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**ZJ**

**中基長壽科學**

ZHONG JI LONGEVITY SCIENCE

**Zhong Ji Longevity Science Group Limited**

**中基長壽科學集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 767)**

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

The board (the “**Board**”) of directors (the “**Director(s)**”) of Zhong Ji Longevity Science Group Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2024 (“**HY2024**”) together with the comparative figures for the corresponding period in 2023 (“**HY2023**”). The interim results have been reviewed by the audit committee of the Company (the “**Audit Committee**”).

**FINANCIAL HIGHLIGHTS**

- For HY2024, the Group’s revenue increased by 41.8% to HK\$42.4 million (HY2023: HK\$29.9 million).
- For HY2024, the Group’s gross profit increased by 25.6% to HK\$33.3 million (HY2023: HK\$26.5 million).
- For HY2024, the Group’s profit before tax decreased by 85.9% to HK\$0.7 million (HY2023: HK\$5.3 million).
- As at 30 June 2024, the Group’s net assets increased by 0.4% to HK\$432.1 million (31 December 2023: HK\$430.5 million).
- For HY2024, the Board does not recommend the payment of an interim dividend for the year (HY2023: Nil).

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	<i>Notes</i>	<b>Six months ended 30 June</b>	
		<b>2024</b>	<b>2023</b>
		<b><i>HK\$'000</i></b> <b>(Unaudited)</b>	<b><i>HK\$'000</i></b> <b>(Unaudited)</b>
Revenue	4	42,403	29,911
Cost of sales		<u>(9,127)</u>	<u>(3,424)</u>
Gross profit		33,276	26,487
Other income and gains, net	5	391	19,197
Selling and distribution expenses		(12,597)	(11,959)
Administrative expenses		(19,799)	(26,937)
Finance costs	6	<u>(523)</u>	<u>(1,476)</u>
<b>PROFIT BEFORE TAX</b>	7	<b>748</b>	<b>5,312</b>
Income tax expense	8	<u>(1,665)</u>	<u>(3,374)</u>
<b>(LOSS)/PROFIT FOR THE PERIOD</b>		<b><u>(917)</u></b>	<b><u>1,938</u></b>
Attributable to:			
Owners of the Company		(1,021)	1,782
Non-controlling interests		<u>104</u>	<u>156</u>
		<b><u>(917)</u></b>	<b><u>1,938</u></b>
<b>(LOSS)/EARNINGS PER SHARE</b>			
<b>ATTRIBUTABLE TO ORDINARY EQUITY</b>			
<b>HOLDERS OF THE COMPANY</b>			
Basic and diluted	9	<b><u>HK(0.2) cents</u></b>	<b><u>HK0.01 cents</u></b>

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2024	2023
	<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Unaudited)
<b>(LOSS)/PROFIT FOR THE PERIOD</b>	<b><u>(917)</u></b>	<b><u>1,938</u></b>
<b>OTHER COMPREHENSIVE LOSS</b>		
Items that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<u>(17,286)</u>	<u>(78,027)</u>
	<b>(17,286)</b>	<b>(78,027)</b>
Items that may not be reclassified to profit or loss in subsequent periods:		
Changes in fair value of equity investments designated at fair value through other comprehensive loss	<u>266</u>	<u>(2,594)</u>
	<b>266</b>	<b>(2,594)</b>
<b>OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX</b>	<b><u>(17,020)</u></b>	<b><u>(80,621)</u></b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b><u><u>(17,937)</u></u></b>	<b><u><u>(78,683)</u></u></b>
Total comprehensive loss for the period attributable to:		
Owners of the Company	<u>(16,192)</u>	<u>(77,226)</u>
Non-controlling interests	<u>(1,745)</u>	<u>(1,457)</u>
	<b><u><u>(17,937)</u></u></b>	<b><u><u>(78,683)</u></u></b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 June 2024 <i>HK\$'000</i> (Unaudited)	31 December 2023 <i>HK\$'000</i> (Audited)
	<i>Notes</i>		
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	11	316	1,125
Investment properties		25,295	25,295
Right-of-use assets	12	4,731	10,668
Financial assets at fair value through other comprehensive income	13	4,450	5,847
Loan and interest receivables	14	143,569	142,848
Total non-current assets		178,361	185,783
<b>CURRENT ASSETS</b>			
Inventories		1,171	2,523
Loan and interest receivables	14	34,578	34,884
Trade receivables	15	2,482	2,141
Deposits, prepayments and other receivables	16	197,421	196,602
Tax recoverable		3,580	3,681
Amounts due from related companies	20	2,535	2,549
Amount due from a director	20	—	16
Cash and cash equivalents		78,705	81,075
Total current assets		320,472	323,471
<b>CURRENT LIABILITIES</b>			
Trade payables	17	205	206
Other payables and accruals	18	10,830	12,546
Bank and other borrowing	19	11,798	9,010
Lease liabilities		4,350	6,978
Amounts due to related companies	20	3,621	3,763
Contract liabilities		15,005	24,207
Tax payable		18,902	16,634
Total current liabilities		64,711	73,344
<b>NET CURRENT ASSETS</b>		<b>255,761</b>	<b>250,127</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>434,122</b>	<b>435,910</b>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
(CONTINUED)**

		<b>30 June 2024</b>	31 December 2023
		<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
	<i>Notes</i>	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		1,237	1,236
Lease liabilities		772	4,209
		<hr/>	<hr/>
Total non-current liabilities		<b>2,009</b>	5,445
		<hr/>	<hr/>
<b>NET ASSETS</b>		<b>432,113</b>	430,465
		<hr/> <hr/>	<hr/> <hr/>
<b>EQUITY</b>			
Share capital	21	5,465	4,554
Reserves		401,332	398,849
		<hr/>	<hr/>
<b>Equity attributable to owners of the Company</b>		<b>406,797</b>	403,403
Non-controlling interests		25,316	27,062
		<hr/>	<hr/>
<b>TOTAL EQUITY</b>		<b>432,113</b>	430,465
		<hr/> <hr/>	<hr/> <hr/>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*Six months ended 30 June 2024*

## 1. GENERAL INFORMATION

Zhong Ji Longevity Science Group Limited (the “**Company**”) is a limited liability company incorporated in Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The registered address of the Company is located at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda. The principal place of business of the Company was located at Room 220, 2nd Floor Mega Cube No. 8 Wang Kwong Road, Kowloon Bay Kowloon.

