



2024  
INTERIM  
REPORT

未來發展控股有限公司  
Prosperous Future Holdings Limited

*(incorporated in the Cayman Islands with limited liability)*  
Stock Code : 1259

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### *Executive Directors*

Mr. Lau Ka Ho (*Chief Executive Officer*)  
Mr. Chan Hoi Tik (*Chief Financial Officer*)

### *Non-executive Director*

Mr. Sze Wine Him Jaime

### *Independent Non-executive Directors*

Ms. Chan Sze Man  
Ms. Bu Yanan  
Mr. Wong Sai Hung

## BOARD COMMITTEES

### *Audit Committee*

Ms. Chan Sze Man (*Chairman*)  
Ms. Bu Yanan  
Mr. Wong Sai Hung

### *Nomination Committee*

Ms. Chan Sze Man (*Chairman*)  
Ms. Bu Yanan  
Mr. Lau Ka Ho

### *Remuneration Committee*

Mr. Wong Sai Hung (*Chairman*)  
Mr. Lau Ka Ho  
Ms. Chan Sze Man

### *Executive Committee*

Mr. Lau Ka Ho (*Chairman*)  
Mr. Chan Hoi Tik

### *Investment and Credit Committee*

Mr. Lau Ka Ho (*Chairman*)  
Mr. Chan Hoi Tik

## COMPANY SECRETARY

Mr. Li Kin Ping

## AUDITOR

CCTH CPA Limited

## PRINCIPAL BANKERS

Bank of Communications (Hong Kong) Limited  
Bank of Communications Limited – Hong Kong Branch

## STOCK CODE

1259

## COMPANY WEBSITE

[www.pfh.hk](http://www.pfh.hk)

## REGISTERED OFFICE

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

17/F., EC Healthcare Tower (Central),  
Nos. 19-20 Connaught Road Central, Central,  
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited  
Suite 3204, Unit 2A, Block 3,  
Building D, P.O. Box 1586,  
Gardenia Court, Camana Bay,  
Grand Cayman, KY1-1100,  
Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited  
Suites 3301-04, 33/F.,  
Two Chinachem Exchange Square,  
338 King's Road,  
North Point, Hong Kong

# MANAGEMENT DISCUSSION AND ANALYSIS

The principal activity of Prosperous Future Holdings Limited (the “Company”) is investment holding. The subsidiaries of the Company are principally engaged in the provision of food and beverage services, provision of financial business, properties holding and investment holding. The Company and its subsidiaries are hereinafter referred to as the “Group”.

During the prior year ended 31 December 2023, the Group disposed its subsidiary engaged in temperature-controlled storage and ancillary services business, which was presented as discontinued operation.

## BUSINESS REVIEW

### Continuing Operations

#### Provision of Food and Beverage Services

During the Reporting Period, the Group’s business segment of provision of food and beverage services business posted a stable revenue of approximately HK\$203.8 million (30 June 2023: approximately HK\$204.7 million). Despite the adverse economic environment due to slowdown of local consumption demand and severe market competition, our strategy to focus on sales of premium products has effectively bolstered our market position.

The provision of food and beverage services business recorded a segment profit of approximately HK\$4.0 million during the Reporting Period (30 June 2023: approximately HK\$4.8 million). The decrease in profit is mainly due to the decrease in gross profit resulted from increased procurement costs. Such increases in procurement costs were mostly absorbed by the Group since market competition remained keen amid weakened demand.

#### Provision of Financial Business

The Group’s business segment of provision of financial business includes securities investment, provision of professional services, securities brokerage, margin financing, advising on securities and asset management services, money lending and credit card issuing.

During the Reporting Period, the Group’s business segment of provision of financial business contributed a total revenue of approximately HK\$47.6 million to the Group (30 June 2023: approximately HK\$36.2 million), representing an increase of about 31.5% over the same period of last year.

The provision of financial business recorded a segment loss of approximately HK\$10.5 million during the Reporting Period (30 June 2023: approximately HK\$14.9 million).

## Management Discussion and Analysis *(continued)*

### – *Securities Investment Business*

The Group's securities investment includes investment in listed securities and private unlisted fund for long-term purposes which are classified as financial assets at fair value through other comprehensive income as at 30 June 2024.

The first half of 2024 was characterized by a clear disparity in market performance, inflation expectations, and interest rate environments between China and the United States. For the Reporting Period, our securities investment business did not record any net fair value gain on financial assets at fair value through profit or loss (30 June 2023: Nil) since we stay cautious on opening new position on securities trading.

As at 30 June 2024, the Group had a portfolio of securities investment of approximately HK\$41.7 million, which consisted of equity securities listed in Hong Kong of approximately HK\$14.8 million and unlisted investment fund of approximately HK\$26.9 million.

The securities investment business recorded a loss of approximately HK\$0.1 million (30 June 2023: approximately HK\$0.1 million).

### – *Securities Brokerage, Margin Financing, Asset Management and Professional Services Business*

The Group currently provides brokerage services for securities, futures and other related products, margin financing as well as asset management services, to individuals and corporate clients. With a well-structured team of experienced professionals, the Group also offers fund administration and other relevant professional services to investment funds and corporates.

For the Reporting Period, this business recorded a total turnover of approximately HK\$44.3 million (30 June 2023: approximately HK\$36.0 million) due to increase in income from provision of professional services resulted from strong demand in fund administration and set-up services.

This business recorded a total profit of approximately HK\$6.1 million during the Reporting Period (30 June 2023: loss of approximately HK\$5.1 million). The turnaround from loss to profit is mainly attributable to the increase in revenue as stated above and decrease in impairment loss of trade receivables arising from margin financing.

An impairment loss of trade receivables arising from margin financing approximately HK\$0.2 million (30 June 2023: HK\$7.0 million) was recognised during the Reporting Period.

Margin loans of two customers with the total gross carrying amount of approximately HK\$7.4 million were assessed as credit-impaired as at 30 June 2024. In prior year, the market price of listed securities pledged by those margin clients significantly declined, and they failed to fully make up the margin shortfall by providing sufficient monetary amount of additional collaterals or repayment. Accordingly forced sale of the relevant pledged securities of the clients' position in the open market were executed. Impairment provision with a total amount of approximately HK\$7.4 million was made for these two exposures at the end of the Reporting Period.

As at 30 June 2024, the total value of outstanding trade receivables arising from margin financing is nil. As at 30 June 2024, margin loans with gross carrying amount of HK\$7.4 million with interest rate of approximately 12.0% per annum and repayment on demand were assessed as credit-impaired due to margin shortfall as stated in the above paragraph. Those margin loans were secured by certain securities with nil market value at the end of the Reporting Period.

The Group will continue to provide tailor-made financial solutions and professional services in connection with financial products and funds to our clients in future.

### – *Money Lending and Credit Card Business*

The Group's money lending and credit card business recorded a turnover of approximately HK\$3.3 million (30 June 2023: approximately HK\$0.2 million) due to credit card handling charges for customers' retail purchases recognized during the Reporting Period.

The provision of money lending and credit card business recorded a loss of approximately HK\$16.5 million (30 June 2023: approximately HK\$9.8 million). The increase was primarily due to the additional staff costs incurred which resulted from increase in headcount for our credit card business.

For money lending business, the Group has a gross carrying amount of loan and interest receivables of approximately HK\$3.5 million, representing 1 outstanding unsecured loan with effective interest rate of approximately 24.0% per annum with a term in 12 months (the "Outstanding Loan") as at 30 June 2024. The Outstanding Loan was granted to independent third parties of the Company. Loan and interest receivables of approximately HK\$0.2 million were written off during the Reporting Period. (30 June 2023: Nil)

The Group accounts for its credit risk by providing for expected credit losses on a timely basis where appropriate. A reversal of impairment loss on loan and interest receivables of approximately HK\$0.7 million was recognised during the Reporting Period mainly due to the repayments by borrowers.

## Properties Holding

The Group currently holds certain industrial properties located at Cheung Sha Wan, Hong Kong and leased out some of these properties.

During the Reporting Period, the business segment of properties holding reported a revenue of approximately HK\$0.6 million (30 June 2023: HK\$0.3 million).

The properties holding business recorded a segment loss of approximately HK\$17.9 million (30 June 2023: profit of approximately HK\$4.4 million).

An impairment loss on properties for development of approximately HK\$9.0 million was recorded during the Reporting Period (30 June 2023: a reversal of impairment loss of approximately HK\$4.0 million).

A loss on change in fair value of investment properties of approximately HK\$8.4 million was provided during the Reporting Period (30 June 2023: gain of approximately HK\$0.8 million).

## Management Discussion and Analysis *(continued)*

### Discontinued Operation

#### *Others (Temperature-controlled Storage)*

The segment mainly represents the provision of temperature-controlled storage and ancillary services business conducted primarily through the Company's indirect subsidiary, China Cold Chain Co. Limited ("CCC"). During the prior year ended 31 December 2023, the Group disposed its entire interest in CCC and ceased to engage in temperature-controlled storage and ancillary services business upon the disposal. A revenue of approximately HK\$1.9 million and a loss of approximately HK\$0.5 million were recorded during the period ended 30 June 2023.

## FINANCIAL REVIEW

### Revenue

During the Reporting Period, the revenue of the Group was approximately HK\$252.0 million, representing an increase of about 4.5% over the same period of last year (for the period ended 30 June 2023: approximately HK\$241.2 million).

