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GLORIOUS SUN ENTERPRISES LIMITED

旭日企業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 393)

Interim Results Announcement

For the six months ended 30 June 2024

INTERIM RESULTS

The board of directors (the “Board”) of Glorious Sun Enterprises Limited (the “Company”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2024, together with the comparative figures for the same period as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Six months ended 30 June 2024

	Notes	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
REVENUE			
Revenue from contracts with customers		403,797	421,535
Revenue from other sources		126,133	32,662
		<u>529,930</u>	<u>454,197</u>
Cost of sales	(3)	<u>(337,552)</u>	<u>(356,976)</u>
Gross profit		192,378	97,221
Other income and gains		36,730	58,294
Selling and distribution expenses		(13,345)	(9,417)
Administrative expenses		(45,501)	(38,987)
Other expenses		(125,815)	(84,093)
Finance costs		<u>(1,859)</u>	<u>(2,111)</u>
PROFIT BEFORE TAX	(4)	42,588	20,907
Income tax expense	(5)	<u>(16,638)</u>	<u>(3,450)</u>
PROFIT FOR THE PERIOD		<u>25,950</u>	<u>17,457</u>

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS *(Continued)*

Six months ended 30 June 2024

	Notes	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Attributable to:			
Ordinary equity holders of the Company		24,489	17,618
Non-controlling interests		1,461	(161)
Profit for the period		25,950	17,457
		HK cents	HK cents
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted	(7)	1.62	1.15
INTERIM DIVIDEND PER SHARE	(6)	4.00	2.00

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended 30 June 2024

	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
PROFIT FOR THE PERIOD	<u>25,950</u>	<u>17,457</u>
OTHER COMPREHENSIVE INCOME		
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences on translation of foreign operations	<u>4</u>	<u>(1,392)</u>
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	<u>4</u>	<u>(1,392)</u>
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>		
Change in fair value of financial assets at fair value through other comprehensive income, net of tax	<u>306,288</u>	<u>5,914</u>
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	<u>306,288</u>	<u>5,914</u>
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	<u>306,292</u>	<u>4,522</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>332,242</u>	<u>21,979</u>
Attributable to:		
Ordinary equity holders of the Company	330,777	23,290
Non-controlling interests	<u>1,465</u>	<u>(1,311)</u>
	<u>332,242</u>	<u>21,979</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2024

	Notes	30 June 2024 (Unaudited) HK\$'000	31 December 2023 (Audited) HK\$'000
NON-CURRENT ASSETS			
Debt investments at amortised cost		100,247	197,167
Financial assets at fair value through other comprehensive income		1,528,199	576,054
Deferred tax assets		7,210	11,386
Other non-current assets		38,390	37,773
Total non-current assets		1,674,046	822,380
CURRENT ASSETS			
Inventories		297,567	223,407
Trade and bills receivables	(8)	111,755	192,355
Financial assets at fair value through profit or loss		49,498	33,393
Time deposit with original maturity of over three months when acquired		-	239
Cash and cash equivalents		1,043,809	1,703,918
Other current assets		187,320	76,903
Total current assets		1,689,949	2,230,215
CURRENT LIABILITIES			
Trade payables	(9)	71,202	139,359
Other payables and accruals		292,327	295,866
Interest-bearing bank borrowings		5,435	14,175
Lease liabilities		5,830	6,378
Tax payable		13,226	3,326
Other current liabilities		327,032	196,743
Total current liabilities		715,052	655,847
NET CURRENT ASSETS		974,897	1,574,368
TOTAL ASSETS LESS CURRENT LIABILITIES		2,648,943	2,396,748
NON-CURRENT LIABILITIES			
Lease liabilities		16,847	18,039
Deferred tax liabilities		1,300	1,300
Total non-current liabilities		18,147	19,339
Net assets		2,630,796	2,377,409

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

30 June 2024

	Note	30 June 2024 (Unaudited) HK\$'000	31 December 2023 (Audited) HK\$'000
EQUITY			
Equity attributable to ordinary equity holders of the Company			
Issued capital	(10)	151,681	152,264
Treasury shares	(10)	(5,242)	(4,139)
Reserves		2,482,212	2,228,404
		2,628,651	2,376,529
Non-controlling interests		2,145	880
Total equity		2,630,796	2,377,409

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(1) BASIS OF PREPARATION

These condensed consolidated financial statements of the Group for the six months ended 30 June 2024 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34: *Interim Financial Reporting* and other relevant HKASs and Interpretations, the Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”). They have been prepared under the historical cost convention, except for certain investments which have been measured at fair value. These condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand (“HK\$’000”) except when otherwise indicated.

