



KAISA CAPITAL INVESTMENT HOLDINGS LIMITED 佳兆業資本投資集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 936)



— 2024 INTERIM REPORT —

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CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Mr. Kwok Ying Shing (*Chairman*)
Mr. Zheng Wei (*Chief Executive Officer*)
Ms. Lee Kin Ping Gigi

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Xu Xiaowu
Mr. Li Yongjun
Mr. Diao Yingfeng

COMPANY SECRETARY

Ms. Poon Yuk Ching Ada

AUTHORISED REPRESENTATIVES

Mr. Zheng Wei
Ms. Poon Yuk Ching Ada

PRINCIPAL BANKERS

Hong Kong
Standard Chartered Bank (Hong Kong) Limited
Bank of China (Hong Kong) Limited
United Overseas Bank Limited
The Bank of East Asia, Limited
Singapore
United Overseas Bank Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT IN THE CAYMAN ISLANDS

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited
17/F., Far East Finance Centre,
16 Harcourt Road,
Hong Kong

WEBSITE

<https://kaisa-capital.com>

AUDIT COMMITTEE

Mr. Xu Xiaowu (*Chairman*)
Mr. Li Yongjun
Mr. Diao Yingfeng

REMUNERATION COMMITTEE

Mr. Li Yongjun (*Chairman*)
Mr. Kwok Ying Shing
Mr. Diao Yingfeng

NOMINATION COMMITTEE

Mr. Kwok Ying Shing (*Chairman*)
Mr. Xu Xiaowu
Mr. Li Yongjun

REGISTERED OFFICE

Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1901, 19/F.,
Lee Garden One, 33 Hysan Avenue,
Causeway Bay, Hong Kong

INDEPENDENT AUDITOR

Baker Tilly Hong Kong Limited
*Certified Public Accountants and
Registered Public Interest Entity Auditor*

LISTING INFORMATION

Place of Listing

Main Board of The Stock Exchange of Hong Kong Limited

Stock Code

936

Board Lot

10,000 shares

REPORT ON REVIEW OF INTERIM FINANCIAL REPORT



TO THE BOARD OF DIRECTORS OF KAISA CAPITAL INVESTMENT HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial report of Kaisa Capital Investment Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 4 to 25, which comprises the condensed consolidated statement of financial position as at 30 June 2024, and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The directors of the Company are responsible for the preparation and presentation of the interim financial report in accordance with HKAS 34. Our responsibility is to express a conclusion on the interim financial report based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2024 is not prepared, in all material respects, in accordance with HKAS 34.

Baker Tilly Hong Kong Limited
Certified Public Accountants
Hong Kong, 28 August 2024

Chan Ka Kit
Practising certificate number P08291

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2024

	Notes	Six months ended 30 June	
		2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Revenue	6	111,185	125,076
Cost of sales and services		(38,575)	(55,529)
Gross profit		72,610	69,547
Other income and gains	7	670	930
Selling and distribution expenses		(1,001)	(1,347)
Administrative expenses		(34,527)	(27,731)
Other operating expenses	8	(27,391)	(28,429)
Finance costs	9	(5,719)	(5,465)
Profit before income tax	10	4,642	7,505
Income tax expense	11	(398)	(3,425)
Profit for the period		4,244	4,080
Other comprehensive income			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		2,252	3,460
Total comprehensive income for the period		6,496	7,540
Earnings per share			
– Basic and diluted (HK cents)	13	0.40	0.38

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2024

	<i>Notes</i>	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	14	178,390	187,957
Right-of-use assets	14	154,925	139,572
Intangible assets	15	–	412
		333,315	327,941
Current assets			
Properties under development	16	137,228	137,212
Inventories and consumables		15,319	15,401
Trade receivables	17	70,410	62,380
Prepayments, deposits and other receivables		16,409	21,280
Cash and cash equivalents		17,096	24,228
		256,462	260,501
Current liabilities			
Trade payables	18	77,774	83,806
Receipt in advance, accruals and other payables		103,108	95,270
Contract liabilities		1,053	248
Borrowings	19	23,964	23,506
Other loans	20	83,000	83,000
Lease liabilities		43,984	33,320
Tax payable		4,046	4,284
		336,929	323,434
Net current liabilities		(80,467)	(62,933)
Total assets less current liabilities		252,848	265,008

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2024

	<i>Notes</i>	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Non-current liabilities			
Borrowings	19	7,870	19,201
Lease liabilities		50,740	57,208
Receipt in advance, accruals and other payables		35,745	36,808
Deferred tax liabilities		8,829	8,623
		103,184	121,840
Net assets			
		149,664	143,168
EQUITY			
Share capital		10,600	10,600
Reserves		139,064	132,568
Total equity			
		149,664	143,168

