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**閩港控股有限公司**  
**FUJIAN HOLDINGS LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 00181)**

**ANNOUNCEMENT**  
**INTERIM RESULTS FOR THE PERIOD ENDED 30 JUNE 2024**

**FINANCIAL HIGHLIGHT**

|  | <b>Six months<br/>ended<br/>30 June<br/>2024<br/>HK\$</b> | <b>Six months<br/>ended<br/>30 June<br/>2023<br/>HK\$</b> |
|--|---|---|
| • Revenue  | <b><u>12,837,676</u></b>                                  | <b><u>16,615,774</u></b>                                  |
| • (Loss)/profit attributable to owners of the Company                            | <b><u>(21,252,620)</u></b>                                | <b><u>507,292</u></b>                                     |
| • (Loss)/earnings per share<br>– Basic and diluted ( <i>HK cents per Share</i> ) | <b><u>(1.86)</u></b>                                      | <b><u>0.04</u></b>  |

## RESULTS

The Board of Directors (the “**Board**”) of Fujian Holdings Limited (the “**Company**”) hereby present the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2024 (the “**Period**”) together with the unaudited comparative figures for the corresponding period in 2023 as follows:

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

*For the period from 1 January 2024 to 30 June 2024 (in HK Dollars)*

|  |              | <b>30 June<br/>2024</b> | 30 June<br>2023 |
|--|--------------|-------------------------|-----------------|
|  | <i>Notes</i> | <b>(Unaudited)</b>      | (Unaudited)     |
| <b>Revenue</b>   | 4            | <b>12,837,676</b>       | 16,615,774      |
| <b>Other income</b>  | 6            | <b>426,421</b>          | 399,561         |
| <b>Other gains and losses</b>  | 7            | <b>(13,117,594)</b>     | 3,395,827       |
| <b>Employee benefits expense</b>   |              | <b>(6,277,993)</b>      | (6,146,344)     |
| <b>Depreciation of property, plant and equipment</b>                     |              | <b>(1,389,565)</b>      | (1,743,906)     |
| <b>Depreciation of right-of-use assets</b>                               |              | <b>(1,558,478)</b>      | (1,546,396)     |
| <b>Finance costs</b>   |              | <b>(28,915)</b>         | (37,821)        |
| <b>Share of results of associates</b>                                    |              | <b>(1,097,292)</b>      | (491,617)       |
| <b>Other operating expenses</b>  |              | <b>(11,046,880)</b>     | (10,313,449)    |
|  |              | <hr/>                   | <hr/>           |
| <b>(Loss)/profit before tax</b>  |              | <b>(21,252,620)</b>     | 131,629         |
| <b>Income tax credit</b>   | 8            | <b>–</b>                | 375,663         |
|  |              | <hr/>                   | <hr/>           |
| <b>(Loss)/profit for the period</b>                                      | 9            | <b>(21,252,620)</b>     | 507,292         |
|  |              | <hr/>                   | <hr/>           |
| Other comprehensive expense:   |              |                         |                 |
| <i>Items that may be reclassified subsequently to<br/>profit or loss</i> |              |                         |                 |
| Exchange differences on translating foreign<br>operations                |              | <b>(161,006)</b>        | (1,067,804)     |
|  |              | <hr/>                   | <hr/>           |
| Other comprehensive expense for the period, net of<br>income tax         |              | <b>(161,006)</b>        | (1,067,804)     |
|  |              | <hr/>                   | <hr/>           |
| Total comprehensive expense for the period                               |              | <b>(21,413,626)</b>     | (560,512)       |
|  |              | <hr/> <hr/>             | <hr/> <hr/>     |

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

*For the period from 1 January 2024 to 30 June 2024 (in HK Dollars)*

|  | <b>30 June<br/>2024</b>        | 30 June<br>2023  |
|--|--------------------------------|------------------|
| <i>Notes</i>   | <b>(Unaudited)</b>             | (Unaudited)      |
| <b>(Loss)/profit for the period attributable to:</b> |                                |                  |
| Owners of the Company                                | <u><b>(21,252,620)</b></u>     | <u>507,292</u>   |
| <b>Total comprehensive expense attributable to:</b>  |                                |                  |
| Owners of the Company                                | <u><b>(21,413,626)</b></u>     | <u>(560,512)</u> |
| <b>(Loss)/earnings per share</b>                     |                                |                  |
| <b>Basic (HK cents per share)</b>                    | <i>10</i> <u><b>(1.86)</b></u> | <u>0.04</u>      |
| <b>Diluted (HK cents per share)</b>                  | <i>10</i> <u><b>(1.86)</b></u> | <u>0.04</u>      |

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION***At 30 June 2024 (in HK Dollars)*

|   |              | <b>30 June</b>     | 31 December |
|---|--------------|--------------------|-------------|
|   |              | <b>2024</b>        | 2023        |
|   | <i>Notes</i> | <b>(Unaudited)</b> | (Audited)   |
| <b>Non-current assets</b>                             |              |                    |             |
| Property, plant and equipment                         | <i>12</i>    | <b>4,928,183</b>   | 9,045,282   |
| Right-of-use assets                                   | <i>13</i>    | <b>4,362,506</b>   | 3,883,545   |
| Investment properties                                 | <i>14</i>    | <b>227,100,000</b> | 227,100,000 |
| Interest in associates                                |              | <b>12,445,817</b>  | 13,543,109  |
| Financial assets at fair value through profit or loss | <i>15</i>    | <b>81,974,000</b>  | 95,073,000  |
|   |              | <b>330,810,506</b> | 348,644,936 |
| <b>Current assets</b>                                 |              |                    |             |
| Inventories   | <i>16</i>    | <b>217,723</b>     | 189,098     |
| Trade and other receivables                           | <i>17</i>    | <b>1,982,199</b>   | 1,893,347   |
| Cash and bank balances                                |              | <b>36,763,625</b>  | 39,473,290  |
|   |              | <b>38,963,547</b>  | 41,555,735  |
| <b>Current liabilities</b>                            |              |                    |             |
| Trade and other payables                              | <i>18</i>    | <b>10,565,030</b>  | 11,032,940  |
| Lease liabilities                                     | <i>19</i>    | <b>704,045</b>     | 248,245     |
|   |              | <b>11,269,075</b>  | 11,281,185  |
| <b>Net current assets</b>                             |              | <b>27,694,472</b>  | 30,274,550  |
| <b>Total assets less current liabilities</b>          |              | <b>358,504,978</b> | 378,919,486 |