These condensed consolidated financial statements are unaudited and have been reviewed by the Audit Committee of the Company. They do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s consolidated financial statements for the year ended 31 December 2023.

(2) CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those applied in the Group’s annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following revised HKFRSs for the first time for the current period’s financial statements.

Amendments to HKFRS 16	<i>Lease liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The application of the new and revised standards in the current period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

(3) OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- (a) the “financial investments” segment engages in treasury management and consulting services;
- (b) the “interior decoration and renovation” segment engages in the interior decoration and renovation, and sale of furniture business;
- (c) the “export operations” segment engages in exports of apparel; and
- (d) the “retail, franchise and others” segment mainly includes retail operation in Hong Kong and franchise sales under the “Jeanswest” brand in overseas markets within the casual wear and apparel domain.

(3) **OPERATING SEGMENT INFORMATION** (Continued)

Information regarding the Group's reportable segments, together with their related comparative information, is presented below:

	Six months ended 30 June 2024 (Unaudited)				Total HK\$'000
	Financial investments HK\$'000	Interior decoration and renovation HK\$'000	Export operations HK\$'000	Retail, franchise and others HK\$'000	
Segment revenue					
Revenue from external parties	126,133	156,376	218,116	29,305	529,930
Other income and gains	-	4,125	2,164	3,590	9,879
Total	<u>126,133</u>	<u>160,501</u>	<u>220,280</u>	<u>32,895</u>	<u>539,809</u>
Segment results	<u>(653)</u>	<u>4,792</u>	<u>13,169</u>	<u>6,144</u>	<u>23,452</u>
Interest income					24,880
Unallocated revenue					1,971
Corporate and other unallocated expenses					(6,380)
Finance costs (other than interest on lease liabilities)					<u>(1,335)</u>
Profit before tax					<u>42,588</u>
	Six months ended 30 June 2023 (Unaudited)				
	Financial investments HK\$'000	Interior decoration and renovation HK\$'000	Export operations HK\$'000	Retail, franchise and others HK\$'000	Total HK\$'000
Segment revenue					
Revenue from external parties	32,662	234,790	158,568	28,177	454,197
Other income and gains	713	675	1,435	3,055	5,878
Total	<u>33,375</u>	<u>235,465</u>	<u>160,003</u>	<u>31,232</u>	<u>460,075</u>
Segment results	<u>(47,183)</u>	<u>1,221</u>	<u>11,792</u>	<u>6,265</u>	<u>(27,905)</u>
Interest income					47,058
Unallocated revenue					5,358
Corporate and other unallocated expenses					(2,082)
Finance costs (other than interest on lease liabilities)					<u>(1,522)</u>
Profit before tax					<u>20,907</u>

(4) PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Depreciation of property, plant and equipment	1,883	1,668
Depreciation of right-of-use assets	3,153	3,010
Loss on disposal of items of property, plant and equipment*	5	46
Gain on termination of tenancy agreements*	(3,110)	(100)
Impairment of debt investments at amortised cost*	113,872	75,132
Impairment of other financial and contract assets, net*	11,374	8,004
Bank interest income*	(24,880)	(47,058)

* These items are included in "Other income and gains" or "Other expenses" in the condensed consolidated statement of profit or loss.

(5) INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2023: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2023: 8.25%) and the remaining assessable profits are taxed at 16.5% (2023: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	Six months ended 30 June	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Current - Hong Kong	(573)	2,806
Current - Elsewhere	13,034	1,201
Deferred	4,177	(557)
	<u>16,638</u>	<u>3,450</u>

(6) **DIVIDENDS**

	Six months ended 30 June	
	2024	2023
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Dividend paid during the period:		
2023 final dividend of HK4.80 cents per ordinary share (2022 final dividend of HK4.00 cents per ordinary share)	72,807	61,119
Adjustment	(122)	-
	<u>72,685</u>	<u>61,119</u>
Dividend declared subsequent to period end:		
2024 interim dividend of HK4.00 cents per ordinary share (2023 interim dividend of HK2.00 cents per ordinary share)	60,410	30,453
Adjustment	-	(1)
	<u>60,410</u>	<u>30,452</u>

The interim dividend for the six months ended 30 June 2024 has been calculated by reference to 1,510,240,000 shares in issue on 21 August 2024.