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2024

	Share capital HK\$'000 (Unaudited)	Share premium HK\$'000 (Unaudited)	Statutory reserve HK\$'000 (Unaudited)	Merger reserve HK\$'000 (Unaudited)	Capital reserve HK\$'000 (Unaudited)	Translation reserve HK\$'000 (Unaudited)	Accumulated losses HK\$'000 (Unaudited)	Total equity HK\$'000 (Unaudited)
At 1 January 2023 (audited)	10,600	346,824	3,459	120,985	17,537	6,426	(368,732)	137,099
Profit for the period	-	-	-	-	-	-	4,080	4,080
Other comprehensive income for the period:								
Exchange difference on translating foreign operations	-	-	-	-	-	3,460	-	3,460
Total comprehensive income for the period	-	-	-	-	-	3,460	4,080	7,540
At 30 June 2023 (unaudited)	10,600	346,824	3,459	120,985	17,537	9,886	(364,652)	144,639
	Share capital HK\$'000 (Unaudited)	Share premium HK\$'000 (Unaudited)	Statutory reserve HK\$'000 (Unaudited)	Merger reserve HK\$'000 (Unaudited)	Capital reserve HK\$'000 (Unaudited)	Translation reserve HK\$'000 (Unaudited)	Accumulated losses HK\$'000 (Unaudited)	Total equity HK\$'000 (Unaudited)
At 1 January 2024 (audited)	10,600	346,824	3,459	120,985	17,537	7,114	(363,351)	143,168
Profit for the period	-	-	-	-	-	-	4,244	4,244
Other comprehensive income for the period:								
Exchange difference on translating foreign operations	-	-	-	-	-	2,252	-	2,252
Total comprehensive income for the period	-	-	-	-	-	2,252	4,244	6,496
At 30 June 2024 (unaudited)	10,600	346,824	3,459	120,985	17,537	9,366	(359,107)	149,664

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2024

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Cash flows from operating activities		
Cash generated from operations	34,780	16,148
Interest paid	(799)	(1,719)
<i>Net cash generated from operating activities</i>	33,981	14,429
Cash flows from investing activities		
Purchase of property, plant and equipment and payments for right-of-use assets	(6,506)	(5,609)
Interest received	–	3
Proceeds from disposal of property, plant and equipment	184	7,193
<i>Net cash (used in)/generated from investing activities</i>	(6,322)	1,587
Cash flows from financing activities		
Repayment of lease liabilities	(20,974)	(18,329)
Interest element of lease rentals paid	(2,856)	(2,286)
Repayment of borrowings	(10,572)	(13,338)
Proceeds from borrowings	–	4,630
<i>Net cash used in financing activities</i>	(34,402)	(29,323)
Net decrease in cash and cash equivalents	(6,743)	(13,307)
Cash and cash equivalents at 1 January	24,228	38,442
Effect of exchange rates changes on cash and cash equivalents	(389)	(112)
Cash and cash equivalents at 30 June	17,096	25,023

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Kaisa Capital Investment Holdings Limited (the “Company”) is an exempted company with limited liability incorporated in the Cayman Islands. The address of the Company’s registered office is located at Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands and its principal place of business in Hong Kong is Room 1901, 19/F., Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong. The Company is an investment company and its subsidiaries (collectively known as the “Group”) are principally engaged in (i) trading of construction machinery and spare parts, leasing of the construction machinery under operating leases and providing repair and maintenance services in respect of the construction machinery (“Construction Equipment Business”) and (ii) property development (“Property Development Business”).

The Company’s issued shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 19 July 2010. The immediate and ultimate holding companies of the Company are Mighty Empire Group Limited (“Mighty Empire Group”) and Kaisa Group Holdings Ltd. (“Kaisa Group”), respectively. Mighty Empire Group was incorporated in the British Virgin Islands (the “BVI”) and Kaisa Group was incorporated in the Cayman Islands. The issued shares of Kaisa Group are listed on the Main Board of the Stock Exchange.

The interim financial report for the six months ended 30 June 2024 (the “Interim Financial Report”) has been prepared in accordance with the Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

As at 30 June 2024, the Group had net current liabilities of approximately HK\$80,467,000 and accumulated losses of approximately HK\$359,107,000. Besides, the Group’s total borrowings comprising borrowings, other loans and associated interest payables amounted to approximately HK\$145,622,000, of which current borrowings amounted to approximately HK\$137,752,000, while its cash and cash equivalents amounted to approximately HK\$17,096,000.

The directors of the Company (the “Directors”) consider that the Group will be able to meet its financial obligations as they fall due for the twelve months from 30 June 2024, on the basis that the Group has obtained a loan facility of HK\$120,000,000 from a third party in March 2024, which carries a fixed interest rate of 8% per annum and will be matured 24 months after the loan drawdown date and the Group is obliged to repay the loan amount along with the accrued interest upon maturity. The relevant loan agreement does not contain a clause that provides the lender with an unconditional right to demand repayment at any time at its own discretion. The loan has not been drawn as at the date of this report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

1. GENERAL INFORMATION AND BASIS OF PREPARATION *(Continued)*

Taking into account the above new loan facility obtained and after assessing the Group's current and future cash flow positions, the Directors are satisfied that the Group will be able to meet their financial obligations when they fall due. Accordingly, the Directors are of the opinion that it is appropriate to prepare the Interim Financial Report on a going concern basis.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for any future liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effect of these adjustments has not been reflected in the Interim Financial Report.

The preparation of the Interim Financial Report in compliance with HKAS 34 requires the use of certain judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. The use of judgements and estimates are disclosed in Note 4.

