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上海瑞威資產管理股份有限公司

Shanghai Realway Capital Assets Management Co., Ltd.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1835)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2023

The board (the “**Board**”) of directors (the “**Directors**”) of Shanghai Realway Capital Assets Management Co., Ltd. (the “**Company**”) hereby announces the unaudited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2023 (the “**Reporting Period**”), together with the comparative figures for the six months ended 30 June 2022, as follows.

HIGHLIGHTS

- The Group recognised revenue of approximately RMB10.1 million for the six months ended 30 June 2023, representing a decrease of approximately 37.1% as compared to the revenue of approximately RMB16.1 million recognised for the corresponding period last year.
- For the six months ended 30 June 2023, the Group recognised loss for the period of approximately RMB29.7 million, and the loss for the period attributable to owners of the parent was approximately RMB29.6 million.
- For the six months ended 30 June 2023, loss per share attributable to ordinary equity holders of the parent was approximately RMB19.27 cents.
- The Board does not recommend the payment of interim dividend for the six months ended 30 June 2023.

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

For the six months ended 30 June 2023

		Six months ended 30 June	
		2023	2022
	<i>Notes</i>	RMB'000	<i>RMB'000</i>
		(Unaudited)	(Unaudited)
REVENUE	5	<u>10,136</u>	<u>16,123</u>
Other income and gains	5	617	606
Administrative expenses		(17,967)	(21,059)
Impairment losses reversed/(recognised) on trade receivables	10	733	(185)
Increase/(decrease) in fair value of investments in associates or joint ventures at fair value through profit or loss	11	(4,050)	187
Increase in fair value of financial assets at fair value through profit or loss		173	–
Other expenses and losses	6	(24,001)	(10)
Finance costs		(401)	(109)
Share of profits/(losses) of:			
Joint ventures		(254)	(1,194)
An associate		5,293	(5,249)
LOSS BEFORE TAX		<u>(29,721)</u>	<u>(10,890)</u>
Income tax (expense)/credit	7	(7)	237
LOSS FOR THE PERIOD		<u>(29,728)</u>	<u>(10,653)</u>
Attributable to:			
Owners of the parent		(29,550)	(10,370)
Non-controlling interests		(178)	(283)
		<u>(29,728)</u>	<u>(10,653)</u>

**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)**

For the six months ended 30 June 2023

		Six months ended 30 June	
		2023	2022
		RMB'000	RMB'000
	<i>Notes</i>	(Unaudited)	(Unaudited)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted			
— For loss for the period (RMB cents)	8	<u>(19.27)</u>	<u>(6.76)</u>
LOSS FOR THE PERIOD		<u>(29,728)</u>	<u>(10,653)</u>
OTHER COMPREHENSIVE INCOME			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):			
Exchange differences on translation of foreign operations		<u>47</u>	<u>75</u>
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		<u>47</u>	<u>75</u>
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		<u>(29,681)</u>	<u>(10,578)</u>
Attributable to:			
Owners of the parent		<u>(29,503)</u>	<u>(10,295)</u>
Non-controlling interests		<u>(178)</u>	<u>(283)</u>
		<u>(29,681)</u>	<u>(10,578)</u>

**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**

As at 30 June 2023

		As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
	<i>Notes</i>		
NON-CURRENT ASSETS			
Property, plant and equipment		580	564
Right-of-use assets		1,343	2,255
Other intangible assets		341	373
Investments in joint ventures		–	254
Investments in an associate		10,726	5,433
Investments in associates or joint ventures at fair value through profit or loss (“IAFV”)	<i>11</i>	43,562	43,742
Deferred tax assets		11,626	11,626
		<hr/>	<hr/>
Total non-current assets		68,178	64,247
CURRENT ASSETS			
Trade receivables	<i>10</i>	82,014	89,618
Prepayments, deposits and other receivables		6,546	6,676
Investments in associates or joint ventures at fair value through profit or loss (“IAFV”)	<i>11</i>	115,233	168,417
Financial assets at fair value through profit or loss (“FVTPL”)		20,324	20,153
Dividend receivables		–	101
Cash and cash equivalents		31,326	13,173
		<hr/>	<hr/>
Total current assets		255,443	298,138
CURRENT LIABILITIES			
Other payables and accruals	<i>12</i>	20,132	27,231
Advances from customer		300	300
Lease liabilities		1,440	2,053
Tax payable		978	1,852
		<hr/>	<hr/>
Total current liabilities		22,850	31,436
		<hr/>	<hr/>
NET CURRENT ASSETS		232,593	266,702

**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION (CONTINUED)**

As at 30 June 2023

	As at 30 June 2023 RMB'000 (Unaudited)	As at 31 December 2022 RMB'000 (Audited)
<i>Notes</i>		
TOTAL ASSETS LESS CURRENT LIABILITIES	300,771	330,949
NON-CURRENT LIABILITIES		
Lease liabilities	–	474
Total non-current liabilities	–	474
NET ASSETS	300,771	330,475
EQUITY		
Equity attributable to owners of the parent		
Share capital	153,340	153,340
Reserves	146,847	176,350
	300,187	329,690
Non-controlling interests	584	785
TOTAL EQUITY	300,771	330,475

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2023

1. CORPORATE AND GROUP INFORMATION

The interim condensed consolidated financial information of Shanghai Realway Capital Assets Management Co., Ltd. and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2023 were authorised for issue in accordance with a resolution of the Directors on 25 August 2023.

Shanghai Realway Capital Assets Management Co., Ltd. is a limited liability company established in the People’s Republic of China (the “**PRC**”). The registered office of the Company is located at Room 26G-3, No. 828–838 (even number) Zhang Yang Road, Pilot Free Trade Zone, Shanghai, PRC.