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

*At 30 June 2024 (in HK Dollars)*

|  |              | <b>30 June<br/>2024</b>          | 31 December<br>2023       |
|--|--------------|----------------------------------|---------------------------|
|  | <i>Notes</i> | <b>(Unaudited)</b>               | (Audited)                 |
| <b>Capital and reserves</b>                  |              |                                  |                           |
| Equity attributable to owners of the Company |              |                                  |                           |
| Share capital                                | 20           | <b>898,839,029</b>               | 898,839,029               |
| Reserves                                     |              | <b>(541,333,169)</b>             | (519,919,543)             |
| <b>Total equity</b>                          |              | <b><u>357,505,860</u></b>        | <u>378,919,486</u>        |
| <b>Non-current liability</b>                 |              |                                  |                           |
| Lease liabilities                            | 19           | <b><u>999,118</u></b>            | <u>–</u>                  |
|  |              | <b><u><u>358,504,978</u></u></b> | <u><u>378,919,486</u></u> |

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY***For the period from 1 January 2024 to 30 June 2024 (in HK Dollars)*

|  | Attributable to owners of the Company |                            |                             | Total                       |
|--|---------------------------------------|----------------------------|-----------------------------|-----------------------------|
|  | Share capital                         | Translation reserve        | Accumulated losses          |                             |
| At 1 January 2024 (audited)                | <u>898,839,029</u>                    | <u>(12,426,542)</u>        | <u>(507,493,001)</u>        | <u>378,919,486</u>          |
| Loss for the period                        | –                                     | –                          | (21,252,620)                | (21,252,620)                |
| Other comprehensive expense for the period | –                                     | (161,006)                  | –                           | (161,006)                   |
| Total comprehensive expense for the period | –                                     | (161,006)                  | (21,252,620)                | (21,413,626)                |
| <b>At 30 June 2024 (unaudited)</b>         | <b><u>898,839,029</u></b>             | <b><u>(12,587,548)</u></b> | <b><u>(528,745,621)</u></b> | <b><u>(357,505,860)</u></b> |

  

|  | Attributable to owners of the Company |                            |                             | Total                     |
|--|---------------------------------------|----------------------------|-----------------------------|---------------------------|
|  | Share capital                         | Translation reserve        | Accumulated losses          |                           |
| At 1 January 2023 (audited)                | <u>898,839,029</u>                    | <u>(11,650,860)</u>        | <u>(484,663,929)</u>        | <u>402,524,240</u>        |
| Profit for the period                      | –                                     | –                          | 507,292                     | 507,292                   |
| Other comprehensive expense for the period | –                                     | (1,067,804)                | –                           | (1,067,804)               |
| Total comprehensive expense for the period | –                                     | (1,067,804)                | 507,292                     | (560,512)                 |
| <b>At 30 June 2023 (unaudited)</b>         | <b><u>898,839,029</u></b>             | <b><u>(12,718,664)</u></b> | <b><u>(484,156,637)</u></b> | <b><u>401,963,728</u></b> |

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

*For the period from 1 January 2024 to 30 June 2024 (in HK Dollars)*

## 1. GENERAL

Fujian Holdings Limited (the “**Company**”) is incorporated in Hong Kong as a public limited company and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Its immediate holding company is HC Technology Capital Company Limited, a company incorporated in the British Virgin Islands and its ultimate holding company is Fujian Tourism Development Group Company Limited (“**FTDC**”), a state-owned corporation in the People’s Republic of China (the “**PRC**”). The addresses of the registered office and principal place of business of the Company is Room 3306–08, 33/F, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong.

The principal activities of the Company and its subsidiaries (collectively referred to as the “**Group**”) are investment holding, property investment in Hong Kong and hotel operations in the PRC.

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim financial information has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “*Interim Financial Reporting*”. The interim financial information should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2023, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”).

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2023, as described in those annual financial statements, except for the adoption of new and amended standards and interpretation as disclosed in note 3 below.

### 3. IMPACT ON NEW HKFRSS AND HKASS

The HKICPA has issued a number of new and revised HKFRSs and HKASs which are effective for accounting periods commencing on or after 1 January 2024. The Group has adopted, for the first time for the current year's financial statements. The adoption of these new and revised standards and interpretation has had no material effect on these financial statements.

#### Changes in accounting policies

The Group has adopted the following new standards, interpretation and amendments to standards which are relevant to the Group's operations and are mandatory for the financial period beginning on 1 January 2024:

|                                  |  |
|----------------------------------|--|
| Amendments to HKFRS 16           | Lease Liability in a Sale and Leaseback <sup>2</sup>   |
| Amendments to HKAS 1             | Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) <sup>2</sup> |
| Amendments to HKAS 1             | Non-current Liabilities with Covenants <sup>2</sup>  |
| Amendments to HKAS 7 and HKFRS 7 | Supplier Finance Arrangements <sup>2</sup>   |

The adoption of the above new standards, interpretation and amendments to standards did not have any significant financial impact on these condensed consolidated financial statements.

The Group has not applied the new and revised HKFRSs and HKASs, which have been issued but are not yet effective. The Group is in the process of making an assessment of the impact of these new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRSs and HKASs would have a material impact on its results of operations and financial position.

### 4. REVENUE

|   | <b>30 June<br/>2024<br/>(Unaudited)</b> | 30 June<br>2023<br>(Unaudited) |
|---|---|--------------------------------|
| Gross rental income from letting of investment properties | <b>1,934,668</b>                        | 1,961,876                      |
| Revenue from hotel operations                             | <b>10,903,008</b>                       | 14,653,898                     |
|   | <b><u>12,837,676</u></b>                | <u>16,615,774</u>              |



(i) **Disaggregated of revenue from contract with customers**

|                                      | <b>30 June<br/>2024<br/>(Unaudited)</b> | 30 June<br>2023<br>(Unaudited) |
|--------------------------------------|---|--------------------------------|
| <b>Types of goods or services</b>    |   |                                |
| Accommodation income                 | 5,847,562                               | 8,107,457                      |
| Catering and other income            | 5,055,446                               | 6,546,441                      |
|                                      | <u>10,903,008</u>                       | <u>14,653,898</u>              |
| <b>Geographical markets</b>          |   |                                |
| Mainland China                       | 10,903,008                              | 14,653,898                     |
|                                      | <u>10,903,008</u>                       | <u>14,653,898</u>              |
| <b>Timing of revenue recognition</b> |   |                                |
| A point in time                      | 5,055,446                               | 6,546,441                      |
| Over time                            | 5,847,562                               | 8,107,457                      |
|                                      | <u>10,903,008</u>                       | <u>14,653,898</u>              |

(ii) **Performance obligations**

For hotel operations, the performance obligation is satisfied when services are rendered.

