

# GOLDLION HOLDINGS LIMITED 金利來集團有限公司

Stock Code 股份代號：00533

# 2024

Interim Report  
中期報告



 Goldlion®

## CHAIRMAN'S STATEMENT

### OPERATING RESULTS

#### *Turnover*

The Group recorded a total turnover HK\$603,261,000 during the period under review, representing a decrease of 9% from HK\$661,236,000 of the corresponding period last year, which was mainly due to the decrease in apparel sales in China Mainland.

#### *Cost of sales and gross profit*

Cost of sales for the period was HK\$241,390,000, mainly including cost of inventories sold of our apparel operation of HK\$189,561,000, provision for impairment of inventories of HK\$12,350,000, cost of properties sold of HK\$21,079,000 and direct operating expenses arising from investment properties of HK\$17,596,000.

During the period, the cost of inventories sold of our apparel operation was HK\$189,561,000, representing a decrease of 13% from HK\$218,044,000 of the same period last year. Gross profit margin excluding the effect of impairment of inventories was 56.9%, which was higher than the margin of 54.7% for the corresponding period last year. Proportion of the sales from self-operated retail sales with higher gross profit margin was higher than last year. With a higher inventory level during the period, the Group recorded a provision for impairment of inventories of HK\$12,350,000 which was higher than the amount of HK\$4,441,000 of the same period last year.

Due to the decrease in income from property sales, cost of properties sold amounting to HK\$21,079,000 of the period was 32% lower than the same period last year. Gross profit margin from property sales was 25.6%, slightly lower than 27.9% of last year.

The direct operating expenses arising from investment properties for the period was HK\$17,596,000, representing a decrease of approximately 3% when compared with HK\$18,209,000 of the same period last year. The rate of decrease is in line with the decrease in total rental income and building management fees during the period.

#### *Other losses*

During the period, the Group recorded fair value losses on investment properties of HK\$19,818,000, representing a decrease of 13% when compared with the losses of HK\$22,856,000 of the same period last year.

#### *Operating expenses*

Selling and marketing costs mainly consist of manpower costs for sales staff, rental expenses of the sales outlets, operating costs for e-commerce sales platforms, advertising and promotion, and relevant marketing expenses and tax fees relating to the Meixian property development project. The Group recorded selling and marketing costs of HK\$207,764,000 for the period and was in line with the amount of HK\$207,278,000 of the same period last year.

Administrative expenses mainly consist of manpower costs for non-sales staff, depreciation and amortization charges and other miscellaneous expenses. The Group recorded administrative expenses of HK\$78,365,000 for the period, lower than the amount of HK\$81,124,000 of the same period last year by 3%.

## **CHAIRMAN'S STATEMENT** *(continued)*

### **OPERATING RESULTS** *(continued)*

#### **Operating profit**

Operating profit for the period amounted to HK\$55,924,000, a decrease of approximately 28% from HK\$77,869,000 of the same period last year. The operating profit margin of 9.3% was lower than the margin of 11.8% of the same period last year.

#### **Profit attributable to owners of the Company**

The Group recorded a net interest income of HK\$12,215,000 for the period and was in line with the same period last year's HK\$12,419,000.

After accounting for the reversal of tax for fair value losses on investment properties amounting to HK\$4,573,000 (HK\$8,553,000 for the corresponding period last year), the income tax expense for the period was HK\$9,899,000 and was lower than the amount of HK\$11,680,000 of the same period last year. Effective tax rate excluding fair value losses on investment properties and the related tax effect was 16.5% and was also lower than the corresponding period last year's 17.9%.

The Group's profit attributable to owners of the Company for the period was HK\$58,233,000, decreased by approximately 26% from HK\$78,608,000 of the same period last year. Profit for the period would be HK\$73,478,000 if the net fair value losses after tax on investment properties of HK\$15,245,000 (HK\$14,303,000 for the corresponding period last year) were excluded, and was approximately 21% lower than the amount of HK\$92,911,000 of the same period last year.

### **BUSINESS REVIEW**

#### **Apparel Business**

##### **China Mainland and Hong Kong SAR Markets**

As anticipated in the annual results announcement published in March this year, the economic downturn in China Mainland continued during the first half of the year. Due to the combined impact of declining consumption, real estate crisis and unfavorable external factors, the operating environment was extremely tough. The overall turnover of the apparel business in China Mainland for the period amounted to HK\$420,797,000, decreased by approximately 9% from the corresponding period last year, representing a decrease of 8% in RMB.

In China Mainland, the Group has continued to conduct its apparel operation through wholesaling to distributors in various cities and provinces, primarily through self-operated retail shops and factory outlets located mainly in Guangzhou, Shanghai, Beijing, Chongqing, Liaoning, Jilin and Shandong, as well as through e-commerce and custom-ordering.

During the period, our wholesaling business focused on the supply of our 2024 spring and summer products to distributors. Orders for related products were placed by distributors in August last year and decreased as compared with previous year. Together with the increased rate of returns and exchanges offered to distributors, the sales to distributors in RMB decreased by approximately 25%. During the period, the sales of this business accounted for approximately 29% of the Group's apparel sales in China Mainland.

During the period, as the domestic retail market remained quiet and consumption sentiment slumped, along with the higher base of comparison stimulated by recovery of the consumer market after the epidemic in the first half of last year, sales from self-operated retail shops decreased by approximately 3% in RMB from the corresponding period last year. Sales in major operating regions declined compared with last year. During the period, the sales from this business accounted for approximately 19% of the Group's apparel sales in China Mainland.

**CHAIRMAN'S STATEMENT** *(continued)***BUSINESS REVIEW** *(continued)***Apparel Business** *(continued)***China Mainland and Hong Kong SAR Markets** *(continued)*

Due to the increased number of shops, the sales from the Group's factory outlets increased by approximately 3% in RMB compared with the corresponding period last year. However, excluding the effect of new stores, the same-store sales declined by approximately 5%.

At the end of the period, the Group's apparel products were sold through approximately 810 retail outlets in China Mainland, among which 132 were self-operated (including 37 factory outlets and 3 "Goldlion 3388" lifestyle stores). During the period, the Group continued to operate 3 "Goldlion 3388" lifestyle stores in Shanghai and Guangzhou to promote the brand culture of "Goldlion". During the period, operating loss of this operation after various expenses and provisions amounted to HK\$8,931,000.