(7) **EARNINGS PER SHARE**

The calculation of the basic earnings per share amount is based on the profit for the six months ended 30 June 2024 attributable to ordinary equity holders of the Company of HK\$24,489,000 (2023: HK\$17,618,000) and the weighted average number of ordinary shares of 1,515,733,516 (2023: 1,527,927,000) in issue during the period.

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2024 and 2023.

(8) **TRADE AND BILLS RECEIVABLES**

	30 June	31 December
	2024	2023
	(Unaudited)	(Audited)
	HK\$'000	HK\$'000
Trade receivables	136,457	214,498
Impairment allowance	(24,702)	(23,013)
	<u>111,755</u>	<u>191,485</u>
Bills receivables	-	870
	<u>111,755</u>	<u>192,355</u>

(8) TRADE AND BILLS RECEIVABLES *(Continued)*

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2024 (Unaudited) HK\$'000	31 December 2023 (Audited) HK\$'000
Less than 4 months	53,595	143,530
4 to 6 months	36,792	33,360
7 to 12 months	18,504	3,686
Over 1 year	2,864	11,779
	111,755	192,355

The credit period is generally 15 days to 90 days. The trade and bills receivables are non-interest-bearing.

(9) TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2024 (Unaudited) HK\$'000	31 December 2023 (Audited) HK\$'000
Less than 4 months	70,711	138,760
4 to 6 months	457	549
Over 6 months	34	50
	71,202	139,359

The trade payables are non-interest-bearing and are normally settled on 90-day (2023: 90-day) terms.

(10) SHARE CAPITAL AND TREASURY SHARES

	Number of ordinary shares		30 June	31 December
	30 June 2024 (Unaudited) '000	31 December 2023 (Audited) '000	30 June 2024 (Unaudited) HK\$'000	31 December 2023 (Audited) HK\$'000
Issued and fully paid: Ordinary shares of HK\$0.10 each	1,516,808	1,522,644	151,681	152,264

A summary of movements in the Company's issued share capital is as follows:

	Number of issued shares '000	Issued capital HK\$'000	Share premium account HK\$'000	Total HK\$'000
At 1 January 2023 (Audited)	1,527,984	152,798	738,818	891,616
Cancellation of shares repurchased (Audited)	<u>(5,340)</u>	<u>(534)</u>	<u>(3,675)</u>	<u>(4,209)</u>
At 31 December 2023 (Audited)	1,522,644	152,264	735,143	887,407
Cancellation of shares repurchased (Unaudited)	<u>(5,836)</u>	<u>(583)</u>	<u>(4,284)</u>	<u>(4,867)</u>
At 30 June 2024 (Unaudited)	1,516,808	151,681	730,859	882,540

A summary of movements in the Company's treasury shares is as follows:

	Number of ordinary shares '000	HK\$'000
At 1 January 2023 (Audited)	-	-
Treasury shares repurchased (Audited)	10,312	(8,348)
Cancellation of shares repurchased (Audited)	<u>(5,340)</u>	<u>4,209</u>
At 31 December 2023 (Audited)	4,972	(4,139)
Treasury shares repurchased (Unaudited)	6,736	(5,970)
Cancellation of shares repurchased (Unaudited)	<u>(5,836)</u>	<u>4,867</u>
At 30 June 2024 (Unaudited)	5,872	(5,242)

As at 30 June 2024, there were 5,872,000 outstanding repurchased shares not yet cancelled. Subsequent to the reporting date, the Company repurchased 696,000 own shares through the Stock Exchange with consideration of approximately HK\$693,000 (before expenses) in July 2024. At the date of approval of these financial statements, all outstanding repurchased shares of 6,568,000 were cancelled.

INTERIM DIVIDEND

The Board has resolved to pay an interim dividend of HK4.00 cents (2023: HK2.00 cents) per share for the six months ended 30 June 2024 to shareholders whose names appear on the register of members of the Company as at the close of business on Monday, 9 September 2024. The interim dividend will be paid to shareholders on Friday, 20 September 2024.

REVIEW OF OPERATIONS

Looking back to the first half of 2024, global inflationary pressures slowly subsided and the global economy maintained moderate growth. According to Goldman Sachs' forecast, the global economy would maintain positive growth of 2.7% this year. The investment market also benefited from the recovery of international enterprises. MSCI AC World Equity Index rose 10.3% in the year's first half.