The Interim Financial Report is presented in Hong Kong Dollars ("HK\$"), unless otherwise stated. The explanatory notes of the Interim Financial Report include explanations of events and transactions that are significant for an understanding of the changes in financial position and performance of the Group since the 2023 annual financial statements (the "2023 Annual Financial Statements"). The Interim Financial Report do not include all of the information required for a complete set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (the "HKFRSs") and should be read in conjunction with the 2023 Annual Financial Statements.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

2. ACCOUNTING POLICIES

Other than changes in accounting policies resulting from application of amendments to HKFRSs, the accounting policies and methods of computation used in the preparation of the Interim Financial Report are consistent with those used in the 2023 Annual Financial Statements.

3. APPLICATION OF AMENDMENTS TO HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2024 for the preparation of the Group's Interim Financial Report:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRSs in the current interim 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 the Interim Financial Report.

4. USE OF JUDGEMENTS AND ESTIMATES

In preparing the Interim Financial Report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the 2023 Annual Financial Statements.

5. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being identified as the chief operating decision makers (the "CODM"), for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided.

Specially, the Group's reportable segments under HKFRS 8 Operating Segments are as follows:

- a. Construction Equipment Business
- b. Property Development Business

These operating divisions are the basis of internal reports about components which are regularly reviewed by CODM for the purposes of resources allocation and assessing the segment performance. Each of the operating divisions represents an operating segment and reporting segment.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

5. SEGMENT INFORMATION (Continued)

- (a) Information regarding the Group's reportable segments as provided to the Group's executive directors is set out below:

	Construction Equipment Business	Property Development Business	Total
	HK\$'000	HK\$'000	HK\$'000
Six months ended 30 June 2024 (unaudited)			
Reportable segment revenue	111,185	–	111,185
Reportable segment profit	7,705	–	7,705
Interest on other loans			(2,064)
Unallocated corporate expenses			
– Corporate staff costs			(37)
– Others			(1,360)
Profit for the period			4,244
	Construction Equipment Business	Property Development Business	Total
	HK\$'000	HK\$'000	HK\$'000
Six months ended 30 June 2023 (unaudited)			
Reportable segment revenue	125,076	–	125,076
Reportable segment profit	8,295	–	8,295
Interest on other loans			(2,059)
Unallocated corporate expenses			
– Corporate staff costs			(717)
– Others			(1,439)
Profit for the period			4,080

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

5. SEGMENT INFORMATION *(Continued)*

- (a) Information regarding the Group's reportable segments as provided to the Group's executive directors is set out below: *(Continued)*

	Construction Equipment Business HK\$'000	Property Development Business HK\$'000	Total HK\$'000
At 30 June 2024 (unaudited)			
Reportable segment assets	450,061	137,249	587,310
Other unallocated segment asset			2,467
Total assets			589,777
Reportable segment liabilities	321,584	1,870	323,454
Other loans			83,000
Other unallocated segment liability			33,659
Total liabilities			440,113
At 31 December 2023 (audited)			
Reportable segment assets	450,535	137,241	587,776
Other unallocated segment asset			666
Total assets			588,442
Reportable segment liabilities	330,715	1,945	332,660
Other loans			83,000
Other unallocated segment liability			29,614
Total liabilities			445,274

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

- all assets are allocated to operating segments except for certain property, plant and equipment, certain prepayments, deposits and other receivables and certain cash and cash equivalents; and
- all liabilities are allocated to operating segments except for certain receipt in advance, accruals and other payables and other loans.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

5. SEGMENT INFORMATION (Continued)

- (b) In the following table, revenue is disaggregated by primary geographical markets from which the external customers are located. The table also includes a reconciliation of the disaggregated revenue within the Group's reportable segments.

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Construction Equipment Business		
Primary geographical markets		
Hong Kong (place of domicile)	60,015	40,334
Singapore	39,083	45,637
The People's Republic of China ("PRC")	11,860	26,659
Korea	8	3,871
United Arab Emirates	217	8,575
Sri Lanka	2	–
Total	111,185	125,076

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

6. REVENUE

Revenue from the Group's principal activities during the six months are as follows:

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Construction Equipment Business		
Revenue from Contract with Customers within the scope of HKFRS 15:		
Sales of machinery	221	16,376
Sales of spare parts	288	663
Service income	32,657	23,314
	33,166	40,353
Revenue from other sources:		
Rental income from leasing of owned plant and machinery and right-of-use assets	75,541	68,177
Rental income from subleasing of leased plant and machinery	2,478	16,546
	78,019	84,723
	111,185	125,076

In the following table, revenue is disaggregated by timing of revenue recognition. The table also includes revenue from other sources and a reconciliation of the disaggregated revenue within the Group's reportable segment.

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Construction Equipment Business		
Timing of revenue recognition under HKFRS 15		
At a point in time	509	17,039
Transferred over time	32,657	23,314
	33,166	40,353
Revenue from other sources		
Transferred over time	78,019	84,723
	111,185	125,076

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

7. OTHER INCOME AND GAINS

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Government subsidy	–	21
Compensation received (<i>Note</i>)	39	467
Gain on sales of material	445	208
Others	186	234
	670	930

Note: Amount represented claim received from an insurance company.