During the period, the Group was involved in the following principal activities:

- Longevity science business
- Money lending and financial advisory business
- Securities and other investments
- Property investment

## 2. BASIS OF PREPARATION

These condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosures requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The condensed consolidated financial statements are presented in Hong Kong dollar (“**HKS**”), which is the same as the functional currency of the Company.

## 3. PRINCIPAL ACCOUNTING POLICIES

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

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2024 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2023.

### 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 January 2024 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS1	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements — Classification by the Borrower of a Team Loan that Contains a Repayment on Demand Clause
Amendments to HKFRS 16	Lease Liability in Sale and Leaseback
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the new and amendments to HKFRSs in the current period has had no material impact on the Group's financial performance and positions for the current and prior periods and on the disclosures set out in these condensed consolidated financial statements.

### 4. REVENUE AND SEGMENT INFORMATION

#### Disaggregation revenue information

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
<b>Revenue from contract customer within the scope of HKFRS 15</b>		
Sales of health and medical products	3,480	2,351
Provision of diagnostic and medical test services	21,700	9,517
Rendering of financial advisory and investment services	—	—
	<u>25,180</u>	<u>11,868</u>
<b>Timing of revenue recognition within the scope of HKFRS 15</b>		
Point in time basis	<u>25,180</u>	<u>11,868</u>
<b>Revenue from other sources</b>		
Loan interest income	<u>17,223</u>	<u>18,043</u>
	<u>17,223</u>	<u>18,043</u>
<b>Total revenue recognised for the period</b>	<u><u>42,403</u></u>	<u><u>29,911</u></u>

#### 4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

In the current period, the Group reorganised its internal reporting structure which resulted in changes to the composition of its reportable segments. Money lending and financial and investment advisory segments have been combined as money lending and financial advisory business segment. Prior period segment disclosures have been represented to conform with the current period's presentation. The Group's reportable segments under HKFRS 8 are as follows:

- (a) Longevity science business: provision of genetic cells diagnostic consultation, health and medical testing and checking as well as distribution of cancer prevention & immunity healthcare supplements;
- (b) Money lending and financial advisory business: provision of loan financing for earning interest income and provision of financial advisory and management services rendering various loan fees.
- (c) Securities and other investments: holding of equity investments and investment in short to long-term financial assets for dividend income; and
- (d) Property investment: investment in properties for rental income and/or for potential capital appreciation.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit before tax except that bank interest income, share of results of joint ventures, finance costs as well as head office and corporate income and expenses are excluded from such measurement.

Segment assets exclude tax recoverable and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

	Longevity science business HK\$'000 (Unaudited)	Money lending and financial advisory business HK\$'000 (Unaudited)	Securities and other investments HK\$'000 (Unaudited)	Property investment HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
<b>6 months ended 30 June 2024</b>					
Revenue from external customers	25,180	17,223	—	—	42,403
Segment (loss)/profit	(4,342)	16,233	(30)	—	11,861
<b>As at 30 June 2024</b>					
Segment assets	73,078	351,724	4,651	25,295	454,748
Segment liabilities	18,337	13,236	—	—	31,573
<b>6 months ended 30 June 2023</b>					
Revenue from external customers	11,868	18,043	—	—	29,911
Segment (loss)/profit	(13,283)	36,338	—	—	23,055
<b>As at 31 December 2023 (audited)</b>					
Segment assets	81,154	353,932	5,847	25,295	466,228
Segment liabilities	26,726	13,574	—	—	40,300



#### 4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

##### Reconciliations of segment profit or loss, assets and liabilities:

	Six months ended 30 June	
	2024 <i>HK\$'000</i> (Unaudited)	2023 <i>HK\$'000</i> (Unaudited)
<b>Profit or (loss)</b>		
Total profit of reportable segments	11,861	23,055
Bank interest income	42	12
Finance costs	(523)	(1,476)
Corporate and other unallocated expenses, net	(10,632)	(16,279)
	<u>748</u>	<u>5,312</u>
Profit before tax	<u>748</u>	<u>5,312</u>
	<b>30 June</b> 2024 <i>HK\$'000</i> (Unaudited)	31 December 2023 <i>HK\$'000</i> (Audited)
<b>Assets</b>		
Total assets of reportable segments	454,748	466,228
Corporate and other unallocated assets	44,085	43,026
	<u>498,833</u>	<u>509,254</u>
Consolidated total assets	<u>498,833</u>	<u>509,254</u>
<b>Liabilities</b>		
Total liabilities of reportable segments	31,573	40,300
Tax payable	18,902	16,638
Deferred tax liabilities	1,237	1,238
Corporate and other unallocated liabilities	15,008	20,613
	<u>66,720</u>	<u>78,789</u>
Consolidated total liabilities	<u>66,720</u>	<u>78,789</u>

#### 4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

##### Geographical information

Segments	Six months ended 30 June 2024	Six months ended 30 June 2023
	revenue from external customers <i>HK\$'000</i> (Unaudited)	revenue from external customers <i>HK\$'000</i> (Unaudited)
<b>Geographical markets</b>		
Hong Kong	9,817	2,313
Mainland China	32,586	27,598
	<u>42,403</u>	<u>29,911</u>

As at 30 June 2024, majority of the Group's non-current assets were located in the PRC (31 December 2023: same).

#### 5. OTHER INCOME AND GAINS, NET

	Six months ended 30 June 2024	Six months ended 30 June 2023
	<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Unaudited)
Bank interest income	42	12
Net proceeds from bad debts recovery	—	19,000
Exchange gain	—	115
Government grants	—	60
Others	349	10
	<u>391</u>	<u>19,197</u>

## 6. FINANCE COSTS

	Six months ended 30 June	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Interest on other borrowings	44	396
Interest on lease liabilities	479	1,080
	<u>523</u>	<u>1,476</u>

## 7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	Six months ended 30 June	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Cost of inventories sold	723	3,346
Depreciation of right-of-use assets	3,200	4,522
Depreciation of property, plant and equipment	88	419
Staff costs (including directors' emoluments)	8,536	8,667

## 8. INCOME TAX EXPENSE

	Six months ended 30 June	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Current tax — PRC Enterprise Income Tax — Provision for the period	<u>1,665</u>	<u>3,374</u>

Under the two-tiered profits tax rates regime in Hong Kong, the first HK\$2 million of assessable profits of the qualifying corporation in the Group are taxed at 8.25%, and assessable profits above HK\$2 million are taxed at 16.5%. The assessable profits of corporations in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The two-tiered profits tax rates regime is applicable to the Group for both periods.