In the U.S., economic activity expanded, job growth continued to be strong, and the unemployment rate remained at a low level. The market remained optimistic about the easing monetary policy, which was good for investment willingness in the stock market. The U.S. stock market recorded satisfactory gains during the period, benefited from the market's response to the earnings of some enterprises. In particular, the "America's Magnificent 7" brought earnings growth to the S&P 500 Index. The Federal Reserve kept interest rates at 5.25%, and Chairman Powell said the Central Bank would "prudently" decide when to cut interest rates. As the U.S. Presidential Election Day approached, global protectionism risk was bound to rise further.

In Mainland China, the international situation was complicated. The U.S. continued to increase export controls on Chinese products and against China's artificial intelligence development industry. The competition barriers to global scientific research and technology development continued to be built up. The Third Plenary Session of the CPC Central Committee was recently held and resolved to take "high-quality development" as its primary task and to use "new quality productivity" as the means to build future industries, transform and upgrade traditional industries and promote high-end and intelligent manufacturing development. Central and local governments continued to relax restrictions on property development and transactions so as to encourage early market recovery. Relevant measures included lowering the down payment ratio of mortgages, cancelling the lower limit on commercial mortgage interest rates and converting private housing into public housing. In particular, the tax system reformed from taxing at "place of production" to "place of consumption". This reversed the mind-set of local governments from emphasizing production to encouraging consumption. This provoked substantial changes to the ultimate beneficial sector. At the same time, the collection of value-added tax would be "decentralized" from the central government and would be likely shared between the central and local governments so that local governments could get a share of the pie. The impacts would be extremely far-reaching. These policies should help to boost the domestic consumption. Although the stock market valuations of China and Hong Kong were still at the bottom, the various favourable policies and the continued improvement of funds caused the MSCI China Equity Index to rise by 3.4% in the first half of the year.

Although the Group faced different challenges, it grew by adhering to the spirit of "challenge with calmness" and implementing "high-quality development". The growth achieved by the Group was attributable to all its employees' loyalty and hard work. While the global recovery was still on its way, the Group needed to maintain the stability of its business operations and plan for its further development. We would continue to identify investment opportunities with growth potential to reward shareholders for their long-term support.

During the period under review, the Group recorded a turnover of HK\$529,930,000 (2023: HK\$454,197,000). The Mainland's real estate market continued to face challenges, and impairment provisions were made for the real estate bonds held by the Group according to the accounting standards. However, these provisions were non-cash items and did not have any impact on our cash flow. The Group made use of its cash and invested in high-quality, high-interest blue-chip stocks and fixed time deposits wherein substantial returns were achieved. Therefore, the attributable profit to shareholders was HK\$24,489,000 (2023: HK\$17,618,000), increased by 39.00% compared with the previous year.

The following are the main operating data of the Group during the first half of the year under review:

	2024	2023	
	1st Half	1st half	Change
<i>(Unit: HK\$'000)</i>			
Consolidated revenue	529,930	454,197	+16.67%
of which:			
A. Financial investments	126,133	32,662	+286.18%
B. Interior decoration and renovation	156,376	234,790	-33.40%
C. Export operations	218,116	158,568	+37.55%
D. Hong Kong retailing and overseas franchising	29,277	28,177	+3.90%
Profit attributable to ordinary equity holders of the Company	24,489	17,618	+39.00%
<i>(Unit: HK cents)</i>			
Interim earnings per share (basic)	1.62	1.15	+40.87%
Interim dividend per share	4.00	2.00	+100.00%
	As at	As at	
	30 June	31 December	
	2024	2023	Change
<i>(Unit: HK\$'000)</i>			
Net cash and near cash in hand*	2,708,688	2,488,966	+8.83%

* "Net cash and near cash in hand" consists of debt investments at amortised cost, listed equity investments designated at fair value through other comprehensive income, financial assets at fair value through profit or loss, time deposit with original maturity of over three months when acquired, and cash and cash equivalents, net of interest-bearing bank borrowings.

Financial Investments

For financial investments, the global economic recovery was slow. The war between Russia and Ukraine was still ongoing. It remained to be seen if the Israel-Palestine conflict would spread to other Middle East regions. Geopolitical risks were still high. During the period, the Management prudently invested in high-quality, high-yield blue-chip stocks for long-term investment. These investments were expected to contribute stable and handsome dividend income. At the same time, we would continue to look for suitable investment opportunities.