8. OTHER OPERATING EXPENSES

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Depreciation of property, plant and equipment	14,945	16,727
Depreciation of right-of-use assets	12,034	11,016
Amortisation of intangible assets	412	686
	27,391	28,429

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

9. FINANCE COSTS

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Interest charges on financial liabilities stated at amortised cost:		
– Borrowings	799	1,120
– Other loans	2,064	2,059
– Lease liabilities	2,856	2,286
	5,719	5,465

10. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging:

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Impairment loss on trade receivables, net	678	839
Loss on disposal of property, plant and equipment	1,481	282
Employee costs (including directors' remuneration)		
– Wages, salaries and bonus	16,618	16,724
– Contribution to defined contribution plans	1,184	1,568
	17,802	18,292
Net foreign exchange loss	2,926	681

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

11. INCOME TAX EXPENSE

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Current tax		
– Provision for PRC Enterprise Income Tax (“EIT”)	–	219
– Provision for Singapore Corporate Income Tax	398	–
Deferred tax		
– Charge for the period	–	3,206
Total income tax expense	398	3,425

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any taxation under the jurisdictions of the Cayman Islands and the BVI.

For group entities in the PRC, no provision was provided as the respective subsidiaries had no assessable profit for the six months ended 30 June 2024. The provision for the EIT was provided at the applicable tax rate of 25% on the estimated assessable profits of the respective subsidiaries for the six months ended 30 June 2023.

For group entities in Singapore, income tax is provided at the applicable tax rate of 17% on the estimated assessable profits of the respective entities. No such provision was provided for the six months ended 30 June 2023 as the respective subsidiaries had no assessable profit in the periods and/or the estimated assessable profits of the respective subsidiaries were wholly absorbed by tax losses brought forward from previous years.

For group entities in Hong Kong, under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. No such provision was provided as the respective subsidiaries had no assessable profit in the periods and/or the estimated assessable profits of the respective subsidiaries were wholly absorbed by tax loss brought forward from previous years.

12. INTERIM DIVIDEND

No interim dividend has been paid or declared by the Company during the period (six months ended 30 June 2023: Nil).

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

13. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on following data:

	Six months ended 30 June	
	2024	2023
Profit		
Profit for the purposes of basic and diluted earnings per share (HK\$'000)	4,244	4,080
Number of shares		
Weighted average number of ordinary shares	1,060,000,000	1,060,000,000
Basic and diluted earnings per share (HK cents)	0.40	0.38

Diluted earnings per share equals to basic earnings per share as there were no potential dilutive ordinary shares issued during the periods ended 30 June 2023 and 2024.

14. CAPITAL EXPENDITURES

During the current interim period, the Group had additions of property, plant and equipment of approximately HK\$16,406,000 (six months ended 30 June 2023: HK\$1,819,000) and right-of-use assets of approximately HK\$25,721,000 (six months ended 30 June 2023: HK\$60,581,000), respectively.

In addition, the Group disposed of certain property, plant and equipment with an aggregate carrying amount of approximately HK\$1,665,000 (six months ended 30 June 2023: HK\$9,305,000) for total proceeds of approximately HK\$184,000 (six months ended 30 June 2023: HK\$9,023,000), resulting in a loss on disposals of approximately HK\$1,481,000 (six months ended 30 June 2023: HK\$282,000).

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

15. INTANGIBLE ASSETS

	Construction licenses HK\$'000
At 1 January 2024 (audited)	412
Amortisation	(412)
At 30 June 2024 (unaudited)	–
At 1 January 2023 (audited)	1,511
Amortisation	(1,099)
At 31 December 2023 (audited)	412

16. PROPERTIES UNDER DEVELOPMENT

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Within normal operating cycle included under current assets	137,228	137,212

The properties under development are all located in Hong Kong. No provision for impairment was made during the current period and prior year. The properties under development are expected to be completed and available for sale in more than 12 months.

The properties under development include costs of acquiring rights to use certain lands for property development over fixed periods. Land use rights are held on leases of 50 years.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

17. TRADE RECEIVABLES

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Trade receivables, gross	77,685	69,152
Less: Loss allowance	(7,275)	(6,772)
Trade receivables, net	70,410	62,380

The Group's trading terms with its existing customers are mainly on credit. The credit period is, in general, ranging from 0 to 90 days (31 December 2023: 0 to 90 days) or based on the terms agreed in the relevant sales and rental agreements.

The ageing analysis of trade receivables as at the reporting date, net of impairment, based on invoice date, is as follows:

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
0 - 30 days	34,220	26,265
31 - 60 days	8,857	5,586
61 - 90 days	5,923	2,486
Over 90 days	21,410	28,043
	70,410	62,380

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

17. TRADE RECEIVABLES (Continued)

The movement in the loss allowance for trade receivables during the period is as follows:

	Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
At 1 January (audited)	6,772	2,573
Impairment loss recognised	678	839
Net exchange differences	(175)	(82)
At 30 June (Unaudited)	7,275	3,330

18. TRADE PAYABLES

The credit period is, in general, 30 to 90 days (31 December 2023: 30 to 90 days) or based on the terms agreed in the purchase agreements.

