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太和控股有限公司
TAI UNITED HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 718)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2024

The board of directors ("**Board**" or "**Directors**") of Tai United Holdings Limited ("**Company**") announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, "**Group**") for the six months ended 30 June 2024 ("**Reporting Period**") as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2024

		Six months ended 30 June	
		2024	2023
	Notes	***HK$'000***	*HK$'000*
		(unaudited)	(unaudited)
Revenue	3		
Contracts with customers		**46,135**	82,237
Leases		**13,752**	17,322
Total		**59,887**	99,559
Other income		**6,547**	8,164
Other gains and losses	5	**1,469**	1,791
Impairment losses recognised under expected credit loss model, net	6	**(75,459)**	(249,693)
Change in fair value of investment properties	12	**(110,556)**	(443,172)
Purchases and changes in inventories		**(24,035)**	(54,721)
Employee benefits expenses		**(17,641)**	(16,685)
Other operating expenses		**(29,598)**	(29,981)
Finance costs	7	**(85,361)**	(88,272)

	Notes	Six months ended 30 June **2024** ***HK$'000*** **(unaudited)**	2023 *HK$'000* (unaudited)
Loss before tax		**(274,747)**	(773,010)
Income tax credit	8	**23,302**	112,242
Loss for the period	9	**(251,445)**	(660,768)
Other comprehensive (expense)/income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**(3,912)**	6,898
Other comprehensive (expense)/income for the period		**(3,912)**	6,898
Total comprehensive expense for the period		**(255,357)**	(653,870)
Loss for the period attributable to:			
Owners of the Company		**(251,734)**	(661,208)
Non-controlling interests		**289**	440
		(251,445)	(660,768)
Total comprehensive expense for the period attributable to:			
Owners of the Company		**(255,651)**	(654,219)
Non-controlling interests		**294**	349
		(255,357)	(653,870)
Loss per share	11		
– Basic *(HK cents)*		**(4.79)**	(12.59)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2024

	Notes	30 June 2024 HK$'000 (unaudited)	31 December 2023 HK$'000 (audited)
Non-current assets			
Property, plant and equipment		**2,494**	3,417
Investment properties	12	**2,099,167**	2,275,479
Intangible assets		**43,976**	46,194
Mining rights		**11,010**	11,010
Right-of-use assets		**1,946**	1,888
Other non-current deposits		**1,549**	–
Other non-current assets		**6,000**	6,000
		2,166,142	2,343,988
Current assets			
Inventories		**2,054**	194
Accounts receivable	13	**5,782**	41,682
Other receivables, deposits and prepayments		**24,290**	23,661
Restricted bank balance		**10,627**	28,011
Bank balances and cash		**114,688**	119,261
		157,441	212,809
Current liabilities			
Accounts payable	15	**8,186**	16,108
Accrued liabilities and other payables		**876,980**	618,634
Borrowings	14	**1,449,967**	1,673,546
Lease liabilities		**2,149**	1,532
Tax payables		**100,567**	102,045
Financial guarantee contracts		**962,784**	939,688
		3,400,633	3,351,553
Net current liabilities		**(3,243,192)**	(3,138,744)
Total assets less current liabilities		**(1,077,050)**	(794,756)

	Notes	30 June 2024 HK$'000 (unaudited)	31 December 2023 HK$'000 (audited)
Non-current liabilities			
Deferred tax liabilities		**145,101**	171,744
Lease liabilities		**5**	299
		145,106	172,043
Net liabilities		**(1,222,156)**	(966,799)
Capital and reserves			
Share capital	16	**262,501**	262,501
Reserves		**(1,485,141)**	(1,229,490)
Equity attributable to owners of the Company		**(1,222,640)**	(966,989)
Non-controlling interests		**484**	190
Total equity		**(1,222,156)**	(966,799)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

1. BASIS OF PREPARATION

The condensed consolidated financial statements of Tai United Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") have been prepared in accordance with Hong Kong Accounting Standard 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Going concern assessment

In preparing the condensed consolidated financial statements, the Directors have given consideration to the future liquidity of the Group in light of the Group incurred a net loss of approximately HK$251,445,000 for the six months ended 30 June 2024 and, as of that date, the Group's has net current liabilities of HK$3,243,192,000, including the overdue bank borrowing of HK$1,449,967,000 which have not yet been successfully renewed, extended nor repaid during the six months ended 30 June 2024 and subsequent to end of the reporting period. In addition, certain legal claims were filed against the Group in the People's of Republic China (the "**PRC**"). It came to the attentions of the directors of the Company that part of the claims related to certain pledge of assets and guarantees provided by two subsidiaries established in the PRC, namely Guangzhou Rongzhi Public Facilities Investment Co., Ltd.* (廣州融智公共設施投資有限公司) ("**Guangzhou Rongzhi**") and Jinzhou Jiachi Public Facilities Management Co., Ltd.* (錦州嘉馳公共設施管理有限公司) ("**Jinzhou Jiachi**"), for the bank borrowings of companies outside the Group and the court judged that the Group are liable for that. In addition, amounting to the bank loan in relation to the pledge of assets and financial guarantee mentioned above with the principal amount of RMB7,269,900,000 up to the date of this announcement are defaulted. These conditions indicate the existence of material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. The consolidated financial statements have been prepared on a going concern basis as the directors of the Company are satisfied that the liquidity of the Group can be maintained in the coming year taking into the consideration of the following matters:

(1) In March 2021, the Group had entered into an undertaking arrangement with Dai Yongge ("**Mr. Dai**"), the ultimate controlling party of the seller of the acquisition of subsidiaries, that if the bank loan borrowed by Guangzhou Rongzhi has not been successfully renewed subsequent to the completion of the acquisition and being enforceable for repayment, Mr. Dai will irrevocably fulfil his personal obligations under this undertaking arrangement to repay all amounts of the bank loan due with interest accrued to the Bank. In case of such event happened, the Group has agreed to repay Mr. Dai's settlement amount within 13 months from his settlement date or when financing on Guangzhou Rongzhi is available to the Group for repayment, whenever earlier.