Under the Law of the EIT and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods.

## 9. EARNINGS PER SHARE

	Six months ended 30 June	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
<b>Earnings:</b>		
(Loss)/profit attributable to owners of the Company, used in the basic and diluted earnings per share calculations	<u>(1,021)</u>	<u>1,782</u>
	<b>Number of shares</b>	
	Six months ended 30 June	
	2024	2023
	<i>'000</i>	<i>'000</i>
	(Unaudited)	(Unaudited)
<b>Shares:</b>		
Weighted average number of ordinary shares in issue during the period	467,953	455,441
Effect of dilutive potential ordinary shares arising from:		
Mandatory convertible notes	<u>—</u>	<u>1,091,200</u>
Weighted average number of ordinary shares used in the diluted earnings per share calculation	<u>467,953</u>	<u>1,546,641</u>

Comparative figures for the weighted average number of ordinary shares for the period ended 30 June 2023 in issue have been adjusted for the number of ordinary shares that will be issued upon the conversion of the mandatorily convertible notes as the convertible notes were mandatorily convertible into ordinary shares. Hence the ordinary shares that will be issued upon conversion are included in the calculation of basic and dilute earnings per share from the date the contract is entered into.

Comparative figures for the weighted average number of ordinary shares for the period ended 30 June 2023 for the purpose of basic and diluted loss per share has been adjusted retrospectively for share consolidation on the basis that every ten (10) issued and unissued then existing shares be consolidated into one (1) consolidated share (the “**Consolidated Share(s)**”) and completed on 2 August 2023 (the “**Share Consolidation**”).

The computation of diluted earnings per share for the period ended 30 June 2024 does not assume the exercise of the Company’s share options because the exercise price of those share options was higher than the average market price for shares for the period.

The computation of diluted earnings per share for the period ended 30 June 2023 does not assume the exercise of the Company’s share options because the exercise price of those share options was higher than the average market price for shares for the period.

## 10. DIVIDENDS

The Directors do not recommend the payment of any dividend for the six months ended 30 June 2024 (30 June 2023: Nil).

## 11. PLANT AND EQUIPMENT

During the six months ended 30 June 2024, the Group has disposal of Plant and Equipment of approximately HK\$721,000 (30 June 2023: Nil).

## 12. RIGHT-OF-USE ASSETS

During the six months ended 30 June 2024, the Group has lease contracts for various items of leasehold land and buildings and therefore recognised the additions to right-of-use assets of approximately HK\$4,731,000 (30 June 2023: HK\$13,220,000).

## 13. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<b>30 June 2024 <i>HK\$'000</i> (Unaudited)</b>	31 December 2023 <i>HK\$'000</i> (Audited)
<b>Financial assets, at fair value</b>		
Listed equity investments, at fair value	<u><b>4,450</b></u>	<u>5,847</u>

The Group's equity investments are investments in companies listed on the Stock Exchange and were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

The fair value of the listed equity investments is based on their current bid prices in active markets, and therefore classified under level 1 of the fair value hierarchy.

#### 14. LOAN AND INTEREST RECEIVABLES

	30 June 2024 <i>HK\$'000</i> (Unaudited)	31 December 2023 <i>HK\$'000</i> (Audited)
<b>Non-current</b>		
Loan and interest receivables		
— Corporate loans	158,544	157,823
Loan and interest receivables		
— Personal loans	—	—
	<u>158,544</u>	<u>157,823</u>
<b>Less: Impairment</b>		
— Stage 1	—	—
— Stage 2	(14,975)	(14,975)
— Stage 3	—	—
	<u>143,569</u>	<u>142,848</u>
<b>Current</b>		
Loan and interest receivables		
— Corporate loans	421,764	422,070
Loan and interest receivables		
— Personal loans	239,562	239,562
	<u>661,326</u>	<u>661,632</u>
<b>Less: Impairment</b>		
— Stage 1	—	—
— Stage 2	(4,556)	(4,556)
— Stage 3	(622,192)	(622,192)
	<u>34,578</u>	<u>34,884</u>
	<u><u>178,147</u></u>	<u><u>177,732</u></u>

#### 14. LOAN AND INTEREST RECEIVABLES (CONTINUED)

The term of loans entered with its customers are on credit. The credit period is generally within four years, extension can be made after monitoring assessment and further creditworthiness analysis on the debtors reviewed by senior management. The loan receivables carried fixed interest rate ranging from 6% to 18% (31 December 2023: 6% to 18%) per annum. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. The Group held collateral or other credit enhancements over its certain of its loan and interest receivable balances.

The Group's loans and interest receivable, which arise from the money lending business under corporate and personal borrowers loan business model of providing corporate and personal loans in PRC and Hong Kong and the carrying amounts approximate their fair values.

Except for loan and interest receivables of HK\$654,459,000 (31 December 2023: HK\$654,459,000) which are unsecured, loan and interest receivables are secured by collateral provided by customers, bear interest and are repayable with fixed terms.

During the period ended 30 June 2024, nil amount of loan and interest receivables have been written-off (2023: Nil).

Included in the Group's loan and interest receivables are amounts due from the Group's joint ventures of net carrying amount of HK\$28,241,000 (31 December 2023: HK\$27,520,000), which are unsecured, bearing interest at 12% (31 December 2023: 12%) per annum and repayable in between 2024 to 2025.

An ageing analysis of the loan and interest receivables as at the end of the reporting period, based on commencement of loan agreement entered and the date of interest income accrued, and net of loss allowance, is as follows:

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Within 30 days	941	983
31–90 days	2,886	2,887
91–180 days	2,865	2,919
181–365 days	2,887	4,790
Over 365 days	<u>168,568</u>	<u>166,153</u>
	<u><b>178,147</b></u>	<u><b>177,732</b></u>

## 15. TRADE RECEIVABLES

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Trade receivables	2,515	2,174
Less:		
Impairment		
— Stage 1	(33)	(33)
— Stage 2	—	—
— Stage 3	—	—
	<u>2,482</u>	<u>2,141</u>

The Group's trading terms with its customers are mainly on credit. The credit period is generally 30 to 90 days for its trade receivables. The Group does not hold any collateral or other credit enhancements over its trade receivable balances.