The Group was involved in the following principal activities:

- funds management
- investment management in relation to the establishment and structuring of the relevant funds and the sourcing of investors (“**investment management**”)
- investment advisory

In the opinion of the Directors, the holding company and the ultimate holding company of the Company is Shanghai Weimian Investments Partnership (Limited Partnership), which is established in the PRC.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2023 have been prepared in accordance with IAS 34 *Interim Financial Reporting*.

The interim condensed consolidated financial information do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2022.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of the following new and revised International Financial Reporting Standards (“**IFRSs**”) for the first time for the current period’s financial information.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

IFRS 17	<i>Insurance Contracts</i>
Amendments to IFRS 17	<i>Insurance Contracts</i>
Amendment to IFRS 17	<i>Initial Application of IFRS 17 and IFRS 9 — Comparative Information</i>
Amendments to IAS 1 and IFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to IAS 8	<i>Definition of Accounting Estimates</i>
Amendments to IAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to IAS 12	<i>International Tax Reform — Pillar Two Model Rules</i>

The nature and impact of the new and revised IFRSs that are applicable to the Group are described below:

- (a) Amendments to IAS 1 require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to IFRS Practice Statement 2 provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. The Group has applied the amendments since 1 January 2023. The amendments did not have any impact on the Group's interim condensed consolidated financial information but are expected to affect the accounting policy disclosures in the Group's annual consolidated financial statements.
- (b) Amendments to IAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. The Group has applied the amendments to changes in accounting policies and changes in accounting estimates that occur on or after 1 January 2023. Since the Group's policy of determining accounting estimates aligns with the amendments, the amendments did not have any impact on the financial position or performance of the Group.
- (c) Amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* narrow the scope of the initial recognition exception in IAS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for temporary differences arising from these transactions. Since the Group did not apply the initial recognition exception, the amendments did not have any impact on the financial position or performance of the Group.

The adoption of amendments to IAS 12 did not have any impact on the basic and diluted loss per share attributable to ordinary equity holders of the parent, other comprehensive income and the interim condensed consolidated statements of cash flows for the six months ended 30 June 2023 and 2022.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

- (d) Amendments to IAS 12 *International Tax Reform — Pillar Two Model Rules* introduce a mandatory temporary exception from the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. The amendments also introduce disclosure requirements for the affected entities to help users of the financial statements better understand the entities' exposure to Pillar Two income taxes, including the disclosure of current tax related to Pillar Two income taxes separately in the periods when Pillar Two legislation is effective and the disclosure of known or reasonably estimable information of their exposure to Pillar Two income taxes in periods in which the legislation is enacted or substantively enacted but not yet in effect. Entities are required to disclose the information relating to their exposure to Pillar Two income taxes in annual periods beginning on or after 1 January 2023, but are not required to disclose such information for any interim periods ending on or before 31 December 2023. The Group has applied the amendments retrospectively. Since the Group did not fall within the scope of the Pillar Two model rules, the amendments did not have any impact to the Group.

4. OPERATING SEGMENT INFORMATION

Management monitors the operating results of the Group's business, which include management fee and consulting income, by project for the purpose of making decisions about resource allocation and performance assessment. As all projects have similar economic characteristics and the nature of management services and consulting services, the nature of the aforementioned business processes, the type or class of fund for the aforementioned business and the methods used to distribute the properties or to provide the services are similar for all projects, thus all projects have been aggregated as one reportable operating segment.

Geographical information

No geographical information is presented as the Group's revenue from the external funds is derived solely from its operation in Mainland China and no non-current assets of the Group are located outside Mainland China.

Information about major customers

Revenue from major customers contributing to 10% or more of the Group's revenue for the six months ended 30 June 2023 is set out below:

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Customer A	3,428	1,615
Customer B	1,264	—

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<i>Revenue from contracts with customers</i>		
Rendering of services	10,136	16,123

Revenue from contracts with customers

Disaggregated revenue information

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Type of services		
Rendering of funds management services	5,758	12,974
Rendering of consulting services	4,378	3,149
	10,136	16,123
Timing of revenue recognition		
Services transferred over time	10,136	16,123

An analysis of other income and gains is as follows:

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other income		
Interest income	29	15
Others	9	–
	38	15
Gains		
Government grants	579	591
	579	591
	617	606

6. OTHER EXPENSES AND LOSSES

An analysis of other expenses and losses is as follows:

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other expenses and losses		
Loss on disposal of IAFV	23,959	–
Loss on disposal of items of property, plant and equipment	28	5
Others	14	5
	<u>24,001</u>	<u>10</u>

7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. The Group's subsidiary incorporated in Hong Kong was not liable for income tax as it did not have any assessable profits currently arising in Hong Kong during the Reporting Period. Subsidiaries of the Group operating in Mainland China were subject to PRC corporate income tax rate at a rate of 25% for the period, except that small-scale enterprises with minimal profits were qualified to apply income tax rate of 5%.

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current income tax charge for the Reporting Period		
— Mainland China	7	–
Deferred tax	–	(237)
	<u>7</u>	<u>(237)</u>
Total tax charge/(credit) for the Reporting Period	<u>7</u>	<u>(237)</u>

8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share is based on the loss for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares during the interim period.

The Group had no potentially dilutive ordinary shares in issue during the periods ended 30 June 2022 and 30 June 2023.