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

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
0 - 30 days	10,410	7,494
31 - 60 days	2,936	1,676
61 - 90 days	8,160	12,698
Over 90 days	56,268	61,938
	77,774	83,806

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

19. BORROWINGS

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Bank borrowings	15,096	20,383
Non-bank borrowings	16,738	22,324
	31,834	42,707
Portion classified as current liabilities	(23,964)	(23,506)
	7,870	19,201
Borrowings repayable:		
Within one year	23,964	23,506
Within a period of more than one year but not exceeding two years	6,709	16,428
Within a period of more than two years but not exceeding five years	1,161	2,773
	31,834	42,707

The borrowings denominated in Singapore dollars and Renminbi bore interest at variable interest rates with effective interest rates from 2.9% to 6.3% (31 December 2023: from 2.9% to 6.3%) per annum.

At 30 June 2024, the Group's bank borrowings were secured by a building of the Group with net carrying amount of approximately HK\$25,897,000 (31 December 2023: approximately HK\$27,396,000) and property, plant and equipment with net carrying amount of approximately HK\$2,805,000 (31 December 2023: HK\$3,202,000).

At 30 June 2024, the Group's non-bank borrowings were secured by property, plant and equipment with net carrying amount of approximately HK\$27,417,000 (31 December 2023: approximately HK\$30,711,000).

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

20. OTHER LOANS

Since 2018, the Company has entered into several unsecured other loan agreements with Harbour Luck Investments Limited (“Harbour Luck”), a substantial shareholder of the Company until 29 April 2021. The loans are unsecured, bear interest at 5% per annum and repayable on demand.

On 6 August 2020, Harbour Luck had entered into a supplementary agreement with the Company whereby Harbour Luck agreed to adjust the annual interest rate from 10% to 5% for the outstanding loan balance of HK\$183,000,000, starting from the date of draw down, and Harbour Luck agreed to waive interest payable by the Company of HK\$17,537,000 as a result of the adjustment of the interest rate. The waived interest payable has been included in the capital reserve of the Company as a deemed contribution from shareholder.

In the opinion of the Directors, the loans were granted to the Company on normal commercial terms.

21. COMMITMENTS

(a) Commitment - as lessor

The Group had future aggregate minimum lease receipts in respect of plant and machinery included in property, plant and equipment and right-of-use assets in the Group under non-cancellable operating leases as follows:

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Within one year	118,734	128,893
In the second year	28,694	70,537
	147,428	199,430

The Group leases its machinery under operating leases arrangements which run for an initial period of one to two years. All leases are on a fixed rental basis and do not include contingent rentals. The terms of leases generally require the lessee to pay security deposits.

(b) Commitment - as lessee

The total future minimum lease payments related to short-term leases of the Group in respect of machinery, office and premises located in Hong Kong and PRC under operating leases are as follows:

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Within one year	6,863	4,841

At 30 June 2024 and 31 December 2023, the leases payment in respect of machinery, office and premises in Hong Kong and PRC run for an initial period within one year. All rentals are fixed over the lease terms and do not include contingent rentals.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2024

21. COMMITMENTS (Continued)

(c) Other commitments

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Acquisition of property, plant and equipment – contracted but not provided for	20,160	51,584
Construction related costs in respect of the properties under development – contracted but not provided for	9,427	9,802
	29,587	61,386

22. RELATED PARTY TRANSACTIONS

Key management personnel compensation

The remuneration of the Directors and other members of key management during the period was as follows:

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Short-term employee benefits	1,360	1,439
Post-employment benefits	17	17
	1,377	1,456

23. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The carrying amounts of the Group's financial assets and liabilities carried at cost or amortised cost were not materially different from their fair values as at 30 June 2024 and 31 December 2023.

24. APPROVAL OF THE INTERIM FINANCIAL REPORT

The interim financial report for six months ended 30 June 2024 were approved and authorised for issue by the Board on 28 August 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

INTERIM DIVIDEND

The board of directors of Kaisa Capital Investment Holdings Limited (the “**Company**”, the “**Directors**” and the “**Board**”, respectively) has resolved not to declare the payment of an interim dividend in respect of the six months ended 30 June 2024 (the “**Period**”) (six months ended 30 June 2023: Nil).

OPERATIONAL AND FINANCIAL REVIEW

Overall Performance

For the Period, the Group generated revenue of approximately HK\$111.2 million (six months ended 30 June 2023: approximately HK\$125.1 million) with a profit for the Period of approximately HK\$4.2 million (six months ended 30 June 2023: approximately HK\$4.1 million).

Business Review

Construction Equipment Business

Revenue from sales of machinery of approximately HK\$0.2 million was recorded for the Period, representing a decrease of approximately 98.7% of the amount we achieved in the six months ended 30 June 2023. This was due to a decrease in demands of new cranes in Hong Kong and Singapore.

Rental income decreased to approximately HK\$78.0 million for the Period, representing a decrease of approximately 7.9% as compared with approximately HK\$84.7 million for the six months ended 30 June 2023.

Sales of spare parts of approximately HK\$0.3 million was recorded for the Period, representing a decrease of approximately 56.6% from the amount recorded for the same period in 2023. The decrease was mainly due to the change in market demand of spare parts for the machinery. Service income was recorded at approximately HK\$32.7 million for the Period, approximately 40.1% higher than that of approximately HK\$23.3 million for the same period in 2023. This was due to an increase in demand for services, including chargeable climbing and dismantling activities during the Period.

