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新華聯合投資有限公司

CHINA UNITED VENTURE INVESTMENT LIMITED

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8159)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2022

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GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

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*This announcement, for which the directors (the “**Directors**”) of CHINA UNITED VENTURE INVESTMENT LIMITED (the “**Company**”, together with its subsidiaries, the “**Group**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

INTERIM RESULTS

The board of Directors (the “**Board**”) is pleased to present the unaudited condensed consolidated financial statements of the Group for the three months (the “**Second Quarter**”) and six months ended 30 June 2022 (the “**Half-Year Period**”) (collectively the “**Periods**”) together with the comparative unaudited figures for the corresponding periods in 2021 as follows:

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

For the three months and six months ended 30 June 2022

		Three months ended 30 June		Six months ended 30 June	
		2022	2021	2022	2021
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
	Notes	(Unaudited)	(Unaudited and re-presented)	(Unaudited)	(Unaudited and re-presented)
Revenue	3	84,946	90,593	167,073	163,789
Cost of sales and services rendered		(68,037)	(79,452)	(146,327)	(145,480)
Gross profit		16,909	11,141	20,746	18,309
Other income		1,221	1,299	2,613	2,144
Other gains and losses		(1,449)	92	(862)	47
Share of loss of joint ventures		(401)	(812)	(3,213)	(3,734)
Finance costs		(192)	—	(388)	—
Selling and distribution expenses		(2,002)	(2,038)	(4,647)	(3,783)
Administrative expenses		(19,621)	(13,310)	(31,917)	(21,755)
Loss before taxation	5	(5,535)	(3,628)	(17,668)	(8,772)
Income tax (expense)/credit	6	(895)	15,652	(1,970)	14,815
(Loss)/profit for the period		(6,430)	12,024	(19,638)	6,043
Other comprehensive (expense)/income for the period:					
Item that may be reclassified subsequently to profit or loss:					
Exchange differences arising on translation of foreign operations		(8,465)	(3,163)	(6,219)	(1,579)
Share of other comprehensive income of joint ventures		7,231	(1,426)	7,231	(1,426)
		(1,234)	(4,589)	1,012	(3,005)
Total comprehensive (expense)/income for the period		(7,664)	7,435	(18,626)	3,038
(Loss)/profit for the period attributable to:					
– Owners of the Company		(6,483)	12,039	(19,832)	6,185
– Non-controlling interests		53	(15)	194	(142)
		(6,430)	12,024	(19,638)	6,043
Total comprehensive (expense)/income attributable to:					
– Owners of the Company		(7,717)	7,450	(18,820)	3,180
– Non-controlling interests		53	(15)	194	(142)
		(7,664)	7,435	(18,626)	3,038
(Loss)/earnings per share					
Basic and diluted (HK cents)		(0.92)	1.84	(2.82)	0.94

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

		As at 30 June 2022 HK\$'000 (Unaudited)	As at 31 December 2021 HK\$'000 (Audited)
	Notes		
NON-CURRENT ASSETS			
Property, plant and equipment	9	27,810	29,825
Right-of-use assets		25,424	25,641
Investment properties	9	13,500	13,500
Interests in joint ventures		7,423	3,405
		<u>74,157</u>	<u>72,371</u>
CURRENT ASSETS			
Inventories		56,593	58,131
Trade and other receivables	10	170,958	197,207
Contract assets		3,826	5,266
Amount due from a joint venture		8	7
Bank balances and cash		140,089	84,132
		<u>371,474</u>	<u>344,743</u>
CURRENT LIABILITIES			
Trade and other payables	11	133,883	137,188
Contract liabilities		1,403	1,663
Lease liabilities		5,566	5,497
Tax liabilities		32,372	32,425
Loan from a related party		60,000	–
Bank and other borrowings		42,367	51,675
		<u>275,591</u>	<u>228,448</u>
NET CURRENT ASSETS		<u>95,883</u>	<u>116,295</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>170,040</u>	<u>188,666</u>

		As at 30 June 2022 <i>HK\$'000</i> (Unaudited)	As at 31 December 2021 <i>HK\$'000</i> (Audited)
	<i>Notes</i>		
NON-CURRENT LIABILITY			
Lease liabilities		<u>15,558</u>	<u>15,558</u>
NET ASSETS		<u>154,482</u>	<u>173,108</u>
CAPITAL AND RESERVES			
Share capital	12	7,040	7,040
Reserves		<u>148,002</u>	<u>166,822</u>
Equity attributable to owners of the Company		155,042	173,862
Non-controlling interests		<u>(560)</u>	<u>(754)</u>
TOTAL EQUITY		<u>154,482</u>	<u>173,108</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2022 – unaudited