(2) The Group may seek other financing resources to meet its liabilities and obligation as and when they are fall due.

(3) The Group reserves all rights and remedies it may have against seller of the subsidiaries (the "**Seller**") acquired in 2021 and other relevant parties of the Seller, and

(4) The Group may dispose the company assets for the repayment of loan.

* *The English name is for identification only*

The directors of the Company have reviewed the cash flow projections of the Group prepared by the management covering a period of not less than 12 months from 30 June 2024. Taking into account of the internally available funds, non-current assets held by the Group, the undertaking arrangement obtained from Mr. Dai and the potential disposal of assets, the directors of the Company are confident that the Group will be able to meet its financial obligations when they fall due in the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for future liabilities which might arise and to reclassify non-current assets and non-current liabilities to current respectively. The effect of these adjustments has not been reflected in the condensed consolidated financial statements.

The preparation of condensed consolidated financial statements in conformity with Hong Kong Financial Reporting Standards ("**HKFRSs**") requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as appropriate.

Other than additional accounting policies resulting from application of amendments to HKFRSs, and application of certain accounting policies which became relevant to the Group, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2024 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2023.

Application of amendments to HKFRSs

In the current period, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2024. HKFRSs comprise HKFRSs; HKASs; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current period and prior years.

The Group has not early applied the new HKFRSs that have been issued but not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs, but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of financial position.

3. REVENUE

Disaggregation of revenue for contracts with customers

	Six months ended 30 June	
	2024	2023
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Types of goods and services		
– Sales of commodities	**14,918**	19,609
– Sales of flooring materials	**13,821**	43,847
– Revenue from properties management and related services	**17,396**	18,781
	46,135	82,237
Geographical markets		
– The PRC	**32,314**	38,390
– United States of America ("**USA**")	**918**	42,653
– Hong Kong	**–**	1,194
– Australia	**10,460**	–
– Belgium	**2,443**	–
	46,135	82,237
Timing of revenue recognition		
– Over time	**17,396**	18,781
– At a point in time	**28,739**	63,456
	46,135	82,237

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

	Segment revenue Six months ended 30 June	
	2024	2023
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Revenue from contracts with customers		
– Commodities trading	**14,918**	19,609
– Flooring materials trading	**13,821**	43,847
– Properties investment	**17,396**	18,781
	46,135	82,237
Leases	**13,752**	17,322
Total revenue	**59,887**	99,559

4. SEGMENT INFORMATION

Information reported to the Chief Executive Officer of the Company, being the Chief Operating Decision Maker ("**CODM**"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or rendered.

Specifically, the Group's reportable segments under HKFRS 8 are as follows:

(i) Properties investment segment – properties investment, development of shopping mall, leasing of properties, and property management;

(ii) Medical equipment trading segment;

(iii) Flooring materials trading segment;

(iv) Mining and exploitation of natural resources segment – mining and production of tungsten resources activities in the Republic of Mongolia ("**Mongolia**"); and

(v) Financial services and assets management segment by aggregating different operating segments including trading equity securities and derivatives and managing of assets arising from acquisition of distressed debts assets.

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

Six months ended 30 June 2024 (unaudited)

	Properties investment *HK$'000*	Commodities trading *HK$'000*	Flooring material trading *HK$'000*	Mining and exploitation of natural resources *HK$'000*	Financial services and asset management *HK$'000*	Total *HK$'000*
Segment revenue	31,148	14,918	13,821	–	–	59,887
Segment net investment gains	–	–	–	–	–	–
Total	31,148	14,918	13,821	–	–	59,887
Segment results	(256,614)	1,662	(3,891)	(478)	(1,919)	(261,240)
Net foreign exchange gains						1,469
Unallocated finance costs						(471)
Unallocated interest income						1,206
Central administration costs						(15,711)
Loss before tax						(274,747)

Six months ended 30 June 2023 (unaudited)

	Properties investment *HK$'000*	Medical equipment trading *HK$'000*	Flooring material trading *HK$'000*	Mining and exploitation of natural resources *HK$'000*	Financial services and asset management *HK$'000*	Total *HK$'000*
Segment revenue	36,103	19,609	43,847	–	–	99,559
Segment net investment gains	–	–	–	–	–	–
Total	36,103	19,609	43,847	–	–	99,559
Segment results	(761,267)	1,674	351	(445)	(1,301)	(760,988)
Net foreign exchange gains						1,791
Unallocated finance costs						(49)
Unallocated interest income						807
Central administration costs						(14,571)
Loss before tax						(773,010)

5. OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2024	2023
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Net foreign exchange gains	**1,469**	1,791

6. IMPAIRMENT LOSSES RECOGNISED UNDER EXPECTED CREDIT LOSS MODEL, NET

	Six months ended 30 June	
	2024	2023
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Impairment losses recognised on:		
– accounts receivable	**(876)**	(107)
– other receivables	**1,662**	(958)
– financial guarantee contracts	**(76,245)**	(248,628)
	(75,459)	(249,693)

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2024 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2023.

7. FINANCE COSTS

	Six months ended 30 June	
	2024	2023
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Interest expenses on		
– bank borrowings	**84,868**	88,170
– lease liabilities	**493**	102
	85,361	88,272

8. INCOME TAX CREDIT

	Six months ended 30 June	
	2024	2023
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
PRC Enterprise Income tax:		
Current tax	**(54)**	(1,015)
Deferred tax	**(23,248)**	(111,227)
	(23,302)	(112,242)

9. LOSS FOR THE PERIOD

Loss for the period has been arrived after charging:

	Six months ended 30 June	
	2024	2023
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Cost of inventories recognised as an expense	**24,035**	54,721
Depreciation of property, plant and equipment	**970**	1,055
Depreciation of right-of-use assets	**1,619**	1,938
Amortisation of intangible assets	**1,236**	1,296
Expenses relating to short-term leases	**416**	–

10. DIVIDEND

The Directors have determined that no dividend will be paid in respect of the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

11. LOSS PER SHARE

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

	Six months ended 30 June	
	2024	2023
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Loss		
Loss for the period attributable to owners of the Company for the purpose of basic loss per share	**(251,734)**	(661,208)

	Six months ended 30 June	
	2024	2023
	'000	*'000*
	(unaudited)	(unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of calculation of basic loss per share	**5,250,020**	5,250,020

No diluted loss per share for both periods were presented as there were no potential ordinary shares in issue for both periods.

