

2022 INTERIM REPORT



**ZIJING INTERNATIONAL
FINANCIAL HOLDINGS LIMITED**
紫荊國際金融控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 8340

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

HIGHLIGHTS

- The Group recorded a turnover of approximately HK\$10.35 million for the six months ended 30 June 2022 (2021: approximately HK\$4.90 million).
- Loss attributable to owners of the Company for the six months ended 30 June 2022 amounted to approximately HK\$1.24 million as compared to loss attributable to owners of the Company of approximately HK\$606,000 for the corresponding period in 2021.
- Loss attributable to owners of the Company for the three months ended 30 June 2022 amounted to approximately HK\$1.36 million which resulted the overall loss attributable to owners of the Company from a profit attributable to owners of the Company of approximately HK\$118,000 for the three months ended 31 March 2022 to a loss attributable to owners of the Company of approximately HK\$1.24 million for the six months ended 30 June 2022.
- The Directors do not recommend the payment of any dividend for the six months ended 30 June 2022 (2021: nil).

Corporate Information

DIRECTORS

Executive Directors

Mr. Lee Chun Wai (Chairman)
Mr. Lee Chan Wah (appointed on 14 February 2022)
Mr. Lam Yick Hing (resigned on 1 April 2022)

Non-executive Director

Dr. Leung Kin Cheong Laurent

Independent Non-executive Directors

Mr. Choi Tak Fai
Ms. Lee Pui Ching
Ms. Lau Mei Suet

COMPANY SECRETARY

Mr. Lee Chan Wah

AUTHORISED

REPRESENTATIVES

Mr. Lee Chun Wai
Ms. Lee Chan Wah (appointed on 1 April 2022)
Mr. Lam Yick Hing (resigned on 1 April 2022)

AUDIT COMMITTEE

Ms. Lau Mei Suet (Chairlady)
Mr. Choi Tak Fai
Ms. Lee Pui Ching

NOMINATION

COMMITTEE

Mr. Lee Chun Wai (Chairman)
Ms. Lee Pui Ching
Ms. Lau Mei Suet

REMUNERATION

COMMITTEE

Ms. Lau Mei Suet (Chairlady)
Mr. Lee Chun Wai
Ms. Lee Pui Ching

REGISTERED OFFICE

Clifton House
75 Fort Street
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Units 502A, 503 and 503A
5/F, Tower 2, Admiralty Centre
No. 18 Harcourt Road
Hong Kong

AUDITORS

Crowe (HK) CPA Limited
9/F, Leighton Centre
77 Leighton Road
Causeway Bay
Hong Kong

PRINCIPAL BANKER

The Hong Kong and Shanghai Banking
Corporation Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited
Clifton House
75 Fort Street
P.O. Box 1350
Grand Cayman
KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

STOCK CODE

8340

WEBSITE

<http://www.hklistco.com/8340>

Interim Results (Unaudited)

The board of Directors (the “Board”) is pleased to present the unaudited condensed consolidated results of the Group for the six months ended 30 June 2022 together with the comparative unaudited figures for the corresponding periods in 2021 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Three months ended 30 June		Six months ended 30 June	
		2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Revenue	2	5,267	3,745	10,347	4,895
Operating expenses		(6,624)	(2,581)	(11,586)	(5,501)
Profit/(loss) from operations and before taxation		(1,357)	1,164	(1,239)	(606)
Income tax	4	—	—	—	—
Profit/(loss) for the period and attributable to owners of the Company		(1,357)	1,164	(1,239)	(606)
Other comprehensive expense for the period, net of income tax		(29)	—	(29)	—
Total comprehensive income/(expense) for the period attributable to owners of the Company		(1,386)	1,164	(1,268)	(606)
Earnings/(loss) per share (expressed in HK cents per share)					
— Basic and diluted	5	(0.21)	0.18	(0.19)	(0.09)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	30 June 2022 HK\$'000 (unaudited)	31 December 2021 HK\$'000 (audited)
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Non-current assets			
Property, plant and equipment	6	9,903	4,927
Rental and other deposits paid		1,331	1,052
		11,234	5,979
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Current assets			
Trade and other receivables	7	11,769	5,396
Cash and cash equivalents		16,112	27,131
		27,881	32,527
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Current liabilities			
Accrued expenses		21	220
Contract liabilities		—	1,685
Lease liabilities		3,182	2,853
Tax payable		58	58
		3,261	4,816
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Net current assets		24,620	27,711
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Non-current liabilities			
Lease liability		5,483	2,051
Provision		200	200
		5,683	2,251
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NET ASSETS		30,171	31,439
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Capital and reserves			
Share capital	8	6,400	6,400
Reserves		23,771	25,039
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TOTAL EQUITY		30,171	31,439
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2022