Hong Kong segment

In Hong Kong segment, revenue increased by approximately HK\$19.7 million, or 48.8%, from approximately HK\$40.3 million for the six months ended 30 June 2023 to approximately HK\$60.0 million for the Period. It was mainly due to the increases in the number of cranes and utilisation rate of cranes.

Singapore segment

In Singapore segment, revenue decreased by approximately HK\$18.7 million, or 32.3%, from approximately HK\$58.1 million for the six months ended 30 June 2023 to approximately HK\$39.3 million for the Period. It was mainly due to a decrease in the amount of sale of machinery.

PRC segment

In PRC segment, revenue decreased by approximately HK\$14.8 million, or 55.5%, from approximately HK\$26.7 million for the six months ended 30 June 2023 to approximately HK\$11.9 million for the Period. It was mainly due to the slowdown of construction activities of the real estate development companies.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATIONAL AND FINANCIAL REVIEW (Continued)

Business Review (Continued)

Property Development Business

As at 30 June 2024, the Group had one property development project under development in Hong Kong and it commenced construction work in the second quarter of 2020. There was no sale during the Period.

The Group's Property Development Project as at 30 June 2024

Project name	Location/ Postal address	Interests Attributable to the Group	Total site area (sq. ft.)*	Status	Estimated completion time (Note)	Usage
Mong Kok	Lot No. 11238 at Reclamation Street and Shanghai Street, Mong Kok, Kowloon, Hong Kong	100%	2,718	Under development	March 2026	Residential

Note: The estimated completion time is made based on the present situation and progress of the project.

* sq. ft. means square feet

Analysis of Properties Under Development as at 30 June 2024

Project name	Total GFA* (sq. ft.)	GFA under development/ completed (sq. ft.)	Total Saleable GFA* (sq. ft.)	Accumulated GFA* sold as at 30 June 2024 (sq. ft.)	Accumulated GFA* delivered as at 30 June 2024 (sq. ft.)	Average Selling Price (HK\$/sq. ft.)
Mong Kok	17,910	0	10,308	0	0	Not applicable

* GFA means gross floor area

Financial Review

As stated in the section headed "Overall Performance" above, the Group recorded a profit of approximately HK\$4.2 million for the Period (six months ended 30 June 2023: approximately HK\$4.1 million).

For the Period, the Group's other income and gains amounted to approximately HK\$0.7 million, representing a decrease of approximately 28.0% compared to those of six months ended 30 June 2023. The decrease was mainly attributable to a decrease in compensation received.

As at 30 June 2024, the Group's property, plant and equipment amounted to approximately HK\$178.4 million, representing a decrease of approximately 5.1% compared to those as at 31 December 2023. The depreciation charges included in other operating expenses, and staff costs included in cost of sales and administrative expenses for the Period decreased by approximately HK\$0.8 million and HK\$0.5 million, respectively, as compared to the amounts for the six months ended 30 June 2023.



MANAGEMENT DISCUSSION AND ANALYSIS

OPERATIONAL AND FINANCIAL REVIEW *(Continued)*

Financial Review *(Continued)*

Finance costs amounted to approximately HK\$5.7 million for the Period, representing an increase of approximately 4.6% compared to those of six months ended 30 June 2023.

Overall, the Group incurred total administrative and other operating expenses of approximately HK\$61.9 million for the Period, representing an increase of approximately 10.3% over the amount incurred in the six months ended 30 June 2023.

Outlook

The construction industry in each of Singapore and Hong Kong is poised for solid growth in the coming years. This positive outlook is supported by a rising market demand, especially regarding residential construction and infrastructure development, which are expected to continue to be the key drivers of the industry. In view of this favorable market environment, the Group plans to invest further in Singapore and Hong Kong to take full advantage of this opportunity.

In Singapore, according to the Building and Construction Authority (BCA), construction contracts awarded in the first half of 2024 amounted to S\$18.2 billion, representing 50% of the total budget for the year. Contracts awarded for the year are expected to be in the range of S\$32 to S\$38 billion, which is in line with the planned budget at the beginning of the year. Output for the year is estimated to be S\$34 to S\$37 billion. The Housing and Development Board (“HDB”) launched 11,000 public rental housing (PRH) units in the first half of the year, similar to the corresponding period last year. HDB continues its plan to release a number of lots in the North Region for public housing development. In addition, the official commencement of the construction of Terminal 5 at Singapore Changi Airport will boost the demand for the entire construction industry. Tenders are also being invited for the expansion of two casinos in Singapore.

The property market in Hong Kong has been on a downward trend in recent years. The drop in property prices has affected land investment by private developers and slowed down investment in new private residential projects, which in turn has led to a reduction in the volume of private residential works. On the contrary, government public works projects have increased, with an average annual capital works expenditure of about HK\$90 billion in the next five years, representing an increase of about 17% compared to the average annual expenditure of HK\$76 billion in the past five years, which will enable Hong Kong to maintain a certain amount of works projects. Government and public sector projects are already underway in Hong Kong, including conventional and light public housing, hospital expansion, MTR extensions and the construction of other public facilities. These projects are expected to last for about 4 to 5 years, significantly increasing the demand for tower cranes and driving the growth of the tower crane rental and engineering services market.