The e-commerce business of the Group was also affected by the market downturn during the period. Sales in RMB were on similar level as the corresponding period last year. During the period, the sales were mainly generated from special products with only a small proportion from non-special products. During the period, the sales accounted for approximately 30% of the Group's apparel sales in China Mainland.

Due to the increase of orders and a lower base of comparison last year, sales of custom-made corporate uniforms registered a year-on-year increase of approximately 80% in RMB. However, such business accounts for a small proportion of the Group's domestic apparel sales.

During the period under review, the Group continued to grant licenses for distribution of shoes, leather goods, undergarments and casual wear in China Mainland. Licensing fees were charged in accordance with the terms in the relevant licensing agreements during the period. The Group recorded a licensing income of HK\$40,356,000 during the period, representing an increase of approximately 4% from the corresponding period last year.

**Singapore Markets**

The Group's Singapore business was also affected by the sluggish external economic environment and the slowdown in local retail market, resulting in lower-than-expected performance. During the period, the apparel business recorded sales amounted to HK\$18,535,000, representing an increase of 5% as compared with HK\$17,703,000 of the corresponding period last year. However, excluding the effect of new stores, same-store sales decreased by 2%.

Since the opening of two new shops in the second half of last year, the Group currently operates a total of 5 Goldlion shops and 6 counters in Singapore.

Since bigger discounts were offered to stimulate sales during the period, gross profit margin excluding the effect of impairment of inventories was 54%, which was slightly lower than 55% of last year. The provision for impairment of inventories during the period amounted to HK\$236,000, which was lower than HK\$1,218,000 of last year.

Due to the effect of the provision for new store leases and impairment of decoration amounted to HK\$1,115,000, the Group's Singapore business recorded a loss of HK\$2,337,000 during the period, higher than the loss of HK\$1,482,000 last year.

## **CHAIRMAN'S STATEMENT** *(continued)*

### **BUSINESS REVIEW** *(continued)*

#### **Property Investment and Development**

The Group's investment property portfolio had no significant changes during the period when compared with the end of last year. The value of such properties after independent professional valuation amounted to approximately HK\$2,641,849,000 at the end of the period, of which property holdings in China Mainland, Hong Kong and Singapore were approximately HK\$1,403,487,000, HK\$1,181,000,000 and HK\$57,362,000 respectively. Due to the decreases in valuation amounts and RMB exchange rate, total value of investment properties in Hong Kong dollar was lower than the amount of HK\$2,686,658,000 at the end of last year. The Group's fair value losses on investment properties as based on the same independent valuation amounted to HK\$19,818,000, whereas the fair value losses were HK\$22,856,000 for the corresponding period last year. The losses during the period were mainly derived from the property holdings in China Mainland, especially the Goldlion Digital Network Centre in Guangzhou, while the fair value for properties in Hong Kong also decreased slightly. During the period, the Group's rental income and building management fees amounted to HK\$74,299,000 and HK\$20,560,000, respectively, the total of which represented a decrease of approximately 3% over last year. The decrease was mainly due to the increase in vacant units.

During the period, demand for office space was low in China Mainland. In Guangzhou, the leasing of Goldlion Digital Network Centre is yet to be improved. Rental income and building management fees in RMB were approximately 4% lower than that of last year. The overall occupancy rate was approximately 81%, which was lower than the 83% of last year. During the period, as the premises in Yuan Village in Guangzhou continued to completely lease out, rental income and building management fees increased by approximately 3% in RMB.

In Shenyang, leasing of Goldlion Commercial Building remained stable. Total rental income and building management fees in RMB increased by 8% from last year.

Due to the vacancy of certain units since the second half of last year, the overall rental income and building management fees generated from the Group's Goldlion Holdings Centre in Shatin decreased by approximately 9% during the period as compared with last year, with an occupancy rate of approximately 89%. Besides, the property at No. 3 Yuk Yat Street, To Kwa Wan had been fully leased out, resulting in an increase of approximately 4% in overall income from last year.

The Group's property development project "Goldlion Garden" in Meixian including high-rise buildings with an aggregate of 976 residential units was fully completed at the end of last year. As of the end of the period, there were approximately 668 units to be sold. Under the stagnant property market with extremely sluggish sales in China Mainland, the Group only recognized income from property sales of HK\$28,334,000 and gross profit of HK\$7,255,000 during the period. In addition, 47 low-rise units of the project are expected to be completed successively in the second half of the year.

The Group established a new energy company engaging in photovoltaic business in China Mainland last year. In the first half of the year, the company has completed investment project with approximately HK\$9,071,000. However, given the short time span, the company only recorded electricity sales income of HK\$380,000 and a slight profit during the period.

**CHAIRMAN'S STATEMENT** *(continued)***PROSPECTS**

The Group expects that the macroeconomic environment in China Mainland is still volatile and various complex factors continue to disrupt the market, resulting in weak consumer confidence and market momentum, which are unlikely to improve in near future. The operating prospects in the second half of 2024 remain challenging.

The Group will continue to improve product quality, strengthen self-operated retailing capabilities and optimize various sales channels including distributors in respect of the apparel business in China Mainland. On the sales fair of 2025 spring and summer collections held in the end of August 2024, initial response was below expectation and it is expected that the orders will be delivered to distributors in the first half of 2025. The Group will also continue to promote its brand concept, including building a brand museum located in Meizhou. In addition, the Group will continue to improve the operation of the apparel business in Singapore and enhance its sales network to ensure a sustainable growth of business.

In respect of property investment business, the Group will continue to improve the leasing of Goldlion Digital Network Centre and other properties by reducing its vacancies, as well as to sell the remaining units of “Goldlion Garden” in Meixian based on the actual market conditions.

**FINANCIAL POSITION**

As at 30th June 2024, the Group had cash and bank balances (including restricted cash of HK\$1,314,000) of approximately HK\$1,076,271,000, which was HK\$12,530,000 lower than that at the end of last year. During the period, the Group recorded a net cash inflow from operating activities of HK\$77,377,000 and received interest income of HK\$14,891,000. However, the Group also paid dividends of HK\$38,954,000, increased fixed assets of HK\$31,708,000 and paid principal elements of lease payments of HK\$10,798,000. Besides, changes in foreign exchange rate during the period resulted in a decrease in cash and bank balances of HK\$25,593,000.