	Share capital HK\$'000	Share premium HK\$'000 (Note i)	Merger reserve HK\$'000 (Note ii)	Translation reserve HK\$'000	Retained profits HK\$'000	Sub-total HK\$'000	Non- controlling interests HK\$'000	Total HK\$'000
At 1 January 2021 (Audited)	7,040	5,438	680	12,554	107,968	133,680	(491)	133,189
Profit/(loss) for the period	-	-	-	-	6,185	6,185	(142)	6,043
Other comprehensive expense for the period								
Exchange differences arising on translation of foreign operations	-	-	-	(1,579)	-	(1,579)	-	(1,579)
Share of other comprehensive expense of joint ventures	-	-	-	(1,426)	-	(1,426)	-	(1,426)
	-	-	-	(3,005)	-	(3,005)	-	(3,005)
Total comprehensive (expense)/income for the period	-	-	-	(3,005)	6,185	3,180	(142)	3,038
At 30 June 2021 (Unaudited)	7,040	5,438	680	9,549	114,153	136,860	(633)	136,227
At 1 January 2022 (Audited)	7,040	5,438	680	2,747	157,957	173,862	(754)	173,108
(Loss)/profit for the period	-	-	-	-	(19,832)	(19,832)	194	(19,638)
Other comprehensive (expense)/income for the period								
Exchange differences arising on translation of foreign operations	-	-	-	(6,219)	-	(6,219)	-	(6,219)
Share of other comprehensive expense of joint ventures	-	-	-	7,231	-	7,231	-	7,231
	-	-	-	1,012	-	1,012	-	1,012
Total comprehensive income/(expense) for the period	-	-	-	1,012	(19,832)	(18,820)	194	(18,626)
At 30 June 2022 (Unaudited)	7,040	5,438	680	3,759	138,125	155,042	(560)	154,482

Notes:

- On 3 June 2020, the Company entered into a placing agreement with a placing agent pursuant to which the placing agent placed 64,000,000 placing shares at the placing price of a HK\$0.1 per placing share to certain independent placees. The net proceeds from the subscription, net of related issued costs and expenses, will be used for general working capital of the Group.
- The merger reserve of the Group represents the difference between the nominal value of the share capital of the subsidiaries acquired and the nominal value of the share capital of the Company issued for the acquisition under the group reorganisation in 2001.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS*For the six months ended 30 June 2022*

	Six months ended 30 June	
	2022	2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	11,656	(15,549)
NET CASH GENERATED FROM FINANCING ACTIVITIES	50,304	16,671
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(6,003)	(2,940)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	55,957	(1,818)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	84,132	56,403
CASH AND CASH EQUIVALENTS AT END OF PERIOD	140,089	54,585
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Represented by bank balances and cash	140,089	54,585

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL AND BASIS OF PRESENTATION

The Company was incorporated in the Cayman Islands and continued in Bermuda with limited liability. The shares of the Company (the “**Shares**”) were listed on GEM of The Stock Exchange of Hong Kong Limited on 4 January 2002. The addresses of the registered office and principal place of business of the Company are disclosed in the Corporate Information of the annual report of the Company for the year ended 31 December 2021.

The condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”). The functional currency of the Company is United States dollars (“**USD**”). As the Company is listed in Hong Kong, the Directors consider that it is appropriate to present the consolidated financial statements in HK\$.

The Company acts as an investment holding company.

The unaudited condensed consolidated financial statements for the Half-Year Period have been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules and with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), and accounting principles generally accepted in Hong Kong.

2. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements for the Half-Year Period have been prepared on the historical cost convention except for investment properties, which are measured at fair value. The accounting policies adopted are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2021 (“**the 2021 Financial Statements**”).

In the current interim period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA which are effective for the for the Group’s financial year beginning 1 January 2022:

Amendments to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021
Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendments to HKAS 16	Property, Plant and Equipment: Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to HKFRSs	Annual Improvement to HKFRS 2018–2020

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

3. REVENUE

Sales of connectivity products

Revenue represents the amounts received and receivable, net of discounts and returns, from the sales of connectivity products mainly for computers, computer peripheral products, multi-media consumable electronics products, communication products, automobile electronics accessories, wire harness and medical equipments and subcontracting service rendered during the period under review.

Provision of comprehensive architectural services

Where the outcome of a contract of comprehensive architectural services can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion that contract costs incurred for work performed to date relative to the estimated total contract costs. Variations in contract work, claims, and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

4. SEGMENT INFORMATION

The Group determines its operating segments based on the reports regularly reviewed by the executive directors, who are the chief operating decision makers, for the purpose of allocating resources to segments and assessing their performance.

Segment information reported internally for the purposes of resources allocation and performance assessment is analysed based on the class of customers which is the same as information reported to the chief operating decision makers. The Group is currently engaged in (i) the sales of connectivity products to two classes of customers, namely, original equipment manufacturer customers (“**OEM customers**”) and retail distributors; (ii) provision of comprehensive architectural services (master-planning and architectural design); and (iii) provision of financial services such as fund issuance asset management, distressed asset management and insurance brokerage, etc (the “**Financial services business**”). The Group’s operating segments under HKFRS 8 *Operating Segments* are as follows:

The following is an analysis of the Group’s revenue and results by reportable and operating segments:

For the six months ended 30 June 2022

	OEM customers	Retail distributors	Contracts of comprehensive architectural services	Financial services business	Total
Segment revenue	98,435	64,984	3,654	–	167,073
Segment results	2,423	5,922	(2,020)	(955)	5,370
Unallocated income					2,893
Unallocated expenses					(25,931)
Loss before tax					(17,668)

For the six months ended 30 June 2021

	OEM customers	Retail distributors	Contracts of comprehensive architectural services	Financial services business	Total
Segment revenue	97,727	52,532	13,530	–	163,789
Segment results	2,512	2,297	2,201	–	7,010
Unallocated income					2,215
Unallocated expenses					(17,997)
Loss before tax					(8,772)

Segment revenue reported above represents revenue generated from external customers. There were no intersegment sales in the current and prior years.