8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (CONTINUED)

The calculations of basic loss per share are based on:

	For the six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss		
Loss attributable to ordinary equity holders of the parent, used in the basic loss per share calculation	<u>(29,550)</u>	<u>(10,370)</u>
Number of shares		
Shares		
Weighted average number of ordinary shares in issue during the interim period used in the basic loss per share calculation	<u>153,340,000</u>	<u>153,340,000</u>

9. DIVIDENDS

No dividends have been proposed by the Directors for the Reporting Period (2022: Nil).

10. TRADE RECEIVABLES

	30 June	31 December
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Trade receivables	114,587	122,924
Impairment	<u>(32,573)</u>	<u>(33,306)</u>
	<u>82,014</u>	<u>89,618</u>

The Group's contractual terms with its funds are mainly on credit. Trade receivables are settled based on the progress payment schedule stipulated in the contracts. The Group seeks to maintain strict control over its outstanding receivables and has a credit control team 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 customers with credit risk, there is no significant concentration of credit risk but a general credit risk inherent in the Group's outstanding balance of trade receivables based on the management's best estimation at the reporting date. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

As at 30 June 2023, the Group's trade receivables included amounts due from a joint venture and associates of RMB2,861,000 (31 December 2022: RMB2,466,000) and RMB21,007,000 (31 December 2022: RMB21,985,000), respectively, which are repayable on credit terms similar to those offered to the major customers of the Group.

10. TRADE RECEIVABLES (CONTINUED)

An aging analysis of the trade receivables as at the end of the Reporting Period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Within 1 year	17,344	18,365
1 to 2 years	17,938	23,225
Over 2 years	<u>46,732</u>	<u>48,028</u>
Total	<u><u>82,014</u></u>	<u><u>89,618</u></u>

The movements in the loss allowance for impairment of trade receivables for the Reporting Period are as follows:

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
At beginning of the period/year	33,306	40,724
Impairment losses	2,063	39
Amount transferred by settlement of certain trade receivables	<u>(2,796)</u>	<u>(7,457)</u>
At end of the period/year	<u><u>32,573</u></u>	<u><u>33,306</u></u>

11. INVESTMENTS IN ASSOCIATES OR JOINT VENTURES AT FAIR VALUE THROUGH PROFIT OR LOSS (“IAFV”)

	30 June 2023 RMB'000 (Unaudited)	31 December 2022 RMB'000 (Audited)
Unlisted investments in associates or joint ventures, at fair value	<u><u>158,795</u></u>	<u><u>212,159</u></u>

The Group, as investment fund manager, measured the above investments in associates or joint ventures at fair value through profit or loss in accordance with IFRS 9 at 30 June 2023.

11. INVESTMENTS IN ASSOCIATES OR JOINT VENTURES AT FAIR VALUE THROUGH PROFIT OR LOSS (“IAFV”) (CONTINUED)

The movements in investments in associates or joint ventures at fair value through profit or loss for the six months ended 30 June 2023 are as follows:

	Cost <i>RMB'000</i>	Increase/ (decrease) in fair value of IAFV <i>RMB'000</i>	Total <i>RMB'000</i>
At 1 January 2022	254,432	(15,273)	239,159
Movements	–	(28,000)	(28,000)
Addition	1,000	–	1,000
	<u>255,432</u>	<u>(43,273)</u>	<u>212,159</u>
At 31 December 2022	<u>255,432</u>	<u>(43,273)</u>	<u>212,159</u>
Comprising:			
Current portion	206,432	(38,015)	168,417
Non-current portion	49,000	(5,258)	43,742
	<u>255,432</u>	<u>(43,273)</u>	<u>212,159</u>
At 1 January 2023	255,432	(43,273)	212,159
Movements	–	(4,050)	(4,050)
Derecognition and/or realisation	(60,000)	10,686	(49,314)
	<u>195,432</u>	<u>(36,637)</u>	<u>158,795</u>
At 30 June 2023	<u>195,432</u>	<u>(36,637)</u>	<u>158,795</u>
Comprising:			
Current portion	146,432	(31,199)	115,233
Non-current portion	49,000	(5,438)	43,562
	<u>195,432</u>	<u>(36,637)</u>	<u>158,795</u>

12. OTHER PAYABLES AND ACCRUALS

	30 June 2023 <i>RMB'000</i> (Unaudited)	31 December 2022 <i>RMB'000</i> (Audited)
Payroll and welfare payable	3,300	4,306
Taxes and surcharges	547	1,404
Accruals	182	1,921
Due to related parties	16,103	18,947
Others	–	653
	<u>20,132</u>	<u>27,231</u>

12. OTHER PAYABLES AND ACCRUALS (CONTINUED)

Other payables are unsecured, non-interest-bearing and repayable on demand, except for amounts due to a related party of RMB10,680,000 as at 30 June 2023 which bear interest at fixed interest rates of 5.0% per annum and will mature in August 2024. The fair values of other payables at 30 June 2023 approximated to their corresponding carrying amounts.

13. EVENTS AFTER THE REPORTING PERIOD

On 6 July 2023, the Group entered into two equity transfer agreements with an independent third party to acquire two target companies established in mainland China for a cash consideration of RMB20,500,000 and RMB26,000,000 respectively. For more details, please refer to the discloseable transaction announcement of the Company dated 6 July 2023.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

As an asset management company in the PRC, the Group is mainly engaged in fund management, investment management in relation to the establishment of the relevant funds and the sourcing of investors and investment advisory services specialising in real estate and distressed asset.

Fund management business

The Group manages two broad types of funds, namely (i) fund(s) structured and managed for the purpose of directly investing in a specific real estate investment project and distressed asset project (“**Project Fund(s)**”); and (ii) flexible funds structured and managed, or co-managed, by the Group which may invest in designated types of funds under the Group’s portfolio instead of making direct investment into investment projects and are permitted to invest in multiple investment projects indirectly through a number of funds at the same time (“**FOF(s)**”). The Group’s managed funds invest in three main categories of portfolio assets, namely commercial real estate projects, distressed assets projects, and urbanisation and redevelopment projects.