### Gross Profit and Gross Profit Margin

Gross profit of the Group for the Reporting Period was approximately HK\$64.5 million, representing an increase of about 18.6% as compared with HK\$54.4 million for the period ended 30 June 2023. The increase in overall gross profit was mainly due to increase in gross profit of financial business.

During the Reporting Period, the gross profit margin of the Group increased by around 3.0% over the same period of last year to about 25.6% (for the period ended 30 June 2023: approximately 22.6%). The increase in overall gross profit margin was primarily due to the increase in the gross profit margin for financial business.

The gross profit for the provision of food and beverage services business for the Reporting Period was approximately HK\$24.5 million (for the period ended 30 June 2023: approximately HK\$26.7 million). Gross profit margin was approximately 12.0%, representing a decrease of approximately 1.0% compared with the same period of last year.

The gross profit of provision of financial business for the Reporting Period was approximately HK\$39.4 million (for the period ended 30 June 2023: approximately HK\$27.5 million).

The gross profit of properties holding business for the Reporting Period was approximately HK\$0.6 million (for the period ended 30 June 2023: approximately HK\$0.3 million).

### Other Income and Gains

Other income and gains mainly comprised of interest income from bank deposits, reversal of impairment loss on loan and interest receivables, net foreign exchange gains and reversal of impairment loss on trade receivables. Other income and gains amounted to approximately HK\$5.4 million for the Reporting Period, representing a decrease of 56.8% as compared with approximately HK\$12.5 million for the same period of last year. The decrease is primarily attributable to no reversal of impairment loss on properties for development recognized and decrease in net foreign exchange gains for the Reporting Period.



### Selling and Distribution Expenses

Selling and distribution expenses primarily consisted of storage and logistics expenses, advertising expenses and other expenses. Selling and distribution expenses amounted to approximately HK\$21.7 million for the Reporting Period, representing an increase of about 16.7% as compared with about HK\$18.6 million for the period ended 30 June 2023. The increase was driven by the increase in advertising expenses incurred by our financial professional services business.

The selling and distribution expenses accounted for about 8.6% of the revenue during the Reporting Period (for the period ended 30 June 2023: approximately 7.7%), among which, storage and logistics expenses, as a percentage of revenue, decreased from about 6.1% for the period ended 30 June 2023 to about 5.4% for the Reporting Period.

### Administrative Expenses

Administrative expenses primarily consisted of salaries and wages for administrative staff, professional fees, depreciation and other expenses. Administrative expenses of the Group amounted to approximately HK\$61.6 million for the Reporting Period (for the period ended 30 June 2023: approximately HK\$47.6 million), representing an increase of about 29.4% over the same period of last year. The increase was mainly due to increases in staff costs and professional fees during the Reporting Period.

Administrative expenses accounted for about 24.4% of the Group's revenue for the Reporting Period (for the period ended 30 June 2023: approximately 19.7%).

### Other Expenses

Other expenses mainly comprised of impairment loss on properties for development, loss on change in fair value of investment properties and impairment loss on margin loan receivables. Other expenses amounted to approximately HK\$17.6 million for the Reporting Period, representing an increase of 87.2% as compared with approximately HK\$9.4 million for the period ended 30 June 2023. The increase is primarily attributable to impairment loss on properties for development and loss on change in fair value of investment properties recognized during the Reporting Period, which was partially off-set by the decrease in impairment loss on margin loan receivables.

### Finance Costs

The Group had finance costs of approximately HK\$0.4 million for the Reporting Period (30 June 2023: approximately HK\$0.4 million).

### Disposal of a Subsidiary

#### *China Cold Chain Co. Limited ("CCC")*

The Group entered into an agreement to dispose all of its interest in CCC for consideration valued at approximately HK\$2.3 million with a certain purchaser on 31 March 2023 and completed the disposal on 30 April 2023. CCC, a 70% indirectly owned subsidiary of the Company, was primarily engaged in provision of temperature-controlled storage and ancillary services business. Upon completion of the disposal, the Group ceased to hold any interests in CCC and a gain on disposal of approximately HK\$1.1 million was recognized for the period ended 30 June 2023.



## Management Discussion and Analysis *(continued)*

### Significant Investments Held, Material Acquisitions or Disposals of Subsidiaries and Affiliated Companies, and Plans for Material Investments or Capital Assets

The Group did not have material acquisitions and disposals of subsidiaries and affiliated companies for the Reporting Period. As at 30 June 2024, the Group did not hold any significant investments. The Group does not have any future plans in relation to material investments or capital assets.

### Net Loss and Net Loss Margin

For the Reporting Period, loss attributable to equity holders of the Company amounted to approximately HK\$29.5 million as compared with loss attributable to equity holders of the Company of approximately HK\$20.4 million for the period ended 30 June 2023. The net loss margin was about 11.7% as compared with about 8.5% of net loss margin for the period ended 30 June 2023, with basic loss per share of approximately HK\$1.32 cents (basic loss per share for the period ended 30 June 2023: approximately HK\$0.90 cents).

### Capital Expenditure

For the Reporting Period, the Group's material capital expenditure amounted to approximately HK\$0.1 million, mainly used for renovation of our offices and acquisition of office equipment (for the period ended 30 June 2023: approximately HK\$0.8 million).

### Financial Resources and Liquidity

As at 30 June 2024, cash and bank balances of the Group amounted to approximately HK\$328.2 million (31 December 2023: approximately HK\$358.3 million). The current ratio was 3.6 (31 December 2023: 3.4). Our liquidity remained healthy. The uses of balance of cash and bank balances were mainly as follows: firstly, providing the liquid capital and strengthening the operation of the provision of financial business; secondly, developing the provision of food and beverage services business; and thirdly, pursuing potential acquisition and investment opportunities.

### Fundraising Activities of the Group

During the Reporting Period, the Company had not issued any equity securities for cash.

### Loan and Interest Receivables

As at 30 June 2024 and 31 December 2023, the Group's loan and interest receivables were nil.

During the Reporting Period, the Group did not enter into any additional loan arrangements with customers for our money lending business (31 December 2023: Nil).

A reversal of impairment loss on loan and interest receivables of approximately HK\$0.7 million was recognised during the Reporting Period (30 June 2023: approximately 0.8 million).

Loan and interest receivables of approximately HK\$0.2 million were written off during the Reporting Period. (30 June 2023: Nil)

### Trade Receivables

As at 30 June 2024, the Group's trade receivables were approximately HK\$66.7 million (31 December 2023: approximately HK\$81.7 million). The amount included trade receivables arising from margin financing was nil (31 December 2023: approximately HK\$4.5 million) with repayment on demand clause and trade receivables arising from dealing in securities and futures contracts services (clearing house, brokers and cash clients) approximately HK\$3.1 million (31 December 2023: approximately HK\$6.2 million) to be settled one to two days after trade date. Besides, the Group usually grants a credit period of 30 to 180 days to the customers for settling trade receivables arising from the remaining businesses amounted at approximately HK\$63.6 million (31 December 2023: approximately HK\$71.0 million).

### Trade Payables

As at 30 June 2024, trade payables were approximately HK\$110.2 million (31 December 2023: approximately HK\$123.3 million), of which included trade payables arising from dealing in securities and futures contracts services approximately HK\$65.2 million (31 December 2023: approximately HK\$92.9 million) to be settled one to two days after trade date and trade payables arising from provision of escrow services approximately HK\$41.1 million (31 December 2023: approximately HK\$24.7 million) of which payments shall be made upon client's request. Besides, the Group normally settled the remaining payables arising from other businesses amounted at approximately HK\$3.8 million (31 December 2023: approximately HK\$5.7 million) on terms of 30 to 180 days and kept good payment records.

### Inventories

As at 30 June 2024, inventories of the Group were approximately HK\$37.6 million (31 December 2023: approximately HK\$42.7 million) and the inventory balance decreased by about 11.9% over 31 December 2023.

### Gearing Ratio

As at 30 June 2024, the current assets and total assets of the Group were approximately HK\$535.6 million and HK\$761.4 million respectively, the current liabilities and total liabilities of the Group were approximately HK\$149.5 million and HK\$153.5 million respectively. The gearing ratio (total liabilities/total assets) of the Group was approximately 20.2% (31 December 2023: approximately 21.8%).

### Bank Borrowings

As at 30 June 2024, the Group had no bank borrowings (31 December 2023: approximately HK\$6.9 million). Facilities were provided to the Group from banks in Hong Kong in the form of secured bank borrowings amounting to approximately HK\$6.9 million secured by a guarantee from the Company as at 31 December 2023.

### Capital Structure

The major objective of the Group's capital management is to ensure the ability of sustainable operations and maintain a healthy capital ratio in order to support its businesses and maximise the interests of the shareholders (the "Shareholders") of the Company. The Group continued to emphasise the appropriate mix of equity and debt to ensure an efficient capital structure in order to reduce capital cost.

## Management Discussion and Analysis *(continued)*

### Risk of Foreign Exchange

The Group's business operations were denominated mainly in HK\$ and US dollars ("USD") during the Reporting Period.

The Group's assets and liabilities are mainly denominated in HK\$ and USD at the end of the Reporting Period. Currently, the Group has not entered into any agreement or purchased any instrument to hedge the Group's foreign currency risk. Since the HK\$ is pegged to the USD, the Group's exposure to foreign currency risk in respect of asset and liabilities denominated in USD is considered to be minimal.