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Segment results represent the loss before tax of each segment without allocation of other income, change in fair value of investment properties, share of loss of joint ventures, certain unallocated finance cost, corporate administrative expense and gain on disposal of a subsidiary. This is the measure adopted for reporting to the CODM for the purposes of resource allocation and performance assessment.

Geographical segments

The Group's operation are located in Hong Kong, the People's Republic of China ("the PRC") and Taiwan.

Information about the Group's revenue from external customers is presented based on the geographical location of the customers. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Revenue from external customers							
	Three months ended 30 June				Six months ended 30 June			
	2022		2021		2022		2021	
	HK\$'000 (Unaudited)	%	HK\$'000 (Unaudited)	%	HK\$'000 (Unaudited)	%	HK\$'000 (Unaudited)	%
Korea	24,728	29.1%	25,982	28.7%	53,284	31.9%	49,926	30.5%
Japan	16,798	19.8%	19,585	21.6%	31,053	18.6%	38,139	23.3%
Taiwan	4,270	5.0%	5,105	5.6%	8,082	4.8%	8,825	5.4%
United States of America	29,239	34.4%	21,625	23.9%	59,595	35.7%	38,720	23.6%
The PRC	3,646	4.3%	15,012	16.6%	7,427	4.4%	22,647	13.8%
Others	6,265	7.4%	3,284	3.6%	7,632	4.6%	5,532	3.4%
	<u>84,946</u>	<u>100%</u>	<u>90,593</u>	<u>100%</u>	<u>167,073</u>	<u>100%</u>	<u>163,789</u>	<u>100%</u>

5. LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging:

	Three months ended 30 June		Six months ended 30 June	
	2022	2021	2022	2021
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Depreciation and amortisation	<u>1,300</u>	<u>116</u>	<u>2,599</u>	<u>1,568</u>

6. INCOME TAX EXPENSES

The amount mainly represents current tax expense on assessable profits arising in the PRC and is calculated at the rates prevailing in the PRC. Majority of the subsidiaries are subject to enterprise income tax in the PRC. The applicable enterprise income tax rate of the PRC is 25% in accordance with the relevant income tax law and regulations in the PRC for the Periods, except for those subsidiaries described below.

Certain subsidiaries operating in the PRC fall within the Preferential Corporate Income Tax Catalogue in the specific zone. According to Cai Shui (2014) No.26, qualified companies in Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone are granted for a reduced enterprise income tax rate of 15% during the period from 1 January 2014 to 31 December 2020 and further granted for a reduced enterprise income tax rate of 15% starting from 1 January 2021 to 31 December 2025.

No provision for Hong Kong Profits Tax has been made in the condensed consolidated financial statements as there are no assessable profits for the Periods.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

7. EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share for the Second Quarter and Half-Year Period is based on the consolidated loss attributable to shareholders of approximately HK\$6,483,000 and HK\$19,832,000 respectively (consolidated profit attributable to shareholders for three months and six months ended 30 June 2021: approximately HK\$12,039,000 and HK\$6,185,000 respectively) and on the weighted average number of approximately 704,000,000 and 704,000,000 ordinary shares respectively (2021: 652,202,000 and 652,202,000 ordinary shares respectively) in issue.

No dilutive earnings per share has been presented for the Second Quarter and the Half-Year Period because there are no potential dilutive ordinary share in the respective periods.

8. DIVIDEND

The Directors have resolved not to declare the payment of an interim dividend for the Half-Year Period (six months ended 30 June 2021: nil).

9. PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the Half-Year Period, the Group does not acquire any property, plant and equipment (six months ended 30 June 2021: nil). The investment properties were valued at HK\$13,500,000 on 31 December 2021 by Savills Valuation and Professional Services Limited, an independent qualified professional valuer.

The fair value was determined using direct comparison approach assuming sales of the properties in their respective existing state and by making reference to comparable sales evidences as available on the market. There has been no change from the valuation technique used in the prior year.

The Directors consider that the fair value of the investment properties as at 30 June 2022 was not significantly different from their carrying value as at 31 December 2021.