Under the impact of the pandemic and the in-depth adjustment of the real estate industry in the past three years, the Group slowed down the investment activities of the fund management business. During the Reporting Period, no new fund was established to participate in project investment. In terms of the management of existing projects, through daily supervision and management of investment projects, the Group regularly discloses information to ensure the legitimate rights and interests of fund investors. In terms of the operation of existing assets, the Group makes use of its own operational capabilities or cooperates with professional institutions to attract investment, upgrade and transform, optimise operation and replace financing for the underlying assets of the projects, so as to revitalize and generate stable cash flow for the assets. For risky projects, the Group negotiates with counterparties to formulate project disposal plans to protect the rights and interests of fund investors to the greatest extent.

As at 30 June 2023, the Group’s managed funds invested in 16 commercial real estate, urbanisation and redevelopment, distressed asset projects located in Shanghai, Zhejiang, Jiangsu, Sichuan, Shenzhen, Henan, Fujian and other provinces and cities of the PRC with assets under management (“**AUM**”) of RMB2,725.8 million.

Set out below is a breakdown of the AUM by type of fund as at the date indicated^(Note 1):

	As at 30 June 2023	As at 31 December 2022
	AUM	AUM
	RMB million	RMB million
Project Funds	2,305.1	2,977.3
FOFs	769.9	787.9
Less: FOFs investments in Project Funds	(349.2)	(397.4)
Total	<u>2,725.8</u>	<u>3,367.8</u>

Set out below is a breakdown of fund AUM by portfolio asset type as at the date indicated^(Note 2):

	As at 30 June 2023			As at 31 December 2022		
	Number of projects	AUM RMB million	Proportion %	Number of projects	AUM RMB million	Proportion %
Commercial real estate projects	7	1,810.1	66.6%	7	1,823.8	54.9%
Urbanisation and redevelopment projects	5	581.0	21.4%	5	601.4	18.1%
Distressed assets projects	4	327.6	12.0%	4	899.4	27.0%
Total	<u>16</u>	<u>2,718.7</u>	<u>100.0%</u>	<u>16</u>	<u>3,324.6</u>	<u>100.0%</u>

Notes:

- The amount which FOFs had invested in Project Funds was eliminated from the breakdown of the AUM by fund to avoid double counting.
- Projects invested by our FOFs with specified Project Fund investment that has not been established are included in the breakdown of fund AUM by portfolio asset type. As at 30 June 2023, the total management scale directly invested by our FOFs with specified Project Fund investment that has not been established amounted to RMB413.6 million (31 December 2022: RMB347.3 million).

Investment advisory business

As a professional service institution, the Group provides special investment advisory services such as mergers and acquisitions and reorganisations, bankruptcy collection and post-investment management for distressed assets or special opportunity projects. As an important direction for the Group's business development, revenue generated from the investment advisory business has achieved sustained and rapid growth in the past two years. During the Reporting Period, the Group provided investment advisory services for a total of seven projects, including five existing investment advisory projects and two new investment advisory projects.

Wealth Management Business

The Group is committed to deepening the engagement within the wealth management industry and provides professional asset allocation services for high-net-worth individuals and family offices in China, with products covering private equity investment funds, private securities funds and public funds. During the Reporting Period, the Group did not issue new products and no revenue was generated from the wealth management business.

FUTURE OUTLOOK

In 2023, China's economy has continued to recover and stabilise. After the pandemic in the past three years, the Group adopted a prudent investment and stable operation strategy in business development, which ensured the healthy and stable operation of the Company. In the post-pandemic era, the Group will continue the aforementioned development strategies, control operating costs, strengthen compliance and risk control, and strive to achieve better performance in the gradually recovering market environment.

In respect of the fund management segment, the Group will continue to look for more opportunity-based assets. Combined with the market opportunities brought by the introduction of relevant policies such as the pilot real estate private equity investment fund and the pilot public offering of REITS, the Group will deepen the development of private equity investment funds focusing on real estate and distressed assets under the new situation of industry development, give full play to its core competitiveness in investment transactions, risk control and asset operation, and safeguard the interests of investors. In respect of the investment advisory segment, the Group will continue to expand and strengthen its investment advisory business, and provide professional value-added services for real estate and distressed assets projects. In respect of the wealth management segment, the Group will build an elite and professional wealth management team and establish and improve family office to meet the asset allocation needs of high-net-worth individuals and institutional investors in China.

The Group will continue to improve its business system, adhere to the concept of active management and value creation, give full play to the advantages of professional investment operation, and strive to become a first-class comprehensive asset management company in China.

FINANCIAL REVIEW

Revenue

The Group's revenue is mainly derived from fees received from Project Funds and FOFs established and managed by the Group and the provision of investment advisory services. These fees consist of regular management fees, performance fees, fund establishment fees and advisory fees. During the Reporting Period, the Group recognised revenue of approximately RMB10.1 million, representing a decrease of approximately RMB6.0 million or approximately 37.1% as compared to the corresponding period last year, which was mainly due to the decrease in regular management fee income.