12. INVESTMENT PROPERTIES

	HK$'000
FAIR VALUE	
At 1 January 2023 (audited)	3,174,568
Changes in fair value recognised in profit or loss	(858,305)
Exchange realignment	(40,784)
At 31 December 2023 (audited)	**2,275,479**
Changes in fair value recognised in profit or loss	**(110,556)**
Exchange realignment	**(65,756)**
At 30 June 2024 (unaudited)	**2,099,167**

The fair values of the Group's investment properties located in the UK have been valued by contract price signed during this year (2023: market comparable approach with reference to market unit rate, taking into account the recent transaction prices for similar properties adjusted for nature, location and conditions of the properties), while the fair value of the Group's investment properties located in the PRC have been valued by independent professional valuer based on income capitalisation approach with reference to capitalisation rate and monthly market rent taking to account the nature of property, income potential, location and individual factor of the properties.

There has been no change from the valuation technique used in prior years. In estimating the fair values of the investment properties for disclosure purpose, the highest and the best use of the investment properties is their current use.

The Group's investment properties are under Level 3 fair value hierarchy as at 30 June 2024 and 31 December 2023 and there were no transfer out of level 3 during the six months ended 30 June 2024 and 2023.

13. ACCOUNTS RECEIVABLE

	30 June 2024 *HK$'000* **(unaudited)**	31 December 2023 *HK$'000* (audited)
Accounts receivable	**16,719**	51,743
Less: Allowance for credit losses	**(10,937)**	(10,061)
	5,782	41,682

The Group allows a credit period of 0 to 90 days (31 December 2023: 0 to 90 days) to its customers depending on the type of products sold. Trade receivable arising from sale of operating rights are due for settlement in accordance with terms of the relevant agreements.

The following is an aged analysis of accounts receivable, net of allowance of credit losses, presented based on the invoice dates which approximated the respective revenue recognition dates:

	30 June 2024 *HK$'000* **(unaudited)**	31 December 2023 *HK$'000* (audited)
Within 90 days	**3,472**	22,819
91–120 days	**1,660**	9,167
Over 120 days	**650**	9,696
	5,782	41,682

14. BORROWINGS

	30 June 2024 *HK$'000* **(unaudited)**	31 December 2023 *HK$'000* (audited)
Secured fixed-rate bank borrowings *(Note)*	**5,370**	5,377
Secured variable-rate bank borrowings	**–**	188,670
Unsecured fixed-rate bank borrowings	**1,444,597**	1,479,499
	1,449,967	1,673,546

Details of the charged on assets are set out in note 22 to this condensed financial statements.

Note: The loan agreement was expired in January 2021 and the agreement had not yet been successfully renewed nor extended as at 30 June 2026. Accordingly, the bank borrowing became overdue, repayable on demand, and was shown under current liabilities. Up to the approval date of the condensed consolidated financial statements, the bank borrowing has not yet been renewed, extended nor repaid.

15. ACCOUNTS PAYABLE

An ageing analysis of accounts payable presented based on the delivery date at the end of the reporting period is as follows:

	30 June 2024 *HK$'000* **(unaudited)**	31 December 2023 *HK$'000* (audited)
0–30 days	**1,646**	839
31–90 days	**4,732**	15,269
91–365 days	**1,808**	–
	8,186	16,108

The credit period granted by the suppliers is 90 days for both reporting periods.

16. SHARE CAPITAL

	Number of shares	**Share capital** *HK$'000*
Authorised ordinary shares at HK$0.05 per share		
At 1 January 2023, 31 December 2023 and 30 June 2024	34,566,666,668	1,728,333
Issued and fully paid ordinary shares at HK$0.05 per share		
At 1 January 2023, 31 December 2023 (audited) and 30 June 2024 (unaudited)	5,250,019,852	262,501

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE

The revenue of the Company for the six months ended 30 June 2024 (the "**Reporting Period**") was approximately HK$59.9 million, representing a 39.9% decrease as compared to revenue of approximately HK$99.6 million for the six months ended 30 June 2023, such decrease was mainly contributed by the decrease in revenue from sales of flooring materials, the decrease in revenue generated from (i) properties management and related services; and (ii) sales of medical equipment in the People's Republic of China ("**China**" or "**PRC**") in the ordinary and usual course of business of the Group. Revenue decreased and notwithstanding the Company actively implementing its continuous cost saving plan, the Group still recorded a loss before tax of approximately HK$274.7 million during the Reporting Period, decreased by 64.5% as compared with the loss before tax of approximately HK$773.0 million in the same period ended 30 June 2023, due to the combined effect of:

(i) a decrease of fair value of investment properties to approximately HK$110.6 million resulting from the adverse impact post COVID-19 pandemic;

(ii) provision for guarantee contracts of approximately HK$76.2 million during the Reporting Period, which was due to guarantees provided by immediate holding companies of the Guangzhou Shopping Mall and Jinzhou Shopping Mall (as defined below). The guarantees were provided to onshore banks in the PRC in relation to third party loans and such guarantees were not disclosed to the Group by the seller at the time of acquisition of the holding companies of the two shopping malls; and

(iii) finance costs of approximately HK$77.3 million for the Reporting Period, which was due to the bank loan of approximately RMB1,345 million in connection to the acquisition of Guangzhou Shopping Mall (as defined below):

Income tax credit for the Reporting Period was approximately HK$23.3 million.

Taking into account the income tax credit mentioned above and netting of non-controlling interests, the Group recorded a loss attributable to owners of the Company reducing from approximately HK$661.2 million for the same period ended 30 June 2023 to approximately HK$251.7 million for the Reporting Period.

