act, and the Workmen's Compensation Act of Thailand; and other employment-related laws and regulations. During the Year, to the best of the knowledge of the Directors of the Group, we have not received any incidents of material administrative sanctions or penalties for non-compliance with employment laws or regulations.

The Group upholds the principles of fairness and impartiality, providing equal recruitment and promotion opportunities to all employees. There is no discrimination based on age, gender, physical condition, mental health status, marital status, family status, race, colour, nationality, religion, political background, sexual orientation, or other similar factors. The Group highly values the opinions of every employee and actively adopts reasonable suggestions to improve workplace productivity and promote workplace harmony. The Group carries out recruitment through diverse channels, such as employee referrals, online recruitment, campus recruitment, and talent acquisition. To assist new joiners in integrating into the team, the human resources department continuously tracks their work adaptation one week after onboarding and provides appropriate guidance and support to employees in need.

The Group has also formulated the Regulations for Remuneration System and the Administrative Regulations for Employee Performance Appraisal, using regular performance appraisals as the basis for employee rewards, bonus distribution, and promotion. In the meantime, the human resources department regularly reviews the overall remuneration structure with reference to remuneration levels for relevant positions in the market to ensure that the Group's remuneration policy is competitive and in line with industry standards. Furthermore, the Group pays various social insurances and housing provident funds for employees in accordance with the law to protect their rights and interests.

When an employee resigns, the Group arranges a dedicated exit interview to understand the reasons for departure and to continuously optimise human resources management measures.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### Employee Distribution<sup>1</sup>

The composition of the workforce by employment type, gender, region, and age group as of 31 December 2025 is as follows:

	2025	2024
<b>Employee data</b>		
By employment type		
Full-time	188	151
Part-time	—	—
By gender		
Male	120	92
Female	68	59
By region		
PRC	95	45
Singapore	17	36
Thailand	57	64
Hong Kong	8	6
Indonesia	11	N/A
By age group		
21–30	82	87
31–40	73	50
41–50	20	8
51–60	12	6
61 or above	1	—
Total number of employees	188	151
<b>Employee turnover rate<sup>2</sup></b>		
By gender		
Male	53%	20%
Female	34%	20%
By region		
PRC	32%	11%
Singapore	200%	31%
Thailand	37%	22%
Hong Kong	13%	—
Indonesia	—	N/A
By age group		
21–30	54%	15%
31–40	48%	30%
41–50	30%	25%
51–60	8%	—
61 or above	—	—
Overall employee turnover rate	46%	20%

<sup>1</sup> As the Group established a subsidiary in Indonesia in 2025, the relevant data is not directly comparable to that of the previous year.

<sup>2</sup> The staff turnover rate was calculated by dividing the number of resigned employees in such category during the Reporting Period by the number of working employees in such category by the end of the Reporting Period.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### Employee Training

The Group is committed to providing employees with abundant learning resources and ample development opportunities. We encourage employees to actively participate in training and further education, aiming to help stimulate employees' enthusiasm for continuous learning and self-improvement. We divide training into new employee induction training and conventional training. The following are the main training themes for the Year:

Training projects	Training targets	Training content
<b>Induction training</b>	New employees	Conventional training for new employees aims to help them more quickly understand the Company's culture and systems.
<b>Fire safety training</b>	General technicians and management personnel	The regional offices collaborate with local fire authorities annually to conduct fire drills, enhancing employees' safety and fire prevention awareness.
<b>AI software and art</b>	General technicians and management personnel	Online training courses on AI software are arranged for employees to help them master the usage skills and creative logic of AI tools.
<b>Psychological and mental health</b>	General technicians and management personnel	By collaborating with hospitals, training seminars on mental health are provided to help employees gain knowledge of psychological well-being and learn how to properly channel negative emotions and alleviate physical and mental fatigue.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

During the Year, the training data of the Group is as follows:

Employee training data <sup>3</sup>	2025	2024	Unit
<b>Employee training hours</b>			
Total training hours	482.00	1,250.3	Hours
Average training hours	2.56	8.28	Hours/person
<b>Percentage of trained employees by gender<sup>4</sup></b>			
Male	29.51	34.88	%
Female	70.49	65.12	%
<b>Percentage of trained employees by type of employee</b>			
Senior management	8.2	2.33	%
Middle management	13.11	20.93	%
General and technical personnel	78.69	76.74	%
<b>Average training hours by gender</b>			
Male	1.34	6.00	Hours/person
Female	4.72	11.84	Hours/person
<b>Average training hours by type of employee</b>			
Senior management	2.06	5.54	Hours/person
Middle management	3.33	12.52	Hours/person
General and technical personnel	2.51	7.92	Hours/person

### Employee Occupational Health and Safety

The Group's business does not involve dangerous occupations. In terms of occupational safety and health management, the Group strictly complies with the Prevention and Control of Occupational Diseases Law, the Regulation on Work-Related Injury Insurance of the People's Republic of China, the Workplace Safety and Health Act 2006 of Singapore, the Occupational Health Safety and Working Environment Act of Thailand, and other relevant laws and regulations.

The Group values the health and safety of employees. To protect the health of our employees, we arrange body checks for them every year. We endeavour to create a healthy and comfortable office environment where employees are provided with ergonomic office desks and chairs together with a gym for workout in their spare time, so as to prevent common ailments such as spine injury and pain in the back and legs caused by prolonged desk work in the office. Plantations are also set up in the office area to mitigate radiation released from electronic devices. Furthermore, we have engaged professional sanitisation agencies to carry out regular sanitisation of the office on a monthly basis, in order to ensure hygiene. We also participated in fire drills to ensure that employees are well-equipped with basic knowledge about fire incidents, such as the use of fire-fighting tools and escape methods to enhance their responsiveness and self-rescue capabilities during an emergency. In the past three years, the Group has had no work-related injuries or work-related fatalities. The number of lost days due to work injury for the Year was nil.

<sup>3</sup> As the Group established a subsidiary in Indonesia in 2025, the relevant data is not directly comparable to that of the previous year.

<sup>4</sup> The percentage of trained employees is calculated by dividing the number of trained employees in such category by the total number of trained employees during the Reporting Period.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### Fire drills



### Care for Our Employees

To ensure that every employee feels valued and cared for by the Group, we regularly organise festive gatherings, lucky draws, and other activities to express our gratitude and motivate our staff. These initiatives ensure that our employees' hard work and contributions are seen and recognised, further strengthening their bond with the Group.

Furthermore, the Group hosts monthly birthday parties for employees, featuring carefully prepared cakes and gifts. We also organise a variety of team-building activities, such as ice-breaking games and yoga sessions, to encourage interaction and communication. These activities are designed to deepen the connection and collaboration among colleagues, thereby enhancing overall team cohesion.

### Spring Festival Annual Dinner in Shenzhen



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Team-building activities in Thailand



Monthly birthday parties for employees



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Regular staff gatherings for employees



Mooncakes for employees to celebrate the Mid-autumn Festival



Yoga workshops



### *Ongoing Innovation*

Innovation is one of the Group's core values. To stimulate employees' innovative thinking and the team's creative inspiration, we have introduced the Creative Game Planning Proposal Submission and Selection Incentive System to solicit creative game planning proposals. Once an outstanding proposal is adopted and developed into an official game, the participating employee will be granted bonuses as an incentive. Through these initiatives, the Group aims to cultivate and explore the creative potential of our employees and boost their enthusiasm, encouraging them to be more dedicated when brainstorming creative game planning proposals while simultaneously enhancing the team's innovative capabilities and spirit of collaboration.



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### *Labour Standards*

The Group strictly complies with laws and regulations relating to the prevention of child labour or forced labour, including but not limited to the Labour Law, the Law on the Protection of Minors, and the Provision on the Prohibition of Using Child Labor of the People's Republic of China, the Employment (Children and Young Persons) Regulations of Singapore, and the Labour Protection Act and the Labour Relations Act of Thailand. During the recruitment process, the human resources department conducts checks on the identity information of applicants to ensure that they are of legal working age. In addition, the Group implements a 5-day, 40-hour work week, and all employees are entitled to national statutory holidays, marriage leave, funeral leave, maternity leave, nursing leave, and breastfeeding leave. We provide employees with sufficient rest time, respect and safeguard their personal freedom, and eliminate any possibility of forced labour. In case of any employment of a child or forced labour, we will take immediate action to terminate such employment and carry out investigations. During the Year, the Group found no material non-compliance with laws and regulations regarding the prevention of child labour or forced labour.

### **ENVIRONMENTAL PROTECTION**

As a responsible corporate citizen, the Group is committed to promoting sustainable development through various measures, including reducing the use of resources and enhancing employees' environmental awareness. Given that the Group's business is primarily office-based, its operations do not have a significant impact on the environment or natural resources. Daily operations do not generate material air emissions, wastewater discharge, hazardous waste, or packaging materials.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### Environmental targets

The Board assumes responsibility for reviewing the implementation progress and performance of the environmental targets set by the Group. The ESG Task Force is responsible for reporting the progress of target achievement to the Board on an annual basis. The environmental targets are as follows:

Indicators	Targets <sup>5</sup>	Unit	Base year	2025	Measures to achieve the target	Achievement status <sup>6</sup>
Total greenhouse gas (GHG) emissions intensity	Reduce total GHG emissions intensity by 1% within five years, using the year ended 31 December 2025 as the base year.	Tonne of carbon dioxide equivalent (tCO <sub>2</sub> e)/per square metre (sqm) of gross floor area (GFA)	0.11	0.11	For details on relevant measures, please refer to the section headed "Carbon Emissions and Energy Management".	In progress
Electricity consumption intensity	Reduce electricity consumption intensity by 1% within five years, using the year ended 31 December 2025 as the base year.	Kilowatt-hour (kWh)/per sqm of GFA	331.56	331.56	For details on relevant measures, please refer to the section headed "Carbon Emissions and Energy Management".	In progress
Total water consumption intensity	Reduce total water consumption intensity by 1% within five years, using the year ended 31 December 2025 as the base year.	Cubic metre (m <sup>3</sup> )/per sqm of GFA	20.90	20.90	For details on relevant measures, please refer to the section headed "Reduction of Water Consumption".	In progress
Total waste generation intensity	Reduce total waste generation intensity by 1% within five years, using the year ended 31 December 2025 as the base year.	Kilogram (kg)/per sqm of GFA	3.81	3.81	or details on relevant measures, please refer to the section headed "Reduction of Waste Generation".	In progress

<sup>5</sup> The targets and target-setting methodologies have not been verified by an independent third party.

<sup>6</sup> As this is the first year the Group has established quantitative targets, the progress of target achievement will be disclosed in the following year.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group has consistently and strictly complied with relevant environmental laws and regulations in various regions, including the Environmental Protection Law of the People's Republic of China, the Energy Conservation Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, the Law of the People's Republic of China on the Prevention and Control of Water Pollution, the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, and the Law of the People's Republic of China on Environmental Impact Assessment, the Environmental Protection and Management Act, the Environmental Public Health Act, and the Energy Conservation Act 2012 in Singapore, and the Hazardous Substance Act, the Public Health Act, and the Cleanliness and Orderliness Act in Thailand. During the Year, the Group received no notice of any violation of the aforementioned laws and regulations concerning GHG emissions and waste management, nor was it subject to any material administrative sanctions or penalties.

### Carbon Emissions and Energy Management

During the Year, the Group's primary source of GHG emissions was purchased electricity used for office equipment, including electronic devices, server rooms, and lighting, with no direct GHG emissions (Scope 1). Data regarding indirect GHG emissions and electricity consumption can be found in the table below:

GHG Emissions and Energy Consumption <sup>7</sup>	2025	2024	Unit
<b>GHG Emissions<sup>8</sup></b>			
GHG emissions (scope 2) — electricity consumption <sup>9</sup>	<b>137.47</b>	90.14	tCO <sub>2</sub> e
GHG emissions (scope 3) — Upstream activities: business travel (category 6)	<b>25.19</b>	N/A	tCO <sub>2</sub> e
Total GHG emissions intensity	<b>0.11</b>	0.10	tCO <sub>2</sub> e/per sqm of GFA
<b>Energy consumption</b>			
Total electricity consumption	<b>314,391</b>	206,992	kWh
Electricity consumption intensity	<b>331.56</b>	218.29	kWh/per sqm of GFA

<sup>7</sup> The methods and emission factors for calculating environmental KPIs in the ESG Report refer to, including but not limited to, "How to Prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Hong Kong Stock Exchange, the 2023 National Power Sector Carbon Emission Factors (《2023年全國電力二氧化碳排放因子》) issued by the Ministry of Ecology and Environment of China, the emission factors released by the Energy Market Authority (EMA) of Singapore in 2025, and the emission factors released by the Ministry of Energy of Thailand in 2024.

<sup>8</sup> Since 2025, the Group has started to disclose Scope 3 emissions from business travel (category 6), which is indirect emission generated within the value chain. As such, the total GHG emissions and intensity for the Year are not directly comparable with the previous year's data.

<sup>9</sup> During the year 2025, the Group's GHG emissions (Scope 2) increased compared to the previous year, primarily due to the addition of offices, which led to a corresponding increase in indirect GHG emissions from sources such as purchased electricity.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Although our daily operation does not have any direct and material impact on the natural environment, the Group believes in the importance of environmental protection, thus actively strives to reduce energy consumption and GHG emissions. To achieve this goal, we have implemented the following measures to improve energy efficiency:

- Energy conservation notices were posted in the Company's premises to remind employees to turn off all unnecessary electronic equipment before leaving every day;
- Constant temperature was maintained, and the temperature of air conditioners was kept at 26°C;
- LED lightbulbs were used in offices to reduce electricity use;
- Comparison of different models was made in the procurement of electronic equipment, and preference was given to brands with outstanding performance in energy efficiency;
- Employees were encouraged to turn off all unused lighting devices and electronic equipment and devices during lunch break or temporary absence from their workstations;
- Benefits of the culture of energy conservation and carbon reduction were disseminated via internal emails on a regular basis;
- Video conferencing was used for online meetings to reduce unnecessary overseas business travel.

### Reduction of Water Consumption

Our water consumption was mainly for office use, and all the water consumed comes from the municipal water supply. Currently, there is no issue in sourcing water. Despite the fact that no significant water consumption is involved in our course of operation, we still post signs to remind our employees to conserve water, with an aim to raise the awareness of our employees to cherish water resources.

	2025	2024	Unit
<b>Water consumption<sup>10</sup></b>			
Total water consumption	<b>456.69</b>	83	m <sup>3</sup>
Total water consumption intensity	<b>20.90</b>	3.77	m <sup>3</sup> /per sqm of GFA

<sup>10</sup> During the year 2024, water supply for the vast majority of the Group's office premises in Shenzhen, Singapore, and Thailand was centrally provided by property management companies. These companies were unable to provide individual water consumption or discharge data, nor were they able to install sub-meters for individual tenants. During the year 2025, the Group's total water consumption increased significantly compared to the previous year, primarily because the new office in Shenzhen added in the year 2025 was able to obtain independent water consumption data for statistical purposes.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### *Reduction of Waste Generation*

Non-hazardous waste produced by the Group is mainly domestic waste produced in the office, and no significant hazardous waste is generated in our daily operation. In the office environment, paper is a major source of non-hazardous waste. To reduce non-hazardous waste, the Group has implemented the following measures:

- Waste classification and environmental protection notices were posted in the Company's premises to encourage employees to communicate electronically;
- A paperless office was established to encourage the use of electronic documents as much as possible; and
- Double-sided printing is encouraged to reduce the use of paper.

Besides, plastic is one of the most common types of waste in our office environment. We strive to reduce the use of single-use plastic products, such as plastic cups and cutlery and encourage employees to use reusable mugs, utensils and water bottles to reduce the generation of plastic waste. At the same time, we actively motivate employees to participate in the plastic recycling programme, ensuring that recyclable plastics are properly sorted and processed. Domestic waste is another source of non-hazardous waste in the office environment. We encourage our employees to practice waste sorting to ensure proper handling and disposal of waste, thereby reducing the adverse impact on the environment.

	2025	2024	Unit
<b>Non-hazardous waste</b>			
Total waste production	1.10	1.09	Tonne
Total waste generation intensity	3.81	3.77	kg/per sqm of GFA
Total waste disposal	1.10	1.09	Tonne
Total waste recycled	—	—	Tonne

### *Climate Change*

We are aware of the increasingly severe risks that climate change poses to communities and businesses. The rising frequency and intensity of extreme weather events, such as typhoons, rainstorms, and flooding, may cause disruptions to our operations. To address these challenges, we are committed to mitigating the impacts of climate change and continuously enhancing our climate resilience to navigate the operational challenges posed by climate-related risks. We have established the ESG Working Group responsible for supervising and assessing the impact of climate change on the Group's business and operations. For further details, please refer to the section headed "ESG Governance Structure" in the Report.



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### *Climate Risk Management*

The Board assumes ultimate overall responsibility for the Group's ESG risk management. To effectively manage various ESG-related risks, including climate change and environmental and social risks in the supply chain, the Group has fully integrated ESG risk management into its existing risk management system.