Set out below is a breakdown of the revenue by income source during the indicated period:

	For the six months ended 30 June			
	2023	2022	Change	Rate of
	(unaudited)	(unaudited)		change
	<i>(RMB'000, except percentages)</i>			
Project Funds				
— Regular management fee income	5,684	10,265	(4,581)	(44.6%)
— Performance fee income	—	—	—	—
— Fund establishment fee income	—	—	—	—
Sub-total	<u>5,684</u>	<u>10,265</u>	<u>(4,581)</u>	<u>(44.6%)</u>
FOFs				
— Regular management fee income	166	2,759	(2,593)	(94.0%)
— Performance fee income	—	—	—	—
— Fund establishment fee income	—	—	—	—
Sub-total	<u>166</u>	<u>2,759</u>	<u>(2,593)</u>	<u>(94.0%)</u>
Advisory fee income	4,378	3,149	1,229	39.0%
Less: sales-related taxes	(92)	(50)	(42)	84.0%
Total	<u>10,136</u>	<u>16,123</u>	<u>(5,987)</u>	<u>(37.1%)</u>

Regular management fee income

Due to the severe situation of the real estate industry and the fact that market confidence has not been fully restored, the investment activities of the Group's real estate fund management business have slowed down. During the Reporting Period, there was no new fund established, and the existing funds also ceased to pay regular management fees as they successively entered into liquidation period. As a result, the revenue from regular management fees for the Reporting Period decreased by approximately RMB7.2 million as compared to the corresponding period last year.

Advisory fee income

During the Reporting Period, the Group recorded advisory fee income of approximately RMB4.4 million, representing an increase of approximately RMB1.2 million or approximately 39.0% as compared to the corresponding period last year, which was mainly due to the Group's increased efforts in the development of investment advisory business after the shrinking fund management business. Two new investment advisory projects were added during the Reporting Period, leading to corresponding increase in advisory fee income.

Administrative expenses

The Group's administrative expenses for the Reporting Period were approximately RMB18.0 million, representing a decrease of approximately RMB3.1 million from approximately RMB21.1 million for the corresponding period last year, which was mainly attributable to the results of the cost reduction and efficiency enhancement measures adopted by the Group, resulting in a decrease in staff costs and business advisory fees of approximately RMB2.7 million and RMB0.6 million, respectively, as compared to the corresponding period last year.

Impairment loss reversed on trade receivables

The Group applied the simplified approach under IFRS 9 to provide for expected credit loss ("ECL"). Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

As at the end of the Reporting Period, the Group carried out a comprehensive assessment on the receivables, taking into account various factors such as the past collection, ageing, financial position and macroeconomic environment of the debtors of each receivable. The Group reversed a net impairment loss on receivables of approximately RMB0.7 million, which was mainly due to the receipt of management fee of some funds during the Reporting Period, of which impairment loss on trade receivables were recognised in previous years.

Decrease in fair value of IAFV

As part of the Group's ordinary and usual course of business, the Group has been making investments in the funds structured and managed by itself. Such investments were recognised as IAFV at fair value through profit or loss in the Group's financial statements and such accounting treatment will continue to be adopted in the future.

The Group, as an investment fund manager, measures the above investments in associate(s) or joint venture(s) at fair value through profit or loss in accordance with IFRS 9. Financial assets of distressed asset projects apply level 3 hierarchy of fair value measurement, which is based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The valuation techniques and key inputs under such accounting policy are: discounted cash flow with future cash flows that are estimated based on expected recoverable amounts, and discounted at rates that reflect management's best estimation of the expected risk level. It indicates the following relationship to fair value:

- the higher the recoverable amounts, the higher the fair value;
- the earlier the recovery date, the higher the fair value;
- the lower the discount rates, the higher the fair value.

The decrease in fair value of IAFV of approximately RMB4.1 million during the Reporting Period was mainly due to the decrease in fair value of IAFV attributable to the recoverable amount of distressed asset projects invested by FOF IV (Shanghai Weiyi Investment Partnership (Limited Partnership)* (上海威弋投資合夥企業(有限合夥)) that was lower than expected.

Other expenses and losses

During the Reporting Period, the Group recorded other expenses and losses of approximately RMB24.0 million, as compared to other expenses and losses of approximately RMB0.01 million for the corresponding period last year. The significant increase in other expenses and losses was mainly due to the transfer of its committed and paid-up underlying interests of Hangzhou Fuyang Huiyun Investment Management Partnership (Limited Partnership)* (杭州富陽匯筭投資管理合夥企業(有限合夥)) (“**Fuyang Huiyun Fund**”) through public auction. The transfer resulted in an investment loss of approximately RMB24.0 million (please refer to the discloseable transaction announcement of the Company dated 15 June 2023 for details).

Share of profits/(losses) of an associate

The Group's share of profits of an associate for the Reporting Period was approximately RMB5.3 million, as compared to the share of losses of an associate of approximately RMB5.2 million for the corresponding period last year. The turnaround in share of results of an associate was mainly due to the restructuring of the operation team of the associate, Guangrui Juyao (Qingdao) Wealth Asset Management Co., Ltd.* (光瑞聚耀(青島)財富資產管理有限公司) in the second half of 2021, and the commencement of customer service business cooperation with Everbright Xinglong Trust Co., Ltd.*(光大興隴信託有限責任公司) since the first half of 2022. All businesses are gradually on the right track, and the revenue from customer service during the Reporting Period increased rapidly as compared with the corresponding period last year.

Loss for the period

The loss recognised by the Group during the Reporting Period was approximately RMB29.7 million, representing an increase of approximately RMB19.0 million as compared to the loss for the period of approximately RMB10.7 million for the six months ended 30 June 2022, mainly due to the decrease in revenue and the increase in other expenses and losses, partly offset by the increase in the share of profits of an associate.

LIQUIDITY AND FINANCIAL RESOURCES

The Group regularly reviews the liquidity status and actively manages liquidity and financial resources in light of changes in the economic environment and business development needs. As at 30 June 2023, the cash and cash equivalents of the Group was approximately RMB31.3 million (31 December 2022: RMB13.2 million), which were mainly held in RMB.

