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## **VISION VALUES HOLDINGS LIMITED**

### **遠見控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 862)**

## **INTERIM RESULTS**

### **FOR THE SIX MONTHS ENDED 31 DECEMBER 2024**

The board (the “**Board**”) of directors (the “**Directors**”) of Vision Values Holdings Limited (the “**Company**”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 31 December 2024 (the “**Financial Period**”) together with the comparative figures as follows:

#### **CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

*For the six months ended 31 December 2024*

		<b>Six months ended</b>	
		<b>31 December</b>	
		<b>2024</b>	<b>2023</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
			(Restated and
	<i>Note</i>	<b>(unaudited)</b>	unaudited)
Revenue	3	<b>224,073</b>	239,067
Other (losses)/gains, net	4	<b>(108)</b>	437
Changes in inventories of finished goods and work in progress		<b>(221)</b>	(686)
Subcontracting fees for project services		<b>(3)</b>	(1,498)
Direct operating costs for private jet management services		<b>(7,448)</b>	(9,768)
Direct operating costs for logistics services		<b>(178,884)</b>	(180,031)
Direct operating costs for trading of minerals		<b>(409)</b>	(6,555)
Fair value losses on investment properties	9(b)	<b>(19,126)</b>	(19,880)
Employee benefit expenses		<b>(13,330)</b>	(20,157)
Depreciation		<b>(3,205)</b>	(3,481)
Other expenses	6	<b>(12,830)</b>	(11,614)

		<b>Six months ended</b>	
		<b>31 December</b>	
		<b>2024</b>	2023
		<b>HK\$'000</b>	HK\$'000
			(Restated and
	<i>Note</i>	<b>(unaudited)</b>	unaudited)
Operating loss		<b>(11,491)</b>	(14,166)
Finance income	5	<b>90</b>	95
Finance costs	5	<b>(4,828)</b>	(4,288)
		<hr/>	<hr/>
<b>Loss before income tax</b>		<b>(16,229)</b>	(18,359)
Income tax expense	7	<b>(3,818)</b>	(3,116)
		<hr/>	<hr/>
<b>Loss for the period</b>		<b>(20,047)</b>	(21,475)
		<hr/> <hr/>	<hr/> <hr/>
<b>(Loss)/profit is attributable to:</b>			
Owners of the Company		<b>(27,382)</b>	(26,978)
Non-controlling interests		<b>7,335</b>	5,503
		<hr/>	<hr/>
		<b>(20,047)</b>	(21,475)
		<hr/> <hr/>	<hr/> <hr/>
<b>Loss per share attributable to owners</b>			
<b>of the Company for the period (HK cents)</b>	8		
Basic and diluted loss per share		<b>(0.70)</b>	(0.69)
		<hr/> <hr/>	<hr/> <hr/>

## CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the six months ended 31 December 2024

	Six months ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Loss for the period	(20,047)	(21,475)
Other comprehensive (loss)/income		
Item that may be reclassified subsequently to profit or loss:		
Currency translation differences	<u>(2,222)</u>	<u>35</u>
Total comprehensive loss for the period	<u>(22,269)</u>	<u>(21,440)</u>
<b>Total comprehensive (loss)/income is attributable to:</b>		
Owners of the Company	(28,966)	(26,943)
Non-controlling interests	<u>6,697</u>	<u>5,503</u>
Total comprehensive loss for the period	<u>(22,269)</u>	<u>(21,440)</u>
<b>Total comprehensive loss for the period attributable to owners of the Company</b>	<u>(28,966)</u>	<u>(26,943)</u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 31 December 2024*