The Group's various departments and the ESG Working Group conduct an annual review of climate-related risks and opportunities to track material climate change issues and assess their potential impact on business and financial operations. The specific steps are as follows:

1. Identification of risks and opportunities — We collect internal and external information through diversified channels to identify potential risks and opportunities brought by climate change to the Group's operations.
2. Assessment of likelihood and magnitude — We analyse and evaluate the likelihood of occurrence and the magnitude for each of the initially identified climate-related risks and opportunities.
3. Determination of material risks and opportunities — Based on the assessment results, we determine the climate-related risks and opportunities that have a significant impact on the Group's business development. We focus on reviewing existing response strategies, control measures, and implementation mechanisms to enhance the Group's overall climate risk management capacity and response level.

The Board reviews the effectiveness of the ESG risk management system annually and examines the setting and implementation progress of ESG-related targets through reports from the ESG Working Group.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### Identification of Climate-related Risks and Opportunities

During the reporting period, the climate-related risks and opportunities we identified are as follows:

Description of risks/opportunities	Time horizons <sup>11</sup>	Potential impact on the value chain	Potential financial impact	Response
<b>Physical risks – direct financial risks associated with the changing climate.</b>				
<p>Acute risks: Fires, floods, typhoons and rainstorms Any extreme weather events occurring at the locations of our daily operations, data centres, authorised operators, or third-party server or network service providers may lead to network and game service disruptions, directly affecting the user gaming experience. Simultaneously, the personal safety of employees may be threatened, and the Group's business continuity could be impacted.</p>	Short term	Potential power outages or damage to server rooms may lead to disruptions in game operations; additionally, employee commuting may be hindered.	Revenue ↓ Operating costs ↑ Costs of repairing damaged assets ↑	Continuously monitoring extreme weather events and ensuring timely internal warnings and alerts, allowing for the early formulation of emergency response plans to minimise potential losses. Meanwhile, we have equipped our facilities with backup power supplies and cloud backup solutions to ensure service continuity, enabling rapid recovery of operations even if physical facilities are affected. Furthermore, we offer flexible working arrangements to safeguard both the personal safety of our employees and the security of the Group's physical assets.
<p>Chronic risks: Chronic risks, such as high temperatures, droughts, and rising sea levels, may lead to increased energy consumption in the Company's office buildings, resulting in a rise in overall operating costs.</p>	Medium to long term	Increased strain on power and network infrastructure, leading to a significant rise in server cooling requirements and energy consumption, which may impact the stability of game services.	Revenue ↓ Operating costs ↑	Implementing green office and energy-saving measures and prioritising the procurement of high-efficiency equipment.

<sup>11</sup> Definitions of time horizons: short term refers to 1 to 4 years; medium term refers to 5 to 10 years; and long-term refers to more than 10 years.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Description of risks/ opportunities	Time horizons <sup>11</sup>	Potential impact on the value chain	Potential financial impact	Response
<b>Transition risks – financial risks associated with the transition to a low-carbon economy, including policy and legal risks, technology risks, market risks, and reputation risks.</b>				
<p>Policy and regulations: As the importance of addressing climate change continues to rise, governments and listing regulators will impose stricter environmental information disclosure and oversight requirements on enterprises, thereby increasing the compliance risks faced by the Group.</p>	Medium term	The Company is required to comply with more stringent carbon emission disclosure standards, resulting in increased compliance costs.	Compliance costs ↑	Keeping abreast of evolving regulations.
<p>Market: Players may reduce their support for companies that are not environmentally friendly.</p>	Medium to long term	Players may reduce their support for companies with high energy consumption or poor environmental performance, negatively impacting market share and brand image.	Revenue ↓	Actively participating in green marketing and promotional activities.
<b>Opportunities</b>				
<p>Increase in resource efficiency: Green office practices and operations, such as reducing electricity and water consumption, can lower overall operating costs.</p>	Medium term	Enhanced resource efficiency, including the efficient use of energy, electricity, and water resources, allowing the Group to lower its operating costs.	Operating costs ↓ Net profit ↑	Strengthening the Company's green operations, encouraging green commuting among employees, and reducing corporate greenhouse gas emissions.
<p>Products and services: As the new generation of players places greater emphasis on sustainability and social responsibility, the market potential for games with green and environmental themes continues to expand.</p>	Medium to long term	The new generation of players places greater emphasis on sustainability and social responsibility, which influences the appeal of game themes.	Revenue ↑	The Company will proactively consider new markets for sustainable gaming demands to diversify and enhance its revenue streams.



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group did not experience any significant impact from climate-related extreme weather events during the Year. Nonetheless, the Group will continue to monitor climate-related risks and implement relevant measures to minimise the potential impacts of climate change.

Given the Group's asset-light business model, carbon pricing has not been integrated into the decision-making process, nor have climate-related performance indicators been incorporated into the remuneration policy. Furthermore, the Group did not undertake any significant capital expenditure or financing activities in response to climate-related risks during the Year.

### *Assessment of climate scenarios*

Climate scenarios are projections of future climate conditions based on different levels of GHG emissions. To assess the potential impacts of climate-related risks, we conducted a scenario analysis using publicly available models, with reference to the Implementation Guidance for Climate Disclosures under the HKEX ESG Reporting Framework. For the Year, we have prioritised physical risk scenarios, as these risks have a broader potential impact and more comprehensive external analytical data is available. This process helps the Company understand the potential impacts of climate-related physical risks on its business and operations under different future scenarios, enabling us to formulate strategies to continuously enhance our climate resilience.

We adopted the low-emission scenario SSP1-2.6<sup>12</sup> and the high-emission scenario SSP5-8.5<sup>13</sup> from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report. Taking the medium term (2030) and long term (2050) as time horizons, we performed a qualitative assessment of the potential financial losses arising from changes in physical risks under each scenario compared to the base year (2025).

The results indicate that under both scenarios, the frequency and intensity of extreme weather events, as well as average temperatures, will increase over time. These changes are more significant under the high-emission scenario and may impact the Company's assets and business operations. In response to risks such as typhoons, rainstorms, and extreme heat, the Company has established risk management mechanisms and formulated specific response measures, details of which are set out in the section headed "Climate-related Risks and Opportunities".

We recognise that uncertainty remains regarding the future frequency and severity of climate-related physical risks. In the long term, extreme weather events and rising global temperatures may disrupt operational activities, affect asset security, and pose threats to employee safety. Therefore, the Company will continue to optimise its climate scenario analysis and strengthen its risk response and mitigation strategies.

<sup>12</sup> IPCC SSP1-2.6 Low GHG Emission Scenario: Global climate action is proactively taken, successfully achieving a low-carbon transition and limiting the global temperature increase to within 2°C above pre-industrial levels. Under this scenario, the frequency and intensity of extreme weather events and average temperatures will increase, but at a relatively moderate pace.

<sup>13</sup> PCC SSP5-8.5 Very High GHG Emission Scenario: Global GHG emissions remain unchecked, and economic development is heavily dependent on fossil fuels, leading to high carbon emissions and severe climate change issues. Under this scenario, the frequency and intensity of extreme weather events, as well as average temperatures, will experience a significant escalation.



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the Year, certain mandatory climate-related disclosures could not be fully provided, including but not limited to quantitative financial impact analysis, quantitative scenario analysis results, and specific metrics for transition and physical risks. This is primarily due to the following reasons: (i) the current limitations in the Group's internal capabilities, data coverage, and modelling tools ("Capabilities Relief"); (ii) the inability to obtain reasonable and supportable information without undue cost or effort, particularly regarding climate risk data ("Reasonable Information Relief:"); and (iii) a current lack of sufficiently reliable methodologies to quantify the financial effects of existing and anticipated climate-related risks and opportunities ("Financial Effects Relief"). The Group will continue to gradually improve its data acquisition channels and climate risk assessment processes. As our capabilities mature, we will further expand the scope and depth of our disclosures.

### ANTI-CORRUPTION

All directors and employees are required to adhere to legal and ethical standards when conducting business. We strictly prohibit any form of bribery or corruption. The Group strictly abides by the relevant anti-corruption laws and regulations in its operating regions, including but not limited to the Anti-Money Laundering Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, and the Interim Provisions on Prohibiting Commercial Bribery in China; the Prevention of Corruption Act in Singapore; and the Organic Act on Prevention and Suppression of Corruption 2018 and Anti-dumping Measure in Thailand. To demonstrate our commitment to preventing corruption and maintaining high standards of business ethics and integrity, we have established the Anti-Corruption and Fraud Reporting Procedures. Employees are obligated to report any suspected unethical or illegal behaviour within the Group through our whistle-blowing channels. Our whistle-blowing policy is designed to provide all employees with a safe and confidential channel for reporting; whistleblowers may choose to remain anonymous and submit reports via telephone, fax, or email. Any suspected cases of corruption or bribery will be subject to a comprehensive investigation by a dedicated task force, with the findings reported to the Board for further action.

We regularly provide anti-corruption information to the Board and relevant employees through emails and internal document circulations, aimed at strengthening the awareness of clean practice and professional ethics across the workforce. For the Year, the Group was not aware of any material non-compliance cases related to bribery, extortion, fraud, or money laundering laws and regulations.

### COMMUNITY INVESTMENT

The Group remains committed to balancing economic development with social responsibility, adhering to the core philosophy of "Co-existence of Economic Benefit and Social Value". Proactively fulfilling our corporate citizenship, we focused on two core pillars during the Year: disaster relief and care for underprivileged groups. We continued to advance various community welfare initiatives, giving back to society through practical actions and contributing to the sustainable development of the community.

In response to the severe flooding that struck several provinces in Southern Thailand this year, which caused significant disruption to the lives and properties of local residents, the Group allocated a special fund of THB200,000 (approximately HK\$50,000) for post-disaster relief efforts to alleviate the hardships faced by those affected.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In addition to disaster relief, the Group continues to address the needs of underprivileged groups through targeted philanthropic aid. We donated a total of THB100,000 (approximately HK\$25,000) to Wat Woradi Temple in Ang Thong Province to support local orphans and impoverished students from ethnic minority backgrounds. Furthermore, a donation of THB 50,000 (approximately HK\$12,000) was made to the Children's Hospital Foundation to assist ill children and adolescents in receiving necessary medical treatment. Meanwhile, the Group also organised employees to participate in the Thai Red Cross Society's "Give Blood, Give Life, Give Hope" blood donation campaign, encouraging our staff to collectively fulfil social responsibilities and spread warmth within the community.

Donated to the Children's Hospital Foundation



The Thai Red Cross Society's 'Give Blood, Give Life, Give Hope' campaign



Donated supplies and provided scholarships to Wat Woradi Temple in Ang Thong Province to support local orphans and underprivileged students



# DIRECTORS AND SENIOR MANAGEMENT

## DIRECTORS

### *Executive Directors*

Mr. Zhang Yan (Chairman and Chief Product Officer) (*appointed on 31 December 2025*)  
Mr. ZHOU Zhiwei (Chief Executive Officer) (*resigned on 31 December 2025*)  
Mr. KOA Jun Wei Victor (Chief Technology Officer) (*appointed on 1 March 2025*)  
Mr. GAO Bo  
Ms. WONG Yan

### *Independent Non-executive Directors*

Mr. TAM Chik Ngai Ambrose  
Ms. CHOW Woon San Shirley  
Mr. LOK Tze Bong (*resigned on 5 September 2025*)  
Ms. Chiang Wing Yan (*appointed on 1 August 2025*)

## BOARD OF DIRECTORS

The term of service for Directors is three years, and Directors are permitted to be re-elected. Responsibilities of the Board include but are not limited to (i) convening general meetings, reporting on the Board's work at these meetings, implementing the Shareholders' resolutions passed at these meetings; (ii) determining business operation, financial, capital and investment plans; (iii) determining internal management structure, setting down fundamental management rules; (iv) appointing and discharging members of senior management, determining Directors' remuneration and formulating the proposals for profit distributions and for the increase or reduction of registered capital; and (v) taking responsibilities pursuant to the relevant laws, regulation and the Articles of Association.

## DIRECTORS

### **Mr. ZHANG YAN (張岩)**

*Chairman, Executive Director and chief product officer*

Mr. Zhang Yan, aged 55, was appointed as the chairman of the Board, an executive Director and chief product officer on 31 December 2025. Mr. Zhang has entered into a letter of appointment with the Company for a term of three years commencing on 31 December 2025. He is not entitled to any remuneration as an executive Director but entitled to a monthly salary of HKD30,000 as the chief product officer.

Mr. Zhang has served as the product advisor of the Group since September 2025, advising on the development and production of the Company's games. Prior to rejoining the Group, he was a passive investor in several companies engaged in various businesses from June 2023 to August 2025. Mr. Zhang was initially appointed as a Director of the Company in November 2014 and thereafter served as a non-executive Director until May 2023, during which period he also held the position of chairman of the Board from March 2015 to May 2023. From April 2010 to October 2014, he explored his own business by investing in various companies conducting different lines of business. From April 1997 to March 2010, he served as the chief executive officer at Shenzhen Domain Computer Network Company Limited (深圳網域計算機網絡有限公司), responsible for overall operations and management, and overseeing the development of several MMORPGs.

Mr. Zhang obtained a diploma in computer communications from the Xidian University (西安電子科技大學) (Xi'an, the PRC) in July 1993.



## DIRECTORS AND SENIOR MANAGEMENT

### **Mr. KOA Jun Wei Victor (柯俊偉)**

*Executive Director and chief technology officer*

Mr. Victor Koa Jun Wei, aged 31, was appointed as an executive Director and the chief technology officer on 1 March 2025. Mr. Koa has entered into a letter of appointment with the Company for a term of three years commencing on 1 March 2025. He is not entitled to any remuneration as an executive Director but entitled to a monthly salary of SGD12,000 as the chief technology officer.

Mr. Koa has extensive of experience in software engineering and design, game development, system architecture and real-time programming. Since April 2022, Mr. Koa has served as the tech lead of Firerock Capital Pte Ltd., being a subsidiary of the Company, and is mainly responsible for overseeing game development, designing and implementing core systems and fixing critical errors and bugs. From July 2020 to June 2022, Mr. Koa served as the tech lead/design lead of IronHeart Studios, where he was mainly responsible for the development of a farming simulation game and the designing and coding of core systems. From January 2021 to July 2021, Mr. Koa served as a machine learning engineer/unity programmer of One Unify. From September 2018 to December 2019, Mr. Koa served as a teaching assistant at Digipen Institute of Technology.

Mr. Koa obtained a diploma in financial informatics from Ngee Ann Polytechnic in Singapore and a Bachelor of Science degree in computer science in real-time interactive simulation from Digipen Institute of Technology in Singapore.

### **Mr. GAO Bo (高博)**

*Executive Director*

Mr. Gao Bo, aged 39, was appointed as an executive Director on 31 March 2023. Mr. Gao has entered into a letter of appointment with the Company for a term of three years commencing on 31 March 2023, and he is entitled to a director's fees of SGD8,000 per month.

Mr. Gao has more than 15 years of experience in investment management and telecommunications. Since October 2022, he acted as an investment director of Firerock Capital Pte. Ltd., which is a subsidiary of the Company, and is mainly responsible for group investment decision and management. From January 2017 to September 2022, Mr. Gao worked at Nanshan Group Singapore Co., Pte. Ltd. with his last position as investment manager, where he was mainly engaged in investment business segment development. From June 2015 to January 2017, Mr. Gao worked at Kimberly-Clark Asia-Pacific with his last position as financial planning analyst. From 2011 to 2014, Mr. Gao worked at Huawei International Pte. Ltd. with his last position as core network engineer.

Mr. Gao graduated from Nanyang Technological University in Singapore in June 2010 with a bachelor's degree in electrical and electronic engineering. He obtained a master's degree in business administration from Singapore Management University in January 2016.



## DIRECTORS AND SENIOR MANAGEMENT

### **Ms. WONG Yan (王欣)**

*Executive Director*

Ms. Wong Yan, aged 47, was appointed as an executive Director on 16 June 2023. Ms. Wong has entered into a letter of appointment with the Company for a term of three years commencing on 16 June 2023, and she is entitled to a director's fees of HKD30,000 per month.

Ms. Wong has over 19 years of experience in asset management, compliance and corporate finance. Prior to joining the Company, Ms. Wong served as a director of the asset management department of China Huarong Overseas Investment Holdings Co., Limited. From June 2017 to October 2019, Ms. Wong served as the head of the risk management department of China Huarong Overseas Investment Holdings Co., Limited. From March 2006 to June 2017, Ms. Wong served as a co-vice president of the investment banking and corporate finance division of China Everbright Securities International Company Limited.

Ms. Wong obtained a bachelor's degree in international trade from Shanxi University, China and a Postgraduate Diploma in banking and finance from Loughborough University, the United Kingdom.

## INDEPENDENT NON-EXECUTIVE DIRECTORS

### **Mr. TAM Chik Ngai Ambrose (譚植藝)**

*Independent non-executive Director*

Mr. Tam Chik Ngai Ambrose, aged 43, was appointed as an independent non-executive Director on 30 March 2023. Mr. Tam has entered into a letter of appointment with the Company for a term of three years commencing on 30 March 2023, and he is entitled to a director's fees of HKD15,000 per month.

Mr. Tam has over 20 years of experience in auditing, accounting and financial reporting. From December 2021 to December 2022, he worked at KC International Holdings Limited with his last position as an accounting general manager, where he was mainly responsible for leading the consolidation team in monitoring the consolidation process and reviewing the annual audit plan. From May 2021 to October 2021, Mr. Tam worked at Noble Bridge Investment Holdings Limited as a senior finance manager. From January 2015 to May 2021, Mr. Tam worked at BDO Limited with his last position as an audit manager. Prior to that, Mr. Tam held assurance and accounting roles at several international accounting firms and in-house.

