



AV Promotions Holdings Limited AV 策劃推廣（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8419

Interim Report 2026

2026

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FINANCIAL HIGHLIGHTS

- The unaudited revenue of the Group was approximately HK\$55.6 million for the six months ended 30 June 2026, representing a decrease of approximately 2.9% from approximately HK\$57.3 million for the corresponding period in 2025.
- The unaudited profit attributable to owners of the Company amounted to approximately HK\$1.4 million for the six months ended 30 June 2026, representing a decrease of 6.7% from approximately HK\$1.5 million for the corresponding period in 2025.
- The board of Directors (the “**Board**”) does not recommend the payment of any interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

The Board is pleased to announce the unaudited condensed consolidated results of the Group for the six months ended 30 June 2026 together with the unaudited comparative figures for the corresponding period in 2025, as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	Six months ended 30 June	
		2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Revenue	3	55,631	57,331
Cost of services	4	(40,102)	(41,211)
Gross profit		15,529	16,120
Other income	3	108	26
Other losses, net		(65)	(361)
Selling expenses	4	(2,503)	(2,316)
Administrative expenses	4	(10,356)	(10,769)
Operating profit		2,713	2,700
Finance income	6	463	640
Finance expenses	6	(2,016)	(2,248)
Finance expenses – net		(1,553)	(1,608)
Profit before income tax		1,160	1,092
Income tax credit	7	231	428
Profit for the period		1,391	1,520
Profit for the period attributable to:			
– Owners of the Company		1,393	1,521
– Non-controlling interests		(2)	(1)
		1,391	1,520
Basic and diluted earnings per share attributable to owners of the Company (HK cents)	9	0.35	0.38

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Profit for the period	1,391	1,520
Other comprehensive (expense)/income		
<i>Item that may be reclassified to profit or loss</i>		
Currency translation differences	(993)	2,272
Total comprehensive income for the period	398	3,792
Total comprehensive income for the period attributable to:		
– Owners of the Company	400	3,793
– Non-controlling interests	(2)	(1)
	398	3,792

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	10	85,808	90,470
Right-of-use assets		4,729	443
Prepayments		1,200	1,640
Deposits	11	738	704
		92,475	93,257
Current assets			
Trade and bills receivables	11	20,590	20,427
Contract assets		13,836	13,837
Prepayments, deposits and other receivables	11	10,976	11,011
Pledged time deposits		31,000	31,000
Cash and cash equivalents		6,089	6,314
		82,491	82,589
Total assets		174,966	175,846
EQUITY			
Share capital	12	4,000	4,000
Share premium	12	41,901	41,901
Exchange reserve		(4,106)	(3,113)
Other reserves		5,314	5,314
Retained earnings		4,438	3,045
		51,547	51,147
Non-controlling interests		(11)	(9)
Total equity		51,536	51,138

	Notes	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		5,680	5,694
Borrowings	14	17,650	17,650
Lease liabilities		2,979	112
		26,309	23,456
Current liabilities			
Trade and bills payables	13	44,366	46,278
Accruals and other payables	13	7,805	10,449
Borrowings	14	40,307	41,259
Lease liabilities		1,707	226
Current income tax liabilities		2,936	3,040
		97,121	101,252
Total liabilities		123,430	124,708
Total equity and liabilities		174,966	175,846

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Share premium	Exchange reserve	Other reserves	Retained earnings	Sub-total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 1 January 2025								
(Audited)	4,000	41,901	(1,461)	5,314	8,614	58,368	(7)	58,361
Comprehensive income								
Profit for the period	-	-	-	-	1,521	1,521	(1)	1,520
Other comprehensive income								
Currency translation differences	-	-	2,272	-	-	2,272	-	2,272
Total comprehensive income	-	-	2,272	-	1,521	3,793	(1)	3,792
As at 30 June 2025								
(Unaudited)	4,000	41,901	811	5,314	10,135	62,161	(8)	62,153
As at 1 January 2026								
(Audited)	4,000	41,901	(3,113)	5,314	3,045	51,147	(9)	51,138
Comprehensive income								
Profit for the period	-	-	-	-	1,393	1,393	(2)	1,391
Other comprehensive expense								
Currency translation differences	-	-	(993)	-	-	(993)	-	(993)
Total comprehensive income	-	-	(993)	-	1,393	400	(2)	398
As at 30 June 2026								
(Unaudited)	4,000	41,901	(4,106)	5,314	4,438	51,547	(11)	51,536