	Attributable to owners of the Company				
	Share capital HK\$'000	Share premium and reserve HK\$'000	Exchange reserve HK\$'000	(Accumulated losses)/ Retained earnings HK\$'000	Total equity HK\$'000
At 1 January 2021 (audited)	6,400	21,787	—	(2,581)	25,606
Loss and total comprehensive loss for the period	—	—	—	(606)	(606)
At 30 June 2021 (unaudited)	6,400	21,787	—	(3,187)	25,000
At 1 January 2022 (audited)	6,400	21,787	—	3,252	31,439
Loss for the period	—	—	—	(1,239)	(1,239)
Exchange differences arising on translation of foreign operation	—	—	(29)	—	(29)
Total comprehensive expense for the period	—	—	(29)	(1,239)	(1,268)
At 30 June 2022 (unaudited)	6,400	21,787	(29)	2,013	30,171

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Six months ended 30 June	
	2022	2021
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Net cash used in operations activities	(7,915)	(1,142)
Net cash used in investing activities	(1,401)	—
Net cash used in financing activities	(1,703)	(785)
Net decrease in cash and cash equivalents	(11,019)	(1,927)
Cash and cash equivalents at beginning of the period	27,131	25,322
Cash and cash equivalents at end of period	16,112	23,395

1. BASIS OF PREPARATION

The Group's unaudited condensed consolidated half yearly financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange.

The unaudited condensed consolidated half yearly financial statements comprise the Company and its subsidiaries (together referred to as the "Group").

Items included in the unaudited condensed consolidated half yearly financial statements of each entity of the Group are measured using the currency of primary economic environment in which the entity operates (the "functional currency"). These financial statements are presented in Hong Kong dollars ("HK\$"), rounded to the nearest thousand except for per share data. HK\$ is the Company's functional and the Group's presentation currency.

The measurement basis used in the preparation of the financial statements is the historical cost basis.

The preparation of the financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, 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 amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and 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.

The condensed consolidated financial statements have not been audited by the auditors of the Company but have been reviewed by the audit committee of the Company.

2. REVENUE

The principal activity of the Group is the provision of financial services in Hong Kong. Revenue represents income from the provision of corporate financial advisory services for the six months ended 30 June 2022 and 2021.

3. SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results by operating segment, based on information provided to the chief operating decision maker ("CODM") representing the board of directors of the Company, for the purpose of allocating resources to segments and assessing their performance, this is also the basis upon which the Group is arranged and organised.

During the six months ended 30 June 2022, the Group commenced to develop an asset management business in Hong Kong. This resulted in a new operating segment in 2022.

The Group's operations are currently organised into two (for the six months ended 30 June 2021: one) reporting and operating segments under HKFRS 8, namely corporate financial advisory services and asset management services.