As at 30th June 2024, the Group did not have any bank loans or overdrafts. The gearing ratio, defined as the ratio of total lease liabilities less cash and bank balances divided by total equity, was zero.

As at 30th June 2024, the Group's current assets and liabilities were HK\$2,196,920,000 and HK\$396,327,000 respectively, with a current ratio at 5.5. Total current liabilities were 9% of the average capital and reserves attributable to owners of the Company of HK\$4,380,904,000.

As at 30th June 2024, the Group did not have any material contingent liabilities and had not charged any of the Group's assets. For the “Goldlion Garden” project in Meixian, the total property development expenditure authorized but not contracted for and contracted but not provided for were HK\$18,000,000 and HK\$33,760,000 respectively.



## **CHAIRMAN'S STATEMENT** *(continued)*

### **FINANCIAL POSITION** *(continued)*

As at 30th June 2024, the Group had guarantees in respect of mortgage facilities for certain property buyers amounting to HK\$14,652,000. Pursuant to the terms of the guarantees, upon default in mortgage payments by these buyers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted buyers to the banks and the Group is entitled to retain the legal title and take over the possession of the related properties. The above guarantees are to be discharged upon the earlier of (i) the banks received the corresponding real estate ownership certificates as custody; or (ii) the satisfaction of mortgaged loans by the property buyers. The Board considers that in case of default in payments, the net realizable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty. Therefore, no provision has been made in the financial statements for the guarantees.

The Group conducted the business mainly in the China Mainland market through its PRC subsidiaries. Most of the relevant transactions were denominated in RMB and transactions involving foreign currencies were minimal. Foreign currency exposure did not pose a significant risk for the Group, but we will remain vigilant and closely monitor our exposure to movements in relevant currencies.

### **ACKNOWLEDGEMENT**

On behalf on the Board, I would like to extend my gratitude to our staff for their dedication and continuous support.

**Mr. Tsang Chi Ming, Ricky**

Chairman and Chief Executive Officer

Hong Kong, 15th August 2024 (with the revision of the condensed consolidated interim balance sheet as at 30th June 2024 approved on 20th September 2024)

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION****羅兵咸永道**

**To the Board of Directors of Goldlion Holdings Limited**  
*(incorporated in Hong Kong with limited liability)*

**INTRODUCTION**

We have reviewed the interim financial information set out on pages 9 to 30 which comprises the condensed consolidated interim balance sheet of Goldlion Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30th June 2024 and the condensed consolidated interim income statement, the condensed consolidated interim statement of comprehensive income, the condensed consolidated interim statement of changes in equity and the condensed consolidated interim cash flow statement for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

**SCOPE OF REVIEW**

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

*(continued)*

### **EMPHASIS OF MATTER**

We draw attention to note 3 to the interim financial information, which describes the revision and reissuance of the interim financial information due to the non-compliance in relation to the accounting of share repurchases transactions during the years ended 31st December 2022 and 2023 with Hong Kong Companies Ordinance. We issued our original review report dated 15th August 2024 on the original interim financial information. Due to the revision described in note 3, we provide this new review report on the revised interim financial information. Our conclusion is not modified in respect of this matter.

### **CONCLUSION**

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”.

**PricewaterhouseCoopers**

Certified Public Accountants

Hong Kong, 20th September 2024

**CONDENSED CONSOLIDATED INTERIM BALANCE SHEET***As at 30th June 2024*

		<b>Unaudited 30th June 2024</b>	<b>Audited 31st December 2023</b>
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	189,749	181,107
Right-of-use assets		80,240	92,222
Investment properties	7	2,641,849	2,686,658
Deferred income tax assets		52,417	55,873
		<u>2,964,255</u>	<u>3,015,860</u>
<b>Current assets</b>			
Property under development	8	153,447	103,214
Completed properties	9	612,830	651,481
Inventories		177,835	201,634
Trade receivables	10	61,328	99,729
Prepayments, deposits and other receivables	11	61,705	60,971
Contract assets		49,954	52,506
Tax recoverable		3,550	7,560
Restricted cash		1,314	10,208
Bank deposits		799,642	721,494
Cash and cash equivalents		275,315	357,099
		<u>2,196,920</u>	<u>2,265,896</u>
<b>Total assets</b>		<u><u>5,161,175</u></u>	<u><u>5,281,756</u></u>
<b>EQUITY</b>			
<b>Capital and reserves</b>			
Share capital	3, 12	1,101,358	1,101,358
Reserves	3	3,255,685	3,303,406
		<u>4,357,043</u>	<u>4,404,764</u>
<b>Owners of the Company</b>		2,147	–
<b>Non-controlling interests</b>		<u>4,359,190</u>	<u>4,404,764</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Other payables and accruals		27,883	30,995
Lease liabilities		15,463	22,829
Deferred income tax liabilities		362,312	375,325
		<u>405,658</u>	<u>429,149</u>
<b>Current liabilities</b>			
Trade payables	13	21,553	34,605
Other payables and accruals		154,656	172,470
Contract liabilities		191,294	211,129
Lease liabilities		21,825	21,432
Current income tax liabilities		6,999	8,207
		<u>396,327</u>	<u>447,843</u>
<b>Total liabilities</b>		<u><u>801,985</u></u>	<u><u>876,992</u></u>
<b>Total equity and liabilities</b>		<u><u>5,161,175</u></u>	<u><u>5,281,756</u></u>

The notes on pages 14 to 30 form an integral part of this condensed consolidated interim financial information.

**CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT***For the six months ended 30th June 2024*

		<b>Unaudited</b> <b>Six months ended</b>	
		<b>30th June</b> <b>2024</b>	<b>30th June</b> <b>2023</b>
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	6	603,261	661,236
Cost of sales	15	(241,390)	(272,109)
<b>Gross profit</b>		361,871	389,127
Other losses	14	(19,818)	(22,856)
Selling and marketing costs	15	(207,764)	(207,278)
Administrative expenses	15	(78,365)	(81,124)
<b>Operating profit</b>		55,924	77,869
Interest income		13,100	13,206
Interest expense		(885)	(787)
<b>Profit before income tax</b>		68,139	90,288
Income tax expense	16	(9,899)	(11,680)
<b>Profit for the period</b>		58,240	78,608
<b>Attributable to:</b>			
Owners of the Company		58,233	78,608
Non-controlling interests		7	–
<b>Profit for the period</b>		58,240	78,608
Earnings per share attributable to owners of the Company		<i>HK cents</i>	<i>HK cents</i>
– Basic and diluted	18	5.98	8.03

The notes on pages 14 to 30 form an integral part of this condensed consolidated interim financial information.