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Cash flows from operating activities		
Cash generated from operation	7,228	1,210
Income tax paid	–	–
Net cash generated from operating activities	7,228	1,210
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,641)	(3,769)
Bank interest income	463	705
Net cash used in investing activities	(3,178)	(3,064)
Cash flows from financing activities		
Net repayments of borrowings	(1,374)	(2,263)
Payments of loan interest	(2,224)	(2,258)
Principal elements of lease payments	(830)	(1,124)
Net cash used in financing activities	(4,428)	(5,645)
Net decrease in cash and cash equivalents	(378)	(7,499)
Cash and cash equivalents at beginning of period	6,314	12,464
Exchange gains on cash and cash equivalents	153	310
Cash and cash equivalents at end of period	6,089	5,275

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 23 February 2017 as an exempted company with limited liability under the Companies Act (2021 Revision), formerly known as the Companies Law (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Ocorian Trust (Cayman) Limited, Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands.

The Company is an investment holding company and its subsidiaries are principally engaged in provision of visual, lighting and audio solution services in Hong Kong, the People's Republic of China (the "PRC") and Macau (the "**Business**"). The ultimate holding company of the Company is Mega King Elite Investment Limited ("**Mega King**") incorporated in the British Virgin Islands. The ultimate controlling party of the Group is Mr. Wong Man Por ("**Mr. MP Wong**").

The shares of the Company (the "**Shares**") were listed on the GEM of The Stock Exchange Hong Kong Limited on 21 December 2017.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

(a) *Basis of preparation*

The unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of the GEM Listing Rules.

These unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("**HK\$**") and all values are rounded to the nearest thousand (HK\$'000) except when otherwise indicated.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the same accounting policies adopted in the annual audited financial statements for the year ended 31 December 2025, except for the accounting policy changes that are expected to be reflected in the annual financial statements for the year ending 31 December 2026 and they should be read in conjunction with the audited consolidated financial statements for the year ended 31 December 2025. The Group has adopted the following amendments to standards which are relevant to the Group's operations and are mandatory for the financial period beginning on 1 January 2026:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

The adoption of the above amendments to standards did not have any significant financial impact on these unaudited condensed consolidated interim financial statements.

The unaudited condensed consolidated interim financial statements have been prepared on a going concern basis. As at 30 June 2026, the Group's current liabilities exceeded its current assets by approximately HKD14.6 million. Having made the assessment, the Directors are of the opinion that the Group will have sufficient banking facilities available and financial support from its substantial shareholders to finance its operations and meet its financial obligations as and when they fall due over the period of at least twelve months from 30 June 2026. Accordingly, these unaudited condensed consolidated interim financial statements have been prepared on a going concern basis.

3. REVENUE, OTHER INCOME AND SEGMENT INFORMATION

(a) (i) Revenue

Revenue from the provision of visual, lighting and audio solution services is recognised over time when the services have been rendered. Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for services rendered, stated net of discounts and value added taxes.

The Group's revenue recognised are as follows:

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Revenue from services	55,631	57,331

3. REVENUE, OTHER INCOME AND SEGMENT INFORMATION (Continued)

(a) (ii) *Other income*

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Government grants	108	26

There are no unfulfilled conditions or other contingencies attaching to the government grants.

(b) *Segment information*

The board of directors has been identified as the chief operating decision makers.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The Group provides visual, lighting and audio solution services. The resources are allocated based on what is most beneficial to the Group in enhancing the value as a whole, instead of any specific unit.

The Group's chief operating decision makers consider that the performance assessment of the Group should be based on the profit before income tax of the Group as a whole. Accordingly, the management considers there is only one operating segment.

Revenue based on the geographic location that the Group derives revenue from customers are as follows:

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Hong Kong	34,635	34,705
The PRC	20,996	22,626
Macau	–	–
	55,631	57,331

3. REVENUE, OTHER INCOME AND SEGMENT INFORMATION (Continued)

(b) Segment information (Continued)

The non-current assets are allocated based on the physical location of the assets as below:

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Hong Kong	91,861	92,620
The PRC	614	637
Macau	–	–
Total non-current assets	92,475	93,257

4. EXPENSES BY NATURE

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Auditors' remuneration	350	350
Depreciation of property, plant and equipment	8,280	8,289
Depreciation of right-of-use assets	892	856
Employee benefit expenses	20,405	20,968
Entertainment expenses	475	1,022
Freight expenses	2,226	1,752
Insurance expenses	208	248
Legal and professional fee	400	355
Material cost of consumables	3,646	4,378
Motor vehicles expenses	442	378
Short-term leases payments	12,396	12,679
Travel expenses	1,004	901
Other expenses	2,237	2,120
Total cost of services, selling expenses and administrative expenses	52,961	54,296

5. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Wages, salaries and bonus	17,123	18,149
Pension costs – defined contribution plans	1,433	1,295
Other staff welfare and benefits	1,849	1,524
	20,405	20,968

6. FINANCE INCOME AND EXPENSES

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Interest income		
– Bank interest income	463	640
Finance income	463	640
Interest expenses		
– Finance lease liabilities	(185)	(64)
– Borrowings	(1,831)	(2,184)
Finance expenses	(2,016)	(2,248)
Finance expenses – net	(1,553)	(1,608)

7. INCOME TAX CREDIT

The amount of taxation credited to the unaudited condensed consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Current income tax		
– Hong Kong	–	–
– The PRC	219	231
– Macau	–	–
	219	231
Deferred income tax	12	197
Income tax credit	231	428

Pursuant to the enactment of two-tiered profits tax rates issued by the Inland Revenue Department of Hong Kong from the year of assessment 2018/19 onwards, the qualifying group entity's first HK\$2 million of assessable profits under Hong Kong profits tax for the six months ended 30 June 2026 and 2025 is subject to a tax rate of 8.25%, while the remaining assessable profits are subject to a tax rate of 16.5%.

PRC Enterprise Income Tax has been provided at the rate of 25% on the estimated assessable profits for the six months ended 30 June 2026 and 2025.

Macau complementary tax has been provided at the rate of 12% on the estimated assessable profits exceeding MOP600,000 for the six months ended 30 June 2026 and 2025.

8. DIVIDEND

The Board does not recommend the payment of any dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

9. BASIC AND DILUTED EARNINGS PER SHARE

(a) Basic

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares by the weighted average number of ordinary shares outstanding during the respective periods.

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Profit attributable to owners of the Company (HK\$'000)	1,393	1,521
Weighted average number of shares in issue (thousands shares)	400,000	400,000
Basic earnings per share (HK cents)	0.35	0.38

(b) Diluted

Diluted earnings per share presented is the same as the basic earnings per share as there were no potentially dilutive ordinary share outstanding as at 30 June 2026 and 2025.

10. PROPERTY, PLANT AND EQUIPMENT

The net book value of property, plant and equipment is analysed as follows:

	HK\$'000
At 1 January 2026 (Audited)	90,470
Additions	3,641
Depreciation	(8,280)
Currency translation differences	(23)
At 30 June 2026 (Unaudited)	85,808

11. TRADE AND BILLS RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Trade receivables	21,032	21,416
Bills receivables	589	5
Less: Loss allowance	(1,031)	(994)
Trade and bills receivables, net of provision	20,590	20,427
Rental deposits	1,009	992
Other deposits	525	177
Prepayments	11,263	12,038
Other receivables	117	148
Total prepayments, deposits and other receivables	12,914	13,355
Less: Non-current portion	(1,938)	(2,344)
Current portion of prepayments, deposits and other receivables	10,976	11,011
Total trade and bills receivables, prepayments, deposits and other receivables	33,504	33,782

Trade receivables

The Group's trade receivables are with credit terms of 90 days. All bills received by the Group are with a maturity period of less than one year. An aged analysis of trade receivables, which is net of allowance for credit losses (excluding bills held by the Group for future settlement) and presented based on the invoice date at the end of the reporting period, is as follows:

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Up to 3 months	12,606	8,749
3 to 6 months	4,523	8,511
Over 6 months	2,872	3,162
	20,001	20,422

12. SHARE CAPITAL AND SHARE PREMIUM

Authorised ordinary shares:

	Number of shares	Nominal value of ordinary shares HK\$'000
At 31 December 2025 (Audited), 1 January 2026 (Audited) and 30 June 2026 (Unaudited)	2,000,000,000	20,000

Ordinary shares, issued and fully paid:

	Number of shares	Nominal value of ordinary shares HK\$'000	Share premium HK\$'000
At 31 December 2025 (Audited), 1 January 2026 (Audited) and 30 June 2026 (Unaudited)	400,000,000	4,000	41,901

13. TRADE AND BILLS PAYABLES, ACCRUALS AND OTHER PAYABLES

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Trade and bills payables	44,366	46,278
Accrual expenses	5,427	9,100
Other payables	2,071	420
Contract liabilities	307	929
Accruals and other payables	7,805	10,449
Total	52,171	56,727