BUSINESS REVIEW

The Group is principally engaged in the businesses of property investment, flooring materials and medical equipment trading, mining and exploitation of natural resources, and financial services and assets management.

(1) Property Investment

Shopping Mall Businesses in the PRC

The Group wholly owns three shopping malls in the PRC, including: (i) a single-storey underground mall ("**Jinzhou Shopping Mall**") located in Jinzhou, Liaoning Province, the PRC, which is engaged in the shopping mall business ("**Jinzhou Shopping Mall Business**"); (ii) a two-storey underground mall ("**Guangzhou Shopping Mall**") located in Guangzhou, Guangdong Province, the PRC, which is engaged in the shopping mall business ("**Guangzhou Shopping Mall Business**"); and (iii) a two-storey underground mall (the "**Anyang Shopping Mall**") located in Anyang city, Hunan Province, the PRC, which is engaged in the shopping mall business ("**Anyang Shopping Mall Business**").

Anyang Shopping Mall Business, together with Jinzhou Shopping Mall Business and Guangzhou Shopping Mall Business are the "**Shopping Mall Businesses in the PRC**".

The business and operating model of the Jinzhou Shopping Mall, Guangzhou Shopping Mall and Anyang Shopping Mall primarily involves the leasing of stores to retailers and wholesalers of apparels, accessories, household appliances and food and beverage and other venue areas in the shopping malls for marketing and promotional activities. It derives revenue from rental income and the provision of property management services to tenants, including mall security, maintenance and repair and management of the operations of the three shopping malls. The Company holds the three shopping malls as investment properties and conducts day-to-day operations primarily in leasing and property management services which generate rental and property management incomes.

In addition, as to the Guangzhou Shopping Mall, under certain contracts with its tenants, the operating rights of the stores may be transferred to them after a specified period of the lease. This and the sales promotion and leasing activities by the leasing team of the Guangzhou Shopping Mall generate additional revenue from the transfer of operating rights of the stores. For the Reporting Period, there was no further completion of pre-existing contracts prior to the acquisition of the holding company of the Guangzhou Shopping Mall in 2021 due to COVID-19, which led to no revenue recorded (six months ended 30 June 2023: Nil) from the transfer of the operating rights of store units of the mall.

The Group has been undertaking a diversified business strategy. The acquisitions of three shopping malls in Anyang, Jinzhou and Guangzhou that completed in 2021 are in line with the strategic development of the Group and have provided an opportunity for the Group to widen its shopping malls network, expand the geographical coverage and scale up its shopping mall businesses. It is expected that the promotional campaigns, marketing activities and branding of the shopping malls of the Group will become more effective and cost-efficient. Anyang Shopping Mall is located in the central region of the PRC while the shopping malls in Jinzhou and Guangzhou are located in the north-eastern region and southern region of the PRC respectively. The acquisitions have allowed the Group's shopping mall network to have a strategic presence in central, north-eastern and southern regions of the PRC and expand geographically across the above regions in the PRC and potentially grow its market share.

The Shopping Mall Businesses in the PRC primarily involve the leasing and management of operations of Anyang Shopping Mall, Jinzhou Shopping Mall and Guangzhou Shopping Mall. As of 30 June 2024, details of the three shopping malls are set out as follows:

Shopping Mall	**Gross Floor Area** *(approximately sq.m.)*	**Leasable Floor Area** *(approximately sq.m.)*	**Leased Floor Area** *(approximately sq.m.)*
Anyang Shopping Mall			
Anyang Diyi Shopping Street Shopping Mall in the PRC	25,310	24,815	13,597
Jinzhou Shopping Mall			
Jinzhou First Tunnel Shopping Mall in the PRC	40,765	38,809	28,679
Guangzhou Shopping Mall			
Guangzhou First Tunnel Shopping Mall in the PRC Phases 1 and 2	89,415	37,571	21,668

For the Reporting Period, the revenue generated from the Shopping Mall Businesses in the PRC was mainly attributable to the rental income and property management and related service income from shops and venue spaces tenants of approximately HK$30.3 million.

As at 30 June 2024, the fair values of investment properties of Anyang Shopping Mall, Jinzhou Shopping Mall and Guangzhou Shopping Mall amounted to approximately HK$306 million, approximately HK$507 million and approximately HK$754 million respectively.

Real Estate in the UK

The Group held luxury real estate in premium location in central London within close proximity to the Buckingham Palace ("**UK Investment Properties**"). As at 30 June 2024, the UK Investment Properties of the Group carried at fair value were approximately HK$532 million. The revenue generated from the UK Investment Properties for the Reporting Period was approximately HK$0.9 million, representing an increase of 28.6% as compared to approximately HK$0.7 million over the same period ended 30 June 2023. Such increase in rental income was mainly attributable to change in unit of properties being leased out.

The business and operating model of the UK Investment Properties involves the leasing and property management of luxury residential properties in London, which are leased to high-end tourists and tenants for rental income.

On 23 April 2024, the Company and C&E Flooring Supply Limited (the "**Purchaser**") entered into the sale and purchase agreement, pursuant to which the Company has conditionally agreed to sell, and the Purchaser conditionally agreed to acquire, all the issued shares of Wide Flourish Investments Limited (a wholly-owned subsidiary of the Company as of the date of the sale and purchase agreement) (the "**Target Company**") for a consideration of GBP50,000,000. The Target Company and its subsidiaries primarily hold and manages the properties located in London, the United Kingdom for rental income. The Purchaser is indirectly wholly-owned by Mr. Pang Da Yong, who is a director of the subsidiaries of the Target Company and thus the Purchaser is an associate of Mr. Pang Da Yong and a connected person of the Company at subsidiary level under the Listing Rules. For further details, please refer to the Company's announcements dated 23 April 2024 and 28 June 2024 and circular dated 11 June 2024.