10. TRADE AND OTHER RECEIVABLES

The following is an aged analysis of trade receivables presented based on the invoice date at the end of the reporting period which approximately the respective revenue recognition dates:

	As at 30 June 2022 HK\$'000 (Unaudited)	As at 31 December 2021 HK\$'000 (Audited)
Within 30 days	23,394	32,742
From 31 days to 120 days	43,703	45,610
From 121 days to 180 days	27	6,090
Over 180 days	5,526	138
	<u>72,650</u>	<u>84,580</u>
Other receivables	<u>98,308</u>	<u>112,627</u>
Total	<u><u>170,958</u></u>	<u><u>197,207</u></u>

11. TRADE AND OTHER PAYABLES

The Group has been granted an average credit period ranging from 30 days to 150 days from its trade suppliers.

The following is an aging analysis of trade payables at the reporting date:

	As at 30 June 2022 <i>HK\$'000</i> (Unaudited)	As at 31 December 2021 <i>HK\$'000</i> (Audited)
Within 30 days	20,370	33,169
From 31 days to 120 days	35,079	23,289
From 121 days to 180 days	9,889	4,363
Over 180 days	9,097	7,170
	<u>74,435</u>	<u>67,991</u>
Other payables	<u>59,448</u>	69,197
Total	<u><u>133,833</u></u>	<u><u>137,188</u></u>

12. SHARE CAPITAL

	Number of shares '000	Share capital <i>HK\$'000</i>
Ordinary share of HK\$0.01 each		
Authorised:		
At 1 January 2021, 31 December 2021, 1 January 2022 and 30 June 2022	<u><u>10,000,000</u></u>	<u><u>100,000</u></u>
Issued and fully paid:		
At 1 January 2021, 31 December 2021, 1 January 2022 and 30 June 2022	<u><u>704,000</u></u>	<u><u>7,040</u></u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

During the half year ended 30 June 2022, the Group is principally engaged in electronic business, architectural design business and financial services business. In the electronic business, the Group designs, manufactures and sells connectivity products mainly for computers, computer peripheral products, mobile phones peripheral products, multi-media consumable electronic products, communication products, automobile electronics accessories, wire harness and medical equipment (the “**Electronics Business**”). In the architectural design business, the Group is engaging in master-planning work, general design work and architectural schematic design work (the “**Architectural Design Business**”). In the financial services business, the Group aims at providing full range of financial services, including but not limited to fund issuance, asset management, distressed asset management and insurance brokerage, etc. in Hong Kong and the PRC and intends to develop cross-border venture investment and fund management business with a view to promoting electronics-related science park, intellectual properties rights and related advanced technology in the Guangdong-Hong Kong-Macao Greater Bay Area (the “**Financial Services Business**”).

The Electronics Business

During the six months ended 30 June 2022, this business segment contributed revenue of approximately HK\$163.4 million to the Group (for the six months ended 30 June 2021 (“**PY2021**”): approximately HK\$150.3 million), representing an increase of approximately 8.7% as compared with PY2021. This business segment continues to benefit from the recovery of the global economy, the increased distribution channels for our products and the effective strategies implemented by our Directors to increase our sales order and revenue continuously.

The Architectural Design Business

This segment has been adversely impacted by the aftermath of COVID-19 pandemic and the gigantic debt default events in the PRC real estate industry for the last two years. In the year ended 31 December 2020, the outbreak of COVID-19 had caused suspension of our design projects in the PRC. On top of an observed slow recovery from COVID-19, since the second half last year 2021, this segment was further affected by the crises experienced by its downstream customers’, the China real estate developers’ high debt level and liquidity issues. Revenue from this business segment decreased from approximately HK\$13.5 million in PY2021 to approximately HK\$3.7 million during the six months ended 30 June 2022, representing a decrease of approximately 72.6% from last year. The Directors are monitoring the issues closely and remain cautiously optimistic to the results of the Architectural Design Business in the future.

The Financial Services Business

This segment generated no revenue during the six months ended 30 June 2022 as it was still at a start-up stage. The segment recorded an operating loss of HK\$964,000 mainly comprised of staff costs and legal and professional costs, amounted to incurred for the development and commencement of this new Financial Services Business.

Financial Review

The Group recorded a turnover of approximately HK\$167.1 million for the six months ended 30 June 2022 (PY2021: approximately HK\$163.8 million), representing an increase of approximately 2.0% as compared with PY2021.

Gross profit

The Group recorded a gross profit of approximately HK\$20.7 million for the six months ended 30 June 2022, representing an increase of approximately 13.1% as compared to approximately HK\$18.3 million in PY2021. This was mainly attributable to our directors' effectively monitoring the global supply chain disruption and strategic procurement in combat of the surge in raw material prices that had ever driven down our gross margin in the Electronics Business significantly.

Other income

The Group earned other income of approximately HK\$2.6 million during the six months ended 30 June 2022 (PY2021: approximately HK\$2.1 million), representing an increase of approximately 23.8% mainly due to an increase in rental income.

Selling and distribution expenses

The selling and distribution expenses were approximately HK\$4.6 million during the six months ended 30 June 2022 (PY2021: approximately HK\$3.8 million), increased by 21.1%, which was mainly attributable to (a) the expenses incurred for operating the online stores and additional marketing efforts used to boost sales; (b) increase in selling and distribution expenses for the Architectural Design Business as the Directors tried to capture the recovery trend with increased marketing efforts; and (c) early development of the Financial Services Business.