The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates.

### Contingent Liabilities

As at 30 June 2024 and 31 December 2023, the Group had no material contingent liabilities.

## OUTLOOK

The Group continues to create long-term values for its Shareholders by building up a well-diversified business portfolio comprised of our food and beverage business and financial business.

Globally, macro challenges persisted with monetary tightening cycles led by rising inflation across Western countries, volatile adjustments on Mainland China's property sector and prolong Russia-Ukraine geopolitical conflicts. Locally, Hong Kong's economic momentum is hampered by continuous decline in property prices and the underperforming stock market. Complete turnaround in the overall economy was yet to take place and the Group will monitor its business development in cautious manner.

In light of headwinds resulting from slower-than-anticipated economic and inbound tourist recoveries, as well as a northward shifting in Hong Kong local consumer spending preferences, the Group expects that the consumption market of food and beverage will be subdued in the second half of 2024. Our procurement prices will remain high under the ongoing global inflationary pressures and lengthy geopolitical crises. Despite the challenges encountered during the first half of 2024, our food and beverage business has exhibited resilience and adaptability. The Group is still confident in its ability to develop over the long term with our robust client base and a well-balanced list of international suppliers. We will continue to focus on diversifying our high margin product offerings and expanding our market presence in the food and beverage industry by keeping up with emerging customer trends.

In the second half of 2024, stock market conditions are recognized to be challenging due to factors such as unpredictability of inflation and interest rate movements, global geopolitical tensions and structural transition of Mainland China's economy. These factors are likely to negatively impact investor confidence in 2024. Given the high level of uncertainty, we will adopt a conservative stance when evaluating potential investments in securities or other financial products.

Hong Kong's strategic position as a global center for offshore RMB business and a regional center for green technology and finance makes the Group confident that Hong Kong will maintain its prominent role in the regional capital market. Furthermore, Asia undeniably offers enduring prospects for financial services business, considering Asia continues to be a lucrative hub for wealth generation. The Group is proactively exploring opportunities to diversify its business portfolio in the financial service sector in Hong Kong and Asia. Our goal for our last year's entry into Hong Kong's credit card business is achieving steady and balanced growth, and to generate sustainable returns by leveraging the emerging opportunities in asset-backed credit card markets.

We have made relevant applications to the Hong Kong Government for the redevelopment of our land parcels and properties in Yuen Long. The relevant government authority has conditionally approved our plan to construct single block residential buildings on each of the four parcels of those lands, subject to certain prerequisites. Our current efforts are directed towards communicating with the relevant government authority to finalize the construction plan and ensure adherence to environmental and other statutory requirements. Based on the best knowledge, information, and belief of the Directors, we do not anticipate any legal impediments in obtaining the relevant approval from the Hong Kong Government for the redevelopment of the remaining parcels of lands.

In order to enhance value for the Shareholders, the Group will consistently review the performance of its current business and will seek to expand promising segments. The Company will also explore the possibility of entering into new businesses if favorable opportunities arise. A formal announcement will be made by the Company, and it will adhere to the reporting obligation as required by the Listing Rules when necessary.

### **EMPLOYEES AND REMUNERATION**

As at 30 June 2024, the Group employed 131 employees (as at 31 December 2023: 126 employees).

Employees of the Group are remunerated based on their individual performance, professional qualifications, experience in the industry and relevant market trends. In addition to basic salaries, year-end bonuses may be rewarded by the Group to those staff members with outstanding performance.

The Group operates the Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the laws of Hong Kong) for employees employed under the Hong Kong Employment Ordinance (Chapter 57 of the laws of Hong Kong). The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, the Group and the employees are each required to make contributions to the plan at 5% of the employee's relevant income, subject to a cap of monthly relevant income of HK\$30,000 per employee. There are no forfeited contributions for the MPF Scheme as the contributions are fully vested to the employees upon payments to the MPF Scheme.

Furthermore, pursuant to the relevant laws and regulations in the United Kingdom, the Group has joined the respective defined contribution retirement schemes for its local employees (the "UK Retirement Schemes"). The Group makes contributions to the UK Retirement Schemes at the applicable rates based on the amounts stipulated by the local government organisations. As at 30 June 2024, there were no forfeited contributions for the UK Retirement Schemes as the contributions were fully vested to the employees pursuant to the applicable laws and regulations.



## Management Discussion and Analysis *(continued)*

In addition, a share option scheme was adopted by the Company in June 2021 for the purpose of providing incentive or reward to staff members and other eligible participants who make contributions to the success of the Group. The Directors believe that the compensation packages offered by the Group to its staff members are competitive in comparison with market standards and practices.

### **DIVIDEND**

The Board has resolved not to declare any interim dividend in respect of the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

# UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

For the six months ended 30 June 2024

	Notes	Six months ended 30 June	
		2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
<b>Continuing operations</b>			
Revenue	4	251,982	241,174
Cost of sales		(187,436)	(186,742)
Gross profit		64,546	54,432
Other income and gains	5	5,425	12,498
Selling and distribution expenses		(21,659)	(18,623)
Administrative expenses		(61,579)	(47,595)
Other expenses	6	(17,642)	(9,424)
Finance costs	7	(359)	(355)
<b>Loss before tax</b>	8	<b>(31,268)</b>	(9,067)
Income tax expense	9	(1,586)	(4,076)
<b>Loss for the period from continuing operations</b>		<b>(32,854)</b>	(13,143)
<b>Discontinued operation</b>			
Gain for the period from discontinued operation	11	–	573
<b>Loss for the period</b>		<b>(32,854)</b>	(12,570)
Loss for the period attributable to equity holders of the Company		(29,512)	(20,411)
(Loss)/profit for the period attributable to non-controlling interests		(3,342)	7,841
<b>Loss for the period</b>		<b>(32,854)</b>	(12,570)

## Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income *(continued)*

For the six months ended 30 June 2024

	Notes	Six months ended 30 June	
		2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
<b>Loss for the period</b>		<b>(32,854)</b>	(12,570)
Items that will not be reclassified to profit or loss in subsequent periods:			
Gain on change in fair value of financial assets at fair value through other comprehensive income		<b>10,818</b>	16,746
Total other comprehensive income for the period		<b>10,818</b>	16,746
<b>Total comprehensive (expense)/income for the period</b>		<b>(22,036)</b>	4,176
<b>Total comprehensive (expense)/income for the period attributable to:</b>			
– Equity holders of the Company		<b>(18,694)</b>	(3,665)
– Non-controlling interests		<b>(3,342)</b>	7,841
<b>Total comprehensive (expense)/income for the period</b>		<b>(22,036)</b>	4,176
		<b>2024 HK\$ cents (unaudited)</b>	<b>2023 HK\$ cents (unaudited)</b>
Loss per share from continuing and discontinued operations	12		
Basic		<b>(1.32)</b>	(0.90)
Diluted		<b>N/A</b>	N/A
Loss per share from continuing operations			
Basic		<b>(1.32)</b>	(0.72)
Diluted		<b>N/A</b>	N/A

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Notes	30 June 2024 HK\$'000 (unaudited)	31 December 2023 HK\$'000 (audited)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	13	2,209	2,944
Right-of-use assets		8,892	13,061
Investment properties	13	42,300	50,700
Properties for development	13	53,000	62,000
Goodwill	14	40,781	40,781
Financial assets at fair value through other comprehensive income	15	41,682	30,882
Deferred tax assets		2,314	2,488
Prepayments, deposits and other receivables	18	34,626	33,723
		<b>225,804</b>	236,579
<b>CURRENT ASSETS</b>			
Inventories		37,641	42,704
Loan and interest receivables	16	–	–
Trade receivables	17	66,738	81,666
Prepayments, deposits and other receivables	18	40,502	42,165
Contract assets		2,059	751
Cash held on behalf of clients		60,450	48,617
Cash and bank balances		328,245	358,310
		<b>535,635</b>	574,213



## Condensed Consolidated Statement of Financial Position *(continued)*

As at 30 June 2024

	Notes	30 June 2024 HK\$'000 (unaudited)	31 December 2023 HK\$'000 (audited)
<b>CURRENT LIABILITIES</b>			
Trade payables	19	110,176	123,327
Other payables and accruals	20	27,811	30,489
Bank borrowings	21	–	6,862
Amount due to non-controlling interests		1,083	1,083
Lease liabilities		5,758	7,698
Income tax payable		4,690	1,272
		<b>149,518</b>	170,731
<b>NET CURRENT ASSETS</b>			
		<b>386,117</b>	403,482
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<b>611,921</b>	640,061
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		3,878	6,334
Deferred tax liabilities		93	44
		<b>3,971</b>	6,378
<b>NET ASSETS</b>			
		<b>607,950</b>	633,683
<b>EQUITY</b>			
Share capital	22	22,034	22,741
Reserves		555,142	576,826
		<b>577,176</b>	599,567
Equity attributable to equity holders of the Company		<b>577,176</b>	599,567
Non-controlling interests		30,774	34,116
		<b>607,950</b>	633,683
<b>TOTAL EQUITY</b>			