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30th June 2024

	Unaudited Six months ended	
	30th June 2024	30th June 2023
	HK\$'000	HK\$'000
<b>Profit for the period</b>	58,240	78,608
<b>Other comprehensive income</b>		
<i>Item that will not be reclassified subsequently to profit or loss</i>		
Revaluation of property, plant and equipment upon reclassification to investment property	7,541	875
Income tax relating to these items	(105)	(219)
<i>Item that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translation of financial statements of overseas subsidiaries	(74,436)	(72,717)
<b>Other comprehensive income for the period</b>	(67,000)	(72,061)
<b>Total comprehensive income for the period</b>	(8,760)	6,547
<b>Attributable to:</b>		
Owners of the Company	(8,767)	6,547
Non-controlling interests	7	–
<b>Total comprehensive income for the period</b>	(8,760)	6,547

The notes on pages 14 to 30 form an integral part of this condensed consolidated interim financial information.

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 30th June 2024

	Attributable to owners of the Company				Non-controlling interests	Total equity
	Share capital	Other reserves	Retained earnings	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Balance at 1st January 2023 (audited)</b>	1,101,358	311,714	3,034,311	4,447,383	–	4,447,383
Profit for the period	–	–	78,608	78,608	–	78,608
Other comprehensive income	–	(72,061)	–	(72,061)	–	(72,061)
<b>Total comprehensive income for the period</b>	–	(72,061)	78,608	6,547	–	6,547
<b>Transactions</b>						
Dividend relating to 2022	–	–	(48,922)	(48,922)	–	(48,922)
<b>Total transactions</b>	–	–	(48,922)	(48,922)	–	(48,922)
<b>Balance at 30th June 2023 (unaudited)</b>	<u>1,101,358</u>	<u>239,653</u>	<u>3,063,997</u>	<u>4,405,008</u>	<u>–</u>	<u>4,405,008</u>
<b>Balance at 1st January 2024 (audited)</b>	1,101,358	241,141	3,062,265	4,404,764	–	4,404,764
Profit for the period	–	–	58,233	58,233	7	58,240
Other comprehensive income	–	(67,000)	–	(67,000)	–	(67,000)
<b>Total comprehensive income for the period</b>	–	(67,000)	58,233	(8,767)	7	(8,760)
<b>Transactions</b>						
Dividend relating to 2023	–	–	(38,954)	(38,954)	–	(38,954)
Contribution from non-controlling shareholder of a subsidiary	–	–	–	–	2,140	2,140
<b>Total transactions</b>	–	–	(38,954)	(38,954)	2,140	(36,814)
<b>Balance at 30th June 2024 (unaudited)</b>	<u>1,101,358</u>	<u>174,141</u>	<u>3,081,544</u>	<u>4,357,043</u>	<u>2,147</u>	<u>4,359,190</u>

The notes on pages 14 to 30 form an integral part of this condensed consolidated interim financial information.

**CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT***For the six months ended 30th June 2024*

		<b>Unaudited</b> <b>Six months ended</b>	
		<b>30th June</b> <b>2024</b>	<b>30th June</b> <b>2023</b>
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Cash flows from operating activities</b>			
Cash generated from operations		86,342	116,618
Interest paid		(885)	(787)
Income tax paid		(8,080)	(35,992)
		<u>77,377</u>	<u>79,839</u>
<b>Cash flows from investing activities</b>			
Additions to investment properties	7	(4,265)	(2,666)
Purchases of property, plant and equipment	7	(27,443)	(16,080)
Proceeds from disposals of property, plant and equipment		115	109
Decrease in restricted cash		8,894	5,886
Increase in bank deposits with maturity over 3 months		(88,078)	(15,136)
Interest received		14,891	12,484
		<u>(95,886)</u>	<u>(15,403)</u>
<b>Cash flows from financing activities</b>			
Principal elements of lease payments		(10,798)	(8,888)
Dividends paid to owners of the Company		(38,954)	(48,922)
Contribution from non-controlling shareholder of a subsidiary		2,140	–
		<u>(47,612)</u>	<u>(57,810)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		(66,121)	6,626
<b>Cash and cash equivalents at 1st January</b>		357,099	309,805
<b>Effect of foreign exchange rate changes</b>		(15,663)	(11,085)
<b>Cash and cash equivalents at 30th June</b>		<u>275,315</u>	<u>305,346</u>

The notes on pages 14 to 30 form an integral part of this condensed consolidated interim financial information.

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

### 1. *General information*

Goldlion Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) distribute and manufacture garments, leather goods and accessories, license the brand name, and hold and develop properties for investment and development purposes.

The Company is a limited liability company incorporated in Hong Kong. The address of its registered office is 7th floor, Goldlion Holdings Centre, 13–15 Yuen Shun Circuit, Siu Lek Yuen, Shatin, New Territories, Hong Kong.

The Company is listed on The Stock Exchange of Hong Kong Limited.

This condensed consolidated interim financial information is presented in Hong Kong dollars, unless otherwise stated. This condensed consolidated interim financial information was approved for issue by the Board of Directors on 15th August 2024. Correction of financial information as explained in note 3 were considered and approved by the Board on 20th September 2024.

This condensed consolidated interim financial information has not been audited.

The financial information relating to the year ended 31st December 2023 that is included in the condensed consolidated interim financial information for the six months ended 30th June 2024 as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31st December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; but include a reference to a matter to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).



## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

(continued)

### 2. *Basis of preparation*

This condensed consolidated interim financial information for the six months ended 30th June 2024 has been prepared in accordance with Hong Kong Accounting Standards (“HKAS”) 34 “Interim financial reporting”. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31st December 2023, which were prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

The accounting policies applied by the Group are consistent with those of the annual financial statements for the year ended 31st December 2023, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

- (a) The amended standards and new interpretation effective in 2024 but not relevant to the Group

HKAS 1 (Amendments)	Classification of liabilities as current or non-current
HKAS 1 (Amendments)	Non-current liabilities with covenants
HKAS 7 and HKFRS 7	Supplier finance arrangements
(Amendments)	
HKFRS 16 (Amendments)	Lease liability in a sale and leaseback
HK (IFRIC) – Int 5	Presentation of financial statements – Classification by the borrower of a term loan that contains a repayment on demand clause

The above amended standards and new interpretation did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

(continued)

### 2. *Basis of preparation* (continued)

- (b) The following new and amended standards have been issued but are not effective for the financial year beginning on 1st January 2024 and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after
HKAS 21 (Amendments)	Lack of exchangeability	1st January 2025
HKFRS 9 and HKFRS 7 (Amendments)	Classification and measurement of financial instruments	1st January 2026
HKFRS 10 and HKAS 28 (Amendments)	Sale or contribution of assets between an investor and its associate or joint venture	Not yet established
HKFRS 18	Presentation and disclosure in financial statements	1st January 2027
HKFRS 19	Subsidiaries without public accountability: Disclosures	1st January 2027

The above new and amended standards are not expected to have a material impact on the condensed consolidated financial statements of the Group.

### 3. *Correction of interim financial information*

The Directors have voluntarily revised the original consolidated interim financial information for the financial period ended 30th June 2024 that were approved by the Directors on 15th August 2024 (the “Original Interim Financial Information”).

The Company conducted certain on-market share repurchases during the periods from 27th September 2022 to 15th December 2022 and from 17th November 2023 to 15th December 2023 respectively under the general mandate granted by the shareholders of the Company on 20th May 2022 and 19th May 2023 respectively, and the consideration of which were paid out of the distributable profits of the Company from time to time. The above transactions were not correctly accounted for in the original consolidated financial statements for the financial year ended 31st December 2022 dated on 21st March 2023, and for the financial year ended 31st December 2023 dated on 19th March 2024 (collectively, the “Original Financial Statements”), which causes them to not comply with the Hong Kong Companies Ordinance (Cap. 622). Similarly, the Original Interim Financial Information also contained incorrect financial information brought forward from the Original Financial Statements. Accordingly, the Original Financial Statements have been revised on 20th September 2024 (collectively, the “Revised Financial Statements”) and the Original Interim Financial Information is also revised on 20th September 2024 (the “Revised Interim Financial Information”). All comparative financial information in this Revised Interim Financial Information are based on the Revised Financial Statements.

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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION***(continued)***4. Financial risk management**

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow interest rate risk), credit risk, and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31st December 2023.

There have been no changes in risk management policies since year end.

**5. Critical accounting estimates and judgments**

The preparation of interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31st December 2023.

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

(continued)

## 6. Operating segments

	Six months ended	
	30th June 2024	30th June 2023
	HK\$'000	HK\$'000
Revenue recognized under HKFRS 15		
Sales of goods	439,332	481,238
Sales of properties	28,334	43,046
Building management fees	20,560	20,737
Licensing income	40,356	38,891
Sales of electricity	380	—
	528,962	583,912
Revenue recognized under other accounting standards		
Rental income from investment properties	74,299	77,324
	603,261	661,236
Timing of revenue recognition under HKFRS 15		
At a point in time	467,666	524,284
Over time	61,296	59,628
	528,962	583,912

The Group reports the result of its operating segments based on the internal reports reviewed by the chief operating decision maker that are used to make strategic decisions.

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

(continued)

### 6. Operating segments (continued)

The Group has three main reportable segments. The segments are managed separately as each business offers different products and services and requires different marketing strategies. The following summary describes the operations of each of the Group's reportable segments:

- (1) Apparel in China Mainland and Hong Kong SAR – Distribution and manufacturing of garments, leather goods and accessories and licensing of brand name in China Mainland and Hong Kong SAR;
- (2) Apparel in Singapore – Distribution of garments, leather goods and accessories in Singapore;
- (3) Property investment and development – Investment in and development of properties in China Mainland, Hong Kong SAR and Singapore.

An analysis of the Group's reportable segment profit before income tax and other selected financial information for the period by operating segment is as follows:

	Six months ended 30th June 2024				
	Apparel in China Mainland and Hong Kong SAR	Apparel in Singapore	Property investment and development	Other and Eliminations	Group
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Turnover	461,153	18,535	123,193	380	603,261
Inter-segment sales	334	–	5,850	(6,184)	–
	461,487	18,535	129,043	(5,804)	603,261
Segment results	46,904	(2,337)	41,185	14	85,766
Unallocated costs					(17,627)
Profit before income tax					68,139
Income tax expense					(9,899)
Profit for the period					58,240

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

(continued)

## 6. Operating segments (continued)

	Six months ended 30th June 2023				
	Apparel in China Mainland and Hong Kong SAR HK\$'000	Apparel in Singapore HK\$'000	Property investment and development HK\$'000	Eliminations HK\$'000	Group HK\$'000
Turnover	502,426	17,703	141,107	–	661,236
Inter-segment sales	192	–	5,301	(5,493)	–
	502,618	17,703	146,408	(5,493)	661,236
Segment results	63,258	(1,482)	44,904	–	106,680
Unallocated costs					(16,392)
Profit before income tax					90,288
Income tax expense					(11,680)
Profit for the period					78,608

Central costs (mainly costs of support functions that centrally provide services to all of the operating segments) are included as unallocated costs. Taxation charge is not allocated to reportable segments.