Administrative expenses

The administrative expenses were approximately HK\$31.9 million during the six months ended 30 June 2022 (PY2021: approximately HK\$21.8 million), representing an increase of approximately HK\$10.1 million primarily due to (i) an increase in rental expenses for our production facility in Mainland China; (ii) increase in staff salary and benefits for the Architectural Design business; and (iii) staff costs and legal and professional costs incurred for the commencement of the Company's new Financial Services Business.

Finance costs

The finance costs were approximately HK\$388,000 during the six months ended 30 June 2022 (PY2021: HK\$ Nil). The increase was attributable to the new debts raised since second quarter for the year ended 31 December 2021.

Income tax expenses

The Group recorded an income tax expenses of approximately HK\$2.0 million for the six months ended 30 June 2022 (PY2021: income tax credit of approximately HK\$14.8 million).

Net Loss attributable to owners of the Company

The Group reported a net loss attributable to owners of the Company for the six months ended 30 June 2022 of approximately HK\$19.8 million (PY2021: net profit of approximately HK\$6.2 million), decreased by approximately 419.4%. This was mainly attributable to (a) decrease in our Architectural Design Business revenue and profits; and (b) increase in overhead expenses following the transaction from last year.

Loss per share

The basic loss per share for the half year ended 30 June 2022 was approximately HK2.82 cents (PY2021: earnings per share of approximately HK0.94 cents).

Liquidity and financial resources

As at 30 June 2022, the Group's net current assets, cash and bank balances and equity attributable to owners of the Company amounted to approximately HK\$95.9 million, HK\$140.1 million and HK\$154.5 million (31 December 2021: approximately HK\$116.3 million, HK\$84.1 million and HK\$173.1 million) respectively. The current ratio, expressed as current assets over current liabilities, was maintained at the level of approximately 1.35 (31 December 2021: approximately 1.52).

FUTURE OUTLOOK

In the Electronics Business, as we are facing favourable external conditions of depreciation of renminbi against US dollars and slowing of inflation of raw material prices, the Directors will continue to persevere and target to optimize the shareholders' value creation riding on this trend.

In the meantime, the Group is in the process of strengthening our new services, a living aesthetic consulting service which combined interior design-based services and sales of electronic interior accessories under our own brand name. During the half year ended 30 June 2022, we have produced our first prototype of our new Architectural Design Business using 3D printing technologies. Riding on the trend of "Internet plus cultural creativity", the Group targets to offer a thorough one-stop integrated design services by enhancing the Internet interactive platform with users.

Also, the Group started to develop the Financial Services Business in the area of fund issuance, asset management, distressed asset management and insurance brokerage, etc. in Hong Kong and the PRC. The Group believes that the new Financial Services Business will provide an additional engine of growth for the Group in future.

RECEIVING OF FINANCIAL ASSISTANCE

On 4 April 2022, Goldstone Investment Management Limited, as the lender (the "**Lender**"), entered into two loan agreements (the "**First Loan Agreement**" and the "**Second Loan Agreement**", collectively, the "**Loan Agreements**") with State Venture Capital Limited (新華國投資本有限公司) as the first borrower (the "**First Borrower**") and State Innovation Capital Limited (新華國科資本有限公司) as the second borrower (the "**Second Borrower**", collectively, the "**Borrowers**" or each the "**Borrower**"), respectively. Each of the Borrowers is a subsidiary of the Company.

The principal terms of the Loan Agreements are summarised as follows:

Date	:	4 April 2022
Lender	:	Goldstone Investment Management Limited
Borrowers	:	The First Loan Agreement: State Venture Capital Limited The Second Loan Agreement: State Innovation Capital Limited
Loan amount	:	The First Loan Agreement: HK\$60,000,000 The Second Loan Agreement: HK\$18,000,000
Term of the loans	:	One year, commencing from the date of the Loan Agreements
Maturity date	:	3 April 2023 (the “ Maturity Date ”)
Interest rate	:	2% per annum
Repayment	:	The Borrowers shall repay and/or settle the full amount of the loans and the interest accrued thereon the Maturity Date Unless otherwise agreed by the Lender, all payment and repayment shall be made by the Borrowers in immediately available funds, without any set-off, withholding and/or deduction
Early repayment	:	The Borrowers may from the expiry of 180 days after the date of the Loan Agreements prepay all or part of the loans on any business day provided that the Borrowers shall have given the Lender not less than ten (10) business days’ prior written notice specifying the proposed amount and date of prepayment
Default interest	:	If the Borrowers fail to repay the loans or any part thereof or any interest, in each case, on the due date of payment or repayment, the Borrowers shall pay interest on such sum from the date immediately following such due date of payment or repayment to the date of actual payment (both days inclusive)(as well after as before judgment) at 5% per annum
Guarantee	:	A corporate guarantee given by the Company in favour of the Lender

Guarantee

On 4 April 2022, the Company executed a deed of guarantee with the Lender, pursuant to which the Company shall provide a corporate guarantee in favour of the Lender for the Borrowers’ liabilities under the Loan Agreements.