Mr. Tam graduated from the University of Central England in Birmingham in July 2004 with a bachelor's degree in politics and contemporary governance. He is a member of CPA Australia.



## DIRECTORS AND SENIOR MANAGEMENT

### **Ms. CHOW Woon San Shirley (周媛珊)**

*Independent non-executive Director*

Ms. Chow Woon San Shirley, aged 66, was appointed as an independent non-executive Director on 30 March 2023. Ms. Chow has entered into a letter of appointment with the Company for a term of three years commencing on 30 March 2023, and she is entitled to a director's fees of HKD15,000 per month.

Ms. Chow has over 39 years of experience in compliance, investment and asset management and acted as a director of AimHigh Global Solutions Limited and AimHigh Compliance Solutions Limited since January 2020, where she is mainly engaged in the provision of compliance advisory services to licensed corporations registered under the SFO. From April 2017 to April 2018, Ms. Chow served as an independent compliance consultant for Ping An of China Securities (Hong Kong) Company Limited, where she was mainly engaged in corporate compliance advisory. From October 2008 to January 2017, Ms. Chow worked at Ping An of China Asset Management (Hong Kong) Company Limited with her last position as the Head of Legal & Compliance, where she was mainly engaged in legal compliance. From January 2007 to August 2007, Ms. Chow worked at the Canadian Imperial Bank of Commerce (Hong Kong Branch) with her last position as an executive director of the global asset management department and an executive officer licensed by the Securities and Futures Commission (the "SFC") to carry out Type 9 (asset management) regulated activity. From December 1999 to December 2006, Ms. Chow worked at CIBC Global Asset Management (Asia) Limited with her last position as a deputy managing director and a responsible officer licensed by the SFC to carry out Type 9 (asset management) regulated activity. From June 1988 to November 1999, Ms. Chow worked at CEF.TAL Investment Management Limited with her last position as deputy managing director. From April 1985 to June 1988, Ms. Chow worked at Gartmore (HK) Limited with her last position as marketing manager.

Ms. Chow graduated from Simon Fraser University in Canada in June 1985 with a bachelor's degree in economics and finance. She obtained a bachelor's degree (honor) in laws from the University of Wolverhampton in the United Kingdom in July 2007.

### **Ms. CHIANG Wing Yan (蔣穎欣)**

*Independent non-executive Director*

Ms. Chiang Wing Yan, aged 38, was appointed as an independent non-executive Director on 1 August 2025. Ms. Chiang has entered into a letter of appointment with the Company for a term of three years commencing on 1 August 2025, and she is entitled to a director's fees of HKD15,000 per month.

Ms. Chiang has over 14 years of experience in audit, internal audit, accounting, and financial reporting. She is currently a director at Chiang Wing Yan Certified Public Accountant (Practising). From August 2022 to March 2024, Ms. Chiang worked at Phase Scientific International Ltd, where she was mainly engaged in internal audit, with her last position being an internal audit manager. From June 2020 to July 2022, Ms. Chiang worked at Success Resources Development Centre under Fuk Yuen Holdings Limited, where she was mainly responsible for all financial operations, budgeting, and cash flow management, with her last position being a financial controller. From March 2018 to May 2020, Ms. Chiang worked at Sam K. M. Ng CPA Limited, with her last position being a manager. From September 2010 to February 2018, Ms. Chiang worked at BDO Limited, with her last position being an audit manager.

Ms. Chiang graduated from the Community College of City University of Hong Kong with an associate degree in business administration (accountancy) and obtained a bachelor's degree of commerce (honours) in accountancy from Hong Kong Baptist University. She is a certified public accountant with the Hong Kong Institute of Certified Public Accountants.



## DIRECTORS AND SENIOR MANAGEMENT

### SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our Company's business.

#### **Mr. KOA Jun Wei Victor (柯俊偉)**

*Executive Director and Chief Technology Officer*

Mr. Victor Koa Jun Wei, aged 31, was appointed as an executive Director and the chief technology officer on 1 March 2025. His biographical details are set out above under the section headed "Directors and Senior Management – Directors" to this annual report.

### JOINT COMPANY SECRETARIES

Ms. Li Zijuan and Mr. Chu Hon Leung are our joint company secretaries.

Ms. Li Zijuan, aged 33, has served the Company for more than 10 years and is mainly responsible for the legal, company secretarial, and compliance affairs of the Company. Since joining the Company in May 2015, Ms. Li had been actively involved in the Company's listing and transfer of listing from GEM to the Main Board of the Stock Exchange in 2016 and 2019 respectively, and has been assisting the Board in its operation and daily duties, performing the Company's compliance and registration and filing obligations, and preparing information disclosure documents including the annual reports, interim reports, announcements and circulars of the Company. Ms. Li obtained bachelor's degrees in arts and management from the Wuhan Institute of Technology, and a master's degree in science from The Chinese University of Hong Kong.

Mr. Chu Hon Leung, aged 43, has been a practicing solicitor in Hong Kong since 2009 and is currently a partner of Li & Partners. Mr. Chu had been in private practice as a solicitor with local and international law firms in Hong Kong and was an in-house counsel with a leading PRC asset management company. Mr. Chu obtained his bachelor degree in commerce from Macquarie University in Sydney, Australia, his graduate diploma in law from The College of Law in London, United Kingdom and graduated from the City University of Hong Kong with the postgraduate certificate in laws.



## DIRECTORS' REPORT

The Directors are pleased to present this annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2025.

### PRINCIPAL ACTIVITIES

The Group is principally engaged in the development of browser, mobile games (including game design, programming and graphics) and computer software related to game operation (“Game Development”), on the basis of which the Group license its self-developed browser and mobile games to licensed operators around the world, assist the third parties in promoting game-related business and provide intellectual property rights licensing services to enterprises (“Game Publishing”). The Group also self-operate our self-developed game products in overseas markets.

For the principal activities and other details of the subsidiaries of the Company, please refer to Note 30 to the consolidated financial statements.

### RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2025 are set out in the financial statements on page 80 of this annual report.

The Directors did not recommend any payment of dividend for the reporting period.

### BUSINESS REVIEW

Details of the Group’s business review (including discussion of the Group’s performance during the year, risks factors faced and risk mitigation measures, details of the Group’s compliance with the relevant laws and regulations which are of a material effect and the future business development of the Group, and further discussion and review on the environmental policies and performance and relationship with employees, suppliers and customers of the Group as required by Schedule 5 to the Companies Ordinance (Cap. 622 of the Laws of Hong Kong)) are set out in the sections headed “Management Discussion and Analysis” and “Environmental, Social and Governance Report” in this annual report. Those review and discussion constitute part of the Directors’ Report.



### SHARE CAPITAL

For the year ended 31 December 2025, details of the movements in share capital of the Company during the year are set out in the Note 25 to the consolidated financial statements.

## USE OF PROCEEDS FROM RIGHTS ISSUE

On 29 December 2025, the Company completed the Rights Issue on the basis of one (1) rights Share for every two (2) Shares held on the record date at the subscription price of HKD1.58 per rights Share and issued 50,821,041 ordinary Shares. All the unsubscribed rights Shares were subject to the compensatory arrangements in which (i) 544,000 untaken rights Shares were successfully placed by the placing agent, SBI China Capital Financial Services Limited, at the price of HKD1.58 per share and (ii) 6,328,731 untaken rights Shares were taken up by Sulfulon, being the underwriter under the underwriting agreement in relation to the Rights Issue. Details of the Rights Issue and the compensatory arrangements are set out in the announcements of the Company dated 5 October 2025, 7 November 2025, 9 December 2025 and 24 December 2025, the circular of the Company dated 24 October 2025, and the prospectus of the Company dated 20 November 2025.

The gross proceeds raised from the Rights Issue were approximately HKD80.3 million and the net proceeds (after deducting all relevant expenses) from the Rights Issue were approximately HKD79.5 million. Up to the date of this annual report, the Group has utilised the net proceeds as follows:

	Intended use of net proceeds as stated in the prospectus dated 20 November 2025 <i>HKD'million</i>	Actual use of net proceeds up to the date of this annual report <i>HKD' million</i>	Unutilized net proceeds up to the date of this annual report <i>HKD' million</i>	Expected timeline for the intended use
Build up a new development team in the PRC including the recruitment of approximately 8–10 professional staff members and the purchase of necessary office equipment, IT software and hardware	6.7	2.2	4.5	By 31 December 2026
Set up a development base in Indonesia including the rental of a new office in Indonesia, the recruitment of 15–20 local professional and support staff members and the purchase of necessary office equipment, IT software and hardware	6.1	0.9	5.2	By 31 December 2026
Acquisition of new simulation games (3–4 games) including purchase of the patents, trademarks, intellectual properties and licenses (if any)	22.2	—	22.2	By 31 December 2026
Marketing for existing games and new games in Indonesia and other markets in Southeast Asia including advertising campaigns, promotion events and purchase of promotional materials	30.0	3.1	26.9	By 31 December 2026
General working capital for the Group including but not limited to staff salary, Directors' remuneration, office rent and rates, professional fees (including but not limited to legal advisers and auditors), listing annual fee, and other administrative overheads	14.5	3.8	10.7	By 31 December 2026
<b>Total</b>	<b>79.5</b>	<b>10.0</b>	<b>69.5</b>	



## DIRECTORS' REPORT

### RESERVES

For the year ended 31 December 2025, details of the changes in the reserves of the Group are set out in the consolidated statement of changes in equity and Note 26 to the consolidated financial statements. As at 31 December 2025, the distributable reserves of the Company approximately amounted to HKD56.5 million.

### MAJOR CUSTOMERS AND SUPPLIERS

Our ultimate customers are individual game players. Due to our large customer base, its five highest paying players in aggregate contributed to substantially less than 30% of the total sales proceeds received during the year ended 31 December 2025.

Our major suppliers include companies which provided outsourced services such as part of the graphic design and audio production of sound effects, background music and game testing of our games in the game research and development activities and also in their subsequent updates and enhancements as well as server data centre and bandwidth service providers. For the year ended 31 December 2025, the five largest suppliers in aggregate contributed to substantially less than 30% of the total purchases.

None of the Directors of the Company or any of their associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's share capital) had any beneficial interest in the Group's five largest customers or suppliers.

### FINANCIAL HIGHLIGHTS

A summary of the published results and of the assets and liabilities of the Group for the last four financial years, as extracted from the audited financial statements, was set out on page 5 in the annual report. The summary does not form part of the audited consolidated financial statements of the Group.

### BUSINESS REVIEW AND RISK FACTORS FACED BY THE COMPANY AND THE RESPONSE STRATEGIES

Details of the business review and risk factors faced by the Company as well as the response strategies are set out in the "Management Discussion and Analysis" section of this report, and form part of the "Directors' Report".

### CHARITY DONATION

For the year ended 31 December 2025, the Group made approximately HKD87,000 for charity donation and other donations.

### PROPERTY, PLANT AND EQUIPMENT

Details of the changes in property, plant and equipment during the year ended 31 December 2025 are set out in Note 15 to the consolidated financial statements.

### BORROWING

As at 31 December 2025, the Group did not have any bank or other borrowings.

## CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any material contingent liabilities.

## SUFFICIENT PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, there is sufficient public float of the Company's securities, being no less than 25% of the Company's total number of issued shares, as required under the Listing Rules for the reporting period and up to the date of this report.

## PRE-EMPTIVE RIGHTS

No pre-emptive rights exist under the Articles of Association or the laws of the Cayman Islands, and no restrictions exist which oblige the Company to offer new shares on a pro rata basis to its existing Shareholders.

## DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with the Company, each of the independent non-executive Directors has signed a letter of appointment with the Company, and is subject to termination by either party giving not less than three months' written notice. Such appointments are subject to retirement by rotation provisions in the Articles of Association.

At the annual general meeting held on 30 May 2025, certain directors were re-appointed, appointed and re-designated by the Company.

No Director proposed for re-election at the forthcoming annual general meeting has a non-expired service contract with the Company or any subsidiaries, which is not determinable by the Company or any subsidiaries within one year without payment of compensation (other than statutory compensation).

## CONFIRMATION OF INDEPENDENT NON-EXECUTIVE DIRECTORS' INDEPENDENCE

According to the Rule 3.13 of Listing Rules, the Company has received a confirmation from each of the independent non-executive Directors in respect of their independence. The Company has reviewed the independence of aforementioned Directors. We consider that all independent non-executive Directors are independent.



## DIRECTORS' REPORT

### INTERESTS AND SHORT POSITIONS OF DIRECTORS AND THE CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES OR DEBENTURES

As at 31 December 2025, the interests and/or short positions (as applicable) of the Directors in the Shares, underlying Shares and debentures of the Company and any interests and/or short positions (as applicable) in shares, underlying shares or debentures of any of the Company's associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO") which (i) will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions (as applicable) which they are taken or deemed to have under such provisions of the SFO), (ii) will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (iii) will be required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange were as follows:

Name	Capacity	Number of Shares <sup>1</sup>	Percentage of Shareholdings
Mr. Zhang Yan <sup>2</sup>	Beneficial owner and Interest of controlled corporation	123,838,731	51.0%

*Notes:*

- All interests stated are long positions.
- As at 31 December 2025, Mr. Zhang Yan, the executive Director and the chairman of the Board, was interested in approximately 51.00% of the total issued shares of the Company, i.e. 123,838,731 Shares, comprising of:
  - 5,760,000 Shares owned by Mr. Zhang in the capacity of beneficial owner, accounting for approximately 2.37% of the Company's issued share capital;
  - 104,578,731 Shares owned by Mr. Zhang through Sulfulon, which accounts for approximately 43.07% of the Company's share capital. Mr. Zhang is interested in the entire issued share capital of Sulfulon and he is therefore deemed to be interested in the Shares held by Sulfulon by virtue of the SFO; and
  - 13,500,000 Shares owned by Mr. Zhang through Infinities Investment Pte. Ltd., which represents approximately 5.56% of the share capital of the Company. Mr. Zhang is interested in the entire issued share capital of Infinities Investment Pte. Ltd., a wholly-owned subsidiary of Infinities Super Holding Limited. Infinities Super Holding Limited is a company incorporated in the Cayman Islands with limited liability and is wholly-owned by Mr. Zhang. Accordingly, Mr. Zhang Yan is deemed to be interested in the Shares held by Infinities Investment Pte. Ltd. by virtue of the SFO.

## INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN THE SHARES OR UNDERLYING SHARES

So far as is known to the Directors or chief executive of the Company, as at 31 December 2025, the following persons had, or were deemed or taken to have interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name	Capacity	Number of Shares <sup>1</sup>	Percentage of shareholding
Sulfulon	Beneficial owner	104,578,731	43.07%
Mr. Zhang Yan <sup>2</sup>	Interest of controlled corporation	123,838,731	51.00%
Ms. Zheng Xin <sup>3</sup>	Interest of spouse	123,838,731	51.00%

*Notes:*

- All interests stated are long positions.
- As at 31 December 2025, Mr. Zhang Yan, the executive Director and the chairman of the Board, was interested in approximately 51.00% of the total issued shares of the Company, i.e. 123,838,731 Shares, comprising of:
  - 5,760,000 Shares owned by Mr. Zhang in the capacity of beneficial owner, accounting for approximately 2.37% of the Company's issued share capital;
  - 104,578,731 Shares owned by Mr. Zhang through Sulfulon, which accounts for approximately 43.07% of the Company's share capital. Mr. Zhang is interested in the entire issued share capital of Sulfulon and he is therefore deemed to be interested in the Shares held by Sulfulon by virtue of the SFO; and
  - 13,500,000 Shares owned by Mr. Zhang through Infinities Investment Pte. Ltd., which represents approximately 5.56% of the share capital of the Company. Mr. Zhang is interested in the entire issued share capital of Infinities Investment Pte. Ltd., a wholly-owned subsidiary of Infinities Super Holding Limited. Infinities Super Holding Limited is a company incorporated in the Cayman Islands with limited liability and is wholly-owned by Mr. Zhang. Accordingly, Mr. Zhang Yan is deemed to be interested in the Shares held by Infinities Investment Pte. Ltd. by virtue of the SFO.
- Ms. Zheng Xin is the spouse of Mr. Zhang Yan and she is therefore deemed to be interested in the Shares held by Mr. Zhang Yan by virtue of the SFO.

## REPURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries repurchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2025.



## DIRECTORS' REPORT

### DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Saved as disclosed in the sections headed "Connected Transactions" and "Related Party Transactions" in this annual report, (i) none of the Directors, the controlling Shareholders, nor their respective associates had a material interest, either directly or indirectly, in any other contract of significance to the business of the Group to which the Company, or any of its subsidiaries was a party during the year ended 31 December 2025; and (ii) there were no other contracts of significance between the Group and any of the controlling shareholders or their respective associates for the year ended 31 December 2025.

### SHARE OPTION SCHEME

The following is a summary of the principal terms of the share option scheme ("Share Option Scheme") conditionally adopted by our Company on 24 January 2016.

The Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions the eligible participants have had or may have made to the Group. The scheme is valid and effective for a period of ten years commencing from the date of adoption of the scheme.