		As at <b>31 December</b> <b>2024</b> <i>HK\$'000</i> <b>(unaudited)</b>	As at 30 June 2024 <i>HK\$'000</i> (audited)
	<i>Note</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	<i>9(a)</i>	<b>11,144</b>	13,805
Right-of-use assets	<i>9(a)</i>	<b>1,346</b>	2,254
Investment properties	<i>9(b)</i>	<b>219,530</b>	239,338
Exploration and evaluation assets	<i>10</i>	<b>97,655</b>	96,447
Rental deposit		<b>162</b>	168
		<b>329,837</b>	352,012
<b>Current assets</b>			
Inventories		<b>462</b>	730
Trade and bills receivables	<i>11</i>	<b>216,681</b>	261,930
Prepayments, deposits and other receivables		<b>12,573</b>	7,015
Contract assets	<i>11</i>	<b>25,853</b>	38,647
Cash and cash equivalents		<b>58,316</b>	41,358
		<b>313,885</b>	349,680
<b>Total assets</b>		<b>643,722</b>	701,692
<b>EQUITY</b>			
<b>Capital and reserves attributable to owners of the Company</b>			
Share capital		<b>39,242</b>	39,242
Other reserves		<b>473,596</b>	471,168
Accumulated losses		<b>(346,808)</b>	(315,414)
		<b>166,030</b>	194,996
<b>Non-controlling interests</b>		<b>86,107</b>	90,241
<b>Total equity</b>		<b>252,137</b>	285,237

		<b>As at</b> <b>31 December</b> <b>2024</b> <i>HK\$'000</i> <b>(unaudited)</b>	As at 30 June 2024 <i>HK\$'000</i> (audited)
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred income tax liabilities		<b>2,382</b>	2,331
Lease liabilities		<b>443</b>	434
Loan from a director		<b>160,835</b>	136,715
		<u><b>163,660</b></u>	<u>139,480</u>
<b>Current liabilities</b>			
Trade payables	<i>12</i>	<b>53,672</b>	32,024
Accrued charges and other payables		<b>52,516</b>	49,046
Contract liabilities		<b>866</b>	1,230
Borrowings	<i>13</i>	<b>116,391</b>	188,934
Lease liabilities		<b>785</b>	1,476
Tax payable		<b>3,695</b>	4,265
		<u><b>227,925</b></u>	<u>276,975</u>
<b>Total liabilities</b>		<u><b>391,585</b></u>	<u>416,455</u>
<b>Total equity and liabilities</b>		<u><b>643,722</b></u>	<u>701,692</u>
<b>Net current assets</b>		<u><b>85,960</b></u>	<u>72,705</u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. BASIS OF PREPARATION

The condensed interim financial information (the “**Interim Financial Information**”) for the six months ended 31 December 2024 has been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting”, issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). The Interim Financial Information has been prepared under the historical cost convention, as modified by the revaluation of investment properties, which are stated at fair value. It should be read in conjunction with the audited annual financial statements of the Group for the year ended 30 June 2024, prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”).

### 2. CHANGES IN ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those used in the audited annual financial statements of the Group for the year ended 30 June 2024.

The following amendments to existing standards and interpretation are mandatory for the first time for the financial period beginning 1 July 2024 and currently relevant to the Group:

HKAS 1 (Amendment)	Classification of Liabilities as Current or Non-current
HKAS 1 (Amendment)	Non-current Liabilities with Covenants
Hong Kong Int 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
HKFRS 16 (Amendments)	Lease Liability in a Sale and Leaseback
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

None of the above amendments to existing standards and interpretation are expected to have a significant impact on the Interim Financial Information for the current reporting period.

### 3. TURNOVER AND SEGMENT INFORMATION

The Group’s reportable operating segments are: (i) property investment; (ii) minerals exploration; (iii) private jet management services; (iv) logistics services; and (v) others.

The chief operating decision maker has been identified as the Executive Directors. The Executive Directors review the Group’s internal reporting in order to assess performance and allocate resources. The Executive Directors determined the operating segments based on these reports.

The Executive Directors assess the performance of operating segments based on a measure of segment results. This measurement basis is revenue less direct attributable expenses to revenue but excluding depreciation. Other information provided, except as described below, to the Directors is measured in a manner consistent with that in the condensed consolidated financial statements. Segment assets exclude other assets that are managed on a central basis.

There are no sales or other transactions between business segments.