Segment revenue and results

	Segment revenue		Segment (losses) profits	
	Six months ended		Six months ended	
	30 June		30 June	
	2022	2021	2022	2021
HK\$'000	HK\$'000	HK\$'000	HK\$'000	
(unaudited)	(unaudited)	(unaudited)	(unaudited)	
Corporate financial advisory services	10,347	4,895	5,934	86
Asset management services	—	—	(419)	—
Total	10,347	4,895	5,515	86
Unallocated expenses			(6,754)	(692)
Loss for the period			(1,239)	(606)

	Segment revenue		Segment (losses) profits	
	Three months ended		Three months ended	
	30 June		30 June	
	2022	2021	2022	2021
HK\$'000	HK\$'000	HK\$'000	HK\$'000	
(unaudited)	(unaudited)	(unaudited)	(unaudited)	
Corporate financial advisory services	5,267	3,745	2,306	1,451
Asset management services	—	—	(111)	—
Total	5,267	3,745	2,195	1,451
Unallocated expenses			(3,552)	(287)
(Loss)/Profit for the period			(1,357)	1,164

All of the segment revenue reported above are from external customers.

Segment (losses) profits represent the (losses) profit (incurred) earned by each segment without allocation of unallocated expenses (which mainly include central administration costs and directors' salaries). This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities

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

	30 June 2022 HK\$'000 (unaudited)	31 December 2021 HK\$'000 (audited)
Segment assets		
Corporate financial advisory services	33,138	24,794
Asset management services	2,330	5
Total segment assets	35,468	24,799
Unallocated bank balances and cash	658	10,339
Unallocated assets	2,989	3,368
Consolidated assets	39,115	38,506
Segment liabilities		
Corporate financial advisory services	6,368	3,992
Asset management services	—	—
Total segment liabilities	6,368	3,992
Unallocated liabilities	2,576	3,075
Consolidated liabilities	8,944	7,067

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating and reportable segments other than certain property, plant and equipment, certain deposits and prepayments and certain bank balances and cash.
- all liabilities are allocated to operating and reportable segments other than certain accruals and other payables.

Geographical information

The Group operates in two principal geographical areas — Hong Kong and Singapore.

The Group's revenue from external customers by location of operations for the six months ended 30 June 2022 and 2021 are detailed below:

	Revenue from external customers	
	Six months ended	
	30 June	
	2022	2021
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Hong Kong	9,345	4,895
Singapore	1,002	—
Total	10,347	4,895

The Group's information about its non-current assets by location of the assets for the six months ended 30 June 2022 and year ended 31 December 2021 are detailed below:

	Non-current assets	
	30 June	31 December
	2022	2021
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Hong Kong	4,653	5,979
Singapore	6,581	—
Total	11,234	5,979

4. INCOME TAX

Taxation in the condensed consolidated statement of profit or loss and other comprehensive income.

	Six months ended 30 June	
	2022	2021
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current tax		
Hong Kong Profits Tax	—	—

The provision for Hong Kong Profits Tax is calculated at 16.5% (2021: 16.5%), except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime. For this subsidiary, the first HK\$2,000,000 of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to income tax in these jurisdictions.

5. EARNINGS/(LOSS) PER SHARE

a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is based on the loss attributable to owners of the Company of approximately HK\$1.24 million (2021: loss attributable to owners of the Company of approximately HK\$606,000) and the weighted average of 640,000,000 (2021: 640,000,000) ordinary shares in issue during the period.

b) Diluted earnings/(loss) per share

There were no dilutive potential ordinary shares in issue for the six months ended 30 June 2022 and 2021, and diluted earnings/(loss) per share is the same as basic earnings/(loss) per share.

6. PROPERTY, PLANT AND EQUIPMENT

	Properties leased for own use HK\$'000	Furniture & Fixtures HK\$'000	Office equipment HK\$'000	Leasehold improvements HK\$'000	Total HK\$'000
Net book value at 1 January 2021	177	9	37	52	275
Additions	6,557	—	—	—	6,557
Disposals	—	(117)	(105)	—	(222)
Written back on disposal	—	108	72	—	180
Depreciation	(1,834)	—	(4)	(25)	(1,863)
Net book value at 1 January 2022	4,900	—	—	27	4,927
Additions	5,299	155	88	1,158	6,700
Depreciation	(1,614)	(11)	(6)	(93)	(1,724)
Net book value at 30 June 2022	8,585	144	82	1,092	9,903

7. TRADE AND OTHER RECEIVABLES

The Group's receivables are due within a credit period of 30 days to 45 days from the date of billing. The Group does not obtain collateral from customers. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the senior management.