As such, the overall segment results were therefore a loss of approximately HK$256.6 million, representing a decrease of approximately 66.3% as compared to the loss of approximately HK$761.3 million in the same period ended 30 June 2023, which was mainly due to provision for guarantee contracts of approximately HK$76.2 million, decrease in fair value of investment properties of approximately HK$110.6 million resulting from the lingering adverse impact of the outbreak of COVID-19 pandemic and finance costs of approximately HK$77.3 million for the Reporting Period, which was due to the bank loan of approximately RMB1,345 million in connection to the acquisition of Guangzhou Shopping Mall.

(2) Flooring Materials and Medical Equipment Trading

The flooring materials trading business of the Group recorded revenue of approximately HK$13.8 million for the Reporting Period, representing a decrease of approximately 68.5%, as compared to approximately HK$43.8 million over the same period ended 30 June 2023. The Group has made sales of flooring board materials to overseas customers by exporting to markets in the United States. Leveraging on the potential synergies with the Group's Shopping Mall Business in the PRC, we expect to capitalise on the shopping mall tenants and customer networks to develop and expand our domestic sales of flooring, ceiling and other decorative materials.

The Group carries out medical equipment trading business in China for which the majority customers are hospitals. The products sold are mostly general medical equipment, consumable goods and optical medical devices and the related parts ("**Medical Products**"). The revenue for the Reporting Period decreased to approximately HK$14.9 million, represented a decrease of approximately 24% as compared with approximately HK$19.6 million of the same period ended 30 June 2023. The segment gain for medical equipment trading business for the Reporting Period was approximately HK$1.7 million, as compared to a gain of approximately HK$1.7 million for the same period ended 30 June 2023.

(3) Mining and Exploitation of Natural Resources

Currently, the Group holds four mining right licences ("**Mining Rights**") of three tungsten projects in Mongolia. The segment of mining and exploitation of natural resources business recorded no revenue during the Reporting Period as numerous investors who we approached have suspended their negotiations with us due to the COVID-19 pandemic and the subsequent lockdown measures. In view of various factors including the closure of factories, suspension of production lines and therefore the lower market demand resulting from the resurgence of COVID-19, some of the potential mining partners or investors had lost interest in investing in this segment during the Reporting Period.

The carrying values of the Mining Rights was approximately HK$11 million as at 30 June 2024. The Group is still continuously identifying potential investors to negotiate the sales of the Mining Rights.

(4) Financial Services and Assets Management

No segment revenue was recorded as the prospect and market condition were yet to be certain, especially in light of the economic recovery affected by lingering effect of the COVID-19 pandemic and the China-US tension. The Group has adopted a prudent approach in financial investments during the Reporting Period. As such, the segment loss for the Reporting Period was approximately HK$1.9 million, compared with the segment loss of approximately HK$1.3 million for the same period ended 30 June 2023. The status of each of the business in this segment is further discussed as below.

Financial services

The Group holds a money lenders licence in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) through a wholly-owned subsidiary. Due to uncertain market conditions, the commencement of money lending business will be postponed.

Distressed debt assets management

The business incurred a loss of approximately HK$1.8 million for the Reporting Period, mainly representing the overhead costs of the business operation, whereas the loss of the same period ended 30 June 2023 was approximately HK$1.2 million. The directors of the Company (the "**Directors**") will continue to assess whether the Group should continue to engage in distressed assets investment.

Securities investment

The Group reported no transaction for its securities investments in the Reporting Period, no investment gain/loss was recorded for the Reporting Period (same period ended 30 June 2023: Nil).

FINANCIAL REVIEW

Capital structure

As at 30 June 2024, the consolidated net liabilities of the Group was approximately HK$1,222.2 million, representing an increase of approximately HK$255.4 million as compared to that net liabilities of approximately HK$966.8 million as at 31 December 2023. There is no shares movement since the end of the Reporting Period. As at 30 June 2024, the Company has 5,250,019,852 shares of HK$0.05 each in issue and the total deficit attributable to owners of the Company was HK$1,222.6 million (as at 31 December 2023: total deficit attributable to owner of the Company approximately HK$967.0 million).

Liquidity and financial resources

As at 30 June 2024, the Group's bank balances and cash were approximately HK$125.3 million (as at 31 December 2023: approximately HK$147.3 million), its current assets was approximately HK$157.4 million (as at 31 December 2023: approximately HK$212.8 million), and its current liabilities was approximately HK$3,400.6 million (as at 31 December 2023: approximately HK$3,351.6 million). The current ratio was 0.05 times[*(Note 1)*] (as at 31 December 2023: 0.06 times). As at the end of the Reporting Period, the net current liabilities of the Group were approximately HK$3,243.2 million (as at 31 December 2023: net current liabilities of approximately HK$3,138.7 million).

As at 30 June 2024, the total debt financing of the Group was approximately HK$1,450 million (as at 31 December 2023: approximately HK$1,673.5 million), and there was no non-current debt financing as at 30 June 2024 (as at 31 December 2023: Nil).

Note:

1. Current ratio = Current assets/Current liabilities

As at 30 June 2024, net debt[(Note 2)] of the Group was approximately HK$1,335.3 million (as at 31 December 2023: net debt of approximately HK$1,526.3 million) and the total deficit was approximately HK$1,222.2 million (as at 31 December 2023: total deficit approximately HK$966.8 million). Therefore, gearing ratio[(Note 3)] as at the end of the Reporting Period was -1.19 (as at 31 December 2023: gearing ratio -1.73).

The objective of the Group's funding and treasury management activities is to ensure a sufficient liquidity to meet operational needs and various investment plans.

Capital commitments

As at 30 June 2024, the Group has no material capital commitments and was not engaged in any future plans concerning major investment or acquisition of capital assets (as at 31 December 2023: Nil).

Charges on group assets

As at 30 June 2024, the Group's bank borrowings of approximately HK$1,444.6 million were secured by certain assets of the Group, including investment properties and the equity interest of a wholly-owned subsidiary (as at 31 December 2023: approximately HK$1,668.2 million).