Eligible participants of the Share Option Scheme include:

- (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries;
- (ii) any Directors (including non-executive Directors and independent non-executive Directors) of the Company or any of its subsidiaries;
- (iii) any advisers, consultants, suppliers, customers and agents to the Company or any of its subsidiaries; and
- (iv) such other persons who, in the sole opinion of the Board, will contribute or have contributed to the Group, the assessment criteria of which are:
  - (aa) contribution to the development and performance of the Group;
  - (bb) quality of work performed for the Group;
  - (cc) initiative and commitment in performing his/her duties; and
  - (dd) length of service or contribution to the Group.

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company (including exercised, outstanding options and Shares which were the subject of options which have been granted and accepted under the Share Option Scheme or any other scheme of the Company but subsequently cancelled (the "Cancelled Shares")) to each eligible participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to the issue of a circular and the approval of the Shareholders in general meeting.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of ten years from that date. The period during which an option may be exercised and the vesting period of an option will be determined by the Board in its absolute discretion, save that no option may be exercised more than ten years after it has been granted.

Upon acceptance of an option to subscribe for shares granted pursuant to the scheme (the "Option"), the eligible participant shall pay HKD1.00 to the Company as consideration for the grant. The subscription price for the Shares subject to Options will be a price determined by the Board and notified to each participant and shall be the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the Options, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 trading days immediately preceding the date of grant of the Options; and
- (iii) the nominal value of a Share.

As at 1 January 2025, the total number of share options available for grant and the total number of Shares available for issue under the Share Option Scheme was 192,000,000 Shares, representing 5% of the issued share capital of the Company at the time; and as each of 31 December 2025 and the date of this annual report, the total number of share options available for grant and the total number of Shares available for issue under the Share Option Scheme was 9,600,000 Shares, representing approximately 3.95% of the then issued share capital of the Company.

No share option has been granted as at the date of this report and since the adoption of the scheme.

## SHARE AWARD SCHEME

The Company adopted a share award scheme (the "Share Award Scheme") on 12 September 2018 to provide incentive to its employees, and to recognise the contribution made by long-serving employees with outstanding performance. Persons eligible to participate in the Share Award Scheme are all employees of the Group and there was no maximum entitlement of each participant under the Share Award Scheme. Shares under the Share Award Scheme were offered at nil consideration and no amount were payable on application or acceptance of the award.

On 12 September 2018, 8,496,000 Shares (after taking into account of the effect of the Company's share subdivisions on 4 May 2021 and 19 August 2020) were granted to 47 employees of the Group, being the total number of Shares available for issue under the Share Award Scheme, and no further grants have been made since then. The granted Shares are unconditionally vested to the participants after their 3-year employment with the Group for the period from 12 September 2018 to 11 September 2021 and awards representing 1,128,000 Shares are cancelled as some of the participants' employment with the Group ended before 11 September 2021.

The Share Award Scheme expired on 11 September 2021. For the year ended 31 December 2025, no awards were granted, vested, lapsed or cancelled, and there were no outstanding or unvested awards.



## DIRECTORS' REPORT

### RELATED PARTY TRANSACTIONS

Details of the related party transactions undertaken by the Group are set out in note 28 to the consolidated financial statements. None of the related party transactions disclosed in note 28 to the consolidated financial statements constitute connected transactions or continuing connected transactions which should be disclosed pursuant to Chapter 14A of the Listing Rules.

### CONNECTED TRANSACTIONS

During the year ended 31 December 2025, the Group had the following connected transaction that was not exempt from the annual reporting requirement in Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A.

On 5 October 2025, the Company and Sulfulon entered into the underwriting agreement in respect of the Rights Issue. As Sulfulon, which is ultimately controlled by Mr. Zhang Yan, was the controlling Shareholder of the Company solely holding approximately 34.1% of the issued share capital of the Company at the time and therefore a connected person of the Company under Chapter 14A of the Listing Rules, the transactions contemplated under the underwriting agreement constitute a connected transaction for the Company.

Pursuant to the underwriting agreement, Sulfulon performed its underwriting obligation thereunder and took up 6,328,731 rights Shares that were unsubscribed and were not placed by the placing agent at a subscription price of HKD1.58 each and a total consideration of approximately HKD9,999,395.

### NON-COMPETITION UNDERTAKING OF DIRECTORS

Each of the executive Directors has undertaken that, among other things, shall not, and shall procure that his/its close associates shall not, among other things:

- (a) directly or indirectly, either on their own account, in conjunction with, on behalf of, or through any person, firm or company, among other things, carry on, participate or be interested, engaged or otherwise involved in or acquire or hold (in each case whether as a shareholder, partner, agent or otherwise and whether for profit, reward or otherwise) (i) the current and potential business engaged or to be engaged by our Group, including but not limited to the development of electronic/online games and/or (ii) any other new business that our Group may undertake from time to time after the Listing (collectively the "Restricted Business") and where they become aware of such engagement of the Restricted Business they shall notify our Company forthwith;
- (b) solicit or procure any of the suppliers and/or the customers of our Group from time to time to terminate their business relationships or otherwise reduce the amount of business with our Group;
- (c) solicit or procure any of the directors, senior management or other employees of our Group from time to time to resign or otherwise cease providing services to our Group; and/or
- (d) unless with the prior written consent of our Company, disclose any confidential information of our Group to any other third parties, including but not limited to, customers list and supplier list.

Each of the executive Directors confirmed that he/she has fulfilled the above non-competition undertakings from his/her appointment to the year ended 31 December 2025.

## PERMITTED INDEMNITY PROVISION

Appropriate Directors' liability insurance cover has been arranged by the Company to indemnify the Directors for liabilities arising out of corporate activities. The coverage and the sum insured under the policy are reviewed annually.

## COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has applied the code provisions as set out in the Corporate Governance Code (the "Code") set out in Appendix C1 of the Listing Rules. Save as disclosed in this report, the Company has complied with all the code provisions set out in the Code for the year ended 31 December 2025 and up to the date of this report.

## MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

## DIRECTORS' INTEREST IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Saved as disclosed in the sections headed "Connected Transactions" and "Related Party Transactions" in this annual report, no transaction, arrangement or contract of significance in relation to the Group's business in which the Company, any of its subsidiaries, fellow subsidiaries or its parent company was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted during or at the end of the year.

## AUDITOR

The consolidated financial statements for the year ended 31 December 2025 have been audited by Crowe (HK) CPA Limited, who will retire at the forthcoming annual general meeting of the Company and, being eligible, offer themselves for re-appointment.

A resolution will be submitted to the forthcoming annual general meeting to reappoint Crowe (HK) CPA Limited as auditor of the Company until the conclusion of the next annual general meeting thereafter.

## TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief or exemption available to the Shareholders by reason of their holding of the Company's securities.



DIRECTORS' REPORT

**REVIEW BY AUDIT COMMITTEE**

The audit committee has reviewed the audited annual results of the Company for the year ended 31 December 2025 and made recommendations and advice.

By order of the Board

**Zhang Yan**

*Chairman and Executive Director*

Hong Kong, 23 March 2026

# INDEPENDENT AUDITOR'S REPORT



國富浩華（香港）會計師事務所有限公司  
**Crowe (HK) CPA Limited**  
香港 銅鑼灣 禮頓道77號 禮頓中心9樓  
9/F Leighton Centre,  
77 Leighton Road,  
Causeway Bay, Hong Kong

**To the Shareholders of Fire Rock Holdings Limited**  
*(incorporated in the Cayman Islands with limited liability)*

## OPINION

We have audited the consolidated financial statements of Fire Rock Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 80 to 136, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards (“HKFRSs”) as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKASAs”) as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## KEY AUDIT MATTERS

### *Impairment assessment of intangible assets*

Refer to Note 16 to the consolidated financial statements and Group’s critical accounting judgements and key sources of estimation uncertainty in relation to the impairment assessment of intangible assets set out in Note 5(ii), the Group recognised full impairment loss for games and software intellectual properties of approximately HKD17,707,000 for the year ended 31 December 2025. As a result, as at 31 December 2025, the carrying amount of the intangible assets was nil.

Management has performed an impairment review in accordance with HKAS 36 “Impairment of Assets”. The recoverable amounts are determined based on value in use calculations, which involved significant assumptions and judgements made by management concerning the estimated future cash flows and the discount rate applied to future cash flow forecast.



## INDEPENDENT AUDITOR'S REPORT

Our response:

Our procedures in relation to the impairment assessment of intangible assets included:

- Obtained an understanding of the impairment assessment process used by the management to estimate the recoverable amounts based on a value in use calculation;
- Discussed with senior management to understand the cash flow projection and key assumptions;
- Assessed the reasonableness of key assumptions for:
  - growth rate based on our knowledge of the business and industry and by considering the historical performance achieved;
  - discount rate used in the calculations based on the market data and research;
- Evaluated the reasonableness of the cash flow projection approved by the management by comparing the actual results to the previously forecasted results used in the impairment assessment;
- Checked the mathematical accuracy of the value in use calculations; and
- Reviewed the sensitivity analysis prepared by the management including assessing the effect of a reasonably possible change in discount rate.

### *Valuation of Level 3 financial instruments*

As at 31 December 2025, the Group had 15.63% equity interest Summer Mountain Limited and its subsidiaries (“Summer Mountain Group”) of approximately HKD9,053,000, which is measured at fair value through profit or loss and classified as Level 3 financial assets under the fair value hierarchy (“Level 3 Financial Assets”), representing approximately 5.7% of the Group’s total assets.

Management selected and adopted specific valuation models that required a considerable number of inputs and judgements. Where observable data is not readily available, estimates of inputs need to be developed by management which will involve significant judgements.

Our response:

We performed the following audit procedures over valuation of Level 3 Financial Assets:

- obtained an understanding of the management’s internal control and assessment process of valuation of Level 3 Financial Assets and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of subjectivity of the significant management judgements and assumptions applied;
- evaluated and tested the key controls in relation to the management’s review on the valuation of Level 3 Financial Assets;
- assessed the competency, capabilities and objectivity of the external valuation specialists engaged by the management;
- inspected the relevant terms and conditions of the underlying investment agreements to evaluate the impact on valuation; and



## INDEPENDENT AUDITOR'S REPORT

- with the assistance of our valuation specialists, we performed independent assessments of the Group's valuation of Level 3 Financial Assets. Our independent valuation assessments included evaluating the appropriateness of valuation models, assessing the reasonableness of the significant management judgements and assumptions and the key inputs used in the valuation models with reference to industry practice and relevant available market data.

### OTHER INFORMATION

The directors of the Company (the "Directors") are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.



## INDEPENDENT AUDITOR'S REPORT

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



## INDEPENDENT AUDITOR'S REPORT

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Crowe (HK) CPA Limited**  
Certified Public Accountants

Hong Kong, 23 March 2026

**Chung Wai Chuen, Alfred**  
Practising Certificate Number: P05444

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	2025 HKD'000	2024 HKD'000
<b>Revenue</b>	7	<b>146,204</b>	140,591
Direct costs		<b>(50,685)</b>	(27,826)
Gross profit		<b>95,519</b>	112,765
Other income	7	<b>907</b>	321
Changes in fair values of financial assets at fair value through profit or loss	18	<b>(8,037)</b>	(891)
Impairment loss on property, plant and equipment		<b>(655)</b>	—
Impairment loss on intangible assets		<b>(17,707)</b>	—
Impairment loss on right-of-use assets		<b>(189)</b>	—
Research costs		<b>(15,965)</b>	(9,037)
Distribution costs		<b>(29,541)</b>	(40,692)
Administrative expenses		<b>(45,269)</b>	(43,339)
Finance costs	8	<b>(150)</b>	(101)
(Loss)/profit before income tax	9	<b>(21,087)</b>	19,026
Income tax expense	10	<b>(22,415)</b>	(17,173)
<b>(Loss)/profit for the year</b>		<b>(43,502)</b>	1,853
Other comprehensive income/(loss) <i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		<b>1,233</b>	(1,903)
<b>Other comprehensive income/(loss) for the year</b>		<b>1,233</b>	(1,903)
<b>Total comprehensive loss for the year</b>		<b>(42,269)</b>	(50)
<b>(Loss)/profit attributable to:</b>			
Owners of the Company		<b>(64,407)</b>	(17,065)
Non-controlling interests		<b>20,905</b>	18,918
		<b>(43,502)</b>	1,853
<b>Total comprehensive (loss)/income attributable to:</b>			
Owners of the Company		<b>(63,447)</b>	(18,773)
Non-controlling interests		<b>21,178</b>	18,723
		<b>(42,269)</b>	(50)
		<b>HKD cents</b>	<b>HKD cents</b> (restated)
<b>Loss per share</b>			
Basic and diluted	12	<b>(32.73)</b>	(8.73)

The notes on pages 84 to 136 form part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	2025 HKD'000	2024 HKD'000
<b>Non-current assets</b>			
Property, plant and equipment	15	2,074	3,549
Intangible assets	16	—	23,538
Right-of-use assets	17	2,904	2,022
Financial assets at fair value through profit or loss	18	18,586	26,333
Deposits	19	90	138
Deferred tax assets	24	—	2,107
		<b>23,654</b>	57,687
<b>Current assets</b>			
Trade receivables	20	14,854	18,218
Prepayment, deposits and other receivables	20	6,499	5,127
Cash and cash equivalents	21	112,924	53,644
		<b>134,277</b>	76,989
<b>Current liabilities</b>			
Lease liabilities	17	1,622	1,372
Other payables and accruals	22	10,053	10,323
Deferred revenue	23	6	334
Tax payables		8,239	7,836
		<b>19,920</b>	19,865
<b>Net current assets</b>		<b>114,357</b>	57,124
<b>Total assets less current liabilities</b>		<b>138,011</b>	114,811
<b>Non-current liabilities</b>			
Lease liabilities	17	1,733	622
Deferred tax liabilities	24	1,208	195
		<b>2,941</b>	817
<b>Net assets</b>		<b>135,070</b>	113,994
<b>Equity</b>			
Share capital	25	4,049	3,200
Reserves	26	124,300	109,099
Total equity attributable to owners of the Company		<b>128,349</b>	112,299
Non-controlling interests		<b>6,721</b>	1,695
<b>Total equity</b>		<b>135,070</b>	113,994

The notes on pages 84 to 136 form part of these consolidated financial statements.

Approved and authorised for issue by the board of directors on 23 March 2026.

**Gao Bo**  
Director

**Zhang Yan**  
Director

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Attributable to owners of the Company										Total equity/ (deficit) HKD'000
	Share capital HKD'000	Share premium* HKD'000	Capital reserve* HKD'000	Merger reserve* HKD'000	Statutory reserve* HKD'000	Share-based payment reserve* HKD'000	Foreign exchange reserve* HKD'000	Retained profits/ (accumulated losses)* HKD'000	Total HKD'000	Non-controlling interests HKD'000	
At 1 January 2024	3,200	41,782	17,220	13,800	379	3,310	1,705	49,676	131,072	9,249	140,321
(Loss)/profit for the year	–	–	–	–	–	–	–	(17,065)	(17,065)	18,918	1,853
Other comprehensive loss for the year:											
– Exchange differences on translation of foreign operations	–	–	–	–	–	–	(1,708)	–	(1,708)	(195)	(1,903)
Total comprehensive (loss)/income for the year	–	–	–	–	–	–	(1,708)	(17,065)	(18,773)	18,723	(50)
Appropriation	–	–	–	–	34	–	–	(34)	–	–	–
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	–	(26,277)	(26,277)
At 31 December 2024	3,200	41,782	17,220	13,800	413	3,310	(3)	32,577	112,299	1,695	113,994
At 1 January 2025	3,200	41,782	17,220	13,800	413	3,310	(3)	32,577	112,299	1,695	113,994
(Loss)/profit for the year	–	–	–	–	–	–	–	(64,407)	(64,407)	20,905	(43,502)
Other comprehensive loss for the year:											
– Exchange differences on translation of foreign operations	–	–	–	–	–	–	960	–	960	273	1,233
Total comprehensive (loss)/income for the year	–	–	–	–	–	–	960	(64,407)	(63,447)	21,178	(42,269)
Issuance of shares on rights issue (note 25(b))	849	79,448	–	–	–	–	–	–	80,297	–	80,297
Share issuance expenses on rights issue (note 25(b))	–	(800)	–	–	–	–	–	–	(800)	–	(800)
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	–	(16,152)	(16,152)
At 31 December 2025	4,049	120,430	17,220	13,800	413	3,310	957	(31,830)	128,349	6,721	135,070

\* The aggregate balances of the reserve amounts of approximately HKD124,300,000 and approximately HKD109,099,000 are included as reserves as at 31 December 2025 and 2024 respectively in the consolidated statement of financial position.