**Chan Hoi Tik**  
Director

**Lau Ka Ho**  
Director

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Attributable to equity holders of the Company										
	Share capital HK\$'000	Treasury shares HK\$'000	Share premium HK\$'000	Share option reserve HK\$'000	Capital reserve HK\$'000	FVTOCI revaluation reserve HK\$'000	Capital redemption reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
At 1 January 2024 (audited)	22,741	(323)	707,705	13,077	13	(110,068)	20	(33,598)	599,567	34,116	633,683
Loss for the period	-	-	-	-	-	-	-	(29,512)	(29,512)	(3,342)	(32,854)
Other comprehensive income											
Gain on change in fair value of financial assets at fair value through other comprehensives income, net of tax	-	-	-	-	-	10,818	-	-	10,818	-	10,818
Total comprehensive income/(expense) for the period	-	-	-	-	-	10,818	-	(29,512)	(18,694)	(3,342)	(22,036)
Acquisition of treasury shares	-	(3,697)	-	-	-	-	-	-	(3,697)	-	(3,697)
Cancellation of issued shares	(707)	4,020	(3,313)	-	-	-	-	-	-	-	-
Transferred to retained profits on disposal of financial assets at FVTOCI	-	-	-	-	-	7	-	(7)	-	-	-
At 30 June 2024 (unaudited)	22,034	-	704,392	13,077	13	(99,243)	20	(63,117)	577,176	30,774	607,950

## Condensed Consolidated Statement of Changes in Equity (continued)

For the six months ended 30 June 2024

	Attributable to equity holders of the Company										
	Share capital HK\$'000	Share premium HK\$'000	Share option reserve HK\$'000	Capital reserve HK\$'000	FVTOCI revaluation reserve HK\$'000	Capital redemption reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Retained profits/ losses HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
At 1 January 2023 (audited)	22,741	707,705	13,077	13	(123,472)	20	-	5,150	625,234	33,916	659,150
Loss for the period	-	-	-	-	-	-	-	(20,411)	(20,411)	7,841	(12,570)
Other comprehensive income											
Gain on change in fair value of financial assets at fair value through other comprehensive income, net of tax	-	-	-	-	16,746	-	-	-	16,746	-	16,746
Total comprehensive income/(expense) for the period	-	-	-	-	16,746	-	-	(20,411)	(3,665)	7,841	4,176
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	(529)	(529)
At 30 June 2023 (unaudited)	22,741	707,705	13,077	13	(106,726)	20	-	(15,261)	621,569	41,228	662,797

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

	Notes	Six months ended 30 June	
		2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
<b>Net cash (used in)/generated from operating activities</b>		<b>(15,018)</b>	67,333
<b>Investing activities</b>			
Purchase of property, plant and equipment		(110)	(762)
Proceeds from disposal of property, plant and equipment		–	105
Net cash inflow from disposal of subsidiary	24	–	129
Proceeds from disposal of financial assets at FVTOCI		18	–
Decrease in pledged bank deposits		–	3,000
<b>Net cash (used in)/generated from investing activities</b>		<b>(92)</b>	2,472
<b>Financing activities</b>			
Drawdown of bank borrowings		406	4,911
Drawdown of other borrowings		–	780
Repayment of bank borrowings		(7,268)	(14,463)
Purchase of treasury shares		(3,697)	–
Payment of principal portion of lease liabilities		(4,396)	(5,198)
<b>Net cash used in financing activities</b>		<b>(14,955)</b>	(13,970)
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(30,065)</b>	55,835
Cash and cash equivalents at beginning of the period		358,310	307,094
Effect of foreign exchange rate changes, net		–	(206)
<b>Cash and cash equivalents at end of the period</b>		<b>328,245</b>	362,723
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		328,245	362,723



# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 1. CORPORATE INFORMATION

Prosperous Future Holdings Limited was incorporated as an exempted company with limited liability in the Cayman Islands. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company's registered office address is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company's principal place of business in Hong Kong is located at 17/F, EC Healthcare Tower (Central), Nos. 19-20 Connaught Road Central, Central, Hong Kong.

The principal activity of the Company is investment holding. The subsidiaries of the Company are principally engaged in the provision of food and beverage services, provision of financial business, properties holding and investment holding.

The Group discontinued its operation in a subsidiary, which was engaged in provision of temperature-controlled storage and ancillary services (the "Discontinued Operation") for the six months ended 30 June 2023. Details are set out in note 11.

The unaudited condensed consolidated interim financial statements of the Group, comprising the Company and its subsidiaries, are presented in Hong Kong Dollars ("HK\$"), which is also the functional currency of the Company.

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board and the applicable disclosure requirements under Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The unaudited condensed consolidated interim financial statements does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's audited consolidated financial statements for the year ended 31 December 2023.

Other than the changes in accounting policies resulting from application of new and amendments to International Financial Reporting Standards ("IFRS"), the accounting policies and basis of preparation adopted in the preparation of the unaudited condensed consolidated interim financial statements are the same as those used in the annual financial statements for the year ended 31 December 2023.

In the current period, the Group has applied, for the first time, the following amendments to the IFRSs issued by the International Accounting Standard Board. These IFRSs are mandatorily effective for the annual period beginning on or after 1 January 2024 for the preparation of the Group's unaudited condensed consolidated interim financial statements.

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

The adoption of the above new or revised IFRSs in the current period has no material effect on the amounts reported and/or disclosures set out in these unaudited condensed consolidated interim financial statements.

The Group has not applied any new or revised IFRSs that have been issued but are not yet effective for the current accounting period.

### 3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into the following operating segments based on their products and services:

#### Continuing operations

- (a) Food and beverage – sale of frozen food and beverage products
- (b) Financial business – (i) provision of professional services, such as fund setup and administration, consultancy and co-ordination, corporate and accounting services, data analysis, provision of services regarding dealing in securities, futures contracts and other related products, margin financing, advising on securities and asset management services, securities investment and money lending; (ii) provision of credit card services to individuals or corporation
- (c) Properties holding

#### Discontinued operation

- (a) Others – provision of temperature-controlled storage and ancillary services which provide storage services for frozen food and beverage products

The Group's management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that interest income derived from bank deposits, other unallocated income and gains, finance costs as well as corporate and other unallocated expenses are excluded from such measurement.

The Group disposed the interest in a subsidiary that was considered by the management as separate major line of business of the Group. Accordingly, the entire others segment was accounted for as discontinued operation. Details about the Discontinued Operation and the disposal are set out in note 11.

Segment assets exclude goodwill, unallocated property, plant and equipment, right-of-use assets, prepayments, deposits and other receivables, deferred tax assets, and cash and bank balances as these assets are managed on a group basis.

Segment liabilities exclude unallocated other payables and accruals, lease liabilities, income tax payable and deferred tax liabilities as these liabilities are managed on a group basis.

## Notes to the Condensed Consolidated Interim Financial Statements (continued)

For the six months ended 30 June 2024

### 3. OPERATING SEGMENT INFORMATION (continued)

	Food and beverage HK\$'000	Financial business HK\$'000	Properties holding HK\$'000	Total HK\$'000
<b>Segment revenue and segment results for the six months ended 30 June 2024 (unaudited)</b>				
<b>Segment revenue</b>	<b>203,800</b>	<b>47,598</b>	<b>584</b>	<b>251,982</b>
<b>Segment profit/(loss)</b>	<b>4,019</b>	<b>(10,463)</b>	<b>(17,852)</b>	<b>(24,296)</b>
Interest income from bank deposits				3,463
Other unallocated income and gains				1,765
Corporate and other unallocated expenses				(11,841)
Finance costs				(359)
Loss before tax from continuing operations				<b>(31,268)</b>

	Food and beverage HK\$'000	Financial business HK\$'000	Properties holding HK\$'000	Total HK\$'000
<b>Segment revenue and segment results for the six months ended 30 June 2023 (unaudited)</b>				
<b>Segment revenue</b>	<b>204,706</b>	<b>36,192</b>	<b>276</b>	<b>241,174</b>
<b>Segment profit/(loss)</b>	<b>4,760</b>	<b>(14,902)</b>	<b>4,352</b>	<b>(5,790)</b>
Interest income from bank deposits				3,486
Other unallocated income and gains				273
Corporate and other unallocated expenses				(6,681)
Finance costs				(355)
Loss before tax from continuing operations				<b>(9,067)</b>

## 3. OPERATING SEGMENT INFORMATION (continued)

	Food and beverage HK\$'000	Financial business HK\$'000	Properties holding HK\$'000	Total HK\$'000
<b>Segment assets and segment liabilities as at 30 June 2024 (unaudited)</b>				
<b>Segment assets</b>	<b>127,640</b>	<b>379,971</b>	<b>98,827</b>	<b>606,438</b>
Goodwill				40,781
Corporate and other unallocated assets				114,220
Total assets				<b>761,439</b>
<b>Segment liabilities</b>	<b>18,490</b>	<b>131,441</b>	<b>1,586</b>	<b>151,517</b>
Corporate and other unallocated liabilities				1,972
Total liabilities				<b>153,489</b>

	Food and beverage HK\$'000	Financial business HK\$'000	Properties holding HK\$'000	Total HK\$'000
<b>Segment assets and segment liabilities as at 31 December 2023 (audited)</b>				
<b>Segment assets</b>	<b>131,296</b>	<b>410,675</b>	<b>116,163</b>	<b>658,134</b>
Goodwill				40,781
Corporate and other unallocated assets				111,877
Total assets				<b>810,792</b>
<b>Segment liabilities</b>	<b>25,077</b>	<b>145,721</b>	<b>1,536</b>	<b>172,334</b>
Corporate and other unallocated liabilities				4,775
Total liabilities				<b>177,109</b>