The Group did not use any financial instruments for hedging purpose during the Reporting Period.

GEARING RATIO

As at 30 June 2023, the Group's interest-bearing liabilities included amount due to a related party of approximately RMB10.7 million (31 December 2022: RMB14.1 million) bearing interest at fixed interest rates 5.0% per annum and will be matured in August 2024. The interest bearing liabilities were denominated in RMB. As at 30 June 2023, the Group's gearing ratio (calculated as total interest-bearing liabilities divided by total equity) was approximately 3.6% (31 December 2022: 4.3%).

TREASURY POLICIES

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position during the Reporting Period. The Group always strives to minimise exposure to credit risk by strictly controlling outstanding receivables and setting up a credit control team. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

PLEDGE OF ASSETS AND CHARGE ON ASSETS

As at 30 June 2023, the Group did not have any pledge or charges on its assets.

FOREIGN EXCHANGE RISK

The Group principally operates in the PRC with most of its businesses being denominated in RMB. The Group only bears the risk of fluctuations in the exchange rate of RMB against HKD. The Group currently has no hedging of foreign exchange risk and the Directors believe that the Group's foreign exchange risk is manageable and will closely monitor the relevant risks from time to time.

CAPITAL STRUCTURE

There has been no change in the capital structure of the Company since its listing on 13 November 2018.

COMMITMENTS

The Group did not have any significant commitments as at 30 June 2023 (31 December 2022: Nil).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

On 15 June 2023, the Company transferred its committed and paid-up underlying interests of Fuyang Huiyun Fund to Xiamen Haobo Commercial Management Co., Ltd.* (廈門灝博商業管理有限公司) through public auction at a consideration of RMB25,330,688. The transfer was completed on 15 June 2023. Upon completion, the Company has ceased to be a limited partner of Fuyang Huiyun Fund and is no longer entitled to any rights and obligations in relation to its underlying interests of Fuyang Huiyun Fund. The financial results of Fuyang Huiyun Fund is no longer consolidated into the Group's consolidated financial statements as the Company's IAFV. For more details, please refer to the discloseable transaction announcement of the Company dated 15 June 2023.

Save as disclosed above and in this announcement, the Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 June 2023.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

On 6 July 2023, Shanghai Ruichu Business Advisory Co., Ltd.* (上海芮楚商務諮詢有限公司) (“**Ruichu Business**”) (a wholly-owned subsidiary of the Company) and Realway Capital Assets Management (Beijing) Co., Ltd.* (北京瑞威資產管理有限公司) (“**Beijing Realway**”) (a wholly-owned subsidiary of the Company) entered into equity transfer agreements with Hangzhou Pengbo Daxiang Industrial Co., Ltd.* (杭州彭博大向實業有限公司) (“**Pengbo Daxiang**”), pursuant to which (i) Ruichu Business and Beijing Realway have conditionally agreed to acquire and Pengbo Daxiang has conditionally agreed to sell 99% and 1% equity interest in Chengdu Ruiruibing Commercial Management Co., Ltd.* (成都芮瑞炳商業管理有限責任公司) at the consideration of RMB20,295,000 and RMB205,000, respectively; and (ii) Ruichu Business and Beijing Realway have conditionally agreed to acquire and Pengbo Daxiang has conditionally agreed to sell 99% and 1% equity interest in Chengdu Ruihanchao Commercial Management Co., Ltd.* (成都芮翰超商業管理有限責任公司) at a consideration of RMB25,740,000 and RMB260,000, respectively. For more details, please refer to the discloseable transaction announcement of the Company dated 6 July 2023.

Save as disclosed above and in this announcement, the Group did not have specific plans for material investments or capital assets as at 30 June 2023. In the event that the Group participates in any plans for material investments or capital assets, the Company will make announcement(s) in compliance with the relevant rules of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) as and when appropriate.

CAPITAL EXPENDITURES

As at 30 June 2023, the Group did not have any significant capital expenditures.

CONTINGENT LIABILITIES

As at 30 June 2023, the Group did not have any contingent liabilities.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2023, the Group employed a total of 83 employees (31 December 2022: 91 employees). The Group has formulated an employee compensation policy which takes into account factors such as external market competitiveness and internal fairness, and provides diversified training and individual development plans for its employees. The Group has a clear promotion policy that gives eligible employees career progression opportunities.

SIGNIFICANT INVESTMENTS HELD

As at 30 June 2023, IAFV of the Group was approximately RMB158.8 million, representing a decrease of approximately RMB53.4 million as compared to 31 December 2022. Details are as follows:

Name of fund	Type of investment project	Cost of investment (RMB'000)	Percentage of fund equity	Dividends received for the Reporting Period (RMB'000)	Fair value as at 30 June 2023 (RMB'000)	Percentage of the total asset value of the Group as at 30 June 2023	Unrealised gains/(losses) related to changes in fair value during the Reporting Period (RMB'000)	Fair value as at 31 December 2022 (RMB'000)	Source of funds
1 FOF IV ^(Note 1)	Distressed assets projects	96,432	50.0%	-	73,170	22.6%	(23,262)	78,404	Internal resources
2 FOF IX ^(Note 2)	Commercial real estate projects	48,000	78.7%	-	42,583	13.2%	(5,417)	42,739	Proceeds from the Share Offer ^(Note 5)
3 FOF III ^(Note 3)	Commercial real estate projects, urbanisation and redevelopment projects and distressed assets projects	30,000	10.0%	-	17,669	5.5%	(12,331)	17,785	Internal resources
4 FOF VIII ^(Note 4)	Urbanisation and redevelopment projects and commercial real estate projects	20,000	12.7%	-	24,395	7.5%	4,395	22,915	Proceeds from the Share Offer ^(Note 5)
5 Tianjin Runshi Shenwei Equity Investment Partnership (Limited Partnership)* (天津潤石申威股權投資合夥企業(有限合夥))	Commercial real estate projects	1,000	0.1%	-	978	0.3%	(22)	1,002	Internal resources
6 Hangzhou Fuyang Huiyun Investment Management Partnership (Limited Partnership)* (杭州富陽匯雲投資管理合夥企業(有限合夥))	Commercial real estate projects	-	-	-	-	-	-	49,314	Internal resources
		<u>195,432</u>		<u>-</u>	<u>158,795</u>		<u>(36,637)</u>	<u>212,159</u>	