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June 2024 are all expected to be recognised within one year.

**5. SEGMENT INFORMATION**

Information reported to the Board of Directors of the Company, being the chief operating decision maker (“CODM”), for the purpose of resource allocation and assessment of segment performance focuses on the types of services provided.

The Group's operating and reportable segments under HKFRS 8 are as follows:

Property investment – the rental of investment properties

Hotel operations – the operation of hotel

### Segment revenue and results

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

|   | Property investment            |                                | Hotel operations               |                                | Consolidated                   |                                |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|   | 30 June<br>2024<br>(Unaudited) | 30 June<br>2023<br>(Unaudited) | 30 June<br>2024<br>(Unaudited) | 30 June<br>2023<br>(Unaudited) | 30 June<br>2024<br>(Unaudited) | 30 June<br>2023<br>(Unaudited) |
| <b>REVENUE</b>  |                                |                                |                                |                                |                                |                                |
| Revenue from external customers                         | <b>1,934,668</b>               | 1,961,876                      | <b>10,903,008</b>              | 14,653,898                     | <b>12,837,676</b>              | 16,615,774                     |
| Segment (loss)/profit before depreciation<br>and others | <b>1,786,912</b>               | 1,805,507                      | <b>(4,546,223)</b>             | 225,710                        | <b>(2,759,311)</b>             | 2,031,217                      |
| Depreciation  | –                              | –                              | <b>(1,378,590)</b>             | (1,732,687)                    | <b>(1,378,590)</b>             | (1,732,687)                    |
| Segment results   | <b>1,786,912</b>               | 1,805,507                      | <b>(5,924,813)</b>             | (1,506,977)                    | <b>(4,137,901)</b>             | 298,530                        |
| Unallocated (expenses)/income                           |                                |                                |                                |                                | <b>(12,691,173)</b>            | 3,795,388                      |
| Central administration costs                            |                                |                                |                                |                                | <b>(3,344,194)</b>             | (3,470,672)                    |
| Share of results of associates                          |                                |                                |                                |                                | <b>(1,079,352)</b>             | (491,617)                      |
| (Loss)/profit before tax                                |                                |                                |                                |                                | <b>(21,252,620)</b>            | 131,629                        |
| Income tax credit                                       |                                |                                |                                |                                | –                              | 375,663                        |
| (Loss)/profit for the period                            |                                |                                |                                |                                | <b>(21,252,620)</b>            | 507,292                        |

Segment revenue as reported above represents revenue generated from external customers. There were no intersegment sales in the current period (30 June 2023: nil).

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment (loss)/profit represents the (loss)/profit earned by each segment without allocation of bank interest income and other unallocated (expense)/income, corporate administration costs including director's remuneration, share of (loss)/profit of associates and income tax credit. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

## Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

|  | Property investment            |                                  | Hotel operations               |                                  | Consolidated                   |                                  |
|--|--------------------------------|----------------------------------|--------------------------------|----------------------------------|--------------------------------|----------------------------------|
|  | 30 June<br>2024<br>(Unaudited) | 31 December<br>2023<br>(Audited) | 30 June<br>2024<br>(Unaudited) | 31 December<br>2023<br>(Audited) | 30 June<br>2024<br>(Unaudited) | 31 December<br>2023<br>(Audited) |
| <b>Assets</b>  |                                |                                  |                                |                                  |                                |                                  |
| Segment assets   | 237,858,896                    | 240,864,111                      | 35,735,977                     | 40,608,404                       | 273,594,873                    | 281,472,515                      |
| Interest in associates                                   |                                |                                  |                                |                                  | 12,445,817                     | 13,543,109                       |
| Financial assets at fair value through<br>profit or loss |                                |                                  |                                |                                  | 81,974,000                     | 95,073,000                       |
| Unallocated corporate assets                             |                                |                                  |                                |                                  | 1,759,363                      | 112,047                          |
| Consolidated total assets                                |                                |                                  |                                |                                  | <u>369,774,053</u>             | <u>390,200,671</u>               |
| <b>Liabilities</b>                                       |                                |                                  |                                |                                  |                                |                                  |
| Segment liabilities                                      | (1,596,823)                    | (1,742,918)                      | (7,393,141)                    | (8,593,373)                      | (8,989,964)                    | (10,336,291)                     |
| Unallocated corporate liabilities                        |                                |                                  |                                |                                  | (3,278,229)                    | (944,894)                        |
| Consolidated total liabilities                           |                                |                                  |                                |                                  | <u>(12,268,193)</u>            | <u>(11,281,185)</u>              |

All assets are allocated to operating segments other than interest in associates, deferred tax assets, financial assets designated as at fair value through profit or loss and certain cash and bank balances.

All liabilities are allocated to operating segments other than certain balances of current liabilities and deferred tax liabilities.

## Geographical information

The Group operates in two principal geographical areas – the Mainland China and Hong Kong.

Information about the Group's revenue from external customers is presented based on the location of the operations. Information about the Group's non-current assets are present based on the geographical location of asset are detailed below:

|                | Revenue from external customers |                                |
|----------------|---------------------------------|--------------------------------|
|                | 30 June<br>2024<br>(Unaudited)  | 30 June<br>2023<br>(Unaudited) |
| Mainland China | 10,903,008                      | 14,653,898                     |
| Hong Kong      | 1,934,668                       | 1,961,876                      |
|                | <u>12,837,676</u>               | <u>16,615,774</u>              |

## 6. OTHER INCOME

|                      | 30 June<br>2024<br>(Unaudited) | 30 June<br>2023<br>(Unaudited) |
|----------------------|--------------------------------|--------------------------------|
| Bank interest income | 412,267                        | 317,727                        |
| Others               | 14,154                         | 81,834                         |
|                      | <u>426,421</u>                 | <u>399,561</u>                 |

## 7. OTHER GAINS AND LOSSES

|   | 30 June<br>2024<br>(Unaudited) | 30 June<br>2023<br>(Unaudited) |
|---|--------------------------------|--------------------------------|
| Gain arising on change in fair value of financial assets<br>at fair value through (loss)/profit | (13,099,000)                   | 3,378,000                      |
| Net foreign exchange (loss)/gains   | (18,594)                       | 17,827                         |
|   | <u>(13,117,594)</u>            | <u>3,395,827</u>               |

## 8. INCOME TAX CREDIT

|                   | 30 June<br>2024<br>(Unaudited) | 30 June<br>2023<br>(Unaudited) |
|-------------------|--------------------------------|--------------------------------|
| Current tax – PRC | –                              | –                              |
| Deferred tax      |                                |                                |
| Current period    | –                              | 375,663                        |
| Income tax credit | <u>–</u>                       | <u>375,663</u>                 |

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Company and its Hong Kong subsidiaries did not have any assessable profits for the period (30 June 2023: Nil).