During the year ended 31 December 2021, the Group acquired Guangzhou Rongzhi Public Facilities Investment Co., Ltd. ("**Guangzhou Rongzhi**") and Jinzhou Jiachi Public Facilities Management Co., Ltd. ("**Jinzhou Jiachi**") (collectively refer as the "**PRC Subsidiaries**") through the acquisition of their immediate holding company, Sky Build Limited and Superb Power Enterprises Limited (the "**Acquisition**"), respectively, from their shareholder (the "**Predecessor Shareholder**").

During the year ended 31 December 2023, several legal claims were filed against the PRC Subsidiaries mainly due to the fact that the PRC Subsidiaries pledged the operating rights of its investment properties (the "**Pledges**") to secured bank loans granted to several companies related to the Predecessor Shareholder (the "**Borrowers**") together with other guarantors and/or pledgors. The Borrowers defaulted bank loan repayment. As at 30 June 2024, the principal of the defaulted bank loan by the Borrowers was amounted to RMB3,400,000,000 (the "**Overdue Amount**").

The Pledges were allegedly originated prior to the Acquisition and the board of directors at the date of the Acquisition has no knowledge for the Securities. Therefore, no disclosure of pledge of assets contracts was made in the completion account as of the Acquisition date.

Notes:

2. Net debt = Borrowings – Bank balances and cash

3. Gearing ratio = Total interest-bearing borrowings/Total equity

Since the Pledges were entered into prior to the Acquisition, the existing board of directors of the Group are unable to ensure the completeness of the information in relation to pledged assets contracts entered into.

Reference is made to the Company's announcements dated 28 March 2023, 4 April 2023, 29 November 2023, 12 December 2023, 5 February 2024 and 4 March 2024.

Contingent liabilities

During the period from November 2018 to July 2019, two of the Group's subsidiaries, namely Guangzhou Rongzhi and Jinzhou Jiachi entered into various financial guarantee contracts with Shengjing Bank Co., Ltd and Bank of Jinzhou Co, Limited respectively for the bank borrowings of seven companies which were related to Mr. Dai Yonggue ("**Mr. Dai**"). The maximum liabilities guaranteed by Guangzhou Rongzhi and Jinzhou Jiachi were principal amounts of RMB569,900,000 and RMB3,300,000,000 respectively together with the outstanding accrued interests and other charges. At the prevailing time of those financial guarantee contracts entered into, Guangzhou Rongzhi and Jinzhou Jiachi were not subsidiaries of the Company, but companies indirectly controlled by Mr. Dai. The Group acquired the entire equity interests in Guangzhou Rongzhi and Jinzhou Jiachi through the acquisitions of Superb Power Enterprises Limited and Sky Build Limited respectively that were completed in April 2021. In the opinion of the directors of the Company, the Group became aware of those financial guarantee contracts when the Group received the PRC court notices about legal claims during the year ended 31 December 2023. Subsequent to the year end, the PRC court had judged on the claims that Guangzhou Rongzhi and Jinzhou Jiachi are jointly are severally liable for the loans guaranteed by the Group with the other guarantors. Reference is made to the Company's announcements dated 13 October 2023, 29 November 2023, 12 December 2023, 5 February 2024, 4 March 2024, 20 March 2024, 22 April 2024, 30 April 2024 and 10 May 2024 and 30 July 2024. During the Reporting Period, the Group recognised RMB896,405,000 (31 December 2023: RMB854,262,000) (equivalent to approximately HK$962,784,000 (31 December 2023: HK$939,688,000)) impairment losses on these financial guarantee contracts based on the valuation prepared by Messer International Valuation Limited, an independent qualified professional valuer not connected with the Group, which was engaged by the Company for the year ended 31 December 2023 and the Reporting Period.

During the course of the preparation of the consolidated financial statements for the Reporting Period, the directors considered the expected payments to reimburse the holder of the guarantees were no longer recoverable from the borrowers and therefore recorded a loss of HK$76,245,000 (six months ended 30 June 2023: HK$248,628,000) in the profit or loss.

Foreign exchange exposure

The Group's financial statements are denominated in Hong Kong dollars ("**HKD**"), while the Group is conducting business mainly in HKD, United States Dollar ("**USD**"), Great British Pound ("**GBP**") and RMB. Since exchange rates of HKD is pegged to USD, there is no material exchange risk in respect of USD assets and transactions. However, the assets, liabilities and transactions of the UK and the PRC subsidiaries of the Group are mainly denominated in GBP and RMB respectively, there were exchange risks during financial settlement at the end of Reporting Period in this regard.

The Group has implemented policies and guidelines in relation to foreign exchange risk management. Meanwhile, the subsidiaries in the PRC are able to generate sufficient income to deal with their local currency expenses; therefore, the management of the Company considered that the Group's exposure to the potential foreign currency risk was relatively limited.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2024, the Group had 174 (as at 31 December 2023: 187) employees, of whom approximately 8% (as at 31 December 2023: 7.5%) were located in Hong Kong and the rest were located in the PRC and overseas.

The Group recognises the employees as the key element that contributes to the Group's success. The Group's remuneration policies are formulated based on the individual performance and the salaries trends in various regions, which will be reviewed annually. Apart from mandatory provident fund and medical insurance, the Company has adopted a share option scheme under which share options may also award to the Directors and eligible employees as an incentive with reference to the assessment of individual performance. The board of Directors ("**Board**") believes that the Group maintains an admirable relationship with the employees.

DIVIDENDS

The Board does not recommend the payment of an interim dividend for the Reporting Period (same period ended 30 June 2023: Nil).

PROSPECTS

With the effective implementation of various macroeconomic policies in the PRC, the national economy has maintained overall stability, with continuous recovery in demand, stable employment and commodity prices, and continued improvement in household income. The Chinese economy is advancing towards high-quality direction. In the first half of the year, the total retail sales of consumer goods exceeded RMB23 trillion, representing a year-on-year increase of 3.7%.

Key consumption indicators, including retail sales, tourism data and the automotive industry, have shown positive performance. Consumer confidence also continued to strengthen, particularly with the rapid expansion of the e-commerce sector. Looking ahead to the second half of the year, this consumption trend is likely to sustain. Nevertheless, with increasing instability and uncertainties in the external environment, the domestic economy is expected to remain stable and continue advancing in both scale and quality, in midst of certain challenges.