13. TRADE AND BILLS PAYABLES, ACCRUALS AND OTHER PAYABLES (Continued)

Trade and bills payables

The Group's ageing analysis of the trade and bills payables based on the invoice date is as follows:

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Up to 3 months	30,242	33,273
3 to 6 months	4,612	3,070
Over 6 months	9,512	9,935
	44,366	46,278

14. BORROWINGS

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Current		
Bank borrowings (Note (a))	40,307	41,259
Non-current		
Loan from a third party (Note (b))	15,000	15,000
Loan from a director (Note (c))	2,650	2,650
	57,957	58,909

(a) Bank borrowings

As at 30 June 2026, bank borrowings of approximately HK\$28,758,000 and approximately HK\$11,549,000 which were denominated in HK\$ and RMB respectively (31 December 2025: HK\$30,132,000 in HK\$ and HK\$11,127,000 in RMB). They were secured by pledged time deposits of approximately HK\$31,000,000 (31 December 2025: HK\$31,000,000), the Company's corporate guarantee and personal guarantee by Mr. MP Wong. These bank borrowings carried floating rate at HIBOR and the China Foreign Exchange Trade System plus or less a margin per annum. The weighted effective interest rate on these bank borrowings was 4.0% per annum (31 December 2025: 5.1% per annum).

14. BORROWINGS (Continued)

(a) Bank borrowings (Continued)

The Group's bank borrowings were repayable as follows:

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Within one year	40,307	41,259

The Group's bank borrowings were repayable, without taking into account of the repayable on demand clause of certain bank borrowings, as follows:

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Within one year	36,127	36,278
Between one to two years	1,652	1,613
Between two to five years	1,787	2,386
Over five years	741	982
	40,307	41,259

(b) Loan from a third party

On 27 December 2018, AV Promotions Limited, a wholly owned subsidiary of the Company entered into a loan agreement with an independent third party with a principal of HK\$38,000,000, which is unsecured, bears fixed interest rate of 5% per annum and is fully repayable on 27 December 2023. As at 23 December 2022, the subsidiary entered into a supplemental loan agreement with the third party to extend the maturity date from 27 December 2023 to 27 December 2028.

(c) Loan from a director

On 25 December 2023, AV Promotions Limited, a wholly owned subsidiary of the Company entered into a loan agreement with an executive director, Mr. MP Wong, with a principal of HK\$2,650,000, which was unsecured, borne fixed interest rate of 5% per annum and will fully repayable on 31 December 2025. As at 23 December 2024, the subsidiary entered into a supplemental loan agreement with the director to extend the maturity date from 31 December 2025 to 31 December 2028.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECTS

The Group is principally engaged in the provision of one-stop visual, lighting and audio solution services in Hong Kong, the PRC and Macau. The Group derived its revenue from provision of the aforesaid services to exhibitions, ceremonies, conferences, TV shows, product launches, concerts and other types of events.

During the six months ended 30 June 2026, the Group was engaged in 315 events compared with 332 events for corresponding period in 2025. The Group derived approximately 46.6% of its total revenue (for the six months ended 30 June 2025: 45.6%) from exhibitions during the six months ended 30 June 2026, the majority of which took place in Hong Kong and the PRC.

The Group recognised revenue of approximately HK\$55.6 million for the six months ended 30 June 2026, representing a decrease of approximately HK\$1.7 million or 2.9% as compared with the six months ended 30 June 2025. The number of events handled by the Group decreased during the six months ended 30 June 2026 as compared with the six months ended 30 June 2025. The gross profit of the Group for the six months ended 30 June 2026 amounted to approximately HK\$15.5 million, representing a decrease of approximately 3.7% as compared with approximately HK\$16.1 million for the six months ended 30 June 2025. The Group recorded profit attributable to owners of the Company of approximately HK\$1.4 million for the six months ended 30 June 2026 as compared with approximately HK\$1.5 million for the six months ended 30 June 2025.

The Group is confident in further improving its profitability and bringing value to its stakeholders in the long run. The Board will proactively seek potential business opportunities so as to broaden the sources of income of the Group and to enhance value to the shareholders of the Company.

FINANCIAL REVIEW

Revenue

The Group generates revenue from the provision of one-stop visual, lighting and audio solutions services to its customers in various events, including exhibitions, ceremonies, conferences, TV shows, product launches, concerts and other types of events.