## Notes to the Condensed Consolidated Interim Financial Statements (continued)

For the six months ended 30 June 2024

### 4. REVENUE

An analysis of the Group's revenue from continuing operations by major products and services categories for the period are as follows:

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Income from food and beverage business	203,800	204,706
Income from provision of professional services	36,555	29,134
Income from provision of services regarding dealing in securities, futures contracts and other related products	4,089	2,268
Income from asset management and advising on securities services	3,657	4,400
Income from credit card handling charge	3,267	–
Revenue from contracts with customers from continuing operations	251,368	240,508
Interest income from money lending business	–	233
Margin interest income from securities brokerage business	30	157
Rental income from lease of investment properties	584	276
Revenue from other source from continuing operations	614	666
Total revenue from continuing operations	251,982	241,174

#### Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers from continuing operations is disaggregated by timing of revenue recognition:

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Timing of revenue recognition		
At a point in time	220,780	210,429
Over time	30,588	30,079
	251,368	240,508



## Notes to the Condensed Consolidated Interim Financial Statements *(continued)*

For the six months ended 30 June 2024

### 5. OTHER INCOME AND GAINS

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Interest income from bank deposits	3,463	3,486
Gain on change in fair value of investment properties	–	760
Net foreign exchange gains	481	3,207
Reversal of impairment loss on loan and interest receivables	657	839
Reversal of impairment loss on trade receivables	199	–
Reversal of impairment loss on properties for development	–	4,000
Sundry income	625	206
Other income and gains from continuing operations	5,425	12,498

### 6. OTHER EXPENSES

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Impairment loss on trade receivables	–	2,129
Impairment loss on margin loan receivables	242	7,011
Impairment loss on other receivables	–	284
Loss on change in fair value of investment properties	8,400	–
Impairment loss on properties for development	9,000	–
Other expenses from continuing operations	17,642	9,424

## Notes to the Condensed Consolidated Interim Financial Statements *(continued)*

For the six months ended 30 June 2024

### 7. FINANCE COSTS

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Interest on bank borrowings	2	74
Finance costs on lease liabilities	357	281
Finance costs from continuing operations	359	355

### 8. LOSS BEFORE TAX

The Group's loss before tax from continuing operations is arrived at after charging:

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Cost of inventories sold	179,254	178,054
Depreciation of property, plant and equipment	849	1,141
Depreciation of right-of-use assets	4,169	5,030
Storage expenses	9,880	10,960
Employee benefit expenses (including directors' remuneration):		
Wages and salaries	35,925	28,146
Retirement benefit scheme contributions	930	838
Total staff costs	36,855	28,984
Auditors' remuneration	318	318

**9. INCOME TAX EXPENSE**

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Current tax expense	1,363	1,669
Deferred tax charging	223	2,407
Total income tax expense from continuing operations	<b>1,586</b>	4,076

Hong Kong Profits Tax is calculated in accordance with the two-tiered Hong Kong profits tax rates regime for both periods presented.

Under the two-tiered Hong Kong profits tax rates regime, the first HK\$2 million of the assessable profits of the qualifying corporation will be taxed at 8.25% (2023: 8.25%), and assessable profits above HK\$2 million will be taxed at 16.5% (2023: 16.5%). The profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the rate of 16.5% (2023: 16.5%).

**10. DIVIDENDS**

The Directors do not recommend any payment of an interim dividend for the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

**11. DISCONTINUED OPERATION**

The Group disposed its interest in a subsidiary, China Cold Chain Co. Limited ("CCC"), on 30 April 2023. CCC was principally engaged in the provision of temperature-controlled storage and ancillary services. After the completion date of disposal, the operation of CCC is accounted for as discontinued operation.

The loss for the period from the discontinued operation is set out below.

## Notes to the Condensed Consolidated Interim Financial Statements (continued)

For the six months ended 30 June 2024

### 11. DISCONTINUED OPERATION (continued)

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Loss of discontinued operation for the period	–	(488)
Gain on disposal of discontinued operation	–	1,061
	–	573

The results of the discontinued operation for the period from 1 January 2023 to respective the date of discontinuation of the operation, which have been included in the unaudited condensed consolidated statement of profit or loss and other comprehensive income, were as follows:

	Six months ended 30 June 2023 HK\$'000 (unaudited)
Revenue	1,875
Total revenue	1,875
Cost of sales	(1,409)
Gross profit	466
Administrative expenses	(771)
Other expenses	(36)
Finance costs	(147)
Loss before tax	(488)
Income tax	–
Loss for the period	(488)

## 11. DISCONTINUED OPERATION (continued)

2023  
HK\$ cents  
(unaudited)

Loss per share from discontinued operation

Basic	(0.18)
Diluted	N/A

## 12. LOSS PER SHARE

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

	Continuing and discontinued operations Six months ended 30 June		Continuing operations Six months ended 30 June		Discontinued operation Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
<b>Loss</b>						
Loss for the purpose of basic loss per share						
Loss for the period attributable to equity holders of the Company	(29,512)	(20,411)	(29,512)	(16,282)	–	(4,129)
	2024 '000 (unaudited)	2023 '000 (unaudited)	2024 '000 (unaudited)	2023 '000 (unaudited)	2024 '000 (unaudited)	2023 '000 (unaudited)
<b>Number of shares</b>						
Weighted average number of ordinary shares for the purpose of basic loss per share	2,241,283	2,274,123	2,241,283	2,274,123	2,241,283	2,274,123

The computation of diluted loss per share does not assume the exercise of the Company's share options granted because the exercise prices of those share options were higher than the average market prices for shares of the Company for both of the periods ended 30 June 2024 and 30 June 2023.

Diluted loss per share for the six months ended 30 June 2024 and 30 June 2023 are not presented as there were no other potential shares in issue for both of the periods.



### 13. PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES, PROPERTIES FOR DEVELOPMENT

During the current period, the Group acquired certain property, plant and equipment at the cost of approximately HK\$110,000 (six months ended 30 June 2023: HK\$906,000), and no disposal was made during the period (six months ended 30 June 2023: HK\$105,000), resulting in no gain or loss on disposal (six months ended 30 June 2023: Nil).

The Group's investment properties and properties for development at the end of the reporting period were valued by external valuer, B.I. Appraisal Limited, being independent qualified professional valuer not connected with the Group.

In estimating the fair value of the investment properties, the highest and the best use of the properties is their current use. Direct comparison method is adopted for the current period as the investment properties have been sub-divided and partially rented out during the current period and the directors are of the opinion that the direct comparison method is appropriate for estimation of the fair value of the investment properties at the end of the reporting period. There has been no change from the valuation technique used in the prior year ended 31 December 2023. The resulting decrease in fair value of investment properties amounted to HK\$8,400,000 (six months ended 30 June 2023: increase in fair value HK\$760,000).

The Group assesses the recoverable amount of properties for development were based on the estimated sale value of these properties and taking into account the estimated costs to completion based on the direct comparison method and residual method. The main valuation input used were the market value of other property comparable executed in the market and estimated development cost. The estimated sale value on which the recoverable amount is categorised as level 3 measurement. Provision is made when events or changes in circumstances indicate that the carrying amounts may not be realised. The assessment requires the use of judgement and estimates.

The directors of the Company consider it appropriate to recognise impairment loss on properties for development amounted to HK\$9,000,000 (six months ended 30 June 2023: reversal of impairment loss HK\$4,000,000) which is calculated based on their recoverable amount by reference to the estimated sale value of the properties on their existing state.

## Notes to the Condensed Consolidated Interim Financial Statements *(continued)*

For the six months ended 30 June 2024

### 14. GOODWILL

	<b>Six months ended 30 June 2024 HK\$'000 (unaudited)</b>	Year ended 31 December 2023 HK\$'000 (audited)
<b>Cost</b>		
At beginning of the period/year	<b>48,313</b>	48,632
Impact on disposal of a subsidiary	–	(319)
At end of the period/year	<b>48,313</b>	48,313
<b>Accumulated impairment losses</b>		
At beginning of the period/year	<b>7,532</b>	7,851
Impact on disposal of a subsidiary	–	(319)
At end of the period/year	<b>7,532</b>	7,532
<b>Carrying amount at end of the period/year</b>	<b>40,781</b>	40,781

### 15. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<b>30 June 2024 HK\$'000 (unaudited)</b>	31 December 2023 HK\$'000 (audited)
Financial assets at fair value through other comprehensive income		
– Equity securities listed in Hong Kong	<b>14,831</b>	12,570
– Unlisted investment fund	<b>26,851</b>	18,312
	<b>41,682</b>	30,882

## Notes to the Condensed Consolidated Interim Financial Statements *(continued)*

For the six months ended 30 June 2024

### 16. LOAN AND INTEREST RECEIVABLES

	<b>30 June 2024 HK\$'000 (unaudited)</b>	31 December 2023 HK\$'000 (audited)
Loan and interest receivables thereon		
– within one year	<b>3,473</b>	3,991
– in the second to fifth year	–	139
– over five years	–	–
Loan and interest receivables, gross amount	<b>3,473</b>	4,130
Less: Impairment loss recognised	<b>(3,473)</b>	(4,130)
	–	–
Analysed for reporting as:		
Non-current assets	–	–
Current assets	–	–
	–	–