In the first half of the year, Guangzhou Shopping Mall restructured its export shop zone and completed the related tenant recruitment. The mix of men's clothing vendors has been adjusted, significantly increasing the rent-out ratio. In the retail area, we-media promotion and operational guidance for tenants were enhanced. To improve the mall's image, we carried out extensive renovation at several mall entrances, and upgraded public area lighting, emergency safety and flood prevention systems. During the second half of the year, our work will focus on constructing a branded children's wear zone with integrated online and offline services, transforming the existing double aisles into a branded kids wear street. In addition, following the restructuring of the undergarment and fitness room zones, we will strengthen our efforts in leasing to underwear tenants, accessories tenants and external exhibition halls.

Jinzhou Shopping Mall focuses on women's outerwear shops, while continuing to retain the manicure business tenants, forming the largest and most popular amongst manicure zone amongst female consumers in the locality. The mall has also actively introduced prominent trendy brands popular amongst young consumers to boost the shopper traffic and stimulate consumption. Besides stabilizing and optimizing the existing tenants of manicure, undergarment, accessories and children's wear businesses, the mall plans to develop dining, entertainment, experiential and internet-celebrities stores. The mall's new media operation department has revamped official accounts on Douyin, Kuaishou and Xiaohongshu and will continue to release video clips in the second half of the year to achieve record breaking click rates and fans attention, driving customer traffic and gaining tenants recognition and collaboration.

Anyang Shopping Mall identifies young, fashionable and affordable self-service clothing brands or outlets for special tenants recruitment. We renovate areas for women's fashion, manicures, trendy games, bistros, diners and snack shops to encourage tenants to produce video clips that attract more followers, while matching with graffiti-themed decoration to attract young consumers to browse and shop. A newly established gaming and entertainment zone offers social networking opportunities for the youngsters, creates a unique marketplace culture and fosters a famous brand ambiance, providing a relaxing and tranquil venue for young people to enjoy day cafes and night bars. The shopping mall will also enhance tenant services and refine digital management, offering members real-time information on promotions, display-themed activities and more through mobile networks.

A court of the PRC has announced its judgement in relation to the litigation claims against Guangzhou Shopping Mall and Jinzhou Shopping Mall for the provision of guarantees for the third-party loans, and has issued rulings for enforcement and notice. The two shopping malls have coordinated with the Claimant Banks to set up co-managed bank accounts to support the malls' normal business operations.

Regarding the investment properties in the UK, the Group has entered into an agreement to dispose all interest in the UK properties for GBP50 million, of which approximately GBP19 million has been applied to repay all bank loan in the UK, and the remaining balance will be used as working capital to support the Group's ongoing businesses primarily in trading of flooring materials and the leasing and maintenance of shopping mall business in the PRC.

The flooring materials trading business is expected to have stable development in the second half of the year, with focus on the North American market, while developing markets such as Australia and Europe.

Looking ahead to the second half of the year, the overall domestic and international economic and business environments will present significant challenges, with considerable uncertainties arising from international conflicts and trade competition. The Group will adhere to its prudent business development approach, and strengthen existing operations while actively exploring new investment initiatives, so as to steadily expand new markets and business scope.

SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

Litigation claims against Guangzhou Rongzhi with respect to the Shenyang Ruifan Loan and Liaoning Renhe Loan

After the Reporting Period, Guangzhou Rongzhi received a notice for enforcement (執行通知書) (the "**Shenyang Ruifan Enforcement Notice**") and a disclosure order to report conditions of financials (報告財產令) (the "**Shenyang Ruifan Disclosure Order**") from the Intermediate People's Court of Shenyang Municipality, Liaoning Province (遼寧省瀋陽市中級人民法院) in relation to the Shenyang Ruifan Judgment as referred to in the announcements dated 3 April 2024, 30 April 2024 and 10 May 2024. According to the Shenyang Ruifan Enforcement Notice, the Shenyang Ruifan Judgment has become effective, and the relevant PRC court ordered that the defendants to the said litigation claim (including, among others, Mr. Dai, other companies in the PRC and Guangzhou Rongzhi) pay the Other Claimant Bank a judgment amount in the aggregate of (i) approximately RMB134.4 million, which is the outstanding principal plus interest and default interest up to 29 May 2023 payable pursuant to the Shenyang Ruifan Loan; (ii) interest, default interest and damages accrued from 30 May 2023 up to the date of payment, subject to the a maximum interest rate of 24% per annum stipulated by the relevant PRC court; and (iii) execution fees (執行費). Pursuant to the Shenyang Ruifan Disclosure Order, the defendants are also required to report the current condition of their financials and for the year prior to the receipt of the Shenyang Ruifan Enforcement Notice to the relevant PRC court. Should the defendants fail to adhere to the Shenyang Ruifan Enforcement Notice, the defendants may face additional consequences, including but not limited to the recording in credit records and list of dishonest parties subject to enforcement.

After the Reporting Period, Guangzhou Rongzhi recently received a notice for enforcement (執行通知書) (the "**Liaoning Renhe Enforcement Notice**") and a disclosure order to report conditions of financials (報告財產令) (the "**Liaoning Renhe Disclosure Order**") from the Intermediate People's Court of Shenyang Municipality, Liaoning Province (遼寧省瀋陽市中級人民法院) in relation to the judgment relating to the Liaoning Renhe Loan (the "**Liaoning Renhe Judgment**") as referred to in the announcements dated 3 April 2024, 30 April 2024 and 10 May 2024. According to the Liaoning Renhe Enforcement Notice, the Liaoning Renhe Judgment has become effective, and the relevant PRC court ordered that the defendants to the said litigation claim (including, among others, Mr. Dai, other companies in the PRC and Guangzhou Rongzhi) pay the Other Claimant Bank a judgment amount in the aggregate of (i) approximately RMB198.2 million, which is the outstanding principal plus interest and default interest up to 29 May 2023 payable pursuant to the Liaoning Renhe Loan; (ii) interest, default interest and damages accrued from 30 May 2023 up to the date of payment, subject to the a maximum interest rate of 24% per annum stipulated by the relevant PRC court; and (iii) execution fees (執行費). Pursuant to the Liaoning Renhe Disclosure Order, the defendants are also required to report the current condition of their financials and for the year prior to the receipt of the Liaoning Renhe Enforcement Notice to the relevant PRC court.