The Group's revenue decreased from approximately HK\$57.3 million for the six months ended 30 June 2025 to approximately HK\$55.6 million for the six months ended 30 June 2026, representing a decrease of approximately HK\$1.7 million or approximately 2.9%.

Revenue analysis by geographical location

The following table sets forth the breakdown of the Group's revenue by geographical location during the six months ended 30 June 2026 with comparative figures for the corresponding period in 2025.

	Six months ended 30 June			
	2026 HK\$'000 (Unaudited)	%	2025 HK\$'000 (Unaudited)	%
Hong Kong	34,635	62.3	34,705	60.5
The PRC	20,996	37.7	22,626	39.5
Macau	–	–	–	–
	55,631	100.0	57,331	100.0

The decrease in revenue was mainly due to the decrease in number of events in Hong Kong and the People's Republic of China during the six months ended 30 June 2026.

Cost of services

Cost of services mainly comprised of equipment rental cost, depreciation of property, plant and equipment, employee benefit expenses paid to front line on-site technical staff, material cost of consumables and freight expenses of equipment delivery. The Group's cost of services decreased by approximately 2.7% from approximately HK\$41.2 million for the six months ended 30 June 2025 to approximately HK\$40.1 million for the six months ended 30 June 2026, which was in line with the decrease in revenue.

Gross profit and gross profit margin

Gross profit of the Group for the six months ended 30 June 2026 amounted to approximately HK\$15.5 million (for the six months ended 30 June 2025: HK\$16.1 million), representing gross profit margin of approximately 27.9% (for the six months ended 30 June 2025: 28.1%). The change in gross profit and gross profit margin was generally in line with the decrease in revenue and cost of services which was analysed above.

Other income

Other income represented government grants received from the PRC government during the six months ended 30 June 2026 and 2025. The increase was due to the increase in government grant during the six months ended 30 June 2026.

Other losses, net

Net other losses of the Group mainly represented net foreign exchange differences. The decrease of net other losses was mainly due to the decrease in net foreign exchange losses during the six months ended 30 June 2026.

Selling expenses

Selling expenses mainly comprised staff cost and travel expenses of the Group's sales and marketing department and advertising expenses.

The Group's selling expenses increased by approximately 8.7% from approximately HK\$2.3 million for the six months ended 30 June 2025 to approximately HK\$2.5 million for the six months ended 30 June 2026.

Administrative expenses

Administrative expenses of the Group mainly comprised administrative staff costs, depreciation of office equipment and right-of-use assets, and other sundry expenses.

The Group's administrative expenses decreased by approximately 3.7% from approximately HK\$10.8 million for the six months ended 30 June 2025 to approximately HK\$10.4 million for the six months ended 30 June 2026.

Finance expenses, net

Net finance expenses of the Group mainly comprised bank interest income, interest expenses on borrowings and finance leases liabilities.

The Group's net finance expenses decreased by approximately 6.2% from approximately HK\$1.6 million for the six months ended 30 June 2025 to approximately HK\$1.5 million for the six months ended 30 June 2026, which was mainly due to the decrease in interest expenses of borrowings.

Income tax credit

The Group is subject to income tax on an enterprise basis, based on profits arising in or derived from the jurisdictions in which the group companies of the Group are domiciled and operate.

Pursuant to the enactment of two-tiered profits tax rates issued by the Inland Revenue Department of Hong Kong from the year of assessment 2018/19 onwards, the qualifying group entity's first HK\$2 million of assessable profits under Hong Kong profits tax for the six months ended 30 June 2026 and 2025 are subject to a tax rate of 8.25%, while the remaining assessable profits are subject to a tax rate of 16.5%.

PRC Enterprise Income Tax has been provided at the rate of 25% on the estimated assessable profits for the six months ended 30 June 2026 and 2025.

Macau complementary tax has been provided at the rate of 12% on the estimated assessable profits exceeding MOP600,000 for the six months ended 30 June 2026 and 2025.

Profit for the period

As a result of the foregoing, the Group's net profit amounted to approximately HK\$1.4 million for the six months ended 30 June 2026, representing a decrease of profit of approximately HK\$0.1 million as compared with net profit of approximately HK\$1.5 million for the six months ended 30 June 2025.

LIQUIDITY AND FINANCIAL RESOURCES

The Group financed its operations primarily through cash generated from operating activities and interest-bearing borrowings. As at 30 June 2026, the Group had net current liabilities of approximately HK\$14.6 million (31 December 2025: HK\$18.7 million). Included in current liabilities were bank borrowings of approximately HK\$40.3 million (31 December 2025: HK\$41.3 million) which are due for repayment within one year or were repayable on demand.