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both period.

## 9. (LOSS)/PROFIT FOR THE PERIOD

|   | <b>30 June<br/>2024<br/>(Unaudited)</b> | 30 June<br>2023<br>(Unaudited) |
|---|---|--------------------------------|
| (Loss)/profit for the period has been arrived at after<br>(crediting)/charging:   |   |                                |
| Gross rental income from investment properties                                    | <b>(1,934,668)</b>                      | (1,961,876)                    |
| Less: Direct operating expenses that generated rental income<br>during the period | <u>147,756</u>                          | <u>156,369</u>                 |
|   | <b><u>(1,786,912)</u></b>               | <b><u>(1,805,507)</u></b>      |
| Depreciation of hotel property  | <b>1,224,529</b>                        | 1,224,529                      |
| Depreciation of other property, plant and equipment                               | <u>165,036</u>                          | <u>519,377</u>                 |
|   | <b><u>1,389,565</u></b>                 | <u>1,743,906</u>               |
| Depreciation of right-of-use assets   | <u>1,558,478</u>                        | <u>1,546,396</u>               |
| Total depreciation and amortisation   | <b><u>2,948,073</u></b>                 | <u>3,290,302</u>               |
| Salaries and other benefits (including directors' remunerations)                  | <b>5,621,805</b>                        | 5,490,673                      |
| Retirement benefit scheme contributions   | <u>656,188</u>                          | <u>655,671</u>                 |
| Staff costs   | <b><u>6,277,993</u></b>                 | <b><u>6,146,344</u></b>        |

## 10. (LOSS)/EARNINGS PER SHARE

The calculation of basic and diluted loss (30 June 2023: earnings) per share of the Company is based on the unaudited consolidated net loss attributable to the owner of the Company of HK\$21,252,620 (30 June 2023: profit of HK\$507,292), on 1,145,546,000 ordinary shares in issue during the period.

The diluted (loss)/earnings per share for the respective periods are the same as basic (loss)/earnings per share as there are no potential ordinary shares in issue for the respective period.

## 11. INTERIM DIVIDEND

The Board has resolved not to recommend the payment of an interim dividend for the period (30 June 2023: Nil).

## 12. PROPERTY, PLANT AND EQUIPMENT

|   | Hotel<br>property<br>(Unaudited) | Furniture<br>and<br>fixtures<br>(Unaudited) | Leasehold<br>improvements<br>(Unaudited) | Plant,<br>machinery<br>and<br>equipment<br>(Unaudited) | Total<br>(Unaudited)     |
|---|----------------------------------|---|--|--|--------------------------|
| <b>At cost</b>                              |                                  |   |  |  |                          |
| At 1 January 2023                           | 92,391,462                       | 3,973,162                                   | 19,799,204                               | 6,535,645  | 122,699,473              |
| Additions                                   | –                                | –   | –  | 25,458   | 25,458                   |
| Disposals                                   | –                                | (14,925)                                    | –  | (71,650)   | (86,575)                 |
| Exchange adjustments                        | –                                | (56,105)                                    | (282,933)                                | (90,758)   | (429,796)                |
|   | <u>92,391,462</u>                | <u>3,902,132</u>                            | <u>19,516,271</u>                        | <u>6,398,695</u>                                       | <u>122,208,560</u>       |
| At 31 December 2023 and 1 January 2024      | <b>92,391,462</b>                | <b>3,902,132</b>                            | <b>19,516,271</b>                        | <b>6,398,695</b>                                       | <b>122,208,560</b>       |
| Additions                                   | –                                | 23,800                                      | 60,000                                   | 9,642  | 93,442                   |
| Written off                                 | –                                | (3,023,826)                                 | (17,604,234)                             | (5,262,116)  | (25,890,176)             |
| Exchange adjustments                        | –                                | (27,286)                                    | (138,138)                                | (43,983)   | (209,407)                |
|   | <u>–</u>                         | <u>(3,023,826)</u>                          | <u>(17,604,234)</u>                      | <u>(5,262,116)</u>                                     | <u>(25,890,176)</u>      |
| At 30 June 2024                             | <b>92,391,462</b>                | <b>874,820</b>                              | <b>1,833,899</b>                         | <b>1,102,238</b>                                       | <b>96,202,419</b>        |
|   | <u><u>92,391,462</u></u>         | <u><u>874,820</u></u>                       | <u><u>1,833,899</u></u>                  | <u><u>1,102,238</u></u>                                | <u><u>96,202,419</u></u> |
| <b>Depreciation and impairment</b>          |                                  |   |  |  |                          |
| At 1 January 2023                           | 85,248,363                       | 3,143,373                                   | 16,346,096                               | 5,365,140  | 110,102,972              |
| Provided for the year                       | 2,449,064                        | 186,015                                     | 623,802                                  | 237,817  | 3,496,698                |
| Eliminated on disposals                     | –                                | (14,925)                                    | –  | (62,127)   | (77,052)                 |
| Exchange adjustments                        | –                                | (45,648)                                    | (237,744)                                | (75,948)   | (359,340)                |
|   | <u>–</u>                         | <u>(45,648)</u>                             | <u>(237,744)</u>                         | <u>(75,948)</u>  | <u>(359,340)</u>         |
| At 31 December 2023 and 1 January 2024      | <b>87,697,427</b>                | <b>3,268,815</b>                            | <b>16,732,154</b>                        | <b>5,464,882</b>                                       | <b>113,163,278</b>       |
| Provided for the period                     | 1,224,535                        | 46,783                                      | 71,070                                   | 47,177   | 1,389,565                |
| Eliminated on written off                   | –                                | (2,849,515)                                 | (15,528,097)                             | (4,721,678)  | (23,099,290)             |
| Exchange adjustments                        | –                                | (23,031)                                    | (118,677)                                | (37,609)   | (179,317)                |
|   | <u>–</u>                         | <u>(23,031)</u>                             | <u>(118,677)</u>                         | <u>(37,609)</u>  | <u>(179,317)</u>         |
| At 30 June 2024                             | <b>88,921,962</b>                | <b>443,052</b>                              | <b>1,156,450</b>                         | <b>752,772</b>   | <b>91,274,236</b>        |
|   | <u><u>88,921,962</u></u>         | <u><u>443,052</u></u>                       | <u><u>1,156,450</u></u>                  | <u><u>752,772</u></u>                                  | <u><u>91,274,236</u></u> |
| <b>Net carrying amounts at 30 June 2024</b> | <b>3,469,500</b>                 | <b>431,768</b>                              | <b>677,449</b>                           | <b>349,466</b>   | <b>4,928,183</b>         |
|   | <u><u>3,469,500</u></u>          | <u><u>431,768</u></u>                       | <u><u>677,449</u></u>                    | <u><u>349,466</u></u>                                  | <u><u>4,928,183</u></u>  |
| <b>CARRYING AMOUNTS</b>                     |                                  |   |  |  |                          |
| At 31 December 2023                         | 4,694,035                        | 633,317                                     | 2,784,117                                | 933,813  | 9,045,282                |
|   | <u><u>4,694,035</u></u>          | <u><u>633,317</u></u>                       | <u><u>2,784,117</u></u>                  | <u><u>933,813</u></u>                                  | <u><u>9,045,282</u></u>  |