The notes on pages 84 to 136 form part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Notes	2025 HKD'000	2024 HKD'000
<b>Cash flows from operating activities</b>			
(Loss)/profit before income tax		(21,087)	19,026
Adjustments for:			
Amortisation of intangible assets		6,811	—
Depreciation of property, plant and equipment		1,851	1,933
Depreciation of right-of-use assets		1,896	1,177
Gain on modification of lease		(10)	(16)
Gain on disposal of property, plant and equipment		(111)	—
Loss on termination of lease		15	—
Impairment loss on property, plant and equipment		655	—
Impairment loss on intangible assets		17,707	—
Impairment of right-of-use assets		189	—
Interest income		(49)	(102)
Interest expenses on lease liabilities		150	101
Changes in fair values of financial assets at fair value through profit or loss		8,037	891
Exchange difference		(660)	287
Operating profit before working capital changes		15,394	23,297
Decrease in trade receivables		4,428	2,511
Increase in prepayments, deposits and other receivables		(1,173)	(1,837)
Decrease in other payables and accruals		(704)	(2,316)
(Decrease)/increase in deferred revenue		(340)	311
Cash generated from operating activities		17,605	21,966
Income tax paid		(19,388)	(15,911)
Net cash (used in)/generated from operating activities		(1,783)	6,055
<b>Cash flows from investing activities</b>			
Interest received		49	102
Additions of intangible assets		—	(8,788)
Proceed from disposal of property, plant and equipment		510	—
Purchases of property, plant and equipment		(1,288)	(457)
Net cash used in investing activities		(729)	(9,143)
<b>Cash flows from financing activities</b>			
Dividends paid to non-controlling interests of a subsidiary		(16,152)	(26,277)
Proceeds from issuance of rights shares, net of transaction cost		79,497	—
Repayments of principal portion of lease liabilities	17	(1,615)	(1,233)
Repayment of interest portion of lease liabilities	17	(150)	(101)
Net cash generated from/(used in) financing activities		61,580	(27,611)
<b>Net increase/(decrease) in cash and cash equivalents</b>		59,068	(30,699)
<b>Cash and cash equivalents at beginning of the year</b>		53,644	85,492
<b>Effect of foreign exchange rate changes</b>		212	(1,149)
<b>Cash and cash equivalents at end of the year</b>		112,924	53,644
<b>Analysis of cash and cash equivalents</b>			
Cash at banks and on hand	21	62,924	53,644
Short-term bank deposits with original maturity of less than three months	21	50,000	—
		112,924	53,644

The notes on pages 84 to 136 form part of these consolidated financial statements.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

## 1. GENERAL INFORMATION

Fire Rock Holdings Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability on 3 November 2014. The address of its registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. Its principal place of business is located 70 Anson Road, #15-02, Hub Synergy Point, Singapore 079905.

The Company is an investment holding company. The Company and its subsidiaries (collectively the “Group”) are principally engaged in the development of browser, mobile games (including game design, programming and graphics) and computer software related to game operation, on the basis of which licensing self-developed browser and mobile games to licensed operators around the world (“Game Development”), assist the third parties in promoting game-related business and provide intellectual property rights licensing services to enterprises (“Game Publishing”). The Group also self-operates self-developed game products in overseas markets.

The consolidated financial statements for the year ended 31 December 2025 were approved and authorised for issue by the board of directors on 23 March 2026.

## 2. ADOPTION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

### *(a) Adoption of amendments to HKFRS Accounting Standards — effective 1 January 2025*

The Group has adopted the following amendments to HKFRS Accounting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), for the first time for the current year’s consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial position and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

## 2. ADOPTION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (Continued)

### (b) *New and amendments to HKFRSs that have been issued but are not yet effective*

The Group has not applied the following new and amendments to HKFRSs, that have been issued but are not yet effective, in these consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>1</sup>
Annual Improvements to HKFRS Accounting — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 <sup>1</sup>
HKFRS 18 and consequential amendments to other HKFRSs	Presentation and Disclosure in Financial Statements <sup>2</sup>
HKFRS 19 and subsequent amendments	Subsidiaries without Public Accountability: Disclosures <sup>2</sup>
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>

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

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined

The Group is currently assessing the impact of HKFRS 18 which will affect the presentation of the consolidated statement of profit or loss and other comprehensive income and disclosures in the future consolidated financial statements.

The directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future. The Group will further assess whether application of the amendments will have an impact on the classification of the Group's consolidated financial statements in the future. The impacts on application, if material, will be disclosed in the Group's consolidated financial statements.

## 3. BASIS OF PREPARATION

### (a) *Statement of compliance*

The consolidated financial statements have been prepared in accordance with HKFRSs, accounting principles, generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

### (b) *Basis of measurement*

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the material accounting policy information set out in Note 4.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 3. BASIS OF PREPARATION (Continued)

#### *(b) Basis of measurement (Continued)*


Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

### 4. MATERIAL ACCOUNTING POLICY INFORMATION

#### *(a) Basis of consolidation*



The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

#### *(b) Subsidiaries and non-controlling interests*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

#### **4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)**

##### ***(b) Subsidiaries and non-controlling interests (Continued)***

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses.

##### ***(c) Property, plant and equipment***

Property, plant and equipment for own use are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of an item of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as an expense in profit or loss during the financial period in which they are incurred.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

#### (c) Property, plant and equipment (Continued)

Property, plant and equipment are depreciated so as to write off their cost net of expected residual value over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The useful lives are as follows:

Office equipment	1 to 5 years
Furniture and fixtures	5 years
Leasehold improvement	Over the lease term
Motor vehicles	5 years

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount (Note 4(l)).

The gain or loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

#### (d) Intangible assets

Costs associated with research activities are expensed in profit or loss as incurred. Costs that are directly attributable to development activities (relating to the design and testing of new or improved products controlled by the Group) are recognised as intangible assets provided that they meet the following recognition requirements:

- (1) demonstration of technical feasibility of completing the prospective product for internal use or sale;
- (2) there is intention to complete the intangible asset and use or sell it;
- (3) the Group's ability to use or sell the intangible asset is demonstrated;
- (4) how the intangible asset will generate future economic benefits through internal use or sale;
- (5) sufficient technical, financial and other resources are available for completion and to use or sell the intangible asset; and
- (6) the expenditure attributable to the intangible asset during its development can be reliably measured.

Development expenditure not satisfying the above criteria and expenditure on the research phase of the projects are recognised in profit or loss as incurred.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, if any, and is generally recognised in profit or loss.

The estimated useful lives for the current and comparative periods are as follows:

- |                                 |         |
|---------------------------------|---------|
| — Capitalised development costs | 3 years |
|---------------------------------|---------|

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

## 4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### (e) Leasing

All leases are required to be capitalised in the statement of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for which at the commencement date have a lease term of 12 months or less. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

#### (i) Right-of-use asset

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease. The Group measures the right-of-use assets applying a cost model. Under cost model, the right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

#### (ii) Lease liability

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

#### (f) *Financial instruments*

##### (i) **Financial assets**

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

##### *Amortised cost*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

##### *Fair value through profit or loss*

Financial assets that do not meet the criteria for being measured at amortised cost or fair value through other comprehensive income or designated as fair value through other comprehensive income are measured at fair value through profit or loss.

Financial assets at fair value through profit or loss are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the “changes in fair value of financial assets at fair value through profit or loss” line item. Dividend income and interest income are included in other income, unless the dividends and/or interests clearly represent a recovery of part of the cost of the investment.

##### (ii) **Impairment loss on financial assets**

The Group has elected to measure loss allowances for trade receivables using the simplified approach in HKFRS 9 “Financial Instruments” (“HKFRS 9”) and has calculated expected credit losses (“ECLs”) based on lifetime ECLs. The Group has established a provision matrix that is based on the Group’s historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

## 4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### (f) *Financial instruments (Continued)*

#### (ii) **Impairment loss on financial assets (Continued)**

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be credit-impaired or a default event occur when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

The gross carrying amount of a financial asset is written off to the extent that there is no reasonable expectation of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

#### (iii) **Financial liabilities**

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

##### **Financial liabilities at amortised cost**

Financial liabilities at amortised cost including other payables and accruals and lease liabilities are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

#### (f) *Financial instruments (Continued)*

##### (iv) **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

##### (v) **Equity instruments**

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

##### (vi) **Derecognition**

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

#### (g) *Revenue recognition*

The Group is principally engaged in the development and operation of self-developed browser and mobile games and provision of software licensing services.

##### **Game operation and publishing income**

The Group operates self-developed mobile games under free-to-play model. Game players can purchase game credits which are virtual currency for acquisition of in-game virtual items for better in-game experience. The Group sells prepaid game credits through cooperation with various third party game distribution platforms and payment channels. These game distribution platforms, include major online application stores such as Google Play, and payment channels are entitled to services fees which are withheld and deducted from the gross proceeds collected from players, with the net amounts remitted to the Group. These service fee are commonly referred to as channel costs. The Group recognises revenue on a gross basis given it is the principal in these transactions, and records the channel cost under costs of revenue in the consolidated statement of profit or loss.

#### 4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

##### *(g) Revenue recognition (Continued)*

##### **Game operation and publishing income (Continued)**

The Group has evaluated the respective roles and responsibilities of the Group, third-party distribution platforms and third-party payment channels in the delivery of game experiences to the paying players (“Paying Players”) in determining if the Group is acting as principal or as an agent in the arrangement. The Group is responsible for the hosting the self-developed games, providing customers’ services to game players, determining the selling price of the in-game token, selection of distribution and payment channels and preventing, detecting and resolving cheating and hacking activities. The Group has evaluated and determined that it is the primary obligor in the rendering services to game players. Accordingly, the Group considers that the Paying Players as their customers and the game operation income reported in the consolidated financial statements are on gross basis. Service charges by third-party distribution platforms and third-party payment channels are recorded as direct costs. Third-party distribution platforms and third-party payment channels collect the payment from the Paying Players and remit the cash net of commission charges which are pre-determined according to the relevant terms entered into between the Group and the third-party distribution platforms or third-party payment channels.

Upon the sales of game credits or in-game virtual items, the Group typically has an implied obligation to provide the services which enable the game credits or in-game virtual items to be displayed, used or converted into other in-game virtual currencies/items in the games. As a result, the proceeds received from sales of game credits or in-game virtual items are initially recorded as deferred revenue, which was accounted for as contract liabilities. The attributable portion of the deferred revenue relating to values of the game credits consumed and in-game virtual items converted are recognised as revenue upon the consumption of game credits and virtual items by Paying Players.

##### *(h) Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand and deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amount of cash and are subject to an insignificant risks of change in value.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

#### (i) *Income taxes*

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of the reporting period.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they related to items recognised directly in equity in which case the taxes are also recognised directly in equity.

#### (j) *Foreign currency*

Transactions entered into by group entities in currencies other than the currency of the primary economic environment in which they operate (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Company and certain subsidiaries are translated into the presentation currency of the Group (i.e. HKD) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as foreign exchange reserve.

## 4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### *(k) Employee benefits*

#### **(i) Retirement benefit costs**

The employees of the Group's subsidiary which operates in the PRC are required to participate in a central pension scheme operated by the local municipal government. This subsidiary is required to contribute certain percentage of employees' salaries to the central pension scheme.

Contributions are recognised as an expense in profit or loss when the services are rendered by the employees. The Group's obligations under these plans are limited to the fixed percentage contributions payable.

#### **(ii) Short-term employee benefits**

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period. Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

### *(l) Impairment of other assets*

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, intangible assets and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased.

If the recoverable amount (i.e. the greater of the fair value less costs of disposal and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

#### *(m) Related parties*

- (a) A person or a close member of that person's family is related to the Group if that person:
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions apply:
  - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of the group of which it is a part, provides key management personnel services to the Group or the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

## 5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In addition to information disclosed elsewhere in this consolidated financial statements, other key sources of estimation uncertainty that have significant risks of resulting a material adjustment to the carrying amounts of assets and liabilities within next financial year are as follows:

### *(i) Estimated useful lives of property, plant and equipment*

The Group's management determines the useful lives and the related depreciation charges for its property, plant and equipment. The estimates are based on the historical experience of the actual useful lives of those assets of similar nature and functions. Management will increase the depreciation charges where useful lives are subsequently assessed to be less than previously estimated lives. It will write off or write down the technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from the estimated useful lives. Periodic review could result in a change in depreciable or amortisable lives and therefore affect the depreciation or amortisation charges in future periods.

### *(ii) Impairment of intangible assets*

Intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts have been determined based on the higher of value in use and fair value less costs of disposal. These calculations require the use of judgements and estimates.

Management judgement is required in the area of asset impairment particularly in assessing: (a) whether an event has occurred that may indicate that the related asset values may not be recoverable; (b) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs of disposal and net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (c) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's financial condition and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to profit or loss.

At 31 December 2025, the carrying amounts of intangible assets subject to impairment assessment was Nil (2024: HKD23,538,000), net of impairment loss of HKD17,707,000 (2024: Nil) in respect of intangible assets that have been recognised.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### *(iii) Impairment of property, plant and equipment and right-of-use assets*

The Group assesses whether there are any indicators of impairment for property, plant and equipment and right-of-use assets at the end of each reporting period. The property, plant and equipment and right-of-use assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposal of the asset. When value in use calculation is undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

At 31 December 2025, the carrying amounts of property, plant and equipment and right-of-use assets subject to impairment assessment were HKD2,074,000 and HKD2,904,000 (2024: HKD3,549,000 and HKD2,022,000) respectively, net of impairment losses of HKD655,000 and HKD189,000 (2024: Nil and Nil) in respect of property, plant and equipment and right-of-use assets that have been recognised respectively.

#### *(iv) Income taxes*

The Group is subject to income taxes in Singapore and Thailand. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the current tax liabilities in the period in which such determination is made.

#### *(v) Leases — Estimating the incremental borrowing rate*

The Group cannot readily determine the interest rate implication of a lease, and therefore, it uses an incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available or when it needs to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiaries' stand-alone credit rating).

## 5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

### (vi) Fair value measurement of financial instruments

At 31 December 2025, the Group's financial assets at fair value through profit or loss amounting to approximately HKD9,053,000 (2024: HKD14,493,000) are measured at fair value determined based on significant unobservable inputs using valuation techniques. Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could result in material adjustments to the fair value of these instruments. See note 18 for further disclosures.

## 6. SEGMENT INFORMATION

### (a) Reportable segments

The Group determines its operating segments based on the reports reviewed by the chief operating decision makers that are used to make strategic decisions.

For the years ended 31 December 2025 and 2024, the Group has two reportable segments. These segments are managed separately as each business offers different products and services which require different business strategies. The following summary describes the operations in each of the Group's reportable segments:

- Game and software development and publishing
- Game operation and publishing — Mobile game operation and/or publishing for earning game operation income

	2025 HKD'000	2024 HKD'000
<b>Revenue from customers:</b>		
Game and software development and publishing	—	19
Game operation and publishing	<b>146,204</b>	140,572
	<b>146,204</b>	140,591

Certain corporate expenses, mainly including director fees and professional fees, and interest income, are not allocated to the operating segments as they are not included in the measurement of the segment's (loss)/profit that is used by the chief operating decision-makers for assessment of segment performance.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

## 6. SEGMENT INFORMATION (Continued)

### (a) Reportable segments (Continued)

Information regarding the Group's reportable segments for the years ended 31 December 2025 and 2024 is set out below.

	For the year ended 31 December 2025		
	Game and software development and publishing HKD'000	Game operation and publishing HKD'000	Total HKD'000
Revenue from external customers	—	146,204	146,204
Reportable segment (loss)/profit	(78,195)	77,347	(848)
Interest income	14	32	46
Government grants	28	—	28
Finance costs	(93)	(57)	(150)
Depreciation and amortisation	(9,482)	(1,076)	(10,558)
Income tax expense	(6,214)	(16,201)	(22,415)
Impairment loss on property, plant and equipment	(655)	—	(655)
Impairment loss on intangible assets	(17,707)	—	(17,707)
Impairment loss on right-of-use assets	(189)	—	(189)
Reportable segment assets	23,324	33,997	57,321
Reportable segment liabilities	6,266	14,405	20,671
Additions to non-current assets <sup>#</sup>	3,401	1,150	4,551

	For the year ended 31 December 2024		
	Game and software development and publishing HKD'000	Game operation and publishing HKD'000	Total HKD'000
Revenue from external customers	19	140,572	140,591
Reportable segment (loss)/profit	(35,232)	69,791	34,559
Interest income	17	81	98
Government grants	172	—	172
Finance costs	(69)	(32)	(101)
Depreciation and amortisation	(2,532)	(578)	(3,110)
Income tax expense	(3,612)	(13,561)	(17,173)
Reportable segment assets	84,076	20,430	104,506
Reportable segment liabilities	3,559	15,083	18,642
Additions to non-current assets <sup>#</sup>	9,850	656	10,506

<sup>#</sup> Additions to non-current assets during the year include all non-current assets other than financial instruments and deferred tax assets.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 6. SEGMENT INFORMATION (Continued)

#### (a) Reportable segments (Continued)

Reconciliation of reportable segment revenue, profit or loss, assets and liabilities

	2025 HKD'000	2024 HKD'000
<i>(Loss)/profit before income tax</i>		
Reportable segment (loss)/profit	(848)	34,559
Unallocated interest income	3	4
Unallocated corporate expenses	(20,242)	(15,537)
Consolidated (loss)/profit before income tax	(21,087)	19,026
<i>Assets</i>		
Reportable segment assets	57,321	104,506
Unallocated corporate assets	100,610	30,170
Consolidated total assets	157,931	134,676
<i>Liabilities</i>		
Reportable segment liabilities	20,671	18,642
Unallocated corporate liabilities	2,190	2,040
Consolidated total liabilities	22,861	20,682

#### (b) Disaggregation of revenue from customers by geographic market and timing of revenue

In the following table, revenue is disaggregated by primary geographical market and the timing of revenue recognition.