Movements during the period/year are as follows:

	<b>Six months ended 30 June 2024 HK\$'000 (unaudited)</b>	Year ended 31 December 2023 HK\$'000 (audited)
At beginning of the period/year	–	2,502
Interest on loan receivables	–	178
Loan and interest repaid by borrowers	<b>(657)</b>	(4,216)
Reversal of impairment loss recognised (note 5)	<b>657</b>	1,536
At end of the period/year	–	–

**17. TRADE RECEIVABLES**

	<b>30 June 2024 HK\$'000 (unaudited)</b>	31 December 2023 HK\$'000 (audited)
Trade receivables arising from dealing in securities and futures contracts services		
– clearing house, brokers and cash clients (note a)	<b>3,090</b>	6,209
– margin clients (note b)	–	4,480
Trade receivables arising from other businesses (note c)	<b>66,202</b>	73,730
Trade receivables, gross amount	<b>69,292</b>	84,419
Less: allowance for trade receivables arising from other businesses	<b>(2,554)</b>	(2,753)
	<b>66,738</b>	81,666

## Notes:

- (a) The settlement terms of the trade receivables from clearing house, brokers and cash clients are one to two days after trade date. The trade receivables as at 30 June 2024 are not past due based on credit terms, are not impaired and were settled subsequent to 30 June 2024. No aging analysis of these trade receivables are disclosed as management of the Group is of the view that the aging analysis does not give additional value in view of the nature of this business.
- (b) The trade receivables from margin clients are repayable on demand and carry interest at interest rate ranged from 8.0% to 12.0% per annum. For credit facilities granted by the Group to margin clients, the margin clients are required to pledge their securities collateral to the Group, and the credit facilities granted is determined by the discounted market value of pledged securities in accordance with the Group's margin lending policies at a specified loan-to-collateral ratio.

At the end of the reporting period, no trade receivable from margin clients (31 December 2023: the market value of securities pledged as collateral in respect of the trade receivables from margin clients amounted to approximately HK\$140,088,000).

No aging analysis of the trade receivables from margin clients are disclosed as management of the Group is of the view that the aging analysis does not give additional value in view of the nature of this business.

- (c) The trade receivables arising from other businesses include trade receivables arising from food and beverage and provision of professional services business. The Group's trading terms with its customers of other businesses are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally 30 days to 180 days (31 December 2023: 30 days to 180 days).

## Notes to the Condensed Consolidated Interim Financial Statements (continued)

For the six months ended 30 June 2024

### 17. TRADE RECEIVABLES (continued)

The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivables balances. Trade receivables are non-interest bearing.

An aged analysis of the trade receivables, net of allowance recognised, arising from other businesses as at the end of the reporting period, based on the invoice date, is as follows:

	<b>30 June 2024 HK\$'000 (unaudited)</b>	31 December 2023 HK\$'000 (audited)
Within 30 days	<b>41,024</b>	51,402
31 to 60 days	<b>16,815</b>	15,325
61 to 90 days	<b>1,832</b>	537
91 to 180 days	<b>1,989</b>	2,458
181 to 365 days	<b>1,464</b>	1,255
Over 365 days	<b>524</b>	–
	<b>63,648</b>	70,977

### 18. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	<b>30 June 2024 HK\$'000 (unaudited)</b>	31 December 2023 HK\$'000 (audited)
Prepayments	<b>25,787</b>	20,691
Deposits and other receivables	<b>49,341</b>	55,197
	<b>75,128</b>	75,888
Analysis for reporting as:		
Non-current assets	<b>34,626</b>	33,723
Current assets	<b>40,502</b>	42,165
	<b>75,128</b>	75,888



## Notes to the Condensed Consolidated Interim Financial Statements *(continued)*

For the six months ended 30 June 2024

### 19. TRADE PAYABLES

	<b>30 June 2024 HK\$'000 (unaudited)</b>	31 December 2023 HK\$'000 (audited)
Trade payables arising from dealing in securities and futures contracts services (note a)	<b>65,248</b>	92,900
Trade payables arising from provision of escrow services (note b)	<b>41,117</b>	24,739
Trade payables arising from other businesses (note c)	<b>3,811</b>	5,688
	<b>110,176</b>	123,327

Notes:

- (a) The trade payables arising from dealing in securities and futures contracts services represent payables to clearing house and cash clients. The settlement terms of these trade payables are two days after trade date. No aging analysis of the trade payables to clearing house and cash clients is disclosed as management of the Group is of the view that the aging analysis does not give additional value in view of the nature of this business.
- (b) Trade payables arising from provision of escrow services represent funds placed in the Group's bank accounts by its escrow clients (cash deposited with the Group's bank accounts are presented as "cash held on behalf of clients" under current assets in the Group's condensed consolidated statement of financial position). Settlement of these payables is effected when the related funds transferred out of the Group's bank accounts in accordance with the escrow clients' instructions. No aging analysis of the trade payables to escrow client is disclosed as management of the Group is of the view that the aging analysis does not give additional value in view of the nature of this business.
- (c) The trade payables arising from other businesses include trade payables arising from food and beverage and provision of professional services business (excluding the dealing in securities and futures contract services and provision of escrow services).

An aged analysis of the trade payables arising from other businesses as at the end of the reporting period, based on the invoice date, is as follows:

	<b>30 June 2024 HK\$'000 (unaudited)</b>	31 December 2023 HK\$'000 (audited)
Within 30 days	<b>2,957</b>	891
31 to 90 days	<b>67</b>	1,825
91 to 180 days	<b>37</b>	1,007
Over 180 days	<b>750</b>	1,965
	<b>3,811</b>	5,688

The trade payables are interest free and are normally settled on terms of 30 days to 180 days (31 December 2023: 30 days to 180 days).

## Notes to the Condensed Consolidated Interim Financial Statements *(continued)*

For the six months ended 30 June 2024

### 20. OTHER PAYABLES AND ACCRUALS

	<b>30 June 2024 HK\$'000 (unaudited)</b>	31 December 2023 HK\$'000 (audited)
Other payables	5,558	5,793
Accrued charges	5,093	7,709
Contract liabilities	17,156	16,959
Other tax payables	4	28
	<b>27,811</b>	30,489

### 21. BANK BORROWINGS

Movements of the Group's bank borrowings for both of the period/year presented are as follows:

	<b>HK\$'000</b>
For the year ended 31 December 2023 (audited)	
At 1 January 2023	13,230
New loan drawdown during the year	11,773
Repayment during the year	(18,141)
At 31 December 2023	6,862
For the six months ended 30 June 2024 (unaudited)	
New loan drawdown during the period	406
Repayment during the period	(7,268)
At 30 June 2024	–

**22. SHARE CAPITAL**

	Six months ended 30 June 2024		Year ended 31 December 2023	
	Number of ordinary shares '000	Share capital HK\$'000 (unaudited)	Number of ordinary shares '000	Share capital HK\$'000 (audited)
Authorised:				
Ordinary shares of HK\$0.01 each				
At beginning and end of the period/year	<b>5,000,000</b>	<b>50,000</b>	5,000,000	50,000
Issued and fully paid:				
Ordinary shares of HK\$0.01 each				
At beginning of the period/year	<b>2,274,123</b>	<b>22,741</b>	2,274,123	22,741
Shares repurchased and cancelled	<b>(70,762)</b>	<b>(707)</b>	–	–
At end of the period/year	<b>2,203,361</b>	<b>22,034</b>	2,274,123	22,741

During the six months ended 30 June 2024, the Company repurchased 59,762,000 (six months ended 30 June 2023: Nil) of its own ordinary shares through The Stock Exchange of Hong Kong Limited with an aggregate consideration of approximately HK\$3,697,000 (six months ended 30 June 2023: Nil) paid. All the repurchased shares were cancelled (six months ended 30 June 2023: Nil) at the end of the reporting period. As at 30 June 2024, the Company had no outstanding shares repurchased but not yet cancelled (31 December 2023: 11,000,000 shares repurchased but not yet cancelled).

## 23. SHARE OPTION SCHEMES

### (A) 2011 Share Option Scheme

On 22 June 2011, the Company operated a share option scheme (the “2011 Share Option Scheme”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Eligible participants of the 2011 Share Option Scheme include, among others, the Company’s Directors, including independent non-executive Directors, other employees of the Group, suppliers of goods or services to the Group, customers of the Group and the Company’s Shareholders.

The 2011 Share Option Scheme had a life of 10 years and was expired on 21 June 2021 such that no further options shall thereafter be offered under the 2011 Share Option Scheme but the options, which had been granted during its life, shall continue to be valid and exercisable in accordance with their terms of issue and in all other respects the provisions of the 2011 Share Option Scheme shall remain in full force and effect.

### (B) 2021 Share Option Scheme

On 25 June 2021, a new share option scheme was adopted by the Shareholders at the annual general meeting of the Company (the “2021 Share Option Scheme”) for the purpose of providing an incentive or a reward to selected eligible participants for their contribution or potential contribution to, and continuing efforts to promote the interests of, the Group or any invested entity and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group or any invested entity. Eligible participants of the 2021 Share Option Scheme include, among others, (i) any employee (whether full-time or part-time) of the Company, any of the subsidiaries and any invested entity; (ii) any Director (including executive, non-executive and independent non-executive Directors) of the Company, any of the subsidiaries or any invested entity; (iii) any supplier of goods or services to any member of the Group or any invested entity; (iv) any customer of the Group or any invested entity; or (v) any business or joint venture partners, contractors, agents or representatives, consultants, advisers or service providers that provides research, development, professional services or other technological support to the Group or any invested entity.