	30 June 2022 HK\$'000 (unaudited)	31 December 2021 HK\$'000 (audited)
Trade receivables	10,827	5,440
Less: allowance for doubtful debts	(31)	(64)
	10,796	5,376
Deposits	973	20
	11,769	5,396

During the six months ended 30 June 2022, a reversal of allowances for doubtful debts on trade receivables of HK\$33,000 (for the six months ended 30 June 2021: nil) was recognised.

The aging analysis of the trade receivable at the balance sheet dates are as follows:

	30 June 2022 HK\$'000 (unaudited)	31 December 2021 HK\$'000 (audited)
Within 3 months	3,907	4,376
After 3 months	6,889	1,000
	10,796	5,376

8. SHARE CAPITAL

	30 June 2022 HK\$'000 (unaudited)	31 December 2021 HK\$'000 (audited)
Authorised: 200,000,000,000 ordinary shares of HK\$0.01 each	2,000,000	2,000,000
Issued and fully paid: 640,000,000 ordinary shares of HK\$0.01 each	6,400	6,400

9. DIVIDEND

The Directors do not recommend the payment of any dividend for the six months ended 30 June 2022 (2021: nil).

Management Discussion and Analysis

BUSINESS REVIEW

During the period under review, the Group is continuously engaged in provisional of financial related services in Hong Kong including but not limited to advisory, placing and underwriting as well as initial public offering related projects. As a results of the current Omicron COVID-19 variant driven wave of the pandemic emerging in Hong Kong and mainland China, the country saw a rise in daily cases with ten thousands new cases reported daily throughout March and into April. Many provinces have been placed under lockdown after number of reported cases were escalated in mainland China. In late March, China unexpectedly announced the largest city-wide lockdown since the outbreak began in which Shanghai had been locked down in two stages. Lockdowns were also implemented in many cities in Guangdong province as well and authorities in Guangzhou closed the city to most arrivals and only allowed citizens with a “definite need” to leave. In early of April, it was estimated that 23 cities in China have been implementing either full or partial lockdowns. Travel to and from China is strictly limited, and there are restrictions on internal movement, which halts all activities and only allows each household to one person with a negative test result to go out once a day to purchase basic supplies. The lockdowns and Omicron COVID disruptions severely dented the Group’s marketing activities, due diligence works as well as suspension of PRC clients’ business operation and the financial position of our clients. In addition, quarantine travel in Hong Kong is still restricted staff of the Group to return from different countries. Some of the planned projects and marketing activities of the Group have been postponed as the Group’s clients, especially which operating in the PRC are being affected. The performance of the Group had been temporarily impacted. However, Hong Kong is being one of the key global financial centre, the Group is confident that the Group’s performance would be improved gradually once the pandemic situation in Hong Kong and mainland China are under control and the travel restrictions are released.

During the period under review, the Group has established a Singapore representative office thru its newly incorporated wholly-owned subsidiary in Singapore to cope with the travel restrictions. As the HKSAR government has not lifted the quarantine measures for all inbound travellers, business travelling without resuming quarantine-free arrangement would be time consuming and high costs. In fact, the newly recruited staff in the representative office in Singapore can now assist the Group to handle partial of the coordination works in South East Asia. Furthermore, the staff from Hong Kong can now also station in the representative office in Singapore to work or to have meetings with clients during the travel.

In addition, the Group has been granted with the licenses to carry out type 4 (advising on securities) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (“SFO”) in late March 2022. Through asset management operations, the Board believes that the Group could be benefits from receiving stable management fee income which could enhance the financial performance of the Group in the long run as asset management is relatively less affected by unforeseeable situations like COVID-19 and lockdowns.