An ageing analysis of the trade receivables, based on the invoice date and net of provisions, was as follows:

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Within 30 days	39	8
31–90 days	360	—
91–180 days	7	—
181–365 days	—	—
Over 365 days	<u>2,076</u>	<u>2,133</u>
	<u>2,482</u>	<u>2,141</u>



## 16. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	<b>30 June 2024</b>	31 December 2023
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Prepayments	<b>27,420</b>	30,828
Deposits	<b>3,765</b>	3,000
Other receivables — personal loan via strategic partners by 100% contribution	<b>161,377</b>	159,671
Other receivables — personal loan via strategic partners by 10% contribution	<b>46,610</b>	47,571
Other receivables — others	<b>54,824</b>	52,107
Less: Impairment		
— Stage 1	—	—
— Stage 2	<b>(87,622)</b>	(87,622)
— Stage 3	<b>(8,953)</b>	(8,953)
	<u><b>(96,575)</b></u>	<u>(96,575)</u>
Deposits and other receivables Under non-current assets portion		—
Current assets portion	<u><b>197,421</b></u>	<u>196,602</u>

Other receivables mainly represent the receivables from an independent third party with net carrying amount of approximately HK\$104,285,000 (31 December 2023: HK\$90,364,000) which are secured, carried at fixed interest rate from 8.4% to 16.8% (31 December 2023: 8.4% to 16.8%) per annum.

The Group's other receivables, which mainly arise from the money lending business under Strategic Partners Business Model of providing personal loans in PRC by 100% contribution and 10% contribution via the strategic partners act as direct lender with the Group as co-manager, and the carrying amounts approximate their fair values.

Except for other receivables of HK\$54,824,000 (31 December 2023: HK\$52,017,000) which are unsecured, other receivables are secured by collateral provided by customers, bear interest and are repayable with fixed terms.

During the period ended 30 June 2024, no other receivables have been written-off (2023: HK\$Nil).

## 17. TRADE PAYABLES

The aging analysis of the trade payables, based on invoice date, is as follows:

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Current to 30 days	—	—
31 to 60 days	—	112
61 to 90 days	—	—
Over 90 days	<u>205</u>	<u>94</u>
	<b><u>205</u></b>	<b><u>206</u></b>

## 18. OTHER PAYABLES AND ACCRUALS

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Other payables	<b>3,915</b>	3,061
Accruals	<u><b>6,915</b></u>	<u>9,485</u>
	<b><u>10,830</u></b>	<b><u>12,546</u></b>

## 19. BANK AND OTHER BORROWING

As at 30 June 2024, the loans are obtained from independent third parties to the Group and of approximately HK\$9,778,000 (31 December 2023: approximately HK\$6,942,000) are unsecured, bearing interest of 5% and 27% per annum which payable on demand. As at 30 June 2024, the Group also incurred PRC bank loan of approximately HK\$2,020,000 (31 December 2023: approximately HK\$2,068,000), which is unsecured, bearing interest of 4.25% per annum and payable within one year.

## 20. AMOUNT(S) DUE FROM/(TO) RELATED COMPANIES/A DIRECTOR

The amount(s) due from/(to) related companies/a director were unsecured, interest-free and had no fixed term of repayment.

The Group had approximately HK\$2,535,000 of outstanding balance due from Zhong Ji 1 International Medical Group (Hong Kong) Limited, being a related company as the chairman and executive director Mr. Yan Li held a 90.76% beneficiary interest, as at 30 June 2024.

The Group had approximately HK\$747,000 outstanding balance due to Chongqing Juquan as at 30 June 2024. The Group had approximately HK\$2,874,000 outstanding balance due to Wuxi Juquan as at 30 June 2024. Both were Joint Ventures subsidiaries with 51% held by the Company wholly owned Beijing subsidiary and the rest 49% held by independent third party.

## 21. SHARE CAPITAL

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Authorised:		
40,000,000,000 ordinary shares of HK\$0.01 each	<b>400,000</b>	400,000
	<b>Number of shares in issue '000</b>	<b>Share capital HK\$'000</b>
Issued and fully paid:		
At 1 January 2023	4,257,112	4,257
Issue of new shares ( <i>Note (a)</i> )	297,300	297
Effects of share consolidation ( <i>Note (b)</i> )	(4,098,971)	—
At 31 December 2023	455,441	4,554
Issue of new shares ( <i>Note (c)</i> )	91,088	911
At 30 June 2024	<b>546,529</b>	<b>5,465</b>

### Notes:

- (a) On 2 May 2023, the Company completed a share placing for an aggregate for 297,300,000 shares at a placing price of HK\$0.049 per share to placees. The gross proceeds from the placing was approximately HK\$14,567,700, the net proceeds was approximately HK\$14,016,352 and HK\$13,719,352 was recognised at share premium. Details of the placement are set out in the Company's announcements dated and 20 April 2023 and 2 May 2023.
- (b) On 14 July 2023, the Company made a proposal of share consolidation to the shareholders that: every ten issued shares of HK\$0.001 each to be consolidation into one consolidated share of HK\$0.01 each the share consolidation has become effective on 2 August 2023.
- (c) On 6 June 2024, the Company completed a share subscription for an aggregate for 91,088,258 shares at a subscription price of HK\$0.215 per share to subscribers. The gross proceeds from the subscription was approximately HK\$ \$19,584,000, the net proceeds was approximately HK\$19,384,000 and approximately HK\$18,674,000 was recognised at share premium. Details of the subscription are set out in the Company's announcements dated and 30 May 2024 and 6 June 2024.

## 22. CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities at 30 June 2024 (31 December 2023: Nil).

## 23. CAPITAL COMMITMENT

The Group did not have any capital commitment as at 30 June 2024 (31 December 2023: Nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### INTRODUCTION

Zhong Ji Longevity Science Group Limited (the “**Company**”), together with its subsidiaries (collectively the “**Group**”) have been focusing on expanding its longevity science business. In addition to operating and managing its existing businesses of money lending & financial advisory business, securities and other investment business, and property investment business.