### 13. RIGHT-OF-USE ASSETS

|  | Leasehold<br>Land | Office<br>premise | Total            |
|--|-------------------|-------------------|------------------|
| <b>As at 30 June 2024</b>                |                   |                   |                  |
| Carrying amount                          | <u>2,654,843</u>  | <u>1,707,663</u>  | <u>4,362,506</u> |
| <b>As at 31 December 2023</b>            |                   |                   |                  |
| Carrying amount                          | <u>3,591,839</u>  | <u>291,706</u>    | <u>3,883,545</u> |
| <b>For the period ended 30 June 2024</b> |                   |                   |                  |
| Depreciation charge                      | <u>937,004</u>    | <u>621,474</u>    | <u>1,558,478</u> |
| <b>For the year ended 30 June 2023</b>   |                   |                   |                  |
| Depreciation charge                      | <u>937,003</u>    | <u>609,393</u>    | <u>1,546,396</u> |

### 14. INVESTMENT PROPERTIES

#### FAIR VALUE

At 31 December 2023 and at 30 June 2024 227,100,000

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purpose are measured using the fair value model and are classified and accounted for as investment properties.

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

Financial assets mandatorily measured at FVTPL:

|                            | <b>30 June<br/>2024<br/>(Unaudited)</b> | 31 December<br>2023<br>(Audited) |
|----------------------------|---|----------------------------------|
| Unlisted equity securities | <u><u>81,974,000</u></u>                | <u><u>95,073,000</u></u>         |

Notes:

- (a) The Company held equity interest of 18.44% in Fujian Huamin Leasing Company Limited (福建華閩融資租賃有限公司) (“**Fujian Huamin Leasing**”) as at 30 June 2024. Fujian Huamin Leasing is a PRC incorporated company and is principally engaged in the provision of financial leasing and associated services. The investment cost of the significant investment was HK\$76,423,690. The fair value of the equity interest in Fujian Huamin Leasing was HK\$81,974,000 as at 30 June 2024, representing approximately 22.17% of the total assets of the Company as at 30 June 2024. During the period ended 30 June 2024, the significant investment in Fujian Huamin Leasing incurred a loss arising on change in fair value of financial assets at fair value through profit or loss of HK\$13,099,000 and no dividend was earned during the year. The Board considers that the significant investment in Fujian Huamin Leasing allows the Group to take advantage of the tax and financial benefits from the China (Fujian) Pilot Free Trade Zone (中國(福建)自由貿易試驗區) and diversify the business of the Group to leasing and associated services within the Fujian Province, PRC and also allow the Group to diversify its streams of income.

The following table summarizes the quantitative information about the significant unobservable inputs used in fair value measurements as at 30 June 2024:

| Description              | Fair value<br>HK\$ | Valuation<br>technique | Significant<br>unobservable<br>input  | Relationship of<br>unobservable<br>input(s) to fair value   | Range of<br>inputs                                     | Sensitivity<br>of fair value<br>to the input                          |
|--------------------------|--------------------|------------------------|---------------------------------------|---|--|---|
| Fujian Huamin<br>Leasing | 81,974,000         | Market<br>approach     | Price-to-book ratio                   | Higher the price-to-<br>book ratio, higher<br>the fair value and<br>vice versa                    | 0.83 to 0.92<br>(+/-5% relative to<br>input adopted)   | Approximately<br>HK\$78,260,000<br>to approximately<br>HK\$85,650,000 |
|                          |                    |                        | Discount for lack of<br>marketability | Higher the discount<br>for lack of<br>marketability,<br>lower the fair<br>value and vice<br>versa | 8.50% to 9.39%<br>(+/-5% relative to<br>input adopted) | Approximately<br>HK\$82,380,000<br>to approximately<br>HK\$81,570,000 |

## 16. INVENTORIES

|             | <b>30 June<br/>2024<br/>(Unaudited)</b> | 31 December<br>2023<br>(Audited) |
|-------------|---|----------------------------------|
| Consumables | <b>217,723</b>                          | 189,098                          |

## 17. TRADE AND OTHER RECEIVABLES

|  | <b>30 June<br/>2024<br/>(Unaudited)</b> | 31 December<br>2023<br>(Audited) |
|--|---|----------------------------------|
| Trade receivables                                      | <b>1,514,323</b>                        | 1,313,213                        |
| Loss allowance   | <b>(117,099)</b>                        | (114,063)                        |
|  | <b>1,397,224</b>                        | 1,199,150                        |
| Other receivables, utility deposits<br>and prepayments | <b>591,288</b>                          | 698,068                          |
| Loss allowance   | <b>(6,313)</b>                          | (3,871)                          |
|  | <b>584,975</b>                          | 694,197                          |
| Total trade and other receivables                      | <b>1,982,199</b>                        | 1,893,347                        |