The 2021 Share Option Scheme has a life of 10 years and no options were granted since the date of its adoption.

## 23. SHARE OPTION SCHEMES (continued)

A summary of the general terms of the 2011 Share Option Scheme and the 2021 Share Option Scheme (the "Share Option Schemes") are as follows:

*(i) Maximum number of shares available for issue*

The total number of shares which may be issued upon exercise of all options to be granted under the 2021 Share Option Scheme shall not exceed 10% of the shares in issue as at the date of approval of the 2021 Share Option Scheme, provided that the Company may seek approval from Shareholders to refresh such limit. Moreover, the maximum number of shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Share Option Schemes shall not exceed 30% of the shares in issue from time to time.

Up to the date of approval of these condensed consolidated interim financial statements, the total number of shares available for issue under the 2021 Share Option Scheme is 191,212,300, representing approximately 8.68% of the issued shares of the Company as at the date of this report.

*(ii) Grant of share options to connected persons or any of their associates*

Share options granted to a connected person (including but not limited to a Director, chief executive or substantial Shareholder of the Company), or to any of its associates, are subject to approval in advance by the independent non-executive Directors (excluding the independent non-executive Director who or whose associate is the grantee of the option). Any share options are proposed to be granted to a connected person who is also a substantial Shareholder or an independent non-executive Director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time and with an aggregate value (based on the closing price of the Company's shares on the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to Shareholders' approval in advance in a general meeting.

*(iii) Maximum entitlement of each eligible participant*

The total number of shares issued and to be issued upon exercise of the share options granted to each eligible participant or grantee (including exercised and outstanding options) in any 12-month period up to the date of grant shall not exceed 1% of the total number of shares of the Company in issue. Any further grant of share options in excess of this limit is subject to Shareholders' approval in a general meeting.

*(iv) Time of exercise of options*

The exercise period of the share options granted is determinable by the Directors, and ends on a date which is no longer than ten years from the date of grant of the share options.



## 23. SHARE OPTION SCHEMES (continued)

### (v) Acceptance of Offer

The offer of a grant of share options shall be accepted by the grantee within 28 days for 2011 Share Option Scheme and 21 days for 2021 Share Option Scheme from the date of offer when the duplicate letter comprising acceptance of the share option duly signed by the grantee together with a payment of HK\$1 in total by way of nominal consideration of the grant.

### (vi) Subscription price for shares

The exercise price of share options shall be determinable by the Directors at its absolute discretion, but in any event will not be less than the highest of: (i) the closing price of the shares on the Stock Exchange as shown in the daily quotations sheet of the Stock Exchange on the offer date, which must be a business day; (ii) the average of the closing prices of the shares as shown in the daily quotations sheets of the Stock Exchange for the 5 business days immediately preceding the offer date; and (iii) the nominal value of the share on the offer date.

Share options do not confer rights on the holders to dividends or to vote at Shareholders' meetings.

Movements of share options granted under 2011 Share Option Scheme during the Reporting Period are as follows:

	Six months ended 30 June 2024		Year ended 31 December 2023	
	Weighted average exercise price per share HK\$	Number of options '000	Weighted average exercise price per share HK\$	Number of options '000
At beginning of the period/year	0.695	46,400	0.695	46,400
Lapsed during the period/year	–	–	–	–
At end of the period/year	0.695	46,400	0.695	46,400

The exercise prices and exercise periods of the share options granted under 2011 Share Option Scheme outstanding as at the end of the reporting period and the year ended 31 December 2023 are as follows:

30 June 2024 Number of options '000	Exercise price HK\$ per share	Exercise period
7,600	1.830	26-09-2015 to 25-09-2024
11,100	0.810	18-01-2017 to 27-12-2025
9,700	0.810	20-01-2017 to 27-12-2025
18,000	0.084	22-01-2021 to 21-01-2031
46,400		

## 23. SHARE OPTION SCHEMES (continued)

31 December 2023 Number of options '000	Exercise price HK\$ per share	Exercise period
7,600	1.830	26-09-2015 to 25-09-2024
11,100	0.810	18-01-2017 to 27-12-2025
9,700	0.810	20-01-2017 to 27-12-2025
18,000	0.084	22-01-2021 to 21-01-2031
46,400		

At the end of the reporting period, the Company had 46,400,000 share options (31 December 2023: 46,400,000) outstanding under the 2011 Share Option Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 46,400,000 (31 December 2023: 46,400,000) additional ordinary shares of the Company which would give rise to the total proceeds of approximately HK\$32,268,000 (31 December 2023: approximately HK\$32,268,000).

Up to the date of approval of these condensed consolidated interim financial statements, the Company had 46,400,000 share options outstanding under the 2011 Share Option Scheme, which represented approximately 2.11% of the Company's shares in issue as at that date.

## 24. DISPOSAL OF A SUBSIDIARY

	Six months ended 30 June 2024 HK\$'000 (unaudited)	Six months ended 30 June 2023 HK\$'000 (unaudited)
Net cash inflow on disposal of:		
– China Cold Chain Co. Limited (note (b))	–	129
	–	129

### (a) Disposal of subsidiary during the six months ended 30 June 2024

There is no disposal of subsidiary during the six months ended 30 June 2024.

### (b) Disposal of a subsidiary during the six months ended 30 June 2023

#### *Disposal of China Cold Chain Co. Limited*

On 31 March 2023, Powerful Force Limited, a subsidiary of the Company, entered into an agreement with an independent third party to dispose of 70% equity interest in a subsidiary, China Cold Chain Co. Limited, for an aggregate cash consideration of HK\$2,310,000. China Cold Chain Co. Limited is principally engaged in provision of temperature-controlled storage and ancillary services. The disposal was completed on 30 April 2023.

## Notes to the Condensed Consolidated Interim Financial Statements (continued)

For the six months ended 30 June 2024

### 24. DISPOSAL OF A SUBSIDIARY (continued)

(b) Disposal of a subsidiary during the six months ended 30 June 2023 (continued)

#### *Disposal of China Cold Chain Co. Limited (continued)*

An analysis of assets and liabilities over which control was lost:

	HK\$'000 (unaudited)
<b>Assets</b>	
Right-of-use assets	6,845
Trade receivables	762
Prepayments, deposits and other receivables	1,963
Cash and bank balances	2,181
<b>Liabilities</b>	
Trade payables	(690)
Other payables and accruals	(1,174)
Lease liabilities	(8,109)
<b>Net assets disposed of</b>	<b>1,778</b>

#### **Gain on disposal of a subsidiary**

	HK\$'000 (unaudited)
Cash consideration	2,310
Net assets disposed of	(1,778)
Non-controlling interest disposed of	529
<b>Gain on disposal of subsidiary (note 11)</b>	<b>1,061</b>

Net cash inflow from the disposal of a subsidiary as follows:

	HK\$'000 (unaudited)
Cash consideration received	2,310
Cash and bank balances disposed of	(2,181)
<b>Net cash inflow</b>	<b>129</b>

## 25. CAPITAL COMMITMENTS

The Group did not have any material capital commitments as at 30 June 2024 and 31 December 2023.

## 26. CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 30 June 2024 and 31 December 2023.

## 27. RELATED PARTY TRANSACTIONS

- (i) In addition to the transactions detailed elsewhere in these condensed consolidated interim financial statements, the Group had no material transactions with related parties during the period.
- (ii) Compensation of key management personnel of the Group

	Six months ended 30 June	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Short term employee benefits	–	–
Post-employment benefits	–	–
<b>Total compensation paid to key management personnel</b>	<b>–</b>	<b>–</b>

## 28. FAIR VALUE OF FINANCIAL INSTRUMENTS

- (a) Fair value of the Group's financial assets that are measured at fair value on a recurring basis

The Group's certain equity securities listed in Hong Kong and unlisted investment fund included in financial assets at FVTOCI are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	30 June 2024 HK\$'000	31 December 2023 HK\$'000		
Financial assets at FVTOCI				
Equity securities listed in Hong Kong	14,831	12,570	Level 1	Quoted bid prices in an active market
Unlisted investment fund	26,851	18,312	Level 2	Proportion of net asset value

The fair value of all the equity securities listed in Hong Kong at 30 June 2024 is measured based on the quoted bid price as at 30 June 2024, being the last trading date of the securities for the period ended 30 June 2024.

The fair value of unlisted investment fund at 30 June 2024 is measured based on the valuation performed by fund managers by reference to quoted bid prices of the listed securities held by the fund.

There were no transfers between Level 1 and 2 in the period.

- (b) Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis but fair value disclosures are required

The Directors consider that the carrying amounts of financial assets and financial liabilities at amortised cost in the condensed consolidated interim financial statements approximate their fair values. The fair values, which are included in Level 3 categories, have been determined in accordance with generally accepted pricing models based on a discounted cash flows analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

- (c) Reconciliation of Level 3 fair value measurements

The Group's financial assets and financial liabilities carried at fair value were measured at fair value on Level 1 and Level 2 fair value measurement. Reconciliation of Level 3 fair value measurement is not presented.