According to the PRC legal counsel engaged for the purpose of advising on the relevant litigation claims, the relevant judgment amount payable by the defendants to the relevant litigation claims is immediately due upon issuance of the enforcement notices. Should the defendants fail to adhere to the enforcement notices, the defendants may face additional consequences, including but not limited to travel ban, restrictions on high spendings, public censure and recording in credit records and list of dishonest parties subject to enforcement etc.

As advised by the PRC legal counsel, despite the aforementioned enforcement notices, the relevant PRC court is not entitled to taking over the daily operations of the Guangzhou Shopping Mall pursuant to the Shenyang Ruifan Enforcement Notice and the Liaoning Renhe Enforcement Notice. As at the date of this announcement, to the best knowledge of the Company and Guangzhou Rongzhi, daily operations of the Guangzhou Shopping Mall remain normal. However, notwithstanding (i) Guangzhou Rongzhi is only alleged to have provided a guarantee for each of the Shenyang Ruifan Loan and the Liaoning Renhe Loan and the repayment obligations primarily lie with the borrowers of such loans; (ii) neither the relevant PRC court nor the enforcement notices specify the percentage of the respective judgment amount to be taken up by each defendant to the litigation claims; and (iii) the enforcement process is still ongoing, in the unlikely event that Guangzhou Rongzhi is held liable to settle the entire judgment amount for both claims, the Company expects there to be an impact on the operating cash flow of Guangzhou Rongzhi.

Guangzhou Rongzhi will comply with the respective disclosure orders and collaborate with the relevant PRC court in the enforcement process. Furthermore, considering all onshore bank accounts of Guangzhou Rongzhi have been frozen as at the date of this announcement, jointly controlled bank account(s) have been set up by Guangzhou Rongzhi with a bank in the PRC to support its daily operations.

Notice of hearing with respect to the Construction Claimed Amount

After the Reporting Period, Jinzhou Jiachi received a notice to attend a hearing (the "**Notice**") from the Higher People's Court of Liaoning Province (遼寧省高級人民法院) regarding a retrial applied by the Former Supplier for Construction Services. According to the Notice, the Former Supplier for Construction Services is not satisfied with the initial judgment, and has applied to the relevant PRC court for a retrial of the case on the grounds that the initial judgment mis-applied relevant laws and regulations and was groundless. The relevant PRC court has invited Jinzhou Jiachi to file, among others, a written submission within 15 days of receipt of the Notice, and the date of hearing has not been fixed as at the date of this announcement.

Both the Company and Jinzhou Jiachi are seeking legal advice on the Notice from the PRC legal counsel engaged for the purpose of advising on the aforementioned litigation claim.

For further details regarding the aforementioned event, please refer to the announcements of the Company dated 31 July 2024 and 16 August 2024.

PURCHASE, SALE OR REDEMPTIONS OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board is committed to maintaining statutory and regulatory standards and adhering to the principles of corporate governance with emphasis on transparency, independence, accountability and responsibility. For the Reporting Period, save as disclosed below in this announcement, the Company has complied with all code provisions of the Corporate Governance Code ("**CG Code**") where applicable as set out in Part 2 of Appendix C1 to the Listing Rules.

According to code provision C2.1 of Part 2 of the CG Code, the roles of chairman of the board and chief executive officer should be separate and should not be performed by the same individual. Mr. Wang Hongfang, an executive Director, performs both roles of the chairman of the Board and the Chief Executive Officer of the Company since 31 January 2022 and is responsible for overseeing the daily operations of the Group. The Board believes that it is in the best interests of the Group to have Mr. Wang taking up both roles for effective management and business development. In addition, the Group operations are also supervised and managed by the rest of the Board, comprising one other executive Director and three independent non-executive Directors, who provide balance of power and sufficient checks to protect interest of the Company and shareholders as a whole.

The CG Code stipulates that non-executive directors should be appointed for a specific term subject to re-election. Independent non-executive Directors are not appointed for a specific term. However, all Directors are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the bye-laws of the Company.

AUDIT COMMITTEE AND REVIEW ON THE INTERIM RESULTS

The Company has established the Audit Committee with a specific written terms of reference in accordance with the requirements under Rule 3.21 of the Listing Rules and the CG Code. The Audit Committee is responsible for, among others, reviewing and supervising the Group's financial reporting process, assisting the Board to ensure effective risk management and internal control systems of the Group and providing advice and comments to the Board.

As at the date of this announcement, the Audit Committee comprised all three independent non-executive Directors, namely, Mr. Leung Ting Yuk, Dr. Gao Bin and Ms. Song Yanjie, Mr. Leung Ting Yuk is elected as the chairman of the Audit Committee.

The unaudited condensed consolidated financial statements of the Group for the Reporting Period have been reviewed by the Audit Committee together with the management of the Company. The Audit Committee is satisfied that such statements comply with the applicable accounting standards and that adequate disclosures have been made.

PUBLICATION OF INTERIM RESULTS AND DESPATCH OF INTERIM REPORT

This results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.irasia.com/listco/hk/taiunited/index.html. The interim report of the Company for the six months ended 30 June 2024 will be despatched to the shareholders of the Company and published on the aforesaid websites in due course.

By order of the Board
Tai United Holdings Limited
Wang Hongfang
Chairman and Chief Executive Officer

Hong Kong, 30 August 2024

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:
Mr. Wang Hongfang
(Chairman and Chief Executive Officer)
Mr. Zheng Yuchun *(Executive President)*

Independent non-executive Directors:
Dr. Gao Bin
Mr. Leung Ting Yuk
Ms. Song Yanjie