Notes:

- FOF IV refers to Shanghai Weiyi Investment Limited Partnership* (上海威弋投資合夥企業(有限合夥)), a FOF established and jointly managed by the Group in the form of limited partnership in September 2016.
- FOF IX refers to Hangzhou Fuyang Huirong Investment Management Partnership (Limited Partnership)* (杭州富陽匯嶸投資管理合夥企業(有限合夥)), a FOF established and jointly managed by the Group in the form of limited partnership in January 2019.
- FOF III refers to Realway Development No. 3 Unit Trust Fund* (瑞威發展三號契約型私募基金), a FOF established by the Group in the form of trust fund in August 2016.
- FOF VIII refers to Realway Development No. 5 Unit Trust Fund* (瑞威發展五號契約型私募基金), a FOF established by the Group in the form of trust fund in December 2017.
- Share offer refers to the share offer conducted by the Company in connection with its listing on the Stock Exchange in 2018.

The Group will continue to operate a diversified investment portfolio and closely monitor the investment performance and market trends to adjust its investment strategy in FOFs and Project Funds.

ARBITRATION RELATING TO THE GROUP'S SIGNIFICANT INVESTMENTS HELD

On 10 February 2020, Hangzhou Fuyang Huiguan Investment Management Partnership (Limited Partnership)* (杭州富陽匯冠投資管理合夥企業(有限合夥)) (“**Fuyang Huiguan Fund**”), for which Shanghai Ruixiang Investment Management Co., Ltd* (上海瑞襄投資管理有限公司) (“**Shanghai Ruixiang**”), a wholly-owned subsidiary of the Company, acts as a fund manager, filed an application to Shanghai International Economic and Trade Arbitration Commission (Shanghai International Arbitration Center) (“**SIETAC**”) for arbitration against Shenzhen City Hai Shi Urban Renew Co. Ltd* (深圳市海石城市更新有限公司) (“**Hai Shi Urban Renew**”) in respect of its default in payment of consideration for the transfer of equity interests in the Shenzhen Xinqiaowei Project* (深圳新喬圍項目), demanding Hai Shi Urban Renew to pay to Fuyang Huiguan Fund the outstanding third installment of the equity transfer consideration, late payment penalty and related legal costs. The total amount sought in this arbitration tentatively amounts to approximately RMB38,063,000. On 17 March 2020 and 22 May 2020, Shenzhen Xinqiaowei Project received RMB5,000,000 and RMB2,000,000 respectively, in settlement of the third installment of the equity transfer consideration from Hai Shi Urban Renew. On 12 January 2021, the case was heard in SIETAC. The Fuyang Huiguan Fund submitted an amended application for arbitration to the SIETAC according to the arbitration hearing on the same day, requesting Hai Shi Urban Renew to pay the outstanding third and fourth installments of the equity transfer consideration, liquidated damages for overdue payments, legal fees and other fees payable to the Fuyang Huiguan Fund, and the total amount related to the arbitration claim is temporarily approximately RMB82,644,514.

On 2 April 2021, SIETAC made a final arbitral award on this case, that Hai Shi Urban Renew should pay the outstanding third and fourth installments of the equity transfer consideration, damages for overdue payments, legal fees and other fees payable to the Fuyang Huiguan Fund, and the total amount is temporarily approximately RMB69,722,494 (of which the liquidated damages for overdue payments shall be accrued up to the actual payment date). Subsequently, Hai Shi Urban Renew has not complied with the final arbitral award and the fund manager, Shanghai Ruixiang continued to negotiate with Hai Shi Urban Renew. On 22 December 2021, Fuyang Huiguan Fund and Hai Shi Urban Renew entered into a settlement execution agreement (the “**Settlement Execution Agreement**”) and agreed that (i) Hai Shi Urban Renew shall pay RMB20,000,000 to Fuyang Huiguan Fund for the partial settlement of the third installment of the equity transfer consideration by 31 March 2022; (ii) Hai Shi Urban Renew shall pay RMB43,000,000 to Fuyang Huiguan Fund for the settlement of the remaining third and fourth installment of the equity transfer consideration by 30 May 2022 and RMB25,000,000 as the liquidated damages and other expenses as set out in the arbitral award; and (iii) Hai Shi Urban Renew shall pay compensation in an amount of RMB8,875,000 to Fuyang Huiguan Fund by 30 May 2022.