	2025 HKD'000	2024 HKD'000
<b>Primary geographical markets*</b>		
Asia Pacific	146,204	140,591

\* Based on the location of game operation.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 6. SEGMENT INFORMATION (Continued)

*(b) Disaggregation of revenue from customers by geographic market and timing of revenue (Continued)*

	2025 HKD'000	2024 HKD'000
<b>Timing of revenue recognition</b>		
At a point in time	146,204	140,591

The Group's non-current assets (other than financial instruments and deferred tax assets) by geographical location of the assets are detailed below:

	2025 HKD'000	2024 HKD'000
<b>Non-current assets</b>		
Thailand	1,047	1,745
People's Republic of China (the "PRC")	3,860	962
Hong Kong	5	535
Singapore	—	25,867
Indonesia	66	—
	<b>4,978</b>	<b>29,109</b>

*(c) Information about major customers*

There was no revenue from customers individually contributing over 10% to the total revenue of the Group for the years ended 31 December 2025 and 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

## 7. REVENUE AND OTHER INCOME

	2025 HKD'000	2024 HKD'000
<b>Revenue</b>		
Game and software development and publishing	—	19
Game operation and publishing	146,204	140,572
	<b>146,204</b>	140,591
<b>Other income</b>		
Government grants	28	172
Interest income	49	102
Exchange gain, net	660	—
Gain on modification of lease	10	16
Others	160	31
	<b>907</b>	321

## 8. FINANCE COSTS

	2025 HKD'000	2024 HKD'000
Interest expenses on lease liabilities	150	101

## 9. (LOSS)/PROFIT BEFORE INCOME TAX

(Loss)/profit before income tax is arrived at after charging/(crediting):

	2025 HKD'000	2024 HKD'000
Auditors' remuneration:		
— Audit service	1,658	1,916
— Non-audit service	100	—
	<b>1,758</b>	1,916
Amortisation of intangible assets*	6,811	—
Depreciation of property, plant and equipment**	1,851	1,933
Depreciation of right-of-use assets**	1,896	1,177
Impairment loss on property, plant and equipment	655	—
Impairment loss on right-of-use assets	189	—
Impairment loss on intangible assets	17,707	—
Short-term leases expenses	1,647	408
Legal and professional fees	7,594	8,706
Exchange (gain)/loss, net	(660)	284

\* Included in direct costs in the consolidated statement of profit or loss and other comprehensive income.

\*\* Included in research costs, distribution costs, and administrative expenses in the consolidated statement of profit or loss and other comprehensive income.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 10. INCOME TAX EXPENSE

	2025 HKD'000	2024 HKD'000
Current year — PRC Enterprise Income Tax (“EIT”)		
— Tax for the year	—	114
Current year — Thailand Corporate Income Tax (“CIT”)		
— Tax for the year	<b>16,201</b>	14,129
— Over-provision in respect of prior years	—	(682)
— Withholding tax on dividends	<b>3,052</b>	5,117
	<b>19,253</b>	18,678
Deferred tax charge/(credit) (note 24)	<b>3,162</b>	(1,505)
	<b>22,415</b>	17,173

Firerock Co., Ltd. (“Firerock”) is a subsidiary incorporated in Thailand and its assessable profits are taxed at 20% for the years ended 31 December 2025 and 2024.

Provision for the EIT in the PRC for the year ended 31 December 2024 was calculated at the statutory tax rate of 25% of the estimated assessable profits derived in or arising in the PRC, in accordance with the relevant income tax law of the PRC.

No Hong Kong Profits Tax, Singapore Corporate Income Tax, Indonesia Corporate Income Tax and EIT in the PRC were provided in the consolidated financial statements for the year ended 31 December 2025, as the Group has no estimated assessable profits derived from or arising in the relevant jurisdictions during the year.

No Hong Kong Profits Tax and Singapore Corporate Income Tax were provided in the consolidated financial statements for the year ended 31 December 2024, as the Group has no estimated assessable profits derived from or arising in the relevant jurisdictions during the year.

Pursuant to the PRC EIT Law, 10% withholding tax (unless reduced by tax treaties/arrangements) is levied on dividends declared to foreign investors from the foreign investment enterprise established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007.

Under the PRC EIT Law and Implementation Regulations of the PRC EIT Law, Chun-Pu Technology (Shenzhen) Company Limited, a subsidiary in the PRC, is allowed for 100% additional tax deduction for certain qualified research costs.

Pursuant to the Thai Revenue Code, 10% withholding tax is levied on dividends declared to the shareholders of the subsidiaries in Thailand.

The Company and the subsidiaries incorporated in the Cayman Islands and the British Virgin Islands are not subject to income taxes.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 10. INCOME TAX EXPENSE (Continued)

The income tax expense for the year can be reconciled to the profit before income tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2025 HKD'000	2024 HKD'000
(Loss)/profit before income tax	<b>(21,087)</b>	19,026
Tax on (loss)/profit before income tax, calculated at the applicable tax rates	<b>(2,559)</b>	4,632
Tax effect of non-deductible expenses for tax purpose	<b>8,595</b>	2,628
Tax effect of non-taxable income for tax purpose	<b>(28)</b>	(31)
Tax effect attributable to the additional qualified tax deduction relating to research cost	<b>(2,427)</b>	(1,142)
Tax effect of unrecognised temporary differences	<b>84</b>	10
Tax effect of reversal of previously recognised temporary differences	<b>2,195</b>	—
Tax effect of tax losses not recognised	<b>12,536</b>	8,079
Withholding tax on dividends	<b>4,019</b>	3,679
Over-provision in respect of prior years	<b>—</b>	(682)
Income tax expense	<b>22,415</b>	17,173

### 11. DIVIDENDS

The Board does not recommend the payment of any final dividend for the years ended 31 December 2025 and 2024.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 12. LOSS PER SHARE

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

	2025 HKD'000	2024 HKD'000
<b>Loss</b>		
Loss attributable to owners of the Company for the purpose of basic loss per share	<b>(64,407)</b>	(17,065)
<b>Number of shares</b>		(Restated)
Weighted average number of ordinary shares for the purpose of basic loss per share	<b>196,779,438</b>	195,482,492

Notes:

- (a) The weighted average number of ordinary shares for the years ended 31 December 2025 and 2024 has been adjusted for the effect of share consolidation, and issuance of shares on rights issue completed on 29 December 2025 (Note 25).
- (b) Diluted loss per share are same as the basic loss per share as there are no dilutive potential ordinary shares in existence during the years ended 31 December 2025 and 2024.

### 13. STAFF COSTS

	2025 HKD'000	2024 HKD'000
Staff costs (including directors' emoluments ( <i>note 14(a)</i> )) comprise:		
Salaries, allowances and benefits in kind	<b>47,231</b>	27,617
Contributions to defined retirement pension scheme	<b>6,714</b>	3,510
	<b>53,945</b>	31,127

Staff costs are included in:

	2025 HKD'000	2024 HKD'000
Direct costs	<b>17,913</b>	2,062
Research costs	<b>13,856</b>	4,569
Distribution costs	<b>4,586</b>	2,954
Administrative expenses	<b>17,590</b>	21,542
	<b>53,945</b>	31,127

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 14. DIRECTORS' EMOLUMENTS AND HIGHEST PAID INDIVIDUALS

#### (a) Directors' emoluments

The emoluments of the directors are set out below:

#### Year ended 31 December 2025

	Fees HKD'000	Salaries, allowances and benefits in kind HKD'000	Contributions to defined retirement pension scheme HKD'000	Discretionary bonus HKD'000	Total HKD'000
<i>Executive directors</i>					
Mr. Zhang Yan (appointed on 31 December 2025)	—	—	—	—	—
Mr. Zhou Zhiwei (resigned on 31 December 2025)	—	817	103	72	992
Mr. Koa Jun Wei Victor (appointed on 1 March 2025)	—	757	75	—	832
Mr. Gao Bo	—	845	106	72	1,023
Ms. Wong Yan	360	—	—	—	360
<i>Independent Non-executive directors</i>					
Mr. Tam Chik Ngai Ambrose	180	—	—	—	180
Ms. Chow Woon San Shirley	180	—	—	—	180
Mr. Lok Tze Bong (resigned on 5 September 2025)	120	—	—	—	120
Ms. Chiang Wing Yan (appointed on 1 August 2025)	75	—	—	—	75
<b>Total</b>	<b>915</b>	<b>2,419</b>	<b>284</b>	<b>144</b>	<b>3,762</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 14. DIRECTORS' EMOLUMENTS AND HIGHEST PAID INDIVIDUALS (Continued)

#### (a) Directors' emoluments (Continued)

Year ended 31 December 2024

	Fees HKD'000	Salaries, allowances and benefits in kind HKD'000	Contributions to defined retirement pension scheme HKD'000	Discretionary bonus HKD'000	Total HKD'000
<i>Executive directors</i>					
Mr. Zhou Zhiwei	—	1,095	93	70	1,258
Mr. Gao Bo	—	870	81	—	951
Ms. Wong Yan	360	—	—	—	360
<i>Independent Non-executive directors</i>					
Mr. Tam Chik Ngai Ambrose	180	—	—	—	180
Ms. Chow Woon San Shirley	180	—	—	—	180
Mr. Lok Tze Bong	180	—	—	—	180
<b>Total</b>	<b>900</b>	<b>1,965</b>	<b>174</b>	<b>70</b>	<b>3,109</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 14. DIRECTORS' EMOLUMENTS AND HIGHEST PAID INDIVIDUALS (Continued)

#### (b) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, two (2024: two) are the directors of the Company whose emoluments are included in the analysis presented above. The emoluments of the remaining three (2024: three) highest paid individuals during the years ended 31 December 2025 and 2024 are as follows:

	2025 <i>HKD'000</i>	2024 <i>HKD'000</i>
Salaries, allowances and benefits in kind	2,555	2,586
Discretionary bonus	192	58
Contributions to defined contribution retirement plans	127	124
	<b>2,874</b>	2,768

Their emoluments fell within the following bands:

	2025 <i>No. of individuals</i>	2024 <i>No. of individuals</i>
Nil–HKD1,000,000	2	2
HKD1,000,001–HKD1,500,000	1	1

During the years ended 31 December 2025 and 2024, no emoluments were paid by the Group to the directors or highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. In addition, no directors waived or agreed to waive any emoluments during the year ended 31 December 2025.

#### (c) Senior management

Emoluments paid or payable to members of senior management who are not directors were within the following bands:

	2025 <i>No. of individuals</i>	2024 <i>No. of individuals</i>
Nil–HKD1,000,000	1	—

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 15. PROPERTY, PLANT AND EQUIPMENT

	Office equipment <i>HKD'000</i>	Furniture and fixtures <i>HKD'000</i>	Leasehold improvement <i>HKD'000</i>	Motor vehicles <i>HKD'000</i>	Total <i>HKD'000</i>
<b>Cost</b>					
At 1 January 2024	1,779	705	2,536	2,543	7,563
Additions	309	86	62	—	457
Disposals	(30)	—	—	—	(30)
Exchange alignment	(14)	(2)	(60)	8	(68)
At 31 December 2024 and 1 January 2025	<b>2,044</b>	<b>789</b>	<b>2,538</b>	<b>2,551</b>	<b>7,922</b>
Additions	<b>1,189</b>	<b>81</b>	<b>18</b>	<b>—</b>	<b>1,288</b>
Disposals	<b>(10)</b>	<b>—</b>	<b>—</b>	<b>(1,736)</b>	<b>(1,746)</b>
Exchange alignment	<b>124</b>	<b>42</b>	<b>137</b>	<b>56</b>	<b>359</b>
At 31 December 2025	<b>3,347</b>	<b>912</b>	<b>2,693</b>	<b>871</b>	<b>7,823</b>
<b>Accumulated depreciation</b>					
At 1 January 2024	687	312	365	1,122	2,486
Charge for the year	491	156	799	487	1,933
Written back on disposals	(30)	—	—	—	(30)
Exchange alignment	(6)	—	(18)	8	(16)
At 31 December 2024 and 1 January 2025	<b>1,142</b>	<b>468</b>	<b>1,146</b>	<b>1,617</b>	<b>4,373</b>
Charge for the year	<b>637</b>	<b>150</b>	<b>758</b>	<b>306</b>	<b>1,851</b>
Written back on disposals	<b>—</b>	<b>—</b>	<b>—</b>	<b>(1,347)</b>	<b>(1,347)</b>
Exchange alignment	<b>75</b>	<b>29</b>	<b>72</b>	<b>35</b>	<b>211</b>
At 31 December 2025	<b>1,854</b>	<b>647</b>	<b>1,976</b>	<b>611</b>	<b>5,088</b>
<b>Accumulated impairment</b>					
At 1 January 2024, 31 December 2024 and 1 January 2025	—	—	—	—	—
Impairment loss for the year	96	—	559	—	655
Exchange alignment	1	—	5	—	6
At 31 December 2025	<b>97</b>	<b>—</b>	<b>564</b>	<b>—</b>	<b>661</b>
<b>Net carrying value</b>					
At 31 December 2025	<b>1,396</b>	<b>265</b>	<b>153</b>	<b>260</b>	<b>2,074</b>
At 31 December 2024	902	321	1,392	934	3,549

## 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

As the Group incurred net loss in the cash generating unit of one of the mobile game, (“CGU”) during the year ended 31 December 2025, the management of the Group concluded there was indication for impairment and conducted impairment assessment on recoverable amounts of certain property, plant and equipment, intangible assets and right-of-use assets with carrying value before impairment of HKD661,000, HKD17,878,000 and HKD190,000 respectively, after taking into account the impairment losses of HKD655,000, HKD17,707,000 and HKD189,000 respectively.

The estimation of recoverable amount as at 31 December 2025 was based on the value in use of CGU to which development costs and certain non-current assets (the “Identified Assets”) belong to. The value in use calculations use cash flow projections based on financial budgets approved by the management of the Group covering the expected lifecycle of such game operation and a pre-tax discount rate of 12.80% (2024: 10.03%).

The financial budget is based on historical performance and expected growth rate for developments and operations of CGU.

As at 31 December 2024, the recoverable amount is assessed to be above the carrying value of the Identified Assets. Management of the Group believes that any reasonably possible change in any of these assumptions would not result in material impairment.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 16. INTANGIBLE ASSETS

	Game and software intellectual properties HKD'000	Development costs HKD'000	Total HKD'000
<b>Cost</b>			
At 1 January 2024	—	15,350	15,350
Additions	—	8,788	8,788
Exchange alignment	—	(600)	(600)
At 31 December 2024 and 1 January 2025	—	<b>23,538</b>	<b>23,538</b>
Transfer from development costs	<b>24,518</b>	<b>(24,518)</b>	—
Exchange alignment	<b>237</b>	<b>980</b>	<b>1,217</b>
At 31 December 2025	<b>24,755</b>	—	<b>24,755</b>
<b>Accumulated amortisation</b>			
At 1 January 2024, 31 December 2024 and 1 January 2025	—	—	—
Charge for the year	6,811	—	6,811
Exchange alignment	66	—	66
At 31 December 2025	<b>6,877</b>	—	<b>6,877</b>
<b>Accumulated impairment</b>			
At 1 January 2024, 31 December 2024 and 1 January 2025	—	—	—
Impairment loss for the year	17,707	—	17,707
Exchange alignment	171	—	171
At 31 December 2025	<b>17,878</b>	—	<b>17,878</b>
<b>Net carrying value</b>			
At 31 December 2025	—	—	—
At 31 December 2024	—	23,538	23,538

Intangible assets represent the development costs incurred and capitalised for developing a new mobile game.

As the Group incurred net loss in CGU during the year ended 31 December 2025, the management of the Group concluded there was indication for impairment and conducted impairment assessment on recoverable amounts of certain property, plant and equipment, intangible assets and right-of-use assets with carrying value before impairment of HKD661,000, HKD17,878,000 and HKD190,000 respectively, after taking into account the impairment losses of HKD655,000, HKD17,707,000 and HKD189,000 respectively.

The estimation of recoverable amount as at 31 December 2025 was based on the value in use of the CGU to which the Identified Assets belong to. The value in use calculations use cash flow projections based on financial budgets approved by the management of the Group covering the expected lifecycle of such game operation and a pre-tax discount rate of 12.80% (2024 : 10.03%).

The financial budget is based on historical performance and expected growth rate for developments and operations of CGU.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 16. INTANGIBLE ASSETS (Continued)

As at 31 December 2024, the recoverable amount is assessed to be above the carrying amount of the Identified Assets. Management of the Group believes that any reasonably possible change in any of these assumptions would not result in material impairment.

### 17. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group leases a number of office premises in the jurisdictions from which it operates, including the PRC, Thailand and Singapore (2024: the PRC, Thailand and Singapore). The leases of buildings comprise only fixed payments over the lease terms.

#### *Right-of-use assets*

	<i>HKD'000</i>
<b>Cost</b>	
At 1 January 2024	5,148
Additions of new leases	1,261
Modification of lease	790
Termination of leases	(2,055)
Exchange alignment	(63)
At 31 December 2024 and 1 January 2025	<b>5,081</b>
Additions of new leases	<b>3,263</b>
Modification of lease	<b>(181)</b>
Termination of leases	<b>(958)</b>
Exchange alignment	<b>231</b>
At 31 December 2025	<b>7,436</b>
<b>Accumulated depreciation</b>	
At 1 January 2024	3,976
Charge for the year	1,177
Termination of leases	(2,055)
Exchange alignment	(39)
At 31 December 2024 and 1 January 2025	<b>3,059</b>
Charge for the year	<b>1,896</b>
Termination of leases	<b>(737)</b>
Exchange alignment	<b>124</b>
At 31 December 2025	<b>4,342</b>
<b>Accumulated impairment</b>	
At 1 January 2024, 31 December 2024 and 1 January 2025	—
Impairment loss for the year	189
Exchange alignment	1
At 31 December 2025	<b>190</b>
<b>Net carrying value</b>	
At 31 December 2025	<b>2,904</b>
At 31 December 2024	2,022

There are no extension or termination options on the Group's leases.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 17. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

#### *Right-of-use assets (Continued)*

As the Group incurred net loss in CGU during the year ended 31 December 2025, the management of the Group concluded there was indication for impairment and conducted impairment assessment on recoverable amounts of certain property, plant and equipment, intangible assets and right-of-use assets with carrying value before impairment of HKD661,000, HKD17,878,000 and HKD190,000 respectively, after taking into account the impairment losses of HKD655,000, HKD17,707,000 and HKD189,000 respectively.