As at 30 June 2026, the Group's current ratio was approximately 0.8 (31 December 2025: 0.8) and the Group's gearing ratio, calculated based on the total debt (including borrowings and lease liabilities) at the end of the period divided by total equity at the end of the period, was approximately 121.6% (31 December 2025: 115.9%).

The bank borrowings were denominated in Hong Kong dollars and Renminbi, and secured by total pledged time deposits of approximately HK\$31.0 million (31 December 2025: HK\$31.0 million), the Company's corporate guarantee and personal guarantee by Mr. MP Wong. The bank borrowings carried floating rates at the Hong Kong Interbank Offered Rate and the China Foreign Exchange Trade System plus or less a margin per annum. The weighted effective interest rate on the bank borrowings was 4.0% per annum (31 December 2025: 5.1% per annum).

On 27 December 2018, one of the wholly-owned subsidiaries of the Group entered into a loan agreement with an independent third party with a loan principal of HK\$38.0 million, which was unsecured, charging at fixed interest rate of 5% per annum and was fully repayable on 27 December 2023. As at 23 December 2022, the subsidiary entered into a supplemental loan agreement with the third party to extend the maturity date from 27 December 2023 to 27 December 2028. As at 30 June 2026, the outstanding loan amount was HK\$15.0 million (31 December 2025: HK\$15.0 million).

On 25 December 2023, AV Promotions Limited, a wholly owned subsidiary of the Company entered into a loan agreement with an executive director, Mr. Wong Man Por, with a principal of approximately HK\$2.7 million, which was unsecured, bore fixed interest rate of 5% per annum and was fully repayable on 31 December 2025. As at 23 December 2024, the subsidiary entered into a supplemental loan agreement with the director to extend the maturity date from 31 December 2025 to 31 December 2028. During the six months ended 30 June 2026, the Group has not repaid the loan. As at 30 June 2026 and 31 December 2025, the outstanding loan amount was approximately HK\$2.7 million.

CAPITAL STRUCTURE

As at 30 June 2026, the capital structure of the Group consisted of (i) equity attributable to owners of the Company of approximately HK\$51.5 million (31 December 2025: HK\$51.1 million), comprising issued share capital and reserves; and (ii) debts which comprised borrowings as disclosed above.

PLEDGE OF ASSETS

As at 30 June 2026, an amount of approximately HK\$31.0 million (31 December 2025: HK\$31.0 million) of pledged time deposits was pledged to banks to secure certain bank facilities granted to the Group.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

The Group had not made any significant investments or material acquisitions and disposals of subsidiaries during the six months ended 30 June 2026 (31 December 2025: Nil).

CAPITAL COMMITMENTS

As at 30 June 2026, the Group did not have any material capital commitments (31 December 2025: Nil).

CONTINGENT LIABILITIES

As at 30 June 2026, the Group has no material contingent liabilities (31 December 2025: Nil).

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group's revenue and costs are primarily denominated in Hong Kong dollars and Renminbi. The Group currently does not have a foreign currency hedging policy. However, the Directors continuously monitor the related foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. During the six months ended 30 June 2026, the Group did not use any financial instrument for hedging purposes.

TREASURY POLICIES

The Group adopts a prudent approach to financial management and treasury activities. The Group continuously monitors its cash flows, funding requirements and liquidity position with a view to maintaining sufficient financial resources to support its operations and meet its obligations as and when they fall due. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group employed a total of 119 employees (30 June 2025: 133 employees) based in Hong Kong, the PRC and Macau. Employee costs (including the Directors' remuneration, wages, salaries, bonuses, other benefits and contribution to defined contribution pension plans) amounted to approximately HK\$20.4 million for the six months ended 30 June 2026 (for the six months ended 30 June 2025: HK\$21.0 million). The Group will endeavor to ensure that the employees' salary levels are in line with industry practice and prevailing market conditions and that employees' overall remuneration is determined based on the Group's and their performance.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this report, the Board is not aware of any significant event requiring disclosure that has taken place subsequent to 30 June 2026 and up to the date of this report.

OTHER INFORMATION

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as disclosed in this report, none of the Directors or an entity connected with any of them had any material interest, whether directly or indirectly, in any transaction, arrangement or contract of significance in relation to the business of the Group to which the Company or any of its subsidiaries, parent company or subsidiaries of the parent company was a party and subsisting at any time during the six months ended 30 June 2026 or at the end of 30 June 2026.