Information of the Lender

The Lender is Goldstone Investment Management Limited, being a limited liability company incorporated in Hong Kong. As at the date of this announcement, the Lender is (i) indirectly owned as to 60% by Mr. Huang Bin (“**Mr. Huang**”), the non-executive Director of the Company; and (ii) indirectly owned as to 40% by CITIC International Assets Management Limited (中信國際資產管理有限公司) (“**CIAM**”). CIAM is a company incorporated in Hong Kong with limited liability and is a non wholly-owned subsidiary of CITIC International Financial Holdings Limited (中信國際金融控股有限公司). CIAM is principally engaged in equity investment and asset management. As Mr. Huang is a non-executive Director and a shareholder of the Lender, hence he is a connected person of the Company pursuant to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited.

Information of the Borrowers

Each of the First Borrower and the Second Borrower is an investment holding company incorporated in Hong Kong with limited liability. As at the date of this announcement, (i) the First Borrower is an indirect wholly-owned subsidiary of the Company, and (ii) the Second Borrower is an indirect non wholly-owned subsidiary of the Company.

The Board is of the view that that the Loan Agreements would enable the Group to strengthen its working capital base and enhance its financial position. By entering into the Loan Agreements, the Company wishes to acquire (i) the entire share capital of State Venture Investment (HK) Holdings Limited (國投(香港)控股有限公司) (“**State Venture**”) and (ii) Tianjin CIAM Corporate Management Limited (天津事安信企業管理有限公司) (“**Tianjin CIAM**”). By acquiring the entire share capital of State Venture, the Company can gain access to Qingdao Guotou Dingcheng Asset Management Company Limited* (青島國投鼎成資產管理有限公司) (“**Qingdao Guotuo**”), a company established in the PRC, which is (i) directly owned as to 51% by State Venture; and (ii) directly owned as to 49% by Qingdao SDIC Financial Holding Co., Ltd (青島國投金融控股有限公司) (“**Qingdao SDIC**”), and inject RMB100 million capital to Qingdao Quotuo. Qingdao SDIC is a wholly-owned subsidiary of Qingdao International Investment Co., Ltd (青島國際投資有限公司) (“**Qingdao International**”), of which Qingdao International is a state-owned enterprise in the PRC. Relying on the brand image of Qingdao International and taking advantage of its ability in raising capital and diverse project channels, the Company wishes to establish further funds and register for the qualified domestic limited partnership (the “**QDLP**”) in the PRC with a view to exploring business opportunities in (i) non-performing loans and (ii) mergers and acquisitions in listed companies by adopting the PIPE and PE models. Qingdao International, a state-owned enterprise located in Qingdao, was established in the PRC in 2003 with a registered capital of RMB1.5 billion and total assets amounted to approximately RMB25.0 billion. Qingdao International has invested in an A-share company listed in the PRC and an asset management company. The principal business activities of Qingdao International include (i) private equity, (ii) funding, (iii) venture capital and share capital investment, (iv) asset management and (v) strategic investment cooperation with government departments in the PRC.

Through the acquisition of Tianjin CIAM, the Company wishes to register for the qualified foreign limited partnership (the “**QFLP**”) in the PRC through Zhuhai Municipal Kengqiangxin Investment Management Co., Ltd.* (珠海市鏗鏘信投資管理有限公司) (“**Zhuhai Kengqiangxin**”), a direct wholly-owned subsidiary of Tianjin CIAM. Coupled with the QFLP registration, and by making use of the licence in private equity fund in the PRC, which is held by Zhuhai Municipal Xinluanxin Equity Investment Management Co., Ltd.* (珠海市鑫銓信股權投資管理有限公司) (“**Zhuhai Xinluanxin**”), a direct wholly-owned subsidiary of Tianjin CIAM, the Company wishes to bring in capital and cooperate with central enterprises that engage in cultural tourism and other local state-owned enterprises located in Zhuhai, Guangzhou, Chengdu and Qingdao for the establishment of a development fund in cultural tourism in the Greater Bay Area by adopting the PIPE and PE models. The Company wishes to establish investment funds to promote investment and capture the construction opportunities in the Greater Bay Area. As at the date of this announcement, Tianjin CIAM is a wholly-owned subsidiary of CIAM Capital Management Limited and is principally engaged in corporate management. Zhuhai Kengqiangxin, a direct wholly-owned subsidiary of Tianjin CIAM, engages in investment funds and asset management. Zhuhai Xinluanxin, a direct wholly-owned subsidiary of Tianjin CIAM, holds the licence of private equity fund in the PRC and is principally engaged in the management of private equity fund.

The terms and conditions of the Loan Agreements are negotiated between the Lender and the Borrowers on an arm’s length basis and are on normal commercial terms. The Board consider that the terms of the Loan Agreements are fair and reasonable and the entering into of the Loan Agreements is in the best interest of the Company and the shareholders of the Company as a whole.