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

(continued)

## 7. Capital expenditure

	Property, plant and equipment <i>HK\$'000</i>	Investment properties <i>HK\$'000</i>	Total <i>HK\$'000</i>
Opening net book amount as at 1st January 2023	145,273	2,775,582	2,920,855
Additions	16,080	2,666	18,746
Disposals	(128)	–	(128)
Transfer	797	38,905	39,702
Depreciation ( <i>note 15</i> )	(12,836)	–	(12,836)
Fair value losses ( <i>note 14</i> )	–	(22,856)	(22,856)
Exchange differences	(1,193)	(41,452)	(42,645)
Closing net book amount as at 30th June 2023	<u>147,993</u>	<u>2,752,845</u>	<u>2,900,838</u>
Opening net book amount as at 1st January 2024	181,107	2,686,658	2,867,765
Additions	27,443	4,265	31,708
Disposals	(170)	–	(170)
Transfer	(1,350)	11,141	9,791
Depreciation ( <i>note 15</i> )	(14,646)	–	(14,646)
Impairment loss ( <i>note 15</i> )	(227)	–	(227)
Fair value losses ( <i>note 14</i> )	–	(19,818)	(19,818)
Exchange differences	(2,408)	(40,397)	(42,805)
Closing net book amount as at 30th June 2024	<u>189,749</u>	<u>2,641,849</u>	<u>2,831,598</u>



## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

(continued)

### 8. *Property under development*

The Group's interests in property under development are analyzed as follows:

	As at 30th June 2024 HK\$'000	As at 31st December 2023 HK\$'000
Land use rights	53,647	55,447
Development costs	99,800	47,767
	<u>153,447</u>	<u>103,214</u>

The property under development is located in Meixian Area, China Mainland. Under the Land Use Rights Grant Contract entered between the Meixian Bureau of Land and the Group on 24th January 2014, the delay in commencing and completion of construction works of the project after 18th June 2014 and 24th January 2017 respectively may be subject to a penalty. After taking into account of an independent legal advice, the Directors are of the view that the imposition of a penalty by the relevant authority is remote.

The amount of property under development expected to be completed and realized within the Group's normal operating cycle during the year (2023: in next year) is HK\$153,447,000 (31st December 2023: HK\$103,214,000).

The Group's capital commitments in respect of property under development are disclosed in note 19(b) below.

### 9. *Completed properties*

	As at 30th June 2024 HK\$'000	As at 31st December 2023 HK\$'000
Completed properties	<u>612,830</u>	<u>651,481</u>

The completed properties are located in Meixian Area, China Mainland.

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION***(continued)***10. Trade receivables**

The Group's sales are on cash on delivery or credit terms ranging from 30 days to 180 days after delivery. The ageing of the trade receivables based on invoice date is as follows:

	As at 30th June 2024 HK\$'000	As at 31st December 2023 HK\$'000
1–30 days	42,719	83,504
31–90 days	12,285	12,850
Over 90 days	7,387	4,454
	<hr/>	<hr/>
Trade receivables	62,391	100,808
Less: provision for impairment of trade receivables	(1,063)	(1,079)
	<hr/>	<hr/>
Trade receivables – net	<u>61,328</u>	<u>99,729</u>

**11. Prepayments, deposits and other receivables**

	As at 30th June 2024 HK\$'000	As at 31st December 2023 HK\$'000
Purchase deposits	8,674	8,280
Prepayments	12,637	14,718
General deposits	14,098	15,010
Interest receivable	10,776	12,567
VAT recoverable	10,039	7,592
Others	5,481	2,804
	<hr/>	<hr/>
Total of prepayments, deposits and other receivables	<u>61,705</u>	<u>60,971</u>

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

(continued)

### 12. Share capital

	2024		2023	
	Number of shares (thousands)	Share capital HK\$'000	Number of shares (thousands)	Share capital HK\$'000
Ordinary shares, issued and fully paid: At 1st January and 30th June	973,844	1,101,358	978,436	1,101,358

### 13. Trade payables

The ageing of the trade payables based on invoice date is as follows:

	As at 30th June 2024	As at 31st December 2023
	HK\$'000	HK\$'000
1–30 days	15,920	29,351
31–90 days	4,258	3,654
Over 90 days	1,375	1,600
	21,553	34,605

### 14. Other losses

	Six months ended 30th June 2024	30th June 2023
	HK\$'000	HK\$'000
Fair value losses on investment properties (note 7)	19,818	22,856

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION***(continued)***15. Expenses by nature**

	<b>Six months ended</b>	
	<b>30th June 2024</b>	<b>30th June 2023</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Cost of inventories sold	189,561	218,044
Cost of properties sold	21,079	31,030
Provision for impairment of inventories	12,350	4,441
Direct operating expenses arising from investment properties that generated rental income	17,596	18,209
Expenses relating to short-term leases and variable lease payments	42,036	42,818
Depreciation of property, plant and equipment ( <i>note 7</i> )	14,646	12,836
Depreciation of right-of-use assets	10,528	8,699
Impairment of right-of-use assets	2,245	127
Impairment of property, plant and equipment ( <i>note 7</i> )	227	–
Reversal of provision for impairment of trade receivables, net	(10)	(737)
Staff costs including directors' emoluments	111,862	111,546
Advertising and promotion expenses	38,424	46,514
Other expenses	66,975	66,984
	<u>527,519</u>	<u>560,511</u>
Representing:		
Cost of sales	241,390	272,109
Selling and marketing costs	207,764	207,278
Administrative expenses	78,365	81,124
	<u>527,519</u>	<u>560,511</u>

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

(continued)

### 16. *Income tax expense*

Hong Kong profits tax has not been provided for as the Group's estimated assessable profit for the period are set off by tax loss carried forward from prior years (2023: same).

Taxation on profits generated in the PRC has been calculated on the estimated assessable profit for the period at the rate of 25% (2023: 25%). For subsidiaries that qualify for the inclusive tax reduction policy for small and micro enterprises, in accordance with the existing policy of the PRC, taxation on profits generated in the PRC has been calculated at a preferential rate of 5% (2023: 5%). Taxation on profits outside Hong Kong and the PRC has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

The amount of income tax charged to the condensed consolidated interim income statement represents:

	Six months ended	
	30th June 2024	30th June 2023
	HK\$'000	HK\$'000
Current tax		
– PRC enterprise income tax	10,882	12,257
Deferred income tax	(983)	(577)
	<hr/>	<hr/>
Total income tax expense	<u>9,899</u>	<u>11,680</u>

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION***(continued)***17. Dividend**

	<b>Six months ended</b>	
	<b>30th June 2024</b>	<b>30th June 2023</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Interim dividend of 2.0 HK cents (2023: 3.5 HK cents) per ordinary share	19,477	34,245

The final dividend for the year ended 31st December 2023 of 4.0 HK cents (2022 final: 5.0 HK cents) per ordinary share, totalling HK\$38,954,000 was paid in June 2024 (2022 final: HK\$48,922,000).