The Group will continue to deepen its understanding and research of the Singapore market and actively seek suitable investment projects and partnerships. In this dynamic market environment, we are confident that through our strategic planning and innovative projects, we will further consolidate and expand our market share and provide quality construction and infrastructure solutions for our customers. The construction industry in Hong Kong will have ample room for development and investment opportunities in the coming years. There is a strong demand for medium to large tonnage machinery and equipment, and the Group plans to increase its investment in such equipment. The Group plans to increase its investment in such equipment. By seizing market opportunities, the Group will be able to differentiate itself from fierce competition and achieve long-term development.

MANAGEMENT DISCUSSION AND ANALYSIS

SUBSEQUENT EVENT AFTER REPORTING PERIOD

The Group did not have any other material subsequent event after the reporting period and up to the date of this report.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2024, the Group had cash and cash equivalents of approximately HK\$17.1 million (At 31 December 2023: approximately HK\$24.2 million).

As at 30 June 2024, the Group's total assets amounted to approximately HK\$589.8 million, representing an increase of approximately HK\$1.3 million as compared to those as at 31 December 2023.

The Group's gearing ratio as at 30 June 2024 was 1.4 (At 31 December 2023: 1.5), which is calculated by dividing the total debts (sum of carrying amounts of other loans, borrowings, and lease liabilities) by the total equity as at the respective dates.

During the Period and as at 30 June 2024, more than half of the revenue and part of assets and liabilities of the Group were denominated in currencies other than Hong Kong dollar. In particular, the revenue generated from our rental operations in Singapore was primarily denominated in Singapore dollar. Purchases of tower cranes, spare parts and accessories from suppliers were usually denominated in Euro or United States dollar. For foreign currency purchases, hedging arrangements against foreign exchange fluctuations may be entered into. However, no hedging arrangement was undertaken for revenue generated from our Singapore and the PRC operations.

As at 30 June 2024, the Group had net current liabilities of approximately HK\$80.5 million (At 31 December 2023: approximately HK\$62.9 million).

The Group generally finances its ordinary operations with internally generated resources or banking facilities. The interest rates of most of the borrowings and finance lease arrangements are charged by reference to prevailing market rates.

The debts (including other loans, borrowings, and lease liabilities) of the Group were denominated in HK\$, Renminbi and Singapore dollar, of which approximately HK\$150.9 million is repayable within one year after 30 June 2024 (At 31 December 2023: approximately HK\$139.8 million) and approximately HK\$58.6 million is repayable more than one year (At 31 December 2023: approximately HK\$76.4 million).

MANAGEMENT DISCUSSION AND ANALYSIS

CAPITAL STRUCTURE

As at 30 June 2024, the Company's share capital comprised 1,060,000,000 issued ordinary shares with par value of HK\$0.01 each. There was no change in the share capital of the Company during the Period.

INVESTMENT POSITION AND PLANNING

During the Period, the Group acquired approximately HK\$42.1 million of plant and equipment and right-of-use assets (2023: approximately HK\$62.4 million).

PLEDGE OF GROUP ASSETS AND CONTINGENT LIABILITIES

As at 30 June 2024:

- (a) the Group's banking facilities were secured by a building of the Group with an aggregate carrying amount of approximately HK\$25.9 million (At 31 December 2023: approximately HK\$27.4 million), property, plant and equipment of approximately HK\$2.8 million (At 31 December 2023: HK\$3.2 million), and corporate guarantees executed by the Company and certain subsidiaries;
- (b) the Group's lease liabilities were secured by property, plant and equipment of approximately HK\$151.0 million (At 31 December 2023: approximately HK\$143.4 million);
- (c) the Group's non-bank borrowings were secured by property, plant and equipment of approximately HK\$27.4 million (At 31 December 2023: approximately HK\$30.7 million) and corporate guarantees executed by the Company and certain subsidiaries; and
- (d) the Group and the Company did not have any significant contingent liabilities (At 31 December 2023: Nil).

EMPLOYMENT AND REMUNERATION POLICY

As at 30 June 2024, the Group had a total of 105 (At 31 December 2023: 110) employees in Hong Kong, Singapore and the PRC. The Group has not had any significant problems with its employees or disruptions due to labour disputes nor has it experienced difficulties in the recruitment and retention of experienced staff. The Group remunerates its employees based on industry practices. Its staff benefits, welfare and statutory contributions, if any, are made in accordance with individual performance and prevailing labour laws of its operating entities. Periodic in-house training is provided to the employees to enhance the knowledge of the workforce.

SIGNIFICANT INVESTMENTS/MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in this report, the Group had not made any significant investments or material acquisitions and disposals of subsidiaries, associates or joint ventures during the Period.

FUTURE PLAN FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this report, the Group did not have other plans for material investments and capital assets as at 30 June 2024.