CHANGE OF COMPANY NAME

Subsequent to the passing of the special resolution approving the change of Company name by the shareholders of the Company at the special general meeting of the Company held on 29 March 2022 and the Certificate of Change of Name and the Certificate of Secondary Name were issued by the Registrar of Companies in Bermuda on 11 April 2022, the English name of the Company has been changed from “GLORY MARK HI-TECH (HOLDINGS) LIMITED” to “China United Venture Investment Limited” and “新華聯合投資有限公司” has been adopted as the secondary name of the Company to replace “輝煌科技(控股)有限公司”. The Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company was issued by the Registrar of Companies in Hong Kong on 28 April 2022 confirming the registration of the new name of the Company in Hong Kong under Part XVI of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). The stock short name of the Company will be changed from “GLORY MARK” in English and “輝煌科技” in Chinese to “CU VENTURE INV” in English and “新華聯合投資” in Chinese, for trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 13 May 2022. The stock code of the Company on the Stock Exchange will remain unchanged as “8159”. Details of the change of name of the Company were set out in the circular of the Company dated 9 March 2022 and the announcements of the Company dated 28 February 2022, 21 March 2022, 29 March 2022 and 6 May 2022, respectively.

DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF THE TARGET COMPANY

On 27 June 2022, State Venture Capital Limited (“**State Venture**”), a wholly-owned subsidiary of the Company, had entered into an entrustment agreement (the “**Entrustment Agreement**”) with Gransing Securities Co., Ltd (“**Gransing**”), pursuant to which (i) Gransing will assist State Venture in the acquisition of Shenzhen Great Wall Asia International Equity Investments Fund Management Limited* 深圳長城環亞國際股權投資基金管理有限公司 (the “**Target Company**”) through a public tender process conducted by Shenzhen United Property and Share Rights Exchange (“**SZREx**”) in accordance with the relevant laws and regulations of the PRC (the “**Public Sale**”); and (ii) upon successful bidding of the Target Company, Gransing shall hold the entire equity interests in the Target Company on trust for State Venture.

On 5 July 2022, Gransing had entered into an equity transfer agreement (the “**Equity Transfer Agreement**”) with Great Wall Asia Asset Management Limited* (長城環亞資產管理有限公司) (the “**Vendor**”) in relation to the acquisition of 100% equity interests in the Target Company at a consideration of RMB17,412,000 (the “**Equity Transfer**”). Upon completion of the Equity Transfer and pursuant to the Entrustment Agreement, the entire equity interests of the Target Company is beneficially owned by State Venture.

Please refer to the announcement of the Company dated 13 July 2022 for details.

EVENTS AFTER THE HALF-YEAR PERIOD

Repayment to other borrowings

Subsequent to the period ended 30 June 2022, on 8 August 2022, the Company, as borrower, has repaid \$8,180,000 as settlement of the substantial part of the principal, together with the interest accrued thereon, to the lender of the unsecured other borrowings (the “**Repayment**”). The Company considers that there will be no material impact on its financial position as a result of the Repayment.

Save as disclosed herein, there is no other material event happened after the Half-Year Period.

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

As at 30 June 2022, the interests and short position of the Directors, the chief executive and their associates in the shares and underlying shares of the Company or its associate corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Exchange pursuant to the required standards of dealings by directors of listed issuer as referred to the Rules 5.46 to 5.67 of Chapter 5 of the GEM Listing Rules and Divisions 7 and 8 of Part XV of the SFO, were as follows:

Long positions in ordinary Shares of HK\$0.01 each

Name of Director	Capacity	Number of issued ordinary Shares held	Percentage of issued share capital of the Company
Mr. Wang Li Feng (“Mr. Wang”)	Interest in a controlled corporation (<i>Note</i>)	355,620,000 (L)	50.51%
	Beneficiary owner	52,595,000 (L)	7.47%

(L) denotes long position

Note: The 355,620,000 Shares are held by PT Design Group Holdings Limited (“PT Design”), which is indirectly wholly-owned by Mr. Wang.

Other than as disclosed above, none of the Directors, chief executive, nor their associates had any interests or short positions in any Shares or underlying Shares or any of its associated corporations as at 30 June 2022.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2022, the following persons, not being a Director or chief executive of the Company, had an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is interested, directly or indirectly, in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Long position in ordinary Shares of HK\$0.01 each

Name of shareholder	Capacity	Number of issued ordinary Shares held	Percentage of issued share capital of the Company
PT Design	Beneficiary owner	355,620,000 (L)	50.51%
Mr. Pang Kuo-Shi ("Mr. Pang") (Note)	Interest in a controlled corporation	74,403,000 (L)	10.57%
Modern Wealth Assets Limited (Note)	Beneficiary owner	74,403,000 (L)	10.57%

(L) denotes long position

Note: Mr. Pang is deemed to be interested in the 74,403,000 Shares held by Modern Wealth Assets Limited, a company wholly-owned by Mr. Pang.

SHARE OPTION SCHEME

Pursuant to the Company's share option scheme adopted on 13 December 2001 (the "Scheme") for the purpose of providing incentives to Directors and eligible employees, the Company may grant options to executive Directors and fulltime employees of the Group to subscribe for Shares of the Company.