At a meeting held on 15th August 2024, the Directors declared an interim dividend of 2.0 HK cents per share. This interim dividend has not been reflected as a dividend payable in the condensed consolidated interim financial information but will be reflected as an appropriation of retained earnings for the year ending 31st December 2024.

**18. Earnings per share**

The calculation of earnings per share is based on profit attributable to owners of the Company of HK\$58,233,000 (six months ended 30th June 2023: HK\$78,608,000) and the number of ordinary shares in issue of 973,844,035 (six months ended 30th June 2023: 978,436,035) during the period.

Diluted earnings per share equals basic earnings per share as there were no potential dilutive ordinary shares in issue during the six months ended 30th June 2024 and 2023.

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

(continued)

## 19. Commitments

## (a) Capital commitments

	As at 30th June 2024	As at 31st December 2023
	HK\$'000	HK\$'000
Property, plant and equipment Contracted but not provided for	26,167	17,929
Investment properties Contracted but not provided for	1,115	3,169

## (b) Commitments for property development expenditure and land use rights

	As at 30th June 2024	As at 31st December 2023
	HK\$'000	HK\$'000
Contracted but not provided for	33,760	10,699
Authorized but not contracted for	18,000	511,000
	51,760	521,699

## (c) Future aggregate minimum lease payments receivable under non-cancellable leases

	As at 30th June 2024	As at 31st December 2023
	HK\$'000	HK\$'000
Rental receivables		
– not later than one year	132,444	143,047
– later than one year and not later than five years	161,038	200,447
– later than five years	6,605	11,207
	300,087	354,701



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION***(continued)***20. Guarantees of mortgage facilities**

	As at 30th June 2024	As at 31st December 2023
	HK\$'000	HK\$'000
Guarantees in respect of mortgage facilities for certain property buyers	14,652	20,364

These represented the guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain buyers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these buyers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted buyers to the banks and the Group is entitled to retain the legal title and take over the possession of the related properties. The above guarantees are to be discharged upon the earlier of (i) the banks received the corresponding real estate ownership certificates as custody; or (ii) the satisfaction of mortgaged loans by the property buyers.

The Directors of the Company consider that in case of default in payments, the net realizable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty. Therefore, no provision has been made in the financial statements for the guarantees.

**21. Related party transactions**

The Directors considered the immediate parent company and the ultimate parent company to be Top Grade Holdings Limited and Hin Chi Family Management Limited, which are incorporated in the British Virgin Islands and Hong Kong respectively. Top Grade Holdings Limited is interested in 62.95% of the Company's issued shares. Hin Chi Family Management Limited, as trustee of the Tsang Hin Chi (2007) Family Settlement, held all of the issued share capital of Top Grade Holdings Limited. The Company is ultimately controlled by the Tsang Family (comprising Mr. Tsang Chi Ming, Ricky, and the spouse and other direct descendants of the late Dr. Tsang Hin Chi) which, together with 0.14% of the Company's issued shares held by Mr. Tsang Chi Ming, Ricky personally, and 5.53% of the Company's issued shares held by Tsang Hin Chi Charities (Management) Limited, collectively controlled approximately 68.62% of the Company's issued shares. The remaining 31.38% of the issued shares are widely held.

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

(continued)

**21. Related party transactions (continued)**

The following transactions were carried out with related parties:

	Six months ended 30th June 2024 HK\$'000	30th June 2023 HK\$'000
(a) Purchases of services		
Professional fees paid to a related company (note)	160	160

Note:

Equitas Capital Limited acted as financial advisor to the Group for which professional fees of HK\$160,000 (six months ended 30th June 2023: HK\$160,000) was paid by the Company during the period. Mr. Ng Ming Wah, Charles, a non-executive Director of the Company, is the managing director and the principal shareholder of Equitas Capital Limited.

**(b) Period-end balances arising from purchases of services**

	As at 30th June 2024 HK\$'000	As at 30th June 2023 HK\$'000
Accruals		
– Equitas Capital Limited	160	160

**(c) Key management compensation**

Key management compensation amounted to HK\$11,840,000 for the six months ended 30th June 2024 (six months ended 30th June 2023: HK\$12,756,000).

**SUPPLEMENTARY INFORMATION*****INTERIM DIVIDEND***

The Directors have recommended the payment of an interim dividend of 2.0 HK cents per share (2023: 3.5 HK cents per share) for the year ending 31st December 2024, totalling HK\$19,477,000 (2023: HK\$34,245,000), which is expected to be payable on or about 17th September 2024 to shareholders whose names appear on the Register of Members as at 6th September 2024.

***CLOSURE OF REGISTER OF MEMBERS***

For the purpose of determining shareholders' entitlement to the proposed dividend, the Register of Members of the Company will be closed on 5th September 2024 and 6th September 2024 (two days), during which period no transfer of shares will be registered.

In order to qualify for the above-mentioned interim dividend, all transfers accompanied by the relevant share certificates must be lodged by 4:30 p.m. on Wednesday, 4th September 2024 with the Company's Registrars, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

***PURCHASE, SALE OR REDEMPTION OF SHARES***

The Company did not redeem any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the period.

***SHARE OPTIONS***

At the Annual General Meeting of the Company held on 23rd May 2014, the shareholders approved the adoption of a new share option scheme (the "New Option Scheme"). The New Option Scheme is designed to enable the Group to reward and motivate executives and key employees in service of the Group and other persons who may make a contribution to the Group.

During the six months ended 30th June 2024, no options had been granted or remained outstanding under the New Option Scheme or any other share option scheme of the Company.

**SUPPLEMENTARY INFORMATION** *(continued)***DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION**

At 30th June 2024, the interests and short positions of each Director and Chief Executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company under section 352 of Part XV of the SFO or as notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

Ordinary shares of the Company at 30th June 2024

Director		Number of shares held			Percentage to total issued share capital
		Personal interests	Other interests (note)	Total	
Tsang Chi Ming, Ricky	Long positions	1,404,000	613,034,750	614,438,750	63.09%
	Short positions	—	—	—	—

*Note:* The shareholding disclosed by Mr. Tsang Chi Ming, Ricky under the heading "Other interests" in the above table refer to the same shares which were held by Hin Chi Family Management Limited (being trustee of the Tsang Hin Chi (2007) Family Settlement) as disclosed in the paragraph headed "Substantial shareholders" below.