DISCLOSURE OF ADDITIONAL INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2024, none of the Directors or the chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "SFO")), which were required to be: (a) notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, recorded in the register referred therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "Model Code") notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

As at 30 June 2024, so far as is known to the Directors, the following entities or persons other than the Directors and the chief executive of the Company had interests or short positions in the shares of the Company (the "Shares") and underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO:

Long position in the Shares

Name of Shareholders	Capacity/Nature of interests	Number of Shares interested/held	Approximate percentage of the Company's issued Shares (Note 1)
Mighty Empire Group Limited ("Mighty Empire")	Beneficial owner and a concert party to an agreement	600,020,000 (Note 4)	56.60%
Kaisa Group Holdings Limited ("Kaisa Group")	Interest of a controlled corporation	600,020,000 (Notes 2 and 4)	56.60%
Excel Range Investments Limited ("Excel Range")	Beneficial owner and a concert party to an agreement	600,020,000 (Notes 3 and 4)	56.60%
Ms. Kwok Hiu Ting ("Ms. Kwok HT")	Interest of a controlled corporation	600,020,000 (Notes 3 and 4)	56.60%
Ms. Kwok Hiu Yan ("Ms. Kwok HY")	Interest of a controlled corporation	600,020,000 (Notes 3 and 4)	56.60%
Ms. Kwok Ho Lai ("Ms. Kwok HL")	Interest of a controlled corporation	600,020,000 (Notes 3 and 4)	56.60%
Mr. Chan Mo	Beneficial owner	130,000,000	12.26%

DISCLOSURE OF ADDITIONAL INFORMATION

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES *(Continued)*

Notes:

1. The percentage represents the total number of the Shares interested divided by the number of issued Shares of 1,060,000,000 as at 30 June 2024.
2. 324,420,000 Shares, representing approximately 30.60% of the issued Shares, were held by Mighty Empire which is wholly and beneficially owned by Kaisa Group. Therefore, Kaisa Group is deemed to be interested in the same parcel of Shares held by Mighty Empire under the SFO.
3. Excel Range holds 275,600,000 Shares, representing approximately 26.00% of the issued Shares, Excel Range is owned as to one-third by each of Ms. Kwok HT, Ms. Kwok HY and Ms. Kwok HL. Under the SFO, Ms. Kwok HT, Ms. Kwok HY and Ms. Kwok HL is each deemed to be interested in the Shares held by Excel Range.
4. On 28 April 2021, Excel Range entered into a deed of undertaking in favour of Mighty Empire (the "**Acting in Concert Undertaking**"), pursuant to which Excel Range irrevocably and unconditionally undertook to Mighty Empire, among other things, that it will act in concert with Mighty Empire with respect to the Company. The Acting in Concert Undertaking took effect on 29 April 2021. By virtue of the SFO, Mighty Empire, Kaisa Group, Excel Range, Ms. Kwok HT, Ms. Kwok HY and Ms. Kwok HL were deemed to be interested in the respective Shares held by Mighty Empire and Excel Range, which are 600,020,000 Shares in aggregate, representing approximately 56.6% of the total number of Shares in issue.

Save as disclosed above, as at 30 June 2024, so far as is known by or otherwise notified to the Directors, no other entity or person (other than a Director or the chief executive of the Company) had interests or short positions in the Shares and underlying Shares as required to be recorded in the register to be kept by the Company under section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Period was the Company or any of its holding companies and subsidiaries a party to any arrangement to enable the Directors or the chief executive of the Company or any of their spouse or children under the age of 18 to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DISCLOSURE OF ADDITIONAL INFORMATION

SHARE OPTION SCHEME

At the extraordinary general meeting held on 30 July 2015, the Company adopted a new share option scheme (the “**Share Option Scheme**”) to replace the old share option scheme adopted on 25 June 2010 (the “**Old Scheme**”) for the purpose of providing an incentive and/or a reward to eligible participants for their contribution to, and continuing efforts to promote the interest of, the Group. The eligible participants include (a) full-time or part-time employees of the Group (including any directors, whether executive or non-executive and whether independent or not, of the Group); (b) any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensee) or distributors, landlords or tenants (including any sub-tenants) of the Group; and (c) any person who, in the sole discretion of the Board, has contributed or may contribute to the Group. Further details of the Share Option Scheme are set out in the Company’s circular dated 13 July 2015.

As at 30 June 2024 and the date of this report, there were no outstanding share options granted under the Old Scheme.

No share option has been granted under the Share Option Scheme since its adoption and therefore, as at 30 June 2024 and the date of this report, there were no outstanding share options granted under the Share Option Scheme and no share option was exercised and cancelled or lapsed during the Period.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has, throughout the Period, complied with all the code provisions as set out in the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules.

REVIEW OF FINANCIAL INFORMATION

The audit committee of the Company has reviewed the unaudited condensed consolidated interim financial statements of the Group for the Period.

The Group’s independent auditor, Baker Tilly Hong Kong Limited, Certified Public Accountants, has conducted a review of the condensed consolidated interim financial statements for the Period in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” (“**HKSRE 2410**”) issued by the Hong Kong Institute of Certified Public Accountants, the review report is contained on page 3 of this report.

DISCLOSURE PURSUANT TO RULE 13.21 OF THE LISTING RULES

During the Period, the Company had no disclosure obligation pursuant to Rule 13.21 of the Listing Rules.



DISCLOSURE OF ADDITIONAL INFORMATION

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

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct governing the securities transactions by the Directors. In response to a specific enquiry made by the Company on each of the Directors, all Directors have confirmed that they had complied with the required standards as set out in the Model Code throughout the Period.

By Order of the Board
Kaisa Capital Investment Holdings Limited
Kwok Ying Shing
Chairman and Executive Director

Hong Kong, 28 August 2024