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JISHENG GROUP HOLDINGS LIMITED

吉盛集團控股有限公司

(Formerly known as Solomon Worldwide Holdings Limited 所羅門環球控股有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8133)

SUPPLEMENTAL ANNOUNCEMENT

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

Reference is made to the interim results announcement and interim report of Jisheng Group Holdings Limited (the “**Company**”) dated 14 August 2023 in relation to the interim results for the six months ended 30 June 2023 of the Company and its subsidiaries (the “**Interim Results**”). Capitalised terms defined in the Interim Results shall have the same meanings herein unless the context otherwise required.

The Board wishes to provide further information on the impairment loss from discontinued operations of the Group of approximately HK\$17.56 million and the gain on disposal of subsidiaries of the Group of approximately HK\$6.88 million for the six months ended 30 June 2023.

Impairment

The Company acquired 75% equity interest of Solomon Holdings Group Limited (“**SHG**”) which pursuant to the sale and purchase agreement dated 9 September 2019 and the acquisition completed on 6 January 2020. Solomon Financial Press Limited (“**SFP**”) was directly wholly-owned by SHG (collectively the “**Disposal Group**”) and principally engaged in the provision of financial printing services in Hong Kong. With reference to the announcement dated 19 May 2023 (the “**Announcement**”), the Company disposed the 75% equity interest of SHG (the “**Disposal**”).

As disclosed in the Announcement, SFP recorded a continuous loss-making position and significant decrease in revenue were mainly attributable to the outbreak of COVID-19 pandemic in 2020 as various restrictions were imposed on the travelling to and from Hong Kong and this directly affected the number of financial printing jobs for IPO projects of the financial printing business, the impact of COVID-19 pandemic gradually was appeared after 2020. Due to the unforeseeable long duration and impact of COVID-19 pandemic, SFP has suffered significant decrease of revenue and loss from operation which urgent needed additional funding for supporting its daily operations, such as rental expenses and staff cost. Although SFP has tried to apply SME Financing Guarantee Scheme to solve the liquidity issue but was failed due to the listed structure of the Company. To avoid the risk on closedown of SFP, the Company has provided temporary operating funding to SFP for supporting its operation which hoped SFP can turnaround after the COVID-19 pandemic and repay the operating funding. The Board based on the financial performance and business prospect of SFP as mentioned in management discussion and analysis of the annual report for the years ended 31 December 2021 and 2022 which has provided partial provision for impairment of approximately HK\$7.48 million and HK\$10.61 million for the amount due from SFP of approximately HK\$10.96 million and HK\$18.13 million for the years ended 31 December 2021 and 2022 respectively, which represented over half of the total balance. The impairment was recorded in the single financial statements of the Company and was fully eliminated in the group consolidated financial statements of the Company.

Although the COVID-19 pandemic started relief in Hong Kong and Mainland China in February 2023, various restrictions were imposed on the travelling to and from Hong Kong were relieved but still affected the market of financial printing business due to the aftermath of COVID-19 pandemic on the macroeconomic environment. The Company expected that such unfavorable and uncertain market conditions in the financial printing business shall persist for a period of time. In the second quarter of 2023, the Board considered to discontinue and dispose the Financial Printing Business. Given, (i) the continuous loss-making position of SFP; (ii) the significant decrease in revenue and loss from operation of SFP; (iii) the net liabilities of the Disposal Group amounted to approximately HK\$26.64 million (before the waiver of balance of amount due to the Company from SFP of approximately HK\$17.56 million as at the date of Disposal); and (iv) the unfavorable and uncertain market conditions in the financial printing business faced by SFP although the COVID-19 pandemic started relief in Hong Kong and Mainland China in February 2023, the Board considered that SFP was not likely to change the loss-making position and the recovery of amount due to the Company from SFP of approximately HK\$17.56 million was remote. Therefore, the Board has made full provision on the balance of amount due from SFP to the Company of approximately HK\$17.56 million and the balance was waived by the Company on the date of Disposal, the impairment and waiver amount was classified as (i) “Gain on impairment from amount due to ultimate holdings Company” included in other income of the Disposal Group under the disclosure of discontinued operation, and

(ii) “Impairment loss on discontinued operation” included in administrative expenses under the disclosure of the continued operations of the remaining group in the Interim Results in accordingly to its nature.

Gain on disposal of subsidiaries

After taking into account the consideration of the Disposal, carrying amount of net liabilities of approximately HK\$9.08 million of the Disposal Group after the waiver of amount due from SFP to the Company of approximately HK\$17.56 million as at the date of the Disposal, the related transaction costs, the financial effect of the Disposal is a gain of approximately HK\$6.88 million attributable to the equity shareholders of the Company was recorded by the Group for the Interim Results.

By Order of the Board
Jisheng Group Holdings Limited
Woo Lan Ying
Chairman

Hong Kong, 31 August 2023

As at the date of this announcement, the executive Directors are Ms. Woo Lan Ying and Mr. Shang Ruisen, and the independent non-executive Directors are Ms. Leung Shuk Lan, Ms. Yuen Wai Man and Mr. Au Sui Keung Albert.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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 announcement 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 announcement misleading.

This announcement will remain on the website of the Stock Exchange at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and on the website of the Company at www.jishenggroup.com.