**The segment revenue and results for the six months ended 31 December 2024**

	Logistics services HK\$'000	Property investment HK\$'000	Minerals exploration HK\$'000	Private jet management services HK\$'000	Others HK\$'000	Total HK\$'000
Segment revenue	<u>207,251</u>	<u>1,492</u>	<u>-</u>	<u>13,601</u>	<u>1,729</u>	<u>224,073</u>
Segment results	<u>30,265</u>	<u>1,143</u>	<u>-</u>	<u>6,153</u>	<u>511</u>	<u>38,072</u>
Depreciation	(2,381)	-	(26)	(503)	(45)	(2,955)
Fair value losses on investment properties	-	(19,126)	-	-	-	(19,126)
Unallocated expenses (Note)						(27,482)
Finance costs						(4,828)
Finance income						<u>90</u>
Loss before income tax						<u>(16,229)</u>

**The segment revenue and results for the six months ended 31 December 2023**

	Logistics services HK\$'000	Property investment HK\$'000	Minerals exploration HK\$'000	Private jet management services HK\$'000	Others HK\$'000	Total HK\$'000
Segment revenue	<u>209,782</u>	<u>2,979</u>	<u>-</u>	<u>16,400</u>	<u>9,906</u>	<u>239,067</u>
Segment results	<u>25,094</u>	<u>2,434</u>	<u>-</u>	<u>6,632</u>	<u>983</u>	<u>35,143</u>
Depreciation	(2,448)	-	(88)	(526)	(142)	(3,204)
Fair value losses on investment properties	-	(19,880)	-	-	-	(19,880)
Unallocated expenses (Note)						(26,225)
Finance costs						(4,288)
Finance income						<u>95</u>
Loss before income tax						<u>(18,359)</u>

*Note:* Unallocated expenses mainly include unallocated employee benefit expenses, legal and professional fees and reimbursement of sharing of administrative services incurred at corporate level.

**Segment Assets****As at 31 December 2024**

	Logistics services <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Minerals exploration <i>HK\$'000</i>	Private jet management services <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
Total segment assets	<u>247,834</u>	<u>220,414</u>	<u>97,972</u>	<u>12,768</u>	<u>508</u>	579,496
Unallocated						
– Cash and cash equivalents						58,316
– Other unallocated assets						<u>5,910</u>
Consolidated total assets						<u>643,722</u>

As at 30 June 2024

	Logistics services <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Minerals exploration <i>HK\$'000</i>	Private jet management services <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
Total segment assets	<u>302,747</u>	<u>240,186</u>	<u>96,742</u>	<u>13,879</u>	<u>2,753</u>	656,307
Unallocated						
– Cash and cash equivalents						41,358
– Other unallocated assets						<u>4,027</u>
Consolidated total assets						<u>701,692</u>

#### 4. OTHER (LOSSES)/GAINS, NET

	Six months ended	
	31 December	
	2024	2023
	HK\$'000	HK\$'000
Loss on disposal of property, plant and equipment	(396)	–
Loss on write off property, plant and equipment	(33)	–
Sundry income	321	437
	<u>          </u>	<u>          </u>
	(108)	437
	<u>          </u>	<u>          </u>

#### 5. FINANCE INCOME AND COSTS

	Six months ended	
	31 December	
	2024	2023
	HK\$'000	HK\$'000
Finance income		
– Bank interest income	90	95
	<u>          </u>	<u>          </u>
Finance costs		
– Interest expense on borrowings	(961)	(1,110)
– Interest expense on loans from a director	(3,821)	(3,101)
– Interest expenses on lease liabilities	(46)	(77)
	<u>          </u>	<u>          </u>
	(4,828)	(4,288)
	<u>          </u>	<u>          </u>

#### 6. OTHER EXPENSES

Other expenses included the following:

	Six months ended	
	31 December	
	2024	2023
	HK\$'000	HK\$'000
Auditor's remuneration	960	966
Direct operating expenses from investment properties that generate rental income	349	544
Exchange losses/(gains), net	136	(50)
Operating lease rental for short-term leases	406	446
Legal and professional fees	4,669	2,342
Reimbursement of sharing of administrative services	3,180	3,297
	<u>          </u>	<u>          </u>

## 7. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits for the period. Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the Group operates.

The amount of income tax charged to the condensed consolidated statement of profit or loss represents:

	Six months ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
Current income tax		
– Hong Kong profits tax	145	271
– PRC corporate income tax	3,621	2,829
Deferred income tax		
– Origination of temporary differences	52	16
Total income tax expense	<u>3,818</u>	<u>3,116</u>

## 8. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

	Six months ended 31 December	
	2024	2023
Loss attributable to owners of the Company, as used in the calculation of basic and diluted loss per share (HK\$'000)	<u>(27,382)</u>	<u>(26,978)</u>
Weighted average number of ordinary shares in issue for the purpose of basic and diluted loss per share (in thousands shares)	<u>3,924,190</u>	<u>3,924,190</u>
Total basic and diluted loss per share attributable to the ordinary equity holders of the Company (HK cents)	<u>(0.70)</u>	<u>(0.69)</u>

The computation of diluted loss per share for both periods did not assumed the exercise of share options since assuming the exercise of the share options would have anti-dilutive impact to the basic loss per share.