At the beginning of the year, the Group's investment portfolio was HK\$766,375,000. In the first half of the year, the income from the financial investment business rose to HK\$126,133,000 (2023: HK\$32,662,000), an increase of 286.18% over the same period last year. This was mainly attributed to the rise in dividend income from holding high-yield blue-chip stocks during the period. As of 30 June 2024, the Group's investment holdings had a net value of HK\$1,621,401,000.

Interior Decoration and Renovation

With the mission of “making store building simpler”, we followed the market trend and launched “Changhong Shop Deco” as a sub-brand. We continued to optimize the company’s services, including brand operations, authorized management, green commercial store construction, construction management platforms, and artificial intelligence technology applications. We provided commercial store decoration services for “major customers” and expanded new brand customer services. To adapt to customers’ changing needs, we offered sustainable and innovative digital design, green assembly, and integrated decorations.

Physical retail enterprises accelerated transformation and innovation to stimulate shoppers’ consumption. Online shopping gained momentum and the brand offline physical stores were significantly impacted. The total turnover of the interior design and decoration business was HK\$156,376,000 (2023: HK\$234,790,000), representing a drop of 33.40% compared with last year.

Export Operations

The export business of the Group was mainly composed of “import & export trading” and “design centres”, and the main market was still the United States. The U.S. retailers’ confidence in future prospects improved in the first half of this year, which was expected to benefit the export business in the coming year. The new items launched last year by the “design centres” began to make good contributions. Looking back to the first half of the year, the total export turnover rose from HK\$158,568,000 in the same period last year to HK\$218,116,000, representing an increase of 37.55%.

Hong Kong Retailing and Overseas Franchising

Hong Kong’s retail market was weakened by the phenomenon of “Hong Kongers Heading North”. This significantly affected the customer flow and consumption power in shopping malls. Hong Kong consumers were gradually becoming more receptive to mainland e-commerce clothing platforms, which exacerbated the impact on physical stores. Our strategy was to rely on “flexible leasing” to maintain store scale and optimize the product structure to increase gross profit margins. In overseas markets, franchisees were affected by high inflation and economic downturns. They tended to adopt conservative operating strategies. During the period, the total turnover was HK\$29,277,000 (2023: HK\$28,177,000), representing an increase of 3.90%.

Financial Position

Liquidity and Financial Resources

During the period, the Group’s financial position was solid. As of 30 June 2024, the Group held net cash and near cash in hand of HK\$2,708,688,000 (31 December 2023: HK\$2,488,966,000).

As at 30 June 2024, the Group held cash and cash equivalents of HK\$1,043,809,000 (31 December 2023: HK\$1,703,918,000), of which US dollars accounted for 85.24%, Hong Kong dollars accounted for 4.13%, and RMB accounted for 10.63% (31 December 2023: US dollars accounted for 89.37%, Hong Kong dollars accounted for 5.42%, and RMB accounted for 5.21%). The Group’s bank borrowings denominated in RMB were HK\$5,435,000 (31 December 2023: HK\$14,175,000), which are RMB bank loans with fixed interest rates.

The Group had neither material capital commitment nor contingent liabilities as of 30 June 2024.

The treasury policy, capital structure, foreign exchange and interest rate exposure have not changed materially from the information disclosed in the Group’s consolidated financial statements for the year ended 31 December 2023.

Financial Investments Held

The investments held by the Group were debt instruments and stocks of listed companies. On 30 June 2024, the net carrying amount of the Group's investments was HK\$1,621,401,000 (31 December 2023: HK\$766,375,000), an increase of HK\$855,026,000. The change in total investments was mainly due to the acquisition of blue-chip high-yield stocks of approximately HK\$645,857,000, the increase of fair value gain on the stock investments by approximately HK\$306,089,000, and the impact of additional impairment provisions for bonds.

Human Resources

As of 30 June 2024, the Group employed 437 members of staff (31 December 2023: 464). Furthermore, incentives were granted to employees depending on the Group's overall and individual performance.

Social Responsibility

It was the commitment of the Management that while maximising returns for shareholders, the Group would take up its social responsibilities. The Group always adhered to the tenet of "Keep personal virtues when in distress and benefit the public when in power" and focused on implementing "helping people in crisis" and "green environmental protection". In addition to conscientiously implementing it in work and activities, we demanded our sub-contractors to adhere strictly to stringent environmental protection policies and regulations in their production process. We also supported and sponsored charitable activities to serve the society.