The estimation of recoverable amount as at 31 December 2025 was based on the value in use of CGU to which Identified Assets belong to. The value in use calculations use cash flow projections based on financial budgets approved by the management of the Group covering the expected lifecycle of such game operation and a pre-tax discount rate of 12.80% (2024: 10.03%).

The financial budget is based on historical performance and expected growth rate for developments and operations of CGU.

As at 31 December 2024, the recoverable amount is assessed to be above the carrying amount of the Identified Assets. Management of the Group believes that any reasonably possible change in any of these assumptions would not result in material impairment.

#### *Lease liabilities*

	31 December 2025		31 December 2024	
	Present Value of minimum lease payment HKD'000	Total minimum lease payment HKD'000	Present Value of minimum lease payment HKD'000	Total minimum lease payment HKD'000
<b>Maturity analysis:</b>				
Within 1 year	1,622	1,744	1,372	1,456
After 1 year but within 2 years	1,023	1,083	526	544
After 2 years but within 5 years	710	722	96	99
	<b>3,355</b>	<b>3,549</b>	1,994	2,099
Less: Interest		(194)		(105)
		<b>3,355</b>		1,994
<b>Analysed as:</b>				
Non-current		1,733		622
Current		1,622		1,372
		<b>3,355</b>		1,994

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 17. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

#### Lease liabilities (Continued)

Reconciliation of liabilities arising from financing activities:

	2025 HKD'000	2024 HKD'000
At 1 January	1,994	1,215
Modification of lease	(191)	774
Termination of lease	(206)	—
Changes from cash flows:		
Payment of principal element of lease liabilities	(1,615)	(1,233)
Payment of interest element of lease liabilities	(150)	(101)
Other changes:		
Finance costs	150	101
Addition of new leases	3,263	1,261
Exchange alignment	110	(23)
At 31 December	<b>3,355</b>	1,994

### 18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 HKD'000	2024 HKD'000
Non-current assets:		
Equity interest in Summer Mountain Limited and its subsidiaries ("Summer Mountain Group")	9,053	14,493
Equity interest in a private fund	9,533	11,840
	<b>18,586</b>	26,333

Movements of financial assets at fair value through profit or loss are as follows:

	2025 HKD'000	2024 HKD'000
At 1 January	26,333	27,511
Fair value adjustments	(8,037)	(891)
Exchange alignment recognised in profit or loss	290	(287)
At 31 December	<b>18,586</b>	26,333

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 19. DEPOSITS

	2025 HKD'000	2024 HKD'000
Rental deposits	90	138

### 20. TRADE AND OTHER RECEIVABLES

	2025 HKD'000	2024 HKD'000
Trade receivables (Note (a))	14,854	18,218
Other receivables (Note (b)):		
Deposits	989	386
Prepayments	3,421	1,156
Others	2,089	3,585
Total other receivables	6,499	5,127

#### (a) Trade receivables

The Group normally allows a credit period within 30 days to its third-party game distribution platforms and payment channels. Further details on the Group's credit policy and credit risk arising from trade receivables are set out in Note 33(a).

The ageing analysis of trade receivables (net), based on invoice date, as of the end of the reporting period is as follows:

	2025 HKD'000	2024 HKD'000
0-30 days	9,952	10,504
31-60 days	2,278	5,818
61-90 days	1,997	52
91-180 days	159	126
181-365 days	268	218
Over 1 year	200	1,500
	14,854	18,218

No impairment allowance under the expected credit losses approach was provided as the management considered that there has not been a significant change in credit quality based on historical experience and the impairment allowance has no significant financial impact on the Group's trade receivables as at 31 December 2025 and 2024.

The Group does not hold any collateral over these balances.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 20. TRADE AND OTHER RECEIVABLES (Continued)

#### (a) Trade receivables (Continued)

At 31 December 2025, trade receivables of approximately HKD4,796,000 (2024: HKD7,621,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default, and the majority of these balances were settled subsequent to 31 December 2025 and up to the date of this report. The aging analysis of these trade receivables by due dates is as follows:

	2025 HKD'000	2024 HKD'000
Nether past due nor impaired	10,058	10,597
Less than 1 month past due but not impaired	2,657	345
1 to 3 months past due but not impaired	1,939	5,776
3 to 6 months past due but not impaired	—	1,500
Over 1 year past due but not impaired	200	—
	<b>14,854</b>	<b>18,218</b>

#### (b) Other receivables

During the year ended 31 December 2025, certain other receivables of Nil (2024: HKD Nil) was written off as the Group has no realistic prospects of recovering these balances.

### 21. SHORT-TERM BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

	2025 HKD'000	2024 HKD'000
Cash at banks and on hands	62,924	53,644
Short-term bank deposits with original maturity of less than three months	50,000	—
Cash and cash equivalents	<b>112,924</b>	<b>53,644</b>

Cash at banks earns interest at floating rate based on daily bank deposit rates. Short-term bank deposits are less than three months, and earn interest at the respective short-term bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 21. SHORT-TERM BANK DEPOSITS AND CASH AND CASH EQUIVALENTS (Continued)

The cash and cash equivalents were denominated in following currencies at the end of the reporting period is shown as follows:

	2025 <i>HKD'000</i>	2024 <i>HKD'000</i>
HKD	<b>81,565</b>	3,338
United States dollars ("USD")	<b>7,623</b>	43,344
Thai Baht ("THB")	<b>15,473</b>	1,206
Singapore Dollar ("SGD")	<b>1,142</b>	2,796
RMB	<b>5,933</b>	2,960
Indonesian Rupiah ("IDR")	<b>1,188</b>	—
	<b>112,924</b>	53,644

RMB is not freely convertible into foreign currencies. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through the banks that are authorised to conduct foreign exchange business.

### 22. OTHER PAYABLES AND ACCRUALS

	2025 <i>HKD'000</i>	2024 <i>HKD'000</i>
Accruals	<b>7,991</b>	6,194
Other tax payables	<b>2,062</b>	4,129
	<b>10,053</b>	10,323

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 23. DEFERRED REVENUE

	2025 HKD'000	2024 HKD'000
Current	6	334

As at 31 December 2025 and 2024, deferred revenue represented unamortised portion of income received in respect of in-game purchase paid by the Paying Players from the Group's game operation segment. Deferred revenue is classified as contract liability under HKFRS 15 "Revenue from contracts from customers".

As at 31 December 2025, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts amounted to approximately HKD6,000 (2024: HKD334,000). The Group will recognise the expected revenue in future when or as the service is rendered, which is expected to occur over the next 6–12 months.

The following table shows the amount of revenue recognised in the consolidated statement of profit or loss and other comprehensive income for the respective years relating to deferred revenue brought forward:

	2025 HKD'000	2024 HKD'000
<i>Revenue recognised that was included in the deferred revenue balance at the beginning of the year</i>		
Mobile game	334	11

### 24. DEFERRED TAX

	2025 HKD'000	2024 HKD'000
Deferred tax assets	—	2,107
Deferred tax liabilities	(1,208)	(195)
	(1,208)	1,912

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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### 24. DEFERRED TAX (Continued)

Movements of deferred tax (assets)/liabilities are as follows:

	Withholding tax on dividends <i>HKD'000</i>	Right-of-use assets <i>HKD'000</i>	Lease liabilities <i>HKD'000</i>	Accelerated tax allowances <i>HKD'000</i>	Tax losses <i>HKD'000</i>	Total <i>HKD'000</i>
At 1 January 2024	1,674	177	(184)	2,804	(4,901)	(430)
(Credit)/charge for the year	(1,438)	111	(94)	1,238	(1,322)	(1,505)
Exchange alignment	(39)	(2)	2	(102)	164	23
At 31 December 2024 and 1 January 2025	<b>197</b>	<b>286</b>	<b>(276)</b>	<b>3,940</b>	<b>(6,059)</b>	<b>(1,912)</b>
(Credit)/charge for the year	<b>967</b>	<b>474</b>	<b>(484)</b>	<b>(4,106)</b>	<b>6,311</b>	<b>3,162</b>
Exchange alignment	<b>44</b>	<b>20</b>	<b>(20)</b>	<b>166</b>	<b>(252)</b>	<b>(42)</b>
At 31 December 2025	<b>1,208</b>	<b>780</b>	<b>(780)</b>	<b>–</b>	<b>–</b>	<b>1,208</b>

As at 31 December 2025, the Group had the following unrecognised deductible temporary differences:

Nature of temporary difference	Jurisdiction	2025 <i>HKD'000</i>	2024 <i>HKD'000</i>
Decelerated tax allowances	Hong Kong	<b>(289)</b>	(210)
Unutilised tax losses	Hong Kong	<b>(18,939)</b>	(18,939)
Unutilised tax losses	PRC	<b>(83,563)</b>	(54,132)
Unutilised tax losses	Singapore	<b>(68,340)</b>	(43,330)
		<b>(170,842)</b>	(116,401)
		<b>(171,131)</b>	(116,611)

Unutilised tax losses arising from Hong Kong and Singapore are available for offsetting against future taxable income indefinitely.

Unutilised tax losses arising from the PRC will expire in five years. At the end of the reporting period the Group has unused tax losses of HKD83,563,000 (2024: HKD54,132,000) available for offset against future profits. No deferred tax asset has been recognised in respect of HKD83,563,000 (2024: HKD54,132,000) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of HKD83,563,000 (2024: HKD54,132,000) that will expire from 2028 to 2030 (2024: 2027 to 2029).

Certain amounts of unutilised tax losses are subject to approval from the local tax authorities. No deferred tax assets have been recognised due to the unpredictability of future profit streams against which the tax losses can be utilised.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## 25. SHARE CAPITAL

	Number of ordinary shares		
	at par value of HKD0.083 Hong Kong cents each	at par value of HKD1.67 Hong Kong cents each	HKD'000
<b>Authorised:</b>			
At 1 January 2024, 31 December 2024 and 1 January 2025	24,000,000,000	—	20,000
Effect of share consolidation ( <i>note (a)</i> )	(24,000,000,000)	1,200,000,000	—
At 31 December 2025	—	<b>1,200,000,000</b>	<b>20,000</b>
<b>Issued:</b>			
At 1 January 2024, 31 December 2024 and 1 January 2025	3,840,000,000	—	3,200
Effect of share consolidation ( <i>note (a)</i> )	(3,840,000,000)	192,000,000	—
Issuance of shares on rights issue ( <i>note (b)</i> )	—	50,821,041	849
At 31 December 2025	—	<b>242,821,041</b>	<b>4,049</b>

Notes:

- (a) Pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company on 27 March 2025, every twenty issued and unissued shares of one-twelfth Hong Kong cent each in the share capital of the Company consolidated into one share of par value of 1.67 Hong Kong cents (rounded to two decimals), which took effect on 31 March 2025.
- (b) On 29 December 2025 the Company completed to issue an aggregate of 50,821,041 ordinary shares (the "Rights Shares") pursuant to the rights issue which was approved by the shareholders of the Company at the extraordinary general meeting held on 7 November 2025, on the basis of one (1) Rights Share for every two (2) shares held by the qualifying shareholders at a subscription price of HKD1.58 per Rights Share ("Rights Issue"). The gross proceeds from the Rights Issue were approximately HKD80.3 million and the net proceeds were approximately HKD79.5 million after deducting the related expenses. Further details were set out in the Company's announcements dated 9 December 2025 and 24 December 2025 and Company's prospectus dated 20 November 2025. These Right Shares issued rank pari passu with the existing shares in all respects.

## 26. RESERVES

Details of the movements on the Group's reserves for the years ended 31 December 2025 and 2024 are presented in the consolidated statement of changes in equity. The nature and purposes of reserves within equity are as follows:

### (a) Share premium

Share premium is the excess of the proceeds received over the nominal value of the shares of the Company issued at a premium, less expenses incurred in connection with the issue of the shares.

### (b) Capital reserve

On 20 March 2015, each of the shareholders of the Company advanced a shareholders' loan (the "Shareholders' Loan") amounted to HKD28,000,000 (equivalent to approximately RMB22,094,240) in aggregate to the Company but irrevocably waived by them on 24 March 2015. The Shareholders' Loan was classified as capital reserve of the Company on the same date. The funds represented that an inter-group loan was provided to Fire Rock International (HK) Limited ("Fire Rock (HK)").



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 26. RESERVES (Continued)

#### *(b) Capital reserve (Continued)*

On 21 April 2015, Fire Rock (HK) paid a cash consideration of HKD13,800,000 (equivalent to approximately RMB10,892,980) to Mr. Zhang Yan, Mr. Wu Zhe, Mr. Rao Zhen Wu and Mr. Huang Yong, the shareholders of Shenzhen Fire Element Network Technology Company Limited (“Shenzhen Fire Element”), the former subsidiary of the Company, in exchange for their equity interests in Shenzhen Fire Element as part of the Group’s reorganisation in 2016. The consideration was funded by the Shareholders’ Loan. The remaining balance of the Shareholders’ Loan would be used for general working capital requirements and the expenses of the Group.

The above transactions represented an integral part of the Group’s reorganisation and in substance are accounted for by the Group as a single arrangement. Accordingly, the capital reserve of the Group reflects the cash inflow of HKD14,200,000 (equivalent to approximately RMB11,201,260) to the Group during the year ended 31 December 2015.

During the year ended 31 December 2021, the major shareholder made a capital contribution of approximately HKD3,020,000 to the Company without allotting and issuing new shares.

#### *(c) Merger reserve*

The merger reserve of the Group represents the difference between the investment costs in subsidiaries and the nominal value of the issued share capital of the Group’s subsidiaries.

#### *(d) Statutory reserve*

In accordance with the relevant laws and regulations in the PRC and Articles of Association of the company incorporated in the PRC now comprising the Group, i.e. the PRC Operational Entity, it is required to appropriate 10% of the annual net profits of the PRC Operational Entity, after offsetting any prior years’ losses as determined under the PRC accounting standards, to the statutory reserve fund before distributing any net profit. When the balance of the statutory reserve fund reaches 50% of the registered capital of the PRC Operational Entity, any further appropriation is at the discretion of shareholders. The statutory reserve fund can be used to offset prior years’ losses, if any, and may be capitalised as capital, provided that the remaining balance of the statutory reserve fund after such issue is no less than 25% of registered capital.

In accordance with Section 1202 of Thai Civil and Commercial Code and Articles of Association of Firerock, it is required to appropriate at least 5% of the annual net profits, after offsetting any prior years’ losses as determined under the Thai accounting standards, to the statutory surplus reserve fund before distributing any net profit. When the balance of the statutory surplus reserve fund reaches 10% of the registered capital of Firerock, any further appropriation is at the discretion of shareholders.

## 26. RESERVES (Continued)

### (d) Statutory reserve (Continued)

#### The Company

	Share premium <i>HKD'000</i>	Capital reserve <i>HKD'000</i>	Share-based payment reserve <i>HKD'000</i>	Accumulated losses <i>HKD'000</i>	Total <i>HKD'000</i>
At 1 January 2024	41,782	31,020	3,310	(52,509)	23,603
Loss for the year	—	—	—	(10,692)	(10,692)
At 31 December 2024 and 1 January 2025	<b>41,782</b>	<b>31,020</b>	<b>3,310</b>	<b>(63,201)</b>	<b>12,911</b>
Issuance of shares on rights issue	<b>79,448</b>	—	—	—	<b>79,448</b>
Share issuance expenses on rights issue	<b>(800)</b>	—	—	—	<b>(800)</b>
Loss for the year	—	—	—	<b>(35,102)</b>	<b>(35,102)</b>
At 31 December 2025	<b>120,430</b>	<b>31,020</b>	<b>3,310</b>	<b>(98,303)</b>	<b>56,457</b>

## 27. SHARE AWARD SCHEME

The Company operates a share award scheme (the “Scheme”) to provide incentive to its employees. On 12 September 2018, 8,496,000 award shares (after taking into account of the effect of Share Subdivisions on 4 May 2021 and 19 August 2020) were granted to 47 eligible employees with fair value of HKD3,800,000 (measured at the Company’s share closing price at the grant date) and the award shares were held under custody of Ping An of China Securities (Hong Kong) Company Limited. The award shares are unconditionally vested to the eligible employees after 3-year employment with the Group for the period from 12 September 2018 to 11 September 2021.

During the years ended 31 December 2025 and 2024, no share-based payment expenses has been recognised by the Group as staff costs in profit or loss.