The following is an aged analysis of trade receivables net of loss allowance presented based on the invoice date at the end of the reporting period.

|                      | <b>30 June<br/>2024<br/>(Unaudited)</b> | 31 December<br>2023<br>(Audited) |
|----------------------|---|----------------------------------|
| 0–30 days            | 1,285,424                               | 1,313,213                        |
| 31–60 days           | 160,108                                 | –                                |
| 61–90 days           | –                                       | –                                |
| 91–180 days          | –                                       | –                                |
| 181–360 days         | –                                       | –                                |
| Over 360 days        | <u>68,791</u>                           | <u>–</u>                         |
|                      | <b>1,514,323</b>                        | 1,313,213                        |
| Less: Loss allowance | <u>(117,099)</u>                        | <u>(114,063)</u>                 |
|                      | <b><u>1,397,224</u></b>                 | <b><u>1,199,150</u></b>          |

#### 18. TRADE AND OTHER PAYABLES

|                                | <b>30 June<br/>2024<br/>(Unaudited)</b> | 31 December<br>2023<br>(Audited) |
|--------------------------------|---|----------------------------------|
| Trade payables                 | 1,092,660                               | 1,217,017                        |
| Other payables                 | 7,893,709                               | 8,459,613                        |
| Rental deposit received        | <u>1,578,661</u>                        | <u>1,356,310</u>                 |
| Total trade and other payables | <b><u>10,565,030</u></b>                | <b><u>11,032,940</u></b>         |

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

|                                     | <b>30 June<br/>2024<br/>(Unaudited)</b> | 31 December<br>2023<br>(Audited) |
|-------------------------------------|---|----------------------------------|
| Current to six months               | 877,585                                 | 1,012,002                        |
| Over six months and within one year | 2,567                                   | –                                |
| Over one year                       | <u>212,508</u>                          | <u>205,015</u>                   |
|                                     | <b><u>1,092,660</u></b>                 | <b><u>1,217,017</u></b>          |

The average credit period is 60 days (31 December 2023: 60 days).

**19. LEASE LIABILITIES**

|  | <b>30 June<br/>2024<br/>(Unaudited)</b> | 31 December<br>2023<br>(Audited) |
|--|---|----------------------------------|
| Lease liabilities payable:   |   |                                  |
| Within one year  | <b>704,045</b>                          | 248,245                          |
| Within a period of more than one year but not more than two years              | <b>999,118</b>                          | –                                |
|  | <b>1,703,163</b>                        | 248,245                          |
| Less: Amount due for settlement with 12 months shown under current liabilities | <b>(704,045)</b>                        | (248,245)                        |
| Amount due for settlement after 12 months shown under non-current liabilities  | <b>999,118</b>                          | –                                |

**20. SHARE CAPITAL**

|  | <b>Number of<br/>shares</b> | <b>HK\$</b>        |
|--|-----------------------------|--------------------|
| Issued and fully paid                                |                             |                    |
| At 1 January 2023, 31 December 2023 and 30 June 2024 | <b>1,145,546,000</b>        | <b>898,839,029</b> |

**21. APPROVAL OF THE INTERIM FINANCIAL STATEMENT**

These condensed interim financial statements were approved and authorised for issue by the Directors on 28 August 2024.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

A loss attributable to owners of the Company of HK\$21.25 million was recorded by the Group for the six months ended 30 June 2024 (30 June 2023: profit of approximately HK\$0.51 million). The Group's loss was mainly attributable to (i) the volatility in the financial and currency markets during the period, which affected the impairment of one of the Company's financial assets which is subject to fair value through profit or loss from an appreciation of approximately HK\$3.38 million in the corresponding period of the previous year to an impairment of approximately HK\$13.1 million, (ii) the review of the Company's fixed assets of the hotels during the period under review, which resulted in fixed assets write-offs of approximately HK\$2.78 million, (iii) the loss of the Company's associate further widened to approximately HK\$1.1 million (30 June 2023: loss of approximately HK\$0.49 million and (iv) no income tax credit arose during the reversion period (30 June 2023: approximately HK\$0.38 million).

The turnover of the Group for the six months ended 30 June 2024 amounted to approximately HK\$12.84 million, representing a decrease of approximately 23% from approximately HK\$16.62 million in the corresponding period of previous year. The decrease is mainly due to the reduction in business volume of star-rated hotel operation during the period under review.

Given our good balance sheet status and cash generation ability, our financial position continues to be strong. As at 30 June 2024, the gearing ratio (divided current liabilities by equity multiple by 100 which results in percentage) of the Group was around 3% (31 December 2023: 3%).

Our group has consistently maintained a low debt ratio and possesses ample liquidity. By enhancing internal management, training, and improving systems, we will further focus on cost control to minimize cash outflows.

### **OPERATIONAL REVIEW**

#### **A. Star-rated hotel operation**

Star-rated hotel operation is the main source of revenue for the Group. Based on the hotel location and its current facility structure, the hotel is positioned as a leisure and business hotel, expanding its sources of conference and training clients. It will also increase cultural cultivation such as the "Comrade's Home", "Chamber of Commerce Home", "Calligrapher's Home" and "Aid Friend's Home", and establish an "Education and Training Base".

After a strong start to the year, spending has slowdown as a real estate downturn weigh on consumers. For the six months ended 30 June 2024, the turnover of the hotel operation was approximately HK\$10.90 million (30 June 2023: HK\$14.65 million), representing a decrease of approximately 26% from the corresponding period of last year.

For the period under review, the average occupancy rate was approximately 48% (30 June 2023: 64%), representing a decrease of 25% over the corresponding period of last year. Average daily rate (ADR) was approximately RMB342 (30 June 2023: RMB344).