PROSPECTS

The global economy will gradually recover in the second half of the year. The Federal Reserve is expected to begin cutting interest rates in the second half of the year, and the U.S. Presidential Election will be held at the end of this year. The revolutionary changes in artificial intelligence have become the focus of the market. The Mainland online trade is greatly impacting the market, and consumption patterns are undergoing great changes. China is expected to continue to cope with the complex domestic economic and international political situation in 2024 and strive to maintain stable economic growth amidst uncertainties and risks. The China 20th Third Plenary Session was held in Beijing from 15 to 18 of July. The decisions in the session will have a significant impact on the future of the Mainland economy, especially on domestic housing policies. The tax system reforms from taxing at "place of production" to "place of consumption". The collection of value-added tax will be "decentralized" from the central government and is likely to be shared between the central and local governments. These policies will help to boost the domestic consumption. The Group remains cautiously optimistic about the operating prospects and always pays attention to market changes, looks for investment opportunities, and is prepared to take action at the appropriate time.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 5 September 2024 to Monday, 9 September 2024, both days inclusive, during which period no transfer of shares shall be effected. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 4 September 2024.

CORPORATE GOVERNANCE

Throughout the six months ended 30 June 2024, the Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules.

POSSIBLE VERY SUBSTANTIAL ACQUISITIONS

By ordinary resolutions passed at a special general meeting of the Company held on 21 February 2024, the Board was authorized in advance to acquire shares of China Construction Bank Corporation (“CCB Shares”) and shares of Industrial and Commercial Bank of China Limited (“ICBC Shares”) for an aggregate amount not exceeding HK\$200 million (excluding stamp duty and related expenses) respectively in open market transactions during a period of 12 months from the date of passing of the ordinary resolutions (the “Original Acquisition Mandates”). Subsequently, by ordinary resolutions passed at a special general meeting of the Company held on 24 May 2024, the Original Acquisition Mandates were revised to authorize the Board in advance to acquire CCB Shares and ICBC Shares for an aggregate amount not exceeding HK\$400 million (excluding stamp duty and related expenses) respectively in open market transactions during a period of 12 months from the date of passing of the ordinary resolutions (the “Revised Acquisition Mandates”). Details of the Original Acquisition Mandates and the Revised Acquisition Mandates are set out in the Company’s circulars dated 5 February 2024 and 3 May 2024 respectively.

During the six months ended 30 June 2024 and up to the date of this announcement, neither CCB Shares nor ICBC Shares were acquired under the Original Acquisition Mandates or the Revised Acquisition Mandates.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

During the six months ended 30 June 2024, the Company repurchased a total of 6,736,000 shares of the Company on the Stock Exchange.

Details of the repurchases of shares during the period are as follows:

Month of repurchase	Number of shares repurchased	Price per share		Aggregate price (before expenses) HK\$’000
		Highest HK\$	Lowest HK\$	
January	808,000	0.84	0.82	668
February	56,000	0.84	0.83	47
March	28,000	0.84	0.84	24
April	1,396,000	0.85	0.83	1,174
May	1,496,000	0.96	0.84	1,347
June	2,952,000	0.94	0.88	2,683
	6,736,000			5,943

Subsequently, the Company repurchased a total of 696,000 shares in July 2024 at the aggregate price of approximately HK\$693,000 (before expenses).

All the repurchased shares were subsequently cancelled by the Company.

The above repurchases of the Company's shares were effected by the Directors, pursuant to the mandates from shareholders received at the annual general meeting of the Company for the years 2023 and 2024, with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share of the Company.

Save as disclosed above, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2024.

By Order of the Board
Glorious Sun Enterprises Limited
Dr. Charles Yeung, GBS, JP
Chairman

Hong Kong, 21 August 2024

As at the date of this announcement, the directors of the Company are as follows:

Executive Directors:

Dr. Charles Yeung, GBS, JP, Yeung Chun Fan, BBS, Hui Chung Shing, Herman, GBS, MH, JP, Ms. Cheung Wai Yee and Yeung Yin Chi, Jennifer, JP

Independent Non-executive Directors:

Lau Hon Chuen, Ambrose, GBS, JP, Dr. Chan Chung Bun, Bunny, GBM, GBS, JP, Ng Wing Ka, Jimmy, BBS, JP and Choi Tak Shing, Stanley, JP