The total number of Shares in respect of which options may be granted under the Scheme is not permitted to exceed 30% of the Shares in issue at any point in time, without prior approval from the Company's shareholders. The number of Shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the Shares in issue at any point in time, without prior approval from the shareholders. Options granted to substantial shareholders or independent non-executive Directors or their associates in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5 million must be approved in advance by the shareholders.

A nominal consideration of HK\$1 is payable on acceptance of the grant of options. Options may be exercised at any time from the thirteenth month from the date of grant to the fifth anniversary of the date of grant. The exercise price is determined by the Directors, and will be at least the highest of (i) the closing price of the Shares on the date of grant, (ii) the average closing price of the Shares for the five business days immediately preceding the date of grant, and (iii) the nominal value of the Shares.

No share options have been granted under the Scheme since its adoption.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save for the Scheme, at no time during the Half-Year Period was the Company or any of its subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

SUFFICIENCY OF PUBLIC FLOAT

The Company had maintained a sufficient public float throughout the Half-Year Period.

COMPLIANCE WITH GEM LISTING RULES 5.48 TO 5.67

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Directors, upon specific enquiry being made, confirm that during the Half-Year Period, they have complied with the required standards of dealings and the Company's code of conduct regarding directors' securities transactions.

INTERESTS IN COMPETITORS

During the Half-Year Period, the following Director had interests in the following businesses which were considered to compete or likely to compete, either directly or indirectly, with the business of the Group (other than those businesses where the Directors were appointed as directors to represent the interests of the Company and/or the Group):

Name of Director	Name of entities which were considered to compete or likely to compete with the business of the Group	Description of competing business	Nature of interests
Mr. Wang	Australia PT Design Consultants Limited ("PT Consultants")	Provision of architectural design service (other than technical and documentation work)	Directly holding 27.6% interest in PT Consultants and a director
	PT Architectural Design (Shenzhen) Company Limited ("PT Shenzhen")	Provision of architectural design service (other than technical and documentation work)	Indirectly holding 27.6% interest in PT Shenzhen through PT Consultants and a director
	Shanghai PT Architecture Design & Consultant Co., Ltd ("Shanghai PT")	Provision of architectural design service (other than technical and documentation work)	Indirectly holding 17% interest in Shanghai PT and a director

As (i) each of the above Directors is fully aware of their fiduciary duty to the Group, and will abstain from voting on any matter where there is or may be a conflict of interest; (ii) the architectural design service will be first undertaken by the Group as general design contractor, unless otherwise requested by independent developers; (iii) unless otherwise requested by independent developers, all master-planning work shall be first subcontracted to the Group; (iv) the Group have the first right of refusal on accepting the architectural schematic design work unless it is specifically requested by the independent developers that such work shall be performed by PT Consultants or PT Shenzhen; and (v) Mr. Wang has not involved in the day-to-day management and operation of Shanghai PT, the Group is capable of carrying its business independently of and at arm's length from the businesses of these entities.

Save as disclosed above, during the Half-Year Period, none of the Directors or the controlling Shareholders or their respective close associates had an interest in a business, which competes or may compete with the business of the Group.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's bye-laws, or the laws of Bermuda, which would oblige the Company to offer new Shares on a pro-rata basis to the existing Shareholders.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Shares during the Half-Year Period.

DIVIDENDS

The Directors have resolved not to declare the payment of an interim dividend for the Half-Year Period.

CORPORATE GOVERNANCE

The Company complied throughout the Period with the code provisions in the Corporate Governance Code of Appendix 15 to the GEM Listing Rules.

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all the Directors, all the Directors confirmed they complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company during the Half-Year Period.

The Company has received, from each of the independent non-executive Directors, a confirmation on his independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers all of the independent non-executive Directors are independent.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) comprises three members, namely Dr. Yan Ka Shing, Dr. Fong Chi Wai, Alex and Mr. Xu Lin who are all independent non-executive Directors with Dr. Yan Ka Shing acting as the chairman. The primary duties of the Audit Committee are, among others, to review and supervise the financial reporting and internal control procedures of the Company. The financial results for the Half-Year Period presented herein have not been audited by the auditors of the Company but have been reviewed by the Audit Committee.

On behalf of the Board
CHINA UNITED VENTURE INVESTMENT LIMITED
Wang Li Feng
Vice Chairman & Executive Director

Hong Kong, 12 August 2022

As at the date of this announcement, the executive Directors are Mr. Wang Li Feng, Mr. Yu Sanlong, Mr. Fan Xiaoling, Dr. Chen Xiaofeng, Mr. Ni Xian and Mr. Su Guang; the non-executive Director is Mr. Huang Bin; and the independent non-executive Directors are Dr. Fong Chi Wai, Alex, Dr. Yan Ka Shing, Mr. Wu Lebin and Mr. Xu Lin.

This announcement will remain on the “Latest Listed Company Information” page of the GEM website at www.hkgem.com for at least seven days from the date of publication and on the Company’s website at www.glorymark.com.tw/hk/investor.htm.

In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.

* *For identification purposes only*