The following table sets out the amount and percentage of contributions from different businesses of the star- rated hotel operation for the six months ended 30 June 2024, together with comparative figures as of 30 June 2023:

|                       | <b>30 June 2024</b>         |                         | 30 June 2023                |                         |
|-----------------------|-----------------------------|-------------------------|-----------------------------|-------------------------|
|                       | <i>HK\$ in<br/>thousand</i> | <i>% of<br/>revenue</i> | <i>HK\$ in<br/>thousand</i> | <i>% of<br/>revenue</i> |
| Accommodation revenue | <b>5,848</b>                | <b>53%</b>              | 8,108                       | 55%                     |
| Catering              | <b>3,993</b>                | <b>37%</b>              | 5,672                       | 39%                     |
| Rental revenue        | <b>621</b>                  | <b>6%</b>               | 324                         | 2%                      |
| Others                | <b>441</b>                  | <b>4%</b>               | 550                         | 4%                      |
|                       | <b><u>10,903</u></b>        | <b><u>100%</u></b>      | <u>14,654</u>               | <u>100%</u>             |

#### ***Accommodation revenue***

The accommodation revenue was mainly determined by the number of available rooms, occupancy rate and ADR of the Group's hotel. During the period under review, the accommodation revenue of star-rated hotel was approximately HK\$5.85 million, representing a decrease of approximately 28% over the corresponding period of 2023.

#### ***Catering revenue***

Since 2015, the hotel has vigorously developed its group catering business. During the review period, the group generated approximately HK\$4 million in revenue, representing a decrease of approximately 30% over the corresponding period of 2023.

High quality customer service, strong cultural atmosphere, good geographical location is the core competitive advantage of the hotel. Our hotel management is taking active measures to expand diversified operations and start the catering sales function. Including develop the wedding banquet, the moon cake banquet, year-end banquet, graduation banquet, other banquet online to offline business and Introducing the “Teacher Appreciation Banquet” WeChat official account for our hotel. We also carry out online sales cooperation with the banquet network platforms “Wedding 100” 「婚禮100」 and “Banquet Ge Ge” 「宴格格」 and we are also collaborating with third parties to launch Peking duck products, thereby diversifying our dining business model to achieve initial results in the expansion to extension of the banquet and group meals.

Looking forward, the consumer demand for leisure travel and business travel is gradually released and the confidence of the domestic hotel market is gradually recovered. The hotel business is gradually back to the right track.

### ***Rental revenue***

In order to stabilise the income of the hotel operation, the hotel leased out the shopping centre in the Group’s hotel. This contributed to approximately HK\$0.62 million in rental revenue during the six months under review, representing approximately 6% of the hotel operation’s turnover.

## **B. Hong Kong properties held by the Group**

Hong Kong’s economy is affected by various external factors, many enterprises in Hong Kong have decided to move out of Central due to cost savings and some office tenants have delayed or shelved office leases, so the Hong Kong Grade A office market constantly under pressure and the group’s investment property project rental rate is only about 90% during the review period. As demand remains weak and expected commercial property market rents remain under pressure, the outlook for the year will remain uncertain.

During the period under review, the rental income of the properties in Hong Kong was approximately HK\$1.94 million, compared to the corresponding period of last year representing a decrease of approximately 1%.

## **C. Piano Manufacturing**

The Group diversified its business into piano manufacturing by acquiring a 25% equity interest in Fuzhou Harmony Piano Co. Ltd. (“**Harmony Piano**”) in 2005. This business interest has brought a steady profit to the Group for the past few years. However, the Group recorded a share of loss from its interest in Harmony Piano approximately HK\$1.1 million for the period under review due to declining market sales and rising manufacturing materials. (2023: loss of approximately HK\$0.49 million).

## **D. Finance Leasing**

For the six months ended 30 June 2024, loss on interest in finance leasing approximately HK\$13.10 million gain in fair value which designated at fair value through profit or loss for the period (30 June 2023: profit of approximately HK\$3.38 million).

## **FUTURE DEVELOPMENT**

The global political situation remains complex, with challenges and opportunities coexisting. It is in adversity that courage and determination are revealed, and it is through honing our skills that we achieve success. In the future, our group will concentrate its resources and actively seize opportunities, striving to expand marketing channels and further consolidate our existing markets. We will also seek a balance between maintaining our current market share and achieving reasonable profit margins. When conditions are favourable, we will explore new markets to enhance the brand influence of our company and actively explore online sales. Furthermore, we will continue to enhance our marketing efforts and foster innovative thinking to create differentiated value for our customers, attracting new clients while retaining existing ones. In terms of operational management, our group will strengthen the management and control of the supply chain, continuously improve service capabilities and operational efficiency, and work towards improving our current business situation by optimizing various costs. Regarding investment management, we will adhere to our core principles, exercise strict risk control, and continue to seek assets with healthy profitability and excellent growth potential for long-term investments. We believe that as market demand gradually recovers, the company's operational performance will continue to steadily improve, unlocking the potential and intrinsic value of our enterprise resources.

## **FINANCIAL REVIEW**

### **Capital Structure**

As at 30 June 2024, the total share capital of the Company was HK\$898,839,029 divided into 1,145,546,000 ordinary shares.

### **Liquidity and Financial Resources**

As at 30 June 2024, the Group had a net cash balance of approximately HK\$36.76 million (31 December 2023: HK\$39.47 million). The Group's net asset value (assets less liabilities) was approximately HK\$357.51 million (31 December 2023: HK\$378.92 million), with a liquidity ratio (ratio of current assets to current liabilities) of 3.46 (31 December 2023: 3.68). During the period under review, there was no material change in the Group's funding and treasury policies. The Directors do not expect the Company to experience any problem with liquidity and financial resources in the foreseeable future.

## Treasury Management and Cash Funding

The Group's funding and treasury policies are designed to maintain a diversified and balanced debt profile and financing structure. The Group continues to monitor its cash flow position and debt profile, and to enhance the cost-efficiency of funding initiatives by its centralised treasury function. In order to maintain financial flexibility and adequate liquidity for the Group's operations, potential investments and growth, the Group has built a strong base of funding resources and will keep exploring cost-efficient ways of financing.

### Exposure to fluctuation in exchange rate and related hedges

There has been no significant change in the Group's policy in terms of exchange rate exposure. The Group operates mainly in Hong Kong and Mainland China. Most of the transactions and cash and cash equivalents are denominated in Hong Kong dollars ("HK\$") and in Renminbi ("RMB"). The Group is exposed to foreign currency risk due to the exchange rate fluctuation of RMB against HK\$. Moderate fluctuation of RMB against HK\$ was expected. The Group considered the foreign currency risk exposure is acceptable. However, management of the Group will monitor foreign exposure closely and consider the use of hedging instruments when necessary.