As at the early stages of these business developments, additional in operating expenses including (i) setup costs of the new Singapore subsidiary such as company formation service fee, government fee and company secretarial fee; and (ii) the new business activities including one-off set up and renovation works for the new representative office, costs of furniture and computer equipment, rental expenses, utility costs and additional staff costs of the Group has temporarily impacted the financial performance of the Group.

The Group has actively maintained frequent communication and meetings with existing customers and potential new customers in relation to potential corporate finance related opportunities. Although the business operations of the Group continued to experience severe competitions from competitors during the uncertain economic climate, the Group would continue to use its best endeavor to improve the efficiency and effectiveness of the operation.

OUTLOOK

The outbreak of COVID-19 since 2020 lead to uncertain macroeconomic environment and remain the biggest uncertainty the Group will face in 2022. Looking ahead, the central government has rolled out stringent movement restrictions, mass testing programs, and lockdowns to support its zero-COVID strategy. Numerous localised disruptions to factories and key logistics breakdown seems inevitable, which lead to adverse impact on our client's business and the mobility of the Group's staff.

In response to the uncertainty in the Hong Kong economy, the Group will take conservative and prudent business strategies in order to support daily business operations and to cope with the economic uncertainty in the near future. Notwithstanding the challenging economics environment, the Group's revenue generated from the provision of corporate finance advisory services increased by approximately 111.4% as compared to the correspondence period of last year. The management believe that the revenue will continue an upward trend despite the market instability are expected to remain.

On the other hand, being one of the most important financial centres for global financial markets, Hong Kong remained an important link to the China market. According to the Securities and Futures Commission's (SFC) latest Asset and Wealth Management Activities Survey, industry AUM increased by 2% year-on-year to HK\$35,546 billion in 2021, with net fund inflows of HK\$2,152 billion. The number of registered open-ended fund companies increased by 500% year-on-year to 486 with 95 sub-funds, including 21 ETFs with a market capitalisation of HK\$16.7 billion as at the end of 2021. The Group's asset management business was still at an early development stage and the Group will continue to develop this business segment and to launch relevant products and services to customers when appropriate. While corporate finance advisory is and will be the Group's key focus, the management believes that through our new asset management operations, the Group could be benefits from receiving stable management fee income which could enhance the financial performance of the Group in the long-run as asset management is relatively less affected by unforeseeable situation like COVID-19.

The Group will continue to monitor the development of the COVID-19 pandemic, strengthen its cost control and resources management by executing flexible strategies to face the challenges in order to maintain its competitiveness in the market. Meanwhile, the Group will also explore other potential business opportunities in order to diversify the Group's business and create new source of revenue to the Group.

The Board is confident to be able to tackle and alleviate the adverse impacts of the epidemic and the uncertainties in relation to the global politics. As one of the well-established one-stop local corporate finance advisory firms in Hong Kong, the Board is of the opinion that the business of the Group is on the right track and the business of the Group is viable and sustainable in the long run.

FINANCIAL REVIEW

For the six months ended 30 June 2022, the Group recorded a turnover of approximately HK\$10.35 million (2021: approximately HK\$4.90 million) of which approximately HK\$9.35 million (2021: approximately HK\$4.90 million) and approximately HK\$1.00 million (2021: nil) was generated from the market in Hong Kong and Singapore respectively. The loss attributable to owners of the Company for the six months ended 30 June 2022 was approximately HK\$1.24 million (2021: loss attributable to owners of the Company of approximately HK\$606,000).