The movements of the share-based payment reserve is as follows:

	2025 <i>HKD'000</i>	2024 <i>HKD'000</i>
At 1 January and 31 December	<b>3,310</b>	3,310

## 28. RELATED PARTY TRANSACTIONS

- Except for those disclosed elsewhere in the consolidated financial statements, the Group did not enter into any other material related party transactions with its related parties during the years ended 31 December 2025 and 2024.
- Members of key management comprise only of the directors whose emoluments are set out in Note 14(a).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## 29. HOLDING COMPANY STATEMENT OF FINANCIAL POSITION

	Notes	2025 HKD'000	2024 HKD'000
<b>Non-current assets</b>			
Interests in subsidiaries		—	19,516
Financial assets at fair value through profit or loss		<b>9,053</b>	14,493
		<b>9,053</b>	34,009
<b>Current assets</b>			
Prepayments, deposits and other receivables		—	371
Cash and cash equivalents		<b>80,457</b>	1,996
		<b>80,457</b>	2,367
<b>Current liabilities</b>			
Other payables and accruals		<b>2,189</b>	2,039
Amounts due to subsidiaries	<i>29(a)</i>	<b>26,815</b>	18,226
		<b>29,004</b>	20,265
<b>Net current assets/(liabilities)</b>		<b>51,453</b>	(17,898)
<b>Net assets</b>		<b>60,506</b>	16,111
<b>Equity</b>			
Share capital		<b>4,049</b>	3,200
Reserves		<b>56,457</b>	12,911
<b>Total equity</b>		<b>60,506</b>	16,111

Note:

(a) The amounts due to subsidiaries are unsecured, interest-free and repayable on demand.

Approved and authorised for issue by the board of directors on 23 March 2026.

**Gao Bo**  
Director

**Zhang Yan**  
Director

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

## 30. INTERESTS IN SUBSIDIARIES

The directors are of the opinion that a complete list of the particulars of all subsidiaries will be of excessive length and therefore the list of the following contains only the particulars of principal subsidiaries which principally affect the revenue, results, assets, liabilities or business prospects of the Group.

The following is a list of the principal subsidiaries as at 31 December 2025:

Name	Form of business structure	Place of incorporation	Place of operations	Description of shares held	Proportion of effective equity interests held by the Company		Principal activities
					2025	2024	
<b>Directly held:</b>							
Wisdom Pure International Limited	Limited liability company	The British Virgin Islands	Hong Kong	100 Ordinary Shares of USD1 each	100%	100%	Investment holding
Fire Rock Capital Limited	Limited liability company	The British Virgin Islands	Singapore	100 Ordinary Shares of USD1 each	100%	100%	Investment holding
Sky Vanilla International Limited	Limited liability company	The British Virgin Islands	Singapore	100 Ordinary Shares of USD1 each	100%	100%	Investment holding
<b>Indirectly held:</b>							
Fire Rock (HK)	Limited liability company	Hong Kong	Hong Kong	Ordinary Share of HKD1	100%	100%	Investment holding and licensing browser games
Firerock Capital Pte. Ltd.	Limited liability company	Singapore	Singapore	Registered capital of S\$13,971,539	100%	100%	Software and mobile games development, including the game design, programming and graphics
Firerock	Limited liability company	Thailand	Thailand	Registered capital of THB6,666,665	66.15%	66.15%	Mobile game operation
Chun-Pu Technology (Shenzhen) Company Limited	Limited liability company	PRC	PRC	Registered capital of RMB70,000,000	100%	100%	Software and mobile games development, including the game design, programming and graphics
Sky Vanilla Pte. Ltd.	Limited liability company	Singapore	Singapore	Registered capital of S\$100	100%	100%	Mobile game operation
Xi Yun Network Technology (Shenzhen) Company Limited 熙雲(深圳)網絡科技有限公司	Limited liability company	PRC	PRC	Registered capital of RMB15,000,000	100%	100%	Software and mobile games development, including the game design, programming and graphics

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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### 30. INTERESTS IN SUBSIDIARIES (Continued)

The following table lists out the information relating to certain subsidiaries of the Group which has material non-controlling interests (NCI). The summarised financial information presented below represents the amounts before any inter-company elimination.

#### *Firerock*

	2025 <i>HKD'000</i>	2024 <i>HKD'000</i>
NCI percentage	<b>33.85%</b>	33.85%
Current assets	<b>31,934</b>	18,546
Non-current assets	<b>1,137</b>	1,883
Current liabilities	<b>13,213</b>	15,078
Non-current liabilities	<b>—</b>	342
Net assets	<b>19,858</b>	5,009
Carrying value of NCI	<b>6,721</b>	1,695
	2025 <i>HKD'000</i>	2024 <i>HKD'000</i>
Revenue	<b>144,709</b>	140,572
Profit for the year	<b>61,756</b>	55,889
Total comprehensive income	<b>62,564</b>	55,312
Profit allocated to NCI	<b>20,905</b>	18,918
Dividend paid to NCI	<b>16,152</b>	26,277
Cash flows from operating activities	<b>61,867</b>	61,555
Cash flows used in investing activities	<b>(131)</b>	(356)
Cash flows used in financing activities	<b>(48,002)</b>	(79,015)

### 31. CAPITAL MANAGEMENT

The Group's primary objective when managing capital is to safeguard the Group's ability to continue as a going concern and maximising the return to stakeholders. The Group's capital structure is regularly reviewed and managed by the Directors. The Group is not subject to externally imposed capital requirements. To maintain or adjust capital structure, the Group may adjust dividend payment to shareholders or issue new shares. Adjustments will be made to the capital structure in light of changes in economic conditions affecting the Company or its subsidiaries, and the risk characteristics of the Group's underlying assets.

The Group defines "capital" as including all components of equity. The equity of the Group at 31 December 2025 was approximately HKD135,070,000 (2024: approximately HKD113,994,000).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 32. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

The following table shows the carrying amounts of financial assets and liabilities as defined in Note 4(f):

	2025 HKD'000	2024 HKD'000
<b>Financial assets</b>		
<i>At amortised costs:</i>		
Trade receivables	14,854	18,218
Deposits and other receivables	3,078	4,109
Cash and cash equivalents	112,924	53,644
	<b>130,856</b>	75,971
<i>At fair value:</i>		
Financial assets at fair value through profit or loss	18,586	26,333
	<b>149,442</b>	102,304
<b>Financial liabilities</b>		
<i>At amortised costs:</i>		
Other payables and accruals	7,991	6,194

### 33. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

The main risks arising from the Group's financial instruments in the normal course of the Group's business are credit risk, liquidity risk, interest rate risk and currency risk. These risks are limited by the Group's financial management policies and practices described below.

#### (a) Credit risk

The Group's credit risk is primarily attributable to its trade and other receivables, deposits and cash and cash equivalents. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### **33. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)**

#### *(a) Credit risk (Continued)*

In respect of trade receivables, individual credit evaluations are performed on third-party game distribution platforms and payment channels. These evaluations focus on their past history of making payments when due and current ability to pay, and take into account information specific to them as well as pertaining to the economic environment in which they operate. Trade receivables are due within 30 days. Normally, the Group does not obtain collateral from the trade debtors. Also, management reviews regularly the recoverable amount of individual trade and other receivables to ensure that adequate impairment provision is made for irrecoverable amounts.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each trade debtors. The default risk of the industry and country in which the trade debtors also has an influence on credit risk but to a lesser extent. As at 31 December 2025, four (2024: four) payment platform operators with the highest trade receivables balance were approximately HKD14,071,000 (2024: HKD16,239,000) and represented 95% (2024: 89%) of the total balance of trade receivables.

The Group applies the simplified approach to providing for ECLs prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables from third parties and related parties.

To measure the ECLs of trade receivables, trade receivables have been grouped based on shared credit risk characteristics and the days of initial recognition.

Management has closely monitored the credit qualities and the collectability of trade receivables and considers that the ECL is immaterial with the expected credit loss rate being closed to zero. No loss allowance provision is made for trade receivables for the years ended 31 December 2025 and 2024.

As at 31 December 2025, the credit risk of the remaining financial assets are considered immaterial as the counterparty have a low risk of default.

The maximum exposure to credit risk in respect of the financial instruments are their carrying values.

The credit risk for liquid funds is considered negligible. Cash and cash equivalents are placed with reputable banks with high quality external credit ratings. There was no recent history of default of cash and cash equivalents and short-term deposits from such financial institutions.

The Group does not hold collateral as security. The Group does not provide any guarantees which would expose the Group to credit risk.

The credit policy has been followed by the Group since prior year and is considered to have been effective in limiting the Group's exposure to credit risk to a desirable level.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 33. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

#### (b) Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term. Management of the Company is satisfied that the Group will be able to meet in full its financial obligations as and when they fall due in the foreseeable future in the normal course of business.

The following table shows the remaining contractual maturities at the end of each of the reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flow (including interest payment computed using contractual rates or, if floating, based on the current rates at the end of the reporting period) and the earliest date the Group may be required to pay.

	Carrying amount HKD'000	Total contractual undiscounted cash flows HKD'000	Within 1 year or on demand HKD'000	More than 1 year but less than 2 years HKD'000	More than 2 years but less than 5 years HKD'000
<b>At 31 December 2025</b>					
Other payables and accruals	7,991	7,991	7,991	—	—
Lease liabilities	3,355	3,549	1,744	1,083	722
<b>Total</b>	<b>11,346</b>	<b>11,540</b>	<b>9,735</b>	<b>1,083</b>	<b>722</b>

	Carrying amount HKD'000	Total contractual undiscounted cash flows HKD'000	Within 1 year or on demand HKD'000	More than 1 year but less than 2 years HKD'000	More than 2 years but less than 5 years HKD'000
<b>At 31 December 2024</b>					
Other payables and accruals	6,194	6,194	6,194	—	—
Lease liabilities	1,994	2,099	1,456	544	99
<b>Total</b>	<b>8,188</b>	<b>8,293</b>	<b>7,650</b>	<b>544</b>	<b>99</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 33. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

#### (c) Interest rate risk

Other than deposits held in banks, the Group does not have significant interest-bearing assets. The Directors consider the Group's cash flow interest rate risk on bank balances is not significant due to low level of deposit interest rate.

Lease liabilities bear weighted average incremental borrowing rate of 5.3% to 7.0% (2024: 5.3% to 7.0%) as at 31 December 2025. The Directors consider that the interest rate risk is not significant as the possible change in the interest rate will not have significant impact on the Group's consolidated financial statements.

As at 31 December 2025 and 2024, the Group has no interest-bearing liabilities, which may expose the Group to any interest rate risk.

#### (d) Currency risk

The Group is exposed to currency risk primarily through assets and liabilities that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily USD, RMB and SGD.

Foreign currency risk arises from the Group's financial assets and financial liabilities, which were denominated in a currency other than the functional currency in net position of each subsidiary at the end of each reporting period are as follows:

	2025 HKD'000	2024 HKD'000
<b>Net monetary assets</b>		
USD	22,948	57,322
RMB	9,143	14,002
SGD	664	479

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 33. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

#### (d) Currency risk (Continued)

The following table indicates the approximate effect on the profit for the year in response to reasonably possible changes in the foreign exchange rates, with all other variables held constant, to which the Group has significant exposure at the end of each reporting period.

	Year ended 31 December 2025			
	Appreciates against HKD	Decrease/ (increase) in loss for the year and retained profits HKD'000	Depreciates against HKD	(Increase)/ decrease in loss for the year and retained profits HKD'000
USD	1%	221	1%	(221)
RMB	5%	457	5%	(457)
SGD	5%	27	5%	(27)

	Year ended 31 December 2024			
	Appreciates against HKD	Increase/ (decrease) in profit for the year and retained profits HKD'000	Depreciates against HKD	(Decrease)/ increase in profit for the year and retained profits HKD'000
USD	1%	553	1%	(553)
RMB	5%	740	5%	(740)
SGD	5%	19	5%	(19)

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to each of the group entities, exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting date. Results of the analysis as presented in the above table represent an aggregation of the effects on Groups' profit for the year and equity measured in the respective foreign currencies, translated into HKD at the exchange rate ruling at the end of reporting period for presentation purposes. The measures to manage foreign currency risk have been followed by the Group since prior years and are considered to be effective.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### **33. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)**

#### *(e) Fair value measurements*

##### **(i) Financial instruments not measured at fair value**

Financial instruments not measured at fair value include trade receivables, deposits and other receivables, cash and cash equivalents as well as other payables. Due to their short-term nature, the carrying values of these financial instruments approximate their fair values.

##### **(ii) Financial instruments measured at fair value**

###### *Fair value hierarchy*

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 33. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

#### (e) Fair value measurements (Continued)

#### (ii) Financial instruments measured at fair value (Continued)

Fair value hierarchy (Continued)

	Fair value at 31 December 2025 HKD'000	Fair value measurements as at 31 December 2025 categorised into		
		Level 1 HKD'000	Level 2 HKD'000	Level 3 HKD'000
<b>Recurring fair value measurement</b>				
Financial assets at fair value through profit or loss:				
Equity interest in Summer Mountain Group	9,053	—	—	9,053
Equity interest in a private fund	9,533	—	9,533	—
	<b>18,586</b>	<b>—</b>	<b>9,533</b>	<b>9,053</b>

	Fair value at 31 December 2024 HKD'000	Fair value measurements as at 31 December 2024 categorised into		
		Level 1 HKD'000	Level 2 HKD'000	Level 3 HKD'000
<b>Recurring fair value measurement</b>				
Financial assets at fair value through profit or loss:				
Equity interest in Summer Mountain Group	14,493	—	—	14,493
Equity interest in a private fund	11,840	—	11,840	—
	<b>26,333</b>	<b>—</b>	<b>11,840</b>	<b>14,493</b>

During the years ended 31 December 2025 and 2024, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### 33. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

#### (e) Fair value measurements (Continued)

#### (ii) Financial instruments measured at fair value (Continued)

##### Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of the equity interest in a private fund is determined with reference to the quoted market prices of the stocks listed in the United States and Hong Kong, held by the investment portfolio of the fund.

##### Information about Level 3 fair value measurements

	Valuation techniques	Unobservable input	Range	Value
Equity interest in Summer Mountain Group	Market approach	Adjusted enterprise value to earnings before interest and taxes ratio ("Adjusted EV to EBIT Ratio")	8.93 to 35.65 (2024: 8.65 to 18.04)	19.16 (2024: 14.82)
		Adjusted price to earnings ratio ("Adjusted P/E Ratio")	10.16 to 66.30 (2024: 6.12 to 16.54)	22.94 (2024: 12.37)
		Lack of marketability discount	20.4% (2024: 20.4%)	20.4% (2024: 20.4%)

The equity interest in Summer Mountain Group was categorised into Level 3 of the fair value hierarchy. Its fair value was determined by an independent qualified professional valuer, Peak Vision Appraisals Limited ("Peak Vision"), engaged by the Group.

Peak Vision and its professional valuers in charge of this valuation have appropriate qualifications and relevant experience in various valuation assignments related to equity interests in private companies. The professional valuers of Peak Vision involved in this valuation include professional members of the MRICS, CFA and CPA.

Among the professional institutions mentioned above, the Royal Institution of Chartered Surveyors is a member organization of the IVSC which encourages its members to adopt and use the International Valuation Standards laid down by the IVSC. Peak Vision has assessed and declared its independence to the Group based on the requirements of the International Valuation Standards.

Based on the above qualifications and various experiences of Peak Vision and/or its members, the directors are of the view that Peak Vision is independent and competent to determine the fair values of the equity interest in Summer Mountain Group.

### 33. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

#### (e) Fair value measurements (Continued)

#### (ii) Financial instruments measured at fair value (Continued)

##### Information about Level 3 fair value measurements (Continued)

The fair value of the equity interest in Summer Mountain Group was determined by the market approach, by reference to average fair values as determined by the Adjusted EV to EBIT Ratio and Adjusted P/E Ratio of the market comparables, discounted by the lack of marketability discount. The fair value measurement is positively correlated to Adjusted EV to EBIT Ratio and Adjusted P/E Ratio, and negatively correlated to the lack of marketability discount.

##### Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in one of the key unobservable inputs, with all other variables held constant, of the Group's profit before tax:

Key unobservable inputs	Year ended 31 December 2025		Year ended 31 December 2024	
	Increase/ (decrease) in key unobservable inputs	Increase/ (decrease) in profit before tax HKD'000	Increase/ (decrease) in key unobservable inputs	Increase/ (decrease) in profit before tax HKD'000
EV to EBIT Ratio	5%/(5%)	175/(175)	5%/(5%)	397/(397)
P/E Ratio	5%/(5%)	195/(195)	5%/(5%)	297/(297)
Lack of marketability discount	5 percentage points/ (5 percentage points)	(466)/466	5 percentage points/ (5 percentage points)	(873)/873

The movements during the year in the balance of these Level 3 fair value measurements are as follows:

	2025 HKD'000	2024 HKD'000
<b>Equity interest in Summer Mountain Group:</b>		
At 1 January	14,493	14,603
Fair value adjustments	(5,730)	177
Exchange alignment recognised in profit or loss	290	(287)
<b>At 31 December</b>	<b>9,053</b>	14,493



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

### **34. MAJOR NON-CASH TRANSACTIONS**

During the years ended 31 December 2025 and 2024, the Group did not have material non-cash transactions.

### **35. CAPITAL COMMITMENT**

As at 31 December 2025 and 2024, the Group did not have material capital commitments.

### **36. EVENTS AFTER THE REPORTING PERIOD**

Apart from the events as disclosed above and elsewhere in the consolidated financial statements, the Group did not have other material events after the reporting period and up to the date of this report.