For the money lending & financial advisory business, as announced in the prior supplement announcements dated 26 August 2022 and 17 November 2023, despite the Company’s Caijia Peer-to-Peer (P2P) Internet Credit Youtoubao loan platform business (see Page 17 in the 2 September 2015 Caijia Acquisition Circular) being curbed and ceased by the People’s Republic of China (“**PRC**”) authority pursuant to 互聯網金融網絡借貸風險整治辦函(2019) 83號 — 《關於網絡借貸信息中介機構轉型小額貸款公司的指導意見》 (“**Guidance on Statutory Demand in Transforming Internet Finance Lending Intermediaries into Small Loan Finance Companies**”) and other earlier policy changes from 2015 (銀發(2015) 221號) that targeted national P2P Internet Finance, the Company’s PRC subsidiary, 天行紀元(北京)財務顧問有限公司 (“**TianXi**”), has successfully restructured.

The restructured business now secures mortgage loans under the “Money Lending & Financial Advisory Business” model and has been relaunched as a non-P2P money lending business in compliance with the newly promulgated PRC guidelines for Small Loan Finance Companies. Additionally, as announced in the announcement dated 23 February 2022, a PRC police investigation was initiated regarding TianXi personnel’s involvement in organized crimes related to internet gambling. Since February 2022, the Company and its PRC TianXi subsidiary have hired new staff and disassociated from all former TianXi managerial staff, employees, and advisors. Consequently, during 2023, the Company regained possession of all necessary Company chops and seals for its PRC TianXi subsidiary, restored its operations, and normalized its status with the Beijing Commerce Department (北京市市場監督管理局) and other regulatory departments, including the Beijing Taxation Bureau, without objections from Beijing Police.

The investigation cases have now concluded, with PRC police indicting several individuals, none of whom are associated with TianXi as either defendants or suspects, as confirmed by the Company’s PRC lawyer, Dongwei. Therefore, these administrative recovery issues were finally resolved by the end of June 2024.

However, the restoration of normal operations with business partners and banking authorities has been slow, hampering the Company's ability to execute legitimate recovery actions on overdue loans. To expedite this recovery process, in late April 2023, the Company set up a designated task team and engaged Beijing Dongwei Law Firm as the PRC legal adviser of the Company to work together with strategic partners responsible for recovering these loans, including the impaired portions in the PRC. By around September 2023 and June 2024, the Company team and Dongwei managed to recover RMB6.7 million in cash from two overdue loans from Shanxi strategic partners and RMB2.9 million in cash from a Shanxi trustee account held for TianXi in a final settlement. After deducting Shanxi trustee service fees of RMB600,000, an agent fee of RMB100,000, and initial setup legal fees of RMB1,000,000, TianXi had retrieved in full the invested principal of RMB7,900,000, together with RMB1,700,000 in returns, less associated costs from the Shanxi strategic partner as at 30 June 2024. The Company has extended its recovery services with Dongwei Law firm till August 2025.

In 2024, with the COVID-19 epidemic ending, some policy dilemmas arose due to announcements and regulations from the State Council of the PRC (國務院) via the China Banking and Insurance Regulatory Commission (中國銀保監會辦公廳), such as 銀保監辦發(2022) 37號 and 中國人民銀行中國銀行保險監督管理委員會銀發(2022) 252號. These policies offered borrowers mortgage repayment relief, including at least six-month grace periods, waivers on overdue interest, and recovery fees on grievance grounds, among other measures. Such PRC national COVID-19 relief policies have prolonged the recovery pace and increased associated costs and uncertainty for the Company and/or strategic partners in executing imminent mortgagee sale actions or other legal recovery actions. A more economically feasible market practice for recovering overdue loans has been to negotiate patiently with borrowers to secure their willingness to repay. The Company and PRC legal adviser of the Company have been employing this strategy before resorting to legal means, as these policies merely postpone but do not ultimately waive the borrower's repayment liability or the legality of the security.

For HY2024, the Group continued to enhance its financial performance by diversifying into promising longevity medical health businesses, providing, among other services, registered medical tests or laboratory tests such as advanced tumor cell screening, immunity/killer cell tests, joint health blood & micronutrients tests, female & male fertility & salivary hormone tests, comprehensive thyroid assessments, and patented third-generation whole genome sequencing genetic tests. Other non-medical treatments offered include hair cell revitalization and supernatant fluid skin energizing.

During HY2024, our Group operated under relatively normal conditions following the aftermath of the COVID-19 pandemic, despite facing a challenging and sluggish retail environment. Despite these obstacles, Zhong Ji is dedicated to building a world-leading platform for longevity science transformation and application. Our Group aims to offer the most advanced and highest-quality personalized longevity management solutions globally, focusing on testing to achieve key objectives such as cancer prevention, anti-aging, and knee health.

In 2023, the previously published Winnie Sanitary Product Ltd. distribution channel successfully deployed ZHJ vitamin C and nicotinamide mononucleotide (“NMN”) supplement tablets throughout Hong Kong Mannings pharmacy counters, as one of Zhong Ji’s efforts to increase medical product sales and enhance its Longevity Science Health business. However, during the Period under Review, the Company was informed by Winnie Sanitary Product Ltd. that Mannings had ceased the deployment scheme due to poor sales and unfeasible shelving costs, leading to the arrangement of goods return and refunds.

As announced in the announcement dated 11 December 2023, an abundance of small, portable China-made X-ray machines was found in the Company’s wall cabinet, despite the fact that the Center never required X-ray applications or treatments for any Zhong Ji patients. This discovery occurred during a routine annual inspection by the Hong Kong Department of Health. Subsequently, under section 38(1)(a)(iii) of the Private Healthcare Facilities Ordinance (Cap. 633), the Company’s Day Procedure Centre license was revoked by the department. Nevertheless, the Company has been assessing various alternative arrangements, including reapplying for a Day Care Centre license. Currently, the Company’s longevity medical health services operate under the supervision of individually licensed doctors and a registered nurse team, which has not significantly affected the longevity science business.

During HY2024, the longevity science business continued to improve its human cell treatment industry and immunity enhancement product lines in an exhaustive and diversified manner through membership and distribution channels. The Group recorded approximately HK\$21.7 million in revenue from the provision of diagnostic, medical testing, and health auxiliary services, and approximately HK\$3.48 million from the sales of health and medical products.

The announcement is presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Group.