As at 30 June 2026 and at any time during the six months ended 30 June 2026, no contract of significance had been entered into between the Company, or any of its subsidiaries and the controlling shareholders of the Company or any of their subsidiaries.

DIRECTOR'S RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Save as disclosed in this report, at no time during the six months ended 30 June 2026 was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company (including their spouses or children under 18 years of age) to have any right to subscribe for securities of the Company or any of its specified undertakings as defined in the Companies (Directors' Report) Regulation (Cap. 622D of the laws of Hong Kong) or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS

During the six months ended 30 June 2026 and up to the date of this report, the Directors are not aware of any business and interest of the Directors nor the controlling shareholders of the Company nor any of their respective close associates (as defined in the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interests which any such person has or may have with the Group.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted Rules 5.46 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by Directors in respect of the shares of the Company (the "Code of Conduct"). After specific enquiries by the Company, all Directors have confirmed that they have fully complied with the required standard of dealings set out in the Code of Conduct during the six months ended 30 June 2026 and up to the date of this report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries redeemed, purchased or sold any of the Company's securities during the six months ended 30 June 2026.

DISCLOSURE OF DIRECTORS' INTERESTS

(a) Interests and short positions of Directors and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations

As at 30 June 2026, the interests and short positions of the Directors or the chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (the "SFO")) which were required (i) 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 short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered into the register required to be kept therein; or (iii) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange, were as follows:

(i) Interests in the Company

Name of Director	Capacity/ Nature of Interest	Number of Shares held/ interested in ^(Note 1)	Percentage of shareholding
Mr. MP Wong ^(Note 2)	Interest of a controlled corporation; founder and beneficiary of a discretionary trust	290,000,000 (L)	72.5%

Notes:

1. The letter "L" denotes the person's long position in the Shares.
2. The 290,000,000 Shares are held by Mega King, and Mega King is wholly-owned and beneficially owned by Mr. MP Wong. By virtue of the provisions of Part XV of the SFO, Mr. MP Wong is deemed to be interested in all the Shares held by Mega King.

Mr. MP Wong is the founder of the Group, an executive Director, the chairman and the chief executive officer of the Company. Mr. MP Wong is the sole director of Mega King and therefore Mr. MP Wong is deemed or taken to be interested in the entire issued share of Mega King and the 290,000,000 Shares beneficially owned by Mega King.

(ii) *Long position in the shares of associated corporations*

Name of Director	Name of associated corporation	Capacity/ Nature of Interest	Number of Shares held/ interested in (Note 1)	Percentage of shareholding
Mr. MP Wong ^(Note 1)	Mega King	Interest of a controlled corporation and founder	1	100%

Note:

1. Mr. MP Wong is the founder of the Group, an executive Director, the chairman and the chief executive officer of the Company. Mr. MP Wong is the sole director of Mega King and therefore Mr. MP Wong is deemed or taken to be interested in the entire issued share of Mega King.

Save as disclosed above, as at 30 June 2026, none of the Directors or the chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (i) 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 which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered into the register required to be kept therein; or (iii) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange.

(b) Interests and short positions of the substantial shareholders and other persons in the shares, underlying shares and debentures of the Company and its associated corporations

As at 30 June 2026, so far as it is known to the Directors, the following persons (other than a Director or chief executives of the Company) had or were deemed to have interests or short positions in Shares or underlying Shares which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Name of shareholder	Capacity/ Nature of Interest	Number of Shares held/ interested in ^(Note 1)	Percentage of shareholding
Mega King ^(Note 2)	Interest of controlled corporation	290,000,000 (L)	72.5%
Mrs. Wong ^(Note 3)	Interest of spouse	290,000,000 (L)	72.5%

Notes:

1. The letter "L" denotes the person's long position in the Shares.
2. The 290,000,000 Shares are held by Mega King, and Mega King is wholly-owned and beneficially owned by Mr. MP Wong. By virtue of the provisions of Part XV of the SFO, Mr. MP Wong is deemed to be interested in all the Shares held by Mega King.
3. Mrs. Wong is the spouse of Mr. MP Wong and is deemed or taken to be interested in all the Shares held by Mega King for the purpose of the SFO.