The operating expenses increased in line with the revenue. As compared to the last corresponding period, the significant increase in operating expenses was mainly due to (i) one-off set up costs for the new representative office in Singapore; (ii) increase in the depreciation of right-of-use assets as the result of two new office premises were leased by the Group in Hong Kong and Singapore respectively; and (iii) increase in directors' remuneration and staff costs, including the staff of the new Singapore representative office. The Group believes that the financial performance has been temporarily affected due to (i) withholding of certain projects as our clients' financial performance have been deteriorated mainly because of the continuous weak business environment caused by the COVID-19 pandemic; and (ii) some of our potential projects postponed due to the travel restrictions as well as uncertainties about the extent and continuity of the epidemic. The Group remained in a healthy and sound liquidity position as at 30 June 2022. The Group recorded a loss attributable to owners of the Company for the three months ended 30 June 2022 amounted to approximately HK\$1.36 million which resulted the overall loss attributable to owners of the Company from a profit attributable to owners of the Company of approximately HK\$118,000 for the three months ended 31 March 2022 to a loss attributable to owners of the Company of approximately HK\$1.24 million for the six months ended 30 June 2022.

LIQUIDITY AND FINANCIAL RESOURCES

The Group maintained a healthy and stable cash position and sufficient working capital during the six months ended 30 June 2022. As at 30 June 2022, the net current assets of the Group, calculated by current assets less current liabilities, was approximately HK\$24.62 million (31 December 2021: approximately HK\$27.71 million).

The Group did not have any bank borrowings as at 30 June 2022 (31 December 2021: nil) and hence the gearing ratio (31 December 2021: not applicable) was not applicable as at 30 June 2022.

CAPITAL STRUCTURE

The capital of the Group comprises only ordinary shares. As at 30 June 2022, the total number of the ordinary shares of the Group was 640,000,000 shares.

CHARGES ON ASSETS

As at 30 June 2022, the Group did not have any charges on its assets.

EXCHANGE RATE RISK

The Group does not have a foreign currency hedging policy but foreign currency transactions have been translated into the functional currencies using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies were recognised in profit or loss. In the event of fluctuating foreign exchange rates, there is a risk exposure to that settlement of payment for customers and suppliers may not be reconciled. The exposed amount of foreign currencies would be monitored regularly, forward contracts would be entered for hedging the risks if considered necessary.

INFORMATION ON EMPLOYEES

As at 30 June 2022, the Group had a workforce of 16 employees (2021: 16 employees). The total staff costs, including directors' emoluments, amounted to approximately HK\$8.42 million (2021: approximately HK\$3.58 million) for the half year under review. The Group's remuneration policies are determined by reference to market terms as well as the performance, qualification and experience of individual employee.

CONTINGENT LIABILITIES

As at 30 June 2022, the Group did not have any significant contingent liabilities.

SIGNIFICANT INVESTMENT HELD

The Group did not hold any significant investment for the six months ended 30 June 2022.

MATERIAL ACQUISITIONS AND DISPOSALS AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

During the six months ended 30 June 2022, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies. The Group had no specific future plan for material investments or capital assets as at 30 June 2022.

EVENT AFTER REPORTING PERIOD

There was no significant event after the six months ended 30 June 2022 and up to the date of this report.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2022, the interests or short positions of the Directors and the chief executive of the Company in the shares ("Shares"), underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Interests in the Company

Name of Director	Nature of interest	Number of shares directly and beneficially held	Approximate percentage of shareholdings
Mr. Lee Chun Wai	Beneficial owner	138,790,000	21.69%

Save as disclosed herein, as at 30 June 2022, none of the Directors or chief executive of the Company or their associates had any interests and short positions in any shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which each of them have taken or deemed to have taken under the provisions of the SFO); or which were required, pursuant to section 352 of the SFO, to be entered into the register referred to therein; or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

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

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

Interests in the Company

Names	Nature of interest	Number of ordinary Shares beneficially held	Approximate percentage of shareholdings
Mr. Lee Chun Wai	Beneficial owner	138,790,000	21.69%

Save as disclosed above, as at 30 June 2022, the Directors are not aware of any other person, other than the Directors and the chief executive of the Company who had, or was deemed to have, interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; or who is directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or options in respect of such share capital.