As of the date of this announcement, Fuyang Huiguan Fund has not received the amount set out in the Settlement Execution Agreement from Hai Shi Urban Renew. After several reminders, Shanghai Ruixiang, the fund manager, confirmed that Hai Shi Urban Renew was unable to fulfill the Settlement Execution Agreement in a short period of time. Shanghai Ruixiang has applied to the court to resume the execution procedures and started to investigate other property clues of Hai Shi Urban Renew. Shanghai Ruixiang has frozen the bank accounts and part of the property of Hai Shi Urban Renew through judicial preservation procedures, which is currently still within the validity period of judicial seizure. Shanghai Ruixiang will fully cooperate with the court to facilitate the execution procedures and accelerate the recovery of property of the Fuyang Huiguan Fund. At the same time, Shanghai Ruixiang will also actively assist Hai Shi Urban Renew in fulfilling its payment obligations by actively sourcing and referring investors to jointly acquire the equity interests in Shenzhen Xinqiaowei Project.

The investment size of FOF VIII, for which Shanghai Ruixiang, a wholly-owned subsidiary of the Company, acted as a fund manager in Fuyang Huiguan Fund as at 30 June 2023 was approximately RMB40.5 million.

Currently the businesses of the Company are in normal operation, and the Company will take all appropriate steps to safeguard its rights and interests. Further announcement will be made in due course.

INTERIM DIVIDEND

In order to retain resources for the business development of the Group, the Board did not recommend the declaration of interim dividend for the six months ended 30 June 2023 (for the six months ended 30 June 2022: Nil).

CORPORATE GOVERNANCE PRACTICES

It is always one of the Company's top priorities to adhere to and comply with the generally accepted standards laid down by the principles and practices of corporate governance. The Board believes that good corporate governance is one of the factors leading to the Company's success and balancing the interests among its Shareholders, clients and employees and is committed to its ongoing efforts to enhance the efficiency and effectiveness of such principles and practices. During the Reporting Period, the Company had adopted and complied with the code provisions (the "**Code Provision(s)**") set out in part 2 of Appendix 14 ("**CG Code**") to the Listing Rules, save and except for the deviation from Code Provision C.2.1 of the CG Code.

Pursuant to Code Provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the Reporting Period, the roles of chairman (the "**Chairman**") and chief executive officer (the "**Chief Executive Officer**") of the Company were both performed by Mr. Zhu Ping.

As Mr. Zhu Ping now serves as both the Chairman and the Chief Executive Officer, such practice deviates from Code Provision C.2.1 of the CG Code. The Board is of the view that it is appropriate and in the best interests of the Company for Mr. Zhu Ping to hold both positions as it would contribute to the continuity of the policies and the stability of the operations of the Group having taken into account Mr. Zhu Ping's familiarity with every aspect of the Group's operations owing to his capacity as the Group's principal founder and heavy involvement in the day-to-day operations of the Group. The Board therefore considers that the deviation from the Code Provision C.2.1 of the CG Code is appropriate in such circumstance and is of the view that this management structure is effective for the Group's operations. Having taken into account the Group's established risk management and internal control measures as more particularly set out in the prospectus of the Company dated 31 October 2018, the Directors believe that the Board, which holds at least four regular meetings a year to discuss business and operational issues of the Group, is appropriately structured with balance of power to provide sufficient check and balance for the protection of the interests of the Group and its shareholders.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted a code for securities transactions by Directors and a code for securities transactions by supervisors of the Company (the "**Supervisors**") as its own codes of conduct governing Directors' and Supervisors' dealings in the Company's securities (the "**Securities Dealing Code**") on terms no less exacting than the standards required by the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made of all the Directors and Supervisors and they have confirmed that they have complied with the relevant Securities Dealing Code throughout the Reporting Period.

The Company has also established written guidelines (the "**Employees Written Guidelines**") for securities transactions by employees who are likely to be in possession of unpublished inside information of the Group which are on terms no less exacting than the Model Code. No incident of non-compliance with the Employees Written Guidelines by employees was noted by the Company during the Reporting Period.

SHARE OPTION SCHEME AND SHARE AWARD SCHEME

During the Reporting Period, the Company has not implemented any share option scheme or share award scheme.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

There had been no purchase, sale or redemption by the Company or any of its subsidiaries of any listed securities of the Company during the Reporting Period.

EVENTS AFTER THE REPORTING PERIOD

Acquisition of Companies

Please refer to “Future Plans for Material Investments or Capital Assets” in this announcement for details.

Change in Principal Place of Business in Hong Kong

With effect from 31 July 2023, the principal place of business of the Company in Hong Kong has been changed to 29th Floor, One Exchange Square, 8 Connaught Place, Central, Hong Kong.

COMPETING INTERESTS

The Directors are not aware of any business or interest of the Directors or the controlling shareholder of the Company or any of their respective close associates (as defined in the Listing Rules) that compete or may compete with the business of the Group, or any other conflicts of interest which any such person has or may have with the Group during the Reporting Period.

AUDIT COMMITTEE

The Board has established the Audit Committee which comprises three independent non-executive Directors. The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the audit, internal controls and financial reporting matters including a review of the unaudited interim results of the Group for the Reporting Period.

AUDIT OR REVIEW OF THE FINANCIAL RESULTS

The financial results for the Reporting Period have not been audited or reviewed by external auditor of the Company.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The interim results announcement is available on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.realwaycapital.com). The interim report will be despatched to Shareholders and posted on the websites of the Stock Exchange and the Company on or around 22 September 2023.

By Order of the Board
Shanghai Realway Capital Assets Management Co., Ltd.
Mr. Zhu Ping
Chairman, Chief Executive Officer and Executive Director

Shanghai, the PRC, 25 August 2023

As of the date of this announcement, the Board comprises Mr. Zhu Ping, Mr. Duan Kejian and Ms. Chen Min as executive Directors; Mr. Wang Xuyang and Mr. Cheng Jun as non-executive Directors; and Ms. Yang Huifang, Mr. Shang Jian and Mr. Zhu Hongchao as independent non-executive Directors.

* *for identification purpose only*