## **29. EVENTS SUBSEQUENT TO THE REPORTING PERIOD**

There are no significant events subsequent to 30 June 2024 which would materially affect the Group's operating and financial performance as of the date of this report.

## **30. APPROVAL OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

The condensed consolidated interim financial statements were approved and authorised for issue by the board of Directors on 29 August 2024.



# SUPPLEMENTARY INFORMATION TO THE INTERIM REPORT

## SHARE OPTION SCHEME

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants for their contributions to the Group. Details of movements of the Company's share options, granted under the Share Option Scheme, during the six months ended 30 June 2024 are as follows:

Name or category of participants	Date of grant (Note 1)	Exercise price per share (HK\$)	Number of options					Exercise period (Note 2)	
			Outstanding as at 1 January 2024	Granted during the period	Exercised during the period	Cancelled during the period	Forfeited/ lapsed during the period		Outstanding as at 30 June 2024
<b>Executive Director</b> Mr. Chan Hoi Tik	22 January 2021	0.084	18,000,000	-	-	-	-	18,000,000	J
<b>Former Directors</b>	26 September 2014	1.83	3,040,000	-	-	-	-	3,040,000	A
			2,280,000	-	-	-	-	2,280,000	B
			2,280,000	-	-	-	-	2,280,000	C
			7,600,000	-	-	-	-	7,600,000	
	18 January 2016	0.81	4,440,000	-	-	-	-	4,440,000	D
			3,330,000	-	-	-	-	3,330,000	E
			3,330,000	-	-	-	-	3,330,000	F
			11,100,000	-	-	-	-	11,100,000	
<b>Sub-total</b>			18,700,000	-	-	-	-	18,700,000	
<b>Total for Directors</b>			36,700,000	-	-	-	-	36,700,000	
<b>Distributors of the Group in aggregate</b>	20 January 2016	0.81	3,880,000	-	-	-	-	3,880,000	G
			2,910,000	-	-	-	-	2,910,000	H
			2,910,000	-	-	-	-	2,910,000	I
<b>Total for distributors</b>			9,700,000	-	-	-	-	9,700,000	
<b>TOTAL</b>			46,400,000	-	-	-	-	46,400,000	

## SHARE OPTION SCHEME (continued)

Notes:

1. The closing prices of the Company's shares immediately before the dates of grant on 26 September 2014, 18 January 2016, 20 January 2016 and 22 January 2021 were HK\$1.86, HK\$0.64, HK\$0.67 and HK\$0.083, respectively.
2. The respective exercise periods of the share options granted are as follows:
  - A: From 26 September 2015 to 25 September 2024
  - B: From 26 September 2016 to 25 September 2024
  - C: From 26 September 2017 to 25 September 2024
  - D: From 18 January 2017 to 27 December 2025
  - E: From 18 January 2018 to 27 December 2025
  - F: From 18 January 2019 to 27 December 2025
  - G: From 20 January 2017 to 27 December 2025
  - H: From 20 January 2018 to 27 December 2025
  - I: From 20 January 2019 to 27 December 2025
  - J: From 22 January 2021 to 21 January 2031

The vesting period of the share options is from the date of grant until the commencement of the exercise period.

3. The number and/or exercise price of the options may be subject to adjustments in the case of rights or bonus issues, or other changes in the Company's share capital.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2024, the interests of the Directors in the shares and underlying shares of the Company, which were required, pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO"), to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code", Appendix C3 to the Listing Rules), to be notified to the Company and the Stock Exchange, were as follows:

### A. Long positions in the ordinary shares of the Company

Name of Director	Nature of interests	Number of ordinary shares interested	Percentage* of the Company issued share capital
Mr. Lau Ka Ho	Beneficial owner	18,000,000	0.82%

\* The percentage represents the number of ordinary shares interested divided by the number of the Company's issued shares as at 30 June 2024.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES *(continued)*

B. Long positions in the underlying shares of the Company (physically settled unlisted equity derivatives) – share options

<b>Name of Director</b>	<b>Nature of interests</b>	<b>Number of underlying shares interested</b>	<b>Percentage<sup>+</sup> of underlying shares over the Company's issued share capital</b>
Mr. Chan Hoi Tik	Beneficial owner	18,000,000	0.82%

\* The percentage represents the number of underlying shares interested divided by the number of the Company's issued shares as at 30 June 2024.

Save as disclosed above and in the above section headed "Share Option Scheme", as at 30 June 2024, none of the Directors or chief executive of the Company had registered an interest or a short position in the shares or underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2024, the following parties had interests of 5% or more of the issued share capital of the Company according to the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in the ordinary shares of the Company

<b>Name of substantial Shareholders</b>	<b>Nature of interests</b>	<b>Number of ordinary shares interested</b>	<b>Percentage<sup>+</sup> of the Company's issued share capital</b>
Golden Sparkle Limited	Beneficial owner <i>(Note)</i>	552,489,500	25.07%
Mr. Lai Wai Lam Ricky	Interest of controlled corporation <i>(Note)</i>	552,489,500	25.07%

Note:

These shares are held by Golden Sparkle Limited, a controlled corporation of Mr. Lai Wai Lam Ricky. Accordingly, Mr. Lai Wai Lam Ricky is deemed to be interested in these shares pursuant to Part XV of the SFO.

\* The percentage represents the number of ordinary shares interested divided by the number of the Company's issued shares as at 30 June 2024.

Save as disclosed above and in the above section headed "Share Option Scheme", as at 30 June 2024, no person had registered an interest or short position in the shares or underlying shares of the Company as recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO.

## COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct regarding Directors' dealings in the Company's securities. Each Director has been given a copy of the Model Code. Specific enquiry has been made of all the Company's Directors and they have confirmed their compliance with the Model Code throughout the period ended 30 June 2024.

## COMPLIANCE WITH THE WRITTEN GUIDELINES FOR SECURITIES TRANSACTIONS BY THE RELEVANT EMPLOYEES OF THE COMPANY

The Company has also established written guidelines on no less exacting terms than the Model Code (the "Employees Written Guidelines"), governing securities transactions by employees who are likely to possess inside information of the Company and/or its securities. No incident of non-compliance of the Employees Written Guidelines by the relevant employees was noted by the Company.

In case when the Company is aware of any restricted period for dealings in the Company's securities, the Company will notify its Directors and relevant employees in advance.

## CORPORATE GOVERNANCE

The Board is of the view that the Company has complied with the code provisions set out in the Corporate Governance Code (the "CG Code") as contained in Appendix C1 of the Listing Rules during the period ended 30 June 2024 apart from the code provisions F.2.2 and C.2.1 as disclosed below.

Under code provision F.2.2 of the CG Code, the chairman of the Board should attend the annual general meeting. During the period ended 30 June 2024, the Company did not appoint any individual to be the chairman of the Board as the Board was still in the process of identifying a suitable candidate. Mr. Lau Ka Ho ("Mr. Lau"), the executive Director and chief executive officer of the Company, has chaired the annual general meeting held on 21 June 2024 ("2024 AGM") and addressed questions raised by the Shareholders at the 2024 AGM. The chairman of the audit, remuneration and nomination committees of the Board, and representatives of the Company's auditor also attended the 2024 AGM and were available to address questions from the Shareholders.

Having considered the knowledge of the aforesaid attendees, including representation from the Company's management and auditor, the Company considers that questions or issues raised by Shareholders would be sufficiently addressed and that an effective dialogue between the Company and the Shareholders has been maintained.

Under code provision C.2.1 of the CG Code, the role of chairman and chief executive should be separate and should not be performed by the same individual. As aforesaid, the Company did not appoint any individual to be the chairman of the Board during the period ended 30 June 2024. Hence the Company deviated from the requirements under code provision C.2.1. The Board will nominate suitable candidate to act as chairman of the Board as soon as practicable and will make necessary announcement as and when appropriate.

## EVENTS SUBSEQUENT TO THE REPORTING PERIOD

Details of events subsequent to the reporting period are set out in note 29 to the condensed consolidated interim financial statements.

## UPDATE ON DIRECTORS' INFORMATION

There is no change in information of Directors shall be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

## PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2024, the Company exercised its powers under the general mandate to repurchase the shares granted by the Shareholders to the Board at the annual general meeting of the Company held on 23 June 2023, and repurchased a total of 59,762,000 shares (among which 32,829,000 shares were cancelled on 29 February 2024 and 26,933,000 shares were cancelled on 25 June 2024) on the Stock Exchange at an aggregate consideration of HK\$3,697,100. As at 30 June 2024, the total number of shares of the Company in issue was 2,203,361,000.

Details of the repurchase of shares on a monthly basis during the Reporting Period are summarized as follows:

Month	Number of shares repurchased	Highest price paid per share	Lowest price paid per share	Aggregate consideration
		HK\$	HK\$	HK\$
January 2024	32,829,000	0.055	0.026	1,561,089
April 2024	5,030,000	0.080	0.071	383,070
May 2024	14,903,000	0.080	0.074	1,185,276
June 2024	7,000,000	0.082	0.079	567,665

Save as disclosed above, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2024.

## AUDIT COMMITTEE

The audit committee of the Company, comprising the Company's three independent non-executive Directors, has reviewed the unaudited condensed consolidated results of the Company for the six months ended 30 June 2024, including accounting principles and practices adopted by the Group, and discussed financial reporting matters.