## FINANCIAL RESULTS

In HY2024, a restrained trading environment and sluggish sentiment in the PRC property market, especially in cities such as Beijing, Chongqing, Chengdu, Suzhou, Tianjin, and Shanghai, led to increased debt default risks. This negatively impacted the performance of home loans and secured loans in the Money Lending & Financial Advisory Business. In response to the challenging macroeconomic conditions, the Group took a cautious approach, focusing primarily on loans initiated through strategic partners, which resulted in stable yet unremarkable performance.

Despite these challenges, the Group leveraged its existing finance-related expertise to diversify into the field of longevity science. During HY2024, by enhancing its product offerings through membership and distribution channels, the Company is committed to developing and expanding its longevity science business. This segment shows significant promise and has the potential to grow into a large-scale, viable, and sustainable business in the future.

During HY2024, the Group recorded a total revenue of HK\$42,403,000 (HY2023: HK\$29,911,000). The Group recorded a loss for the period of HK\$917,000 (HY2023: profit for the period HK\$1,938,000). The Money lending and financial advisory Business demonstrate a static revenue of HK\$17,223,000 and a segment profit of HK\$16,233,000 for HY2024. Nevertheless, the longevity science business contributed revenue of HK\$25,180,000 and a segment loss of HK\$4,342,000 for HY2024.

As at 30 June 2024, the basic and diluted loss per share were HK\$0.2 cents (30 June 2023: basic and diluted earnings per share were HK\$0.01 cents).

As at 30 June 2024, the Group's consolidated net assets was HK\$432,113,000 (31 December 2023: HK\$430,465,000).

## **BUSINESS REVIEW**

### **Longevity Science Business**

Recognizing the global trend towards increased awareness of individual longevity health science, the Group intends to step up its investment to accelerate its transformation, which began last year. During the reporting period, the Group's longevity science business delivered a respectable performance despite the challenging pandemic operating environment. Revenue for this segment amounted to approximately HK\$25,180,000 for HY2024 (HY2023: HK\$11,868,000), of which approximately HK\$21,700,000 was generated from diagnostic consultation and medical testing, and approximately HK\$3,480,000 was contributed by sales of longevity biological products. The segmental loss was approximately HK\$4,342,000 for HY2024 (HY2023: HK\$13,283,000). During this period, the existing Shenzhen sales center operated smoothly, but due to the revocation of the Day Care license, a new sales center is being established in Hong Kong, incurring setup costs.

The promising high net-worth clientele in the PRC is targeted to be induced as members, with individual cells stored to facilitate personalized vaccine cell treatments, which have improved longevity diagnostic and medical test service income to approximately HK\$25,180,000 for HY2024 (HY2023: HK\$11,868,000). Indeed, the COVID-19 pandemic and the aging population have heightened public concern for health worldwide, resulting in unprecedented potential for the development of individual longevity health awareness and testing services in the healthcare and medical industry. This includes tailoring customized services to individual needs, such as hair cell revitalization and facial skin energizing.

During the review period, PRC customs imposed more stringent scrutiny on American-made products, causing months of delays in the clearance, import, and sale of longevity NMN and vitamin C supplement products into the PRC. This inevitably affected the sale of longevity health and medical supplements, which dwindled to approximately HK\$3,480,000 for HY2024 (HY2023: HK\$2,351,000). Nevertheless, these clearance hurdles have been resolved, and the sale of longevity health and medical products has resumed to normal levels per planned sales programs.

### ***Strengthening in-house R&D and production capabilities***

During HY2024, Zhong Ji Longevity Science advanced its transformation of longevity science business from all fronts, with a focus on strengthening the Group's hard and soft capabilities. The Group recruited a seasoned team of biotechnology and management talents, including the appointment of Academician Randy Wayne Schekman, a Nobel laureate in Physiology or Medicine, as the Honorary Chairman and Chief Scientist of the Group, to immensely enhance the Group's research and development ("R&D") capability, thereby enabling the Group to achieve its strategic goals. In addition, the Group adopted



a share award scheme, which aims to recognize employees and individuals who have contributed to the Group’s development and business growth as well as to attract talents in the industry.

### ***Striving to expand and enhance longevity biological products***

In respect of sales and production of longevity biological products, by fully leveraging the Group’s expertise in the cell industry and ongoing enhancement of R&D and production level, the Group has commenced the development and production of its flagship NMN product “ZJ1” and VC sustained-release tablets and calorie-burning tablets, as well as other longevity biological products in California, United States since last year. The four existing products of the Group have already acquired the world’s highest certification in standard as well as safety certification for sterility test, and are well received by high-networth individuals. During the period under review, the Group’s scientific research team boosted the R&D progress of “ZJ1” to the seventh generation with the introduction of the longevity functional beverages, safeguarding the health and longevity of people around the world who strive for the quality of life. In terms of marketing and sales strategy, the Group will capitalize the existing customer base, marketing network and sales channels of ZJ1 International Medical Group (Hong Kong) to gradually set up the “Internet + Healthcare” longevity system platform — Zhong Ji Longevity Cloud\* (中基長壽雲).

### ***Establishing partnerships with world-class companies***

The Group entered into a memorandum of understanding in relation to forming a strategic partnership with Thermo Fisher Scientific (Hong Kong) Limited (“**Thermo Fisher**”), a forerunner in the field of life sciences. Thermo Fisher will prioritize the Group in the provision of its latest life science technology, software and solution, so as to propel the Group’s development in longevity science and medical diagnosis, enhancing the productivity and R&D capability of the Group’s laboratory.

The management of the Group is confident about the business performance in the 2024, and believes that the longevity science business will gradually support the Group’s revenue growth and become a growth driver for Zhong Ji Longevity Science in the future, in particular relying on China GuoYao sale & distribution contracts networking in Hubei, Guangdong, Shenzhen, states across 2,000 pharmacy outlets.

Now, the Group already launched an overseas flagship store on Tmall Global website for sale of ZJ1 series of nutritional supplements, including ZJ1 NMN multi-series longevity supplements, ZJ1 VC tablets and other products, expand with cross-border sales channel and revenue stream into Greater China region from Hong Kong base. The Group biological supplements sale was champion in recent sale months of “TikTok” and “Xiaohongshu” platforms.

The management of the Group is optimistic on the development of the longevity science business, and believes that the longevity science business will be the driver of the Group's revenue growth in the future, together with existing license Money Lending business steady growth.