Save as disclosed above, as at 30 June 2026, the Directors have not been notified by any person who had interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept pursuant to Section 336 of the SFO, or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

CORPORATE GOVERNANCE PRACTICE

The Board is responsible for performing the corporate governance duties stipulated in the Corporate Governance Code and Corporate Governance Report (the “CG Code”) as set out in Appendix C1 to the GEM Listing Rules, which includes developing and reviewing the Company’s policies and practices on corporate governance, training and providing continuous professional development of Directors, and reviewing the Company’s compliance with the principles and applicable code provisions in the CG Code and disclosures in this report.

During the six months ended 30 June 2026 and up to the date of this report, the Company has complied with the code provisions of the CG Code, except for the deviations of paragraph C.2.1 of Part 2 of the CG Code, which is explained in the paragraph below.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Provision C.2.1 of Part 2 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Wong Man Por is currently the chairman and the chief executive officer of the Company. Mr. MP Wong was re-designated as the chief executive officer with effect from 30 September 2021 following the resignation of the former chief executive officer. The Board is of the view that the vesting of the roles of chairman and chief executive officer in Mr. MP Wong is beneficial to the business operations and management of the Group as it would provide a strong leadership to the Group, considering that Mr. MP Wong has been managing the Group’s business and formulation of the Group’s strategic vision, direction and goals, as well as monitoring, evaluating and developing the Group’s business since the Group’s establishment. In allowing the two roles to be vested in the same person, the Board believes that both positions require in-depth knowledge and considerable experience of the Group’s business and Mr. MP Wong is the most suitable person to occupy both positions for effective management of the Group following the resignation of the former chief executive officer. Therefore, the Board considers that the deviation from provision C.2.1 of Part 2 of the CG Code is appropriate in the circumstance.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company believes that maintaining a high level of transparency is key to enhancing investor relations. The Company is committed to a policy of open and timely disclosure of corporate information to the shareholders of the Company (the “Shareholders”) and the public. The annual general meetings and other general meetings of the Company are the primary communication forum between the Company and its Shareholders. The Board, appropriate senior management and the external auditor will attend the general meetings to answer the Shareholders’ questions. In addition, the Company updates its Shareholders on its latest business developments and financial performance through its annual and interim reports. The corporate website of the Company (www.avpromotions.com) has provided an effective communication platform to its Shareholders and the public.

Tricor Investor Services Limited, the Hong Kong branch share registrar of the Company, serves the Shareholders in respect of share registration, dividend payments and related matters.

SHARE OPTION SCHEME

The Company has adopted a share option scheme on 1 December 2017 (the “**Share Option Scheme**”). The summary of the principal terms of the Share Option Scheme is set out in Appendix IV to the prospectus of the Company dated 8 December 2017 and are in accordance with the provisions of Chapter 23 of the GEM Listing Rules. The main purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners and service providers of the Group and to promote the success of the business of the Group.

No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since the adoption of the Share Option Scheme and there was no share option outstanding as at 30 June 2026.

AUDIT COMMITTEE

The Company established the Audit Committee in compliance with Appendix C1 to the GEM Listing Rules which comprises three independent non-executive Directors, namely Dr. Leung Wai Cheung, Mr. Chan Wing Kee and Ms. Soon Yuk Tai. Dr. Leung Wai Cheung is the chairman of the Audit Committee. The Company has also established the written terms of reference of the Audit Committee in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules.

The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, risk management and internal control systems of the Group, to oversee the audit process, to develop and review the policies of the Group and to perform other duties and responsibilities as assigned by the Board. The full terms of reference setting out details of duties of the Audit Committee is available on both the GEM website of the Stock Exchange and the Company’s website.

The Audit Committee has reviewed the interim results for the six months ended 30 June 2026. The Audit Committee is of the view that the unaudited condensed consolidated financial statements have been prepared in accordance with the applicable accounting standards, the GEM Listing Rules and the statutory provisions, and that sufficient disclosures have already been made.

The unaudited condensed consolidated financial results for the six months ended 30 June 2026 have not been audited or reviewed by the Company’s auditors.

By order of the Board
AV Promotions Holdings Limited
Wong Man Por
Chairman and Chief Executive Officer

Hong Kong, 21 August 2026

As at the date of this report, the executive Directors are Mr. Wong Man Por and Mr. Wong Chi Bor, and the independent non-executive Directors are Dr. Leung Wai Cheung, Mr. Chan Wing Kee and Ms. Soon Yuk Tai.

This report will remain on the “Latest Listed Company Information” page of the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk for at least seven days from the date of its publication and on the Company’s website at www.avpromotions.com.