Other than those interests and short positions disclosed above, (a) the Directors and the Chief Executive also hold shares of certain subsidiaries in trust for the Company solely for the purpose of ensuring that the relevant subsidiary has more than one member; (b) 1 share and 450,000 shares of the non-voting deferred shares of Goldlion (Far East) Limited (which ordinary shares are wholly owned by the Group) were held by Mr. Tsang Chi Ming, Ricky and Hin Chi Family Management Limited (as trustee of The Tsang Hin Chi (2007) Family Settlement) respectively. Mr. Tsang Chi Ming, Ricky is a discretionary beneficiary of the said trust and is deemed to be interested in such 450,000 shares held by Hin Chi Family Management Limited. Non-voting deferred shares of Goldlion (Far East) Limited do not entitle the holders to receive notice of or to attend vote at its general meeting, and to participate in the distribution of its profit.

Save as disclosed above, as at 30th June 2024, none of the Directors and the Chief Executive of the Company has or is deemed to have any interest or short position in the shares, underlying shares and debentures of the Company, its specified undertakings and its other associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company pursuant to section 352 of the SFO, or as notified to the Company and the Stock Exchange pursuant to the Model Code.

**SUPPLEMENTARY INFORMATION** *(continued)****DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION (continued)***

Save as disclosed above, at no time during the six months ended 30th June 2024 was the Company, its subsidiaries or its other associated corporations a party to any arrangements to enable the Directors and the Chief Executive of the Company (including their spouses and children under the age of 18) to acquire benefits by means of the acquisition of shares or underlying shares in or debentures of the Company or its specified underlying or other associated corporation.

***SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY***

The register of substantial shareholders maintained under section 336 of Part XV of the SFO shows that as at 30th June 2024, the Company has been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors and the Chief Executive.

Name of holder of securities	Type of securities		Number of shares held	Percentage to total issued share capital
Hin Chi Family Management Limited <i>(Note 1)</i>	Ordinary shares	Long positions	613,034,750	62.95%
		Short positions	–	–
Top Grade Holdings Limited <i>(Note 1)</i>	Ordinary shares	Long positions	613,034,750	62.95%
		Short positions	–	–
Silver Disk Limited <i>(Note 1)</i>	Ordinary shares	Long positions	160,616,000	16.49%
		Short positions	–	–
Tsang Hin Chi Charities (Management) Limited <i>(Note 2)</i>	Ordinary shares	Long positions	53,880,750	5.53%
		Short positions	–	–
FMR LLC	Ordinary shares	Long positions	55,459,331	5.69%
		Short positions	–	–

*Note:*

- Hin Chi Family Management Limited as trustee of the Tsang Hin Chi (2007) Family Settlement, held all of the issued share capital of Top Grade Holdings Limited ("Top Grade"). Top Grade was interested in 613,034,750 shares in the Company including 160,616,000 shares held by Silver Disk Limited, a wholly owned subsidiary of Top Grade.
- Tsang Hin Chi Charities (Management) Limited as trustee of The Tsang Hin Chi Charitable Foundation (a charitable trust granted tax exemption under section 88 of the Inland Revenue Ordinance, which is controlled by Mr. Tsang Chi Ming, Ricky) held 53,880,750 shares in the Company.

## **SUPPLEMENTARY INFORMATION** *(continued)*

### **CORPORATE GOVERNANCE**

The Company has complied with the Code Provisions in the Corporate Governance Code as set out in Appendix C1 of the Listing Rules on the Stock Exchange for the six months ended 30th June 2024. In respect of Code Provision C.2.1, the positions of the Chairman of the Board and the Chief Executive Officer are held by the same individual, namely, Mr. Tsang Chi Ming, Ricky. The Board believes that holding the positions of both Chairman and Chief Executive Officer by Mr. Tsang Chi Ming, Ricky provides the Group with more effective planning and execution of long-term business strategies and enhances efficiency in decision-making. The Board also believes that an effective corporate governance structure of the Group has been in place to ensure an appropriate monitoring of Management.

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules. During the six months ended 30th June 2024, all the Directors have complied with the relevant requirements under the Model Code regarding their dealing in the securities of the Company.

### **AUDIT COMMITTEE**

The Company has formed an Audit Committee to review and supervise the financial reporting process, risk management and internal control procedures of the Group. As at 15th August 2024, the Audit Committee has four members comprising Mr. Li Ka Fai, David (Chairman), Dr. Lau Yue Sun and Ms. Lo Wing Sze, all of them being independent non-executive Directors, and Mr. Ng Ming Wah, Charles, being a non-executive Director of the Company. As disclosed in the announcement of the Company dated 28th August 2024, Dr. Lau Yue Sun had passed away. As at the date of publication of this report, the Audit Committee has three members comprising Mr. Li Ka Fai, David (Chairman) and Ms. Lo Wing Sze, all of them being independent non-executive Directors, and Mr. Ng Ming Wah, Charles, being a non-executive Director of the Company.

### **REVIEW OF FINANCIAL INFORMATION**

The Audit Committee has reviewed the Group's unaudited interim financial information for the six months ended 30th June 2024. At the request of the Board of Directors, the Company's external auditor, PricewaterhouseCoopers, has carried out a review of this unaudited interim financial information in accordance with Hong Kong Standard on Review Engagements 2410 issued by the Hong Kong Institute of Certified Public Accountants.

### **BOARD OF DIRECTORS**

As at 15th August 2024, the Directors of the Company comprise Mr. Tsang Chi Ming, Ricky as an executive Director; Mr. Ng Ming Wah, Charles as a non-executive Director; and Dr. Lau Yue Sun, Mr. Li Ka Fai and Ms. Lo Wing Sze as independent non-executive Directors. As disclosed in the announcement of the Company dated 28th August 2024, Dr. Lau Yue Sun had passed away. As at the date of publication of this report, the Directors of the Company comprise Mr. Tsang Chi Ming, Ricky as an executive Director; Mr. Ng Ming Wah, Charles as a non-executive Director; and Mr. Li Ka Fai and Ms. Lo Wing Sze as independent non-executive Directors.