### **Money Lending & Financial Advisory Business**

During HY2024, a segmental revenue of approximately HK\$17,223,000 (HY2023: HK\$18,043,000) and a segmental profit of approximately HK\$16,233,000 (HY2023: HK\$36,338,000) were recorded. The static segmental results were due to stable interest receivables balances derived by Strategic Partners loan portfolio in the PRC, classified as Other Receivables during the reporting period. Although most of the existing strategic partner loans have remained active, the collection of repayments on expired loans was slow or derailed by the PRC Government's deferred loan repayment relief arrangements, which were implemented to compensate salaried workers for income losses due to COVID-19 isolation measures.

Joy Wealth Finance Limited ("**Joy Wealth**"), a wholly-owned subsidiary of the Company, identified 36 previously impaired loans with an aggregate outstanding amount of approximately HK\$1,076,000,000 in 2019. As announced in the announcement dated 11 August 2022, an Independent Recovery Committee ("**Independent Recovery Committee**") was established to negotiate with borrowers to recover outstanding loan amounts and interest receivables. Over the past years, the Independent Recovery Committee also assessed the effectiveness of initiating existing or potential legal proceedings to take over ownership of pledged assets from borrowers and guarantors. Even though the outstanding loans were already impaired in FY2019, the Company has actively continued to follow up and hopes to recover such outstanding loans to the best of its ability. From August 2022 to 31 December 2023, the Independent Recovery Committee has successfully recovered gross proceeds of HK\$67,140,328.77 from two borrower entities, before deductions for recovery expenses incurred due to lengthy legal costs. For HY2024, Joy Wealth did not derive any interest income (HY2023: nil) from these loan and interest receivables.

Given the outbreak of COVID-19 in past few years and the recent high-interest rate environment, the customer demand for loans has significantly decreased in Hong Kong. The Directors are considering the possibility of interest rate cuts in the U.S. and evaluating the company's cash levels, while continuing to seek opportunities to explore the money lending business. The money lender's license was renewed and granted to Joy Wealth on 9 July 2024, allowing it to continue operating as a money lender until 8 April 2025.

## Securities and Other Investment Business

### *Securities Investment*

As at 30 June 2024, the Group held several long-term investments in equity securities listed on the Stock Exchange, with a fair value amounting to approximately HK\$4,450,000 (as of 31 December 2023: HK\$5,847,000). The decrease in fair value for HY2024 was due to the decrease in the market value of certain listed equity investment during the reporting period.

### **Property Investment Business**

For HY2024, the Group continued to operate the property investment business, with properties located in the PRC and the Island of Saipan. These properties, acquired in the previous year, remained vacant due to the pandemic, comprising commercial shops, residential units, and multiple-room apartments, thus not generating any revenue for the Group. A segmental asset of approximately HK\$25,295,000 was recorded as at 30 June 2024 (As at 31 December 2023: approximately HK\$25,295,000).

The Group will continue to monitor market conditions and seek suitable tenants to generate stable rental income or consider disposing of investment properties to capture profitable capital appreciation.

Regarding the unlawful and unauthorized transfer of the Saipan leasehold interest, as referenced on page 25 of the FY2022 Audit Report published on 18 April 2023, the Company has authorized a Saipan law firm (“**Saipan Legal Advisor**”) to initiate legal actions to recover possession of the leasehold interest. The Saipan Legal Advisor has taken the following steps:

- (i) obtained copies of forged documents filed with the Saipan Registrar.
- (ii) prepared and filed corporate documents with the Saipan Registrar to correct false and/or incorrect information.
- (iii) submitted a criminal report and complaint to the law enforcement authorities in Saipan.
- (iv) evaluated the claim of Keen State Global Saipan for fraudulent or forged conveyance to certain suspects.
- (v) filed and is currently prosecuting a lawsuit in the CNMI Superior Court to recover possession of the leasehold interest and potentially seek damages from individuals involved in the alleged fraud or forgery.

The Company will continue to work closely with the Saipan Legal Advisor and Hong Kong legal counsel to address these matters and will provide timely updates on any developments.

## **FINANCIAL REVIEW**

### **Liquidity and Financial Resources**

As at 30 June 2024, the Group had recorded net current assets of approximately HK\$255,761,000 (31 December 2023: HK\$250,127,000); and cash and bank balances of approximately HK\$78,705,000 (31 December 2023: HK\$81,075,000). The Group did not enter into any financial instruments for hedging purpose.

### **Capital Structure**

There was an increase to the authorised and issued share capital of the Company for HY2024. As at 30 June 2024, the total number of the issued ordinary shares with the par value of HK\$0.01 each was 546,529,549 (31 December 2023: 455,441,291).

### **Significant Investment Held, Material Acquisition or Disposal of Subsidiaries and Affiliated Companies and Plans for Material Investment or Capital Assets**

There was no significant investment held, material acquisition or disposal of subsidiaries and affiliated companies during HY2024.

### **Securities in Issue**

As at 30 June 2024, there were 546,529,549 ordinary shares in issue. The Company has allotted and issued additional 91,088,258 Shares during HY2024. Details of which are set out below with sub-heading “Subscription of New Shares under General Mandate”.

### **Segment Information**

Details of segment information of the Group for HY2024 are set out in note 4 to the condensed consolidated financial statements.

### **Employees and Remuneration Policy**

As at 30 June 2024, the employees of the Group were mainly stationed in Hong Kong and the PRC. In-house training programs were provided for its employees to enhance their skills and job knowledge. The management of the Company would continue to foster close co-operation among the employees.

The Group regularly reviews and determines the remuneration and compensation package of the Directors and the Senior Management with reference to, among other things, the market level of salaries paid by comparable companies, the respective responsibilities of the Directors and the Senior Management and the performance of the Group. In order to

attract and retain high quality staff, competitive remuneration package is offered to employees (with reference to market norms and individual employees' performance, qualification and experience). On top of basic salaries, bonuses may be paid with reference to the Group's performance as well as individual employees' performance. In addition, training and development programmes are provided on an on-going basis throughout the Group. The remuneration policy of the Group was reviewed regularly, making reference to current legislation, market condition and both the performance of individual employees and the Group.