Directors' Interest in a Competing Business

For the six months ended 30 June 2022, the Directors are not aware of any business or interest of the Directors, the management shareholders of the Company and their respective associates (as defined under the GEM Listing Rules) that compete or may compete (directly or indirectly) with the business of the Company and any other conflicts of interests which any such person has or may have with the Company.

Share Option Scheme

No share options were granted, exercised or cancelled by the Company under the Share Option Scheme and there are no outstanding share option under the Share Option Scheme as at the date of this report.

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 30 June 2022, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the listed securities of the Company.

Corporate Governance

Save and except the following deviation from the code provision set out in the Corporate Governance Code and Corporate Governance Report as contained in Appendix 15 to the GEM Listing Rules (the "CG Code and Report"), the Company had, during the period under review, complied with the code provision set out in CG Code and Report.

Code provisions set out in the CG Code and Report

Reasons for deviations

A.2.1 The Chairman and Chief Executive Officer of the Company were performed by the same individual.

The Company's size is still relatively small and thus not justified in separating the role of Chairman and Chief Executive Officer.

The Group has in place internal control system to perform the check and balance function.

The Board has continued to monitor and review the Group's progress in respect of corporate governance practices to ensure compliance.

Code of Conduct regarding securities transactions by Directors

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company also had made specific enquiry of all Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transaction by Directors during the six months ended 30 June 2022.

Remuneration Committee

The Company established a remuneration committee with written terms of reference in compliance with the GEM Listing Rules. The principal duties of the remuneration committee are to review and to make recommendation for the remuneration policy of the directors and senior management. The remuneration committee comprises of one executive Director, namely Mr. Lee Chun Wai and two independent non-executive Directors, namely Ms. Lau Mei Suet (chairlady of the remuneration committee) and Ms. Lee Pui Ching.

Nomination committee

The Company established a nomination committee with written terms of reference in compliance with the GEM Listing Rules. The principal duties of the nomination committee are to formulate nomination policy and to make recommendations to the Board on nomination and appointment of directors and board succession. The nomination committee comprises of one executive Director, namely Mr. Lee Chun Wai (chairman of the nomination committee) and two independent non-executive Directors, namely Ms. Lee Pui Ching and Ms. Lau Mei Suet.

Audit Committee

The Company has established an audit committee with written terms of reference on in compliance with the GEM Listing Rules. The principal duties of the audit committee are to review and to supervise the financial reporting process and internal control systems of the Group. The audit committee comprises of three independent non-executive Directors, namely Ms. Lau Mei Suet (chairlady of the audit committee), Mr. Choi Tak Fai and Ms. Lee Pui Ching.

The audit committee has reviewed the financial statements of the Group for the six-month period ended 30 June 2022 pursuant to the relevant provisions contained in the Code on Corporate Governance Practices as set out in Appendix 15 of the GEM Listing Rules and was of the opinion that the preparation of such statements complied with applicable accounting standards and that adequate disclosure has been made in respect thereof.

Disclosure of information on Directors pursuant to Rule 17.50A(1) of the GEM Listing Rules

The change in information on Directors subsequent to the date of the 2021 annual report of the Company, which is required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules, is set out below:

Name of Director	Details of Changes
Mr. Lee Chun Wai	— resigned as an independent non-executive director of Anchorstone Holdings Limited (Stock Code: 1592), a company incorporated in the Cayman Islands with limited liability and its issued shares are listed on the Main Board of the Stock Exchange with effect from 28 June 2022

By order of the Board
Zijing International Financial Holdings Limited
Lee Chun Wai
Chairman

Hong Kong, 10 August 2022

As at the date of this report, the Board comprises Mr. Lee Chun Wai and Mr. Lee Chan Wah being the executive Directors; Dr. Leung Kin Cheong Laurent being the non-executive Director; and Mr. Choi Tak Fai, Ms. Lee Pui Ching and Ms. Lau Mei Suet being the independent non-executive Directors.