As most of the Company's business operations are located in Hong Kong and Mainland China, the Company faces foreign currency risks due to exchange gain/loss from exchange rate fluctuations as well as currency conversion risk due to converted net asset value fluctuations of investment projects in Mainland China. To effectively manage foreign currency risk, the Company closely monitors foreign exchange markets, and utilises multiple strategic approaches, such as optimising cash management strategy and project finance instruments, to manage foreign exchange risk.

The funding and treasury policies of existing subsidiaries of the Group are centrally managed and controlled by the Group's senior management in Hong Kong.

We have cash and cash equivalent balances denominated in various currencies. The following is a breakdown of our cash and cash equivalent balances by currency as at the end of each period/year:

|  | <b>30 June<br/>2024<br/>(Unaudited)</b> | 31 December<br>2023<br>(Audited) |
|--|---|----------------------------------|
| Cash and cash equivalents denominated in RMB<br><i>(in thousands)</i>  | <u><u>21,890</u></u>                    | <u><u>23,864</u></u>             |
| Cash and cash equivalents denominated in HK\$<br><i>(in thousands)</i> | <u><u>12,779</u></u>                    | <u><u>13,139</u></u>             |

## **CAPITAL MANAGEMENT**

Our objectives when managing capital are to safeguard our ability to continue as a going concern in order to provide returns for the shareholders of the Company (the “**Shareholders**”) and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

We manage our capital structure and make adjustments to it in order to have funds available to support the business activities which the Board intends to pursue in addition to maximizing the return to Shareholders. The Board does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Group’s management to sustain future development of the business.

In order to carry out current operations and pay for administrative costs, we will utilise our existing working capital and raise additional amounts as needed. Management reviews our capital management approach on an ongoing basis and believes that this approach, given the relative size of the Group, is reasonable.

### **Charge on Assets**

As at 30 June 2024, the Group did not charge any of its assets (31 December 2023: Nil).

### **Bank Loans and Other Borrowings**

There were no outstanding bank loan and other borrowings by the Company and the Group as at 30 June 2024 (31 December 2023: Nil).

### **Capitalised Borrowing Costs**

No borrowing costs were being capitalised during the six months ended 30 June 2024 (31 December 2023: Nil).

### **Significant Investments**

The Group held no other significant investment during the reporting period.

### **Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures**

The Group had no material acquisition and disposal of subsidiaries, associates and affiliated companies during the period.

### **Contingent Liability**

The Group did not have any significant contingent liability during the period under review.



## **Human Resources**

As at 30 June 2024, the Group had approximately 117 employees in Hong Kong and Xiamen. The remuneration package was determined with reference to performance and the prevailing market rate. The Group also provides employees with training, the opportunity to join its mandatory provident fund scheme and medical insurance cover.

## **DIVIDENDS**

The Director do not recommend the payment of dividend for the six months ended 30 June 2024.

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

Neither the Company nor its subsidiaries had purchased, sold or redeemed any of the Company's listed securities and treasury shares during the six months ended 30 June 2024.

## **INTERESTS IN COMPETING BUSINESSES**

During the Period, none of the Directors or their respective associates of the Company had any business which competes or is likely to compete, either directly or indirectly, with any business of the Group.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as its own code of conduct for dealings in securities of the Company by the Directors. In response to specific enquiries made, all Directors confirmed that they had complied with the required standards of dealings as set out in the Model Code during the period under review.

## **INTERESTS IN ASSETS OF THE GROUP**

During the Period, none of the Directors of the Company had any direct or indirect interests in any assets which have been acquired or disposed of, or leased to, or which are proposed to be acquired or disposed of or leased to, the Company or any of its subsidiaries.

## **DIRECTORS' INTERESTS IN CONTRACTS**

None of the Directors of the Company were materially interested in any contract or arrangement subsisting during the Period which is significant in relation to the business of the Group.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Adapting and adhering to recognized standards of corporate governance principles and practices has always been one of the top priorities of the Company. The Board of Directors (“**the Board**”) believes that good corporate governance is one of the areas that leads to the success of the Company and balances the interests of Shareholders, customers and employees, and the Board is devoted to ongoing enhancements of the efficiency and effectiveness of such principles and practices.

The Company had fully complied throughout the six months ended 30 June 2024 with the code provisions in the Corporate Governance Code set out in Appendix C1 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

In the opinion of the Directors, the Company has met all code provisions as set out in the Code during the six months ended 30 June 2024.

## AUDIT COMMITTEE

The audit committee of the Company was established in 1999. Currently, it comprises three members, all of whom are independent non-executive Directors, namely Ms. Liu Mei Ling Rhoda who possesses professional accounting qualification, Mr. Lam Kwong Siu and Mr. Ng Man Kung. Ms. Liu Mei Ling Rhoda is the Chairman of the Audit Committee. The Audit Committee adopted the terms of in accordance with the Code issued by the Stock Exchange. The principal duties of the audit committee include the review and supervision of the Group’s financial reporting process and internal controls. Two meetings have been held by the audit committee during the Period. Each Committee meeting was provided with necessary financial information of the Group for consideration, review and assessment of major issues.

## REVIEW OF ACCOUNTS

The Audit Committee has reviewed the interim financial results for the Period. The Audit Committee considers the financial statement to in compliance with the appropriate financial standards and regulations and sufficient disclosure has been made.

The unaudited interim financial report for the six months ended 30 June 2024 was approved by the Board for issue on 28 August 2024.

## **PUBLICATION OF INFORMATION ON WEBSITES**

This announcement is published on the websites of the Company (www.fujianholdings.com) and the Stock Exchange (www.hkexnews.hk). The interim report of the Company for the period ended 30 June 2024 will be dispatched to shareholders of the Company and available on the above websites in due course.

## **ACKNOWLEDGEMENTS**

I would like to take this opportunity to extend my sincere gratitude to all Shareholders, business partners and customers for their support, and to all our colleagues for their efforts, hard work and dedication.

By Order of the Board  
**Fujian Holdings Limited**  
**Lin Nuchao**  
*Chairman*

Hong Kong, 28 August 2024

*As at the date of this announcement, the existing board of Directors comprises nine Directors, including three executive Directors, namely Ms. Lin Nuchao, Mr. Yang Liyu and Mr. Zhang Jianmin, three non-executive Directors, namely Ms. Weng Weijian, Ms. Chen Danyun and Mr. Huang Songqing and three independent non-executive Directors, namely Mr. Lam Kwong Siu, Mr. Ng Man Kung and Ms. Liu Mei Ling Rhoda.*