In order to align the interests of staff with those of shareholders of the Company, share options were granted to relevant grantees, including employees of the Group, under the Company's share option scheme adopted on 29 July 2022. Share options carrying rights to subscribe for a total number of 3,868,000 shares (as adjusted taking into account the effect of the Share Consolidation) of the Company remained outstanding as at 31 December 2023. A share award scheme (the "**Share Award Scheme**") was also adopted by the Company on 18 May 2021. The Company may from time to time, allot and issue new shares in the share capital of the Company to the trustee as directed by the Board and/or share award committee, which shall constitute part of the trust fund, for the grant of restricted shares to selected participant(s) as set out in the rules of the Share Award Scheme and the trust deed. No Restricted Shares have been granted under the Share Award Scheme up to the date of this Announcement and thus no shares in the Company would be issued accordingly. No shares were awarded under the Share Award Scheme of the Company during HY2024 and HY2023. The Award Scheme expired on 18 May 2031.

### **Details of Charges on Assets**

As at 30 June 2024, the Group did not pledge any assets to banks or other financial institutions nor did the Group have any corporate guarantee given to any entity (31 December 2023: Nil).

### **Treasury Policy**

The Group has adopted a treasury policy on 24 May 2011 in relation to the Group's investment in securities of other listed companies on the Stock Exchange. The objective of the policy is to enable the Group to control and govern the possible future securities investments (if any, which may or may not occur).

### **Gearing Ratio**

The gearing ratio of the Group as at 30 June 2024 (defined as the Group's total interest-bearing liabilities divided by the Group's total equity) was approximately 2.7% (31 December 2023: 2.1%).

## **Foreign Exchange Exposures**

Business transactions of the Group are mainly denominated in Hong Kong dollars and Renminbi. The Group has not implemented any foreign currency hedging policy at the moment. However, in view of the fluctuation of Renminbi in recent years, continuous monitoring on the foreign exchange exposure is carried out and the management will consider hedging the foreign exchange exposure if it has material impact on the Group.

## **Capital Commitment**

As at 30 June 2024, the Group did not have any capital commitment (31 December 2023: Nil).

## **Contingent Liability**

As at 30 June 2024, the Group had no material contingent liability (31 December 2023: Nil).

## **EVENTS AFTER THE REPORTING PERIOD**

The Group did not have any significant events after the reporting period.

## **CORPORATE GOVERNANCE**

The Company has complied with the code provisions (the “**Code Provision(s)**”) set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Listing Rules during HY2024.

## **DIRECTORS’ SECURITIES TRANSACTIONS**

The Company has adopted the code of conduct regarding directors’ securities transactions as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) in Appendix C3 of the Listing Rules. Having made enquiry to all Directors, they all have confirmed that they have complied with the required standards as set out in the Model Code during the year.

The Company has adopted the terms contained in the Model Code for Security Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules as the Company’s code of conduct for security transactions and dealing (the “**Model Code**”). All existing Directors, upon specific enquiry, have confirmed that they have complied with the Model Code during HY2024.

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

During HY2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed shares.

## **INTERIM DIVIDEND**

The Directors did not recommend the payment of any interim dividend for HY2024 (HY2023: Nil).

## **SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE (THE “SUBSCRIPTION”)**

Reference is made to the Company’s announcements dated 30 May 2024 and 6 June 2024. On 6 June 2024, the Company has successfully issued a total of 91,088,258 new Shares under the general mandate granted by the Shareholders at the annual general meeting of the Company held on 29 June 2023. The net proceeds (after deducting the relevant costs and expenses) were approximately HK\$19.4 million.

The Company applied the net proceeds from the Subscription as to 60.0% thereof for the expansion of the existing longevity science business and the new biomedical products trading business. The remaining 40.0% of the net proceeds was allocated for general working capital for payment of staff costs, rental expenses and legal and professional expenses.

As at the date of this announcement, the abovementioned net proceeds has been fully utilised as intended.

## **AUDIT COMMITTEE REVIEW**

As at the date of this announcement, the Audit Committee comprises three members comprising all the independent non-executive Directors, namely, Mr. Lee See Barry (who act as the chairman of the Audit Committee), Mr. Huang Jiang and Prof. Huang Cibo.

All members of the Audit Committee possess appropriate knowledge and financial experience to perform their duties. The composition of the Audit Committee meets the requirements of Rule 3.21 of the Listing Rules. The primary duties of the Audit Committee, among other things, are to ensure the adequacy and effectiveness of the accounting and financial controls of the Group, oversee the performance of internal control systems, risk management system and financial reporting process, monitor the integrity of the financial statements and compliance with statutory and listing requirements and oversee the independence and qualifications of the external auditors and objectivity and the effectiveness of the audit process in accordance with applicable standards.

The consolidated financial statements of the Group of interim results for HY2024 have been reviewed and approved by the Audit Committee, and the Audit Committee is of the opinion that such financial statements comply with the applicable accounting standards, the Listing Rules and all other applicable legal requirements. The Audit Committee therefore recommended the Board’s approval of the Group’s consolidated financial statements for HY2024.

## ENVIRONMENTAL MANAGEMENT

Being a socially and environmentally responsible enterprise, the Group is dedicated to achieving environmental sustainability through its daily operations and is in compliance with regulations. An environmental, social and governance report for the Group has been issued in accordance with the Environmental, Social and Governance Reporting Guide of the Stock Exchange and included in the 2023 annual report. The environmental, social and governance report of the Company for the year ending 31 December 2024 will be included in the annual report of the Company for the year ending 31 December 2024 which will be issued next year.

## PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on both the website of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.irasia.com/listco/hk/zhongjilongevity>). The interim report of the Company for HY2024 containing all information required by the Listing Rules will be despatched to the Shareholders and will be published on the respective websites of the Stock Exchange and the Company in due course.

As at the date of this announcement, the Directors are:

### *Executive Directors*

Mr. Yan Li (*Chairman*)  
Mr. Yan Yifan (*Chief Executive Officer*)  
Mr. Li Xiaoshuang  
Ms. Cao Xie Qiong

### *Independent Non-executive Directors*

Mr. Lee See Barry  
Mr. Huang Jiang  
Prof. Huang Cibo

### *Non-executive Directors*

Dr. He Yiwu  
Mr. Lyu Changsheng

By order of the Board  
**Zhong Ji Longevity Science Group Limited**  
**Yan Yifan**  
*Chief Executive Officer*

Hong Kong, 28 August 2024

*In case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.*