## 9. MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS AND INVESTMENT PROPERTIES

### (a) Property, plant and equipment and right-of-use assets

During the period ended 31 December 2024, the Group spent approximately HK\$Nil (2023: HK\$9,700) on furniture, fixtures and equipment, HK\$18,000 (2023: HK\$13,300) on computer equipment and HK\$63,000 (2023: Nil) on leasehold improvement. The Group spent approximately HK\$310,000 on computer software (2023: HK\$276,400) during the period ended 31 December 2024. The Group wrote off leasehold improvement, computer equipment and office equipment with approximately HK\$33,000 net book value during the period ended 31 December 2024 (2023: Nil). The Group has disposed of furniture, fixtures and equipment with net book value approximately HK\$558,000 at consideration of HK\$162,000 during the period ended 31 December 2024 (2023: Nil).

### (b) Investment properties

The Group's investment properties were revalued on an open market value basis by an independent professional qualified valuer who holds a recognised relevant professional qualification and has relevant experience in the locations and segments of the investment properties valued and the fair values of the investment properties of the Group were updated by this valuer using the direct comparison method (30 June 2024: same valuation technique). As a result, the investment properties were revalued to approximately HK\$219,530,000 at 31 December 2024 (30 June 2024: HK\$239,338,000), which represents their recoverable amounts, the fair value loss of approximately HK\$19,126,000 were recorded in the condensed consolidated income statement for the period ended 31 December 2024 (2023: fair value loss of HK\$19,880,000).

## 10. EXPLORATION AND EVALUATION ASSETS

The Group owns a mineral mining license in western part of Mongolia. Additions to the exploration and evaluation assets represent the geological and geophysical costs, drilling and exploration expenses directly attributable to exploration activities.

	<b>As at 31 December 2024 HK\$'000 (unaudited)</b>	<b>As at 30 June 2024 HK\$'000 (audited)</b>
At beginning of the period/year	<b>96,447</b>	82,995
Additions	<b>1,208</b>	13,452
At end of the period/year	<b>97,655</b>	96,447

## 11. TRADE AND BILLS RECEIVABLES AND CONTRACT ASSETS

	As at 31 December 2024 <i>HK\$'000</i> (unaudited)	As at 30 June 2024 <i>HK\$'000</i> (audited)
Trade receivables		
– related parties	1,743	5,151
– third parties	28,533	44,355
Bills receivables	<u>186,405</u>	<u>212,424</u>
	<u><u>216,681</u></u>	<u><u>261,930</u></u>
Contract assets		
– related parties	3,444	16,174
– third parties	<u>22,409</u>	<u>22,473</u>
	<u><u>25,853</u></u>	<u><u>38,647</u></u>

During the period ended 31 December 2024, the Group factored the bills receivables with a carrying amount of HK\$116,391,000 (30 June 2024: HK\$188,934,000), The maturity date of the bills receivables ranged from 1 to 6 months.

In accordance with the terms of factoring with banks, the bank has the rights of recourse against the Group if the bills receivables turn default.

In the opinion of management, the Group has retained the substantial risk and rewards, and accordingly, the Group continue to recognise the full carrying amounts of bills receivables amounting to HK\$116,391,000 (30 June 2024: HK\$188,934,000) as at 31 December 2024, and factoring loans as disclosed in Note 13 in this announcement.

The carrying amounts of the Group's trade and bills receivables and contract assets approximate their fair values.

The ageing analysis of trade receivables based on invoice date is as follows:

	As at <b>31 December</b> <b>2024</b> <i>HK\$'000</i> (unaudited)	As at 30 June 2024 <i>HK\$'000</i> (audited)
0 – 30 days	22,429	33,543
31 – 60 days	4,291	15,086
61 – 90 days	–	788
Over 90 days	3,556	89
	<u>30,276</u>	<u>49,506</u>

All trade receivables are either repayable within one year or on demand. The Group generally grants credit terms of 30 to 90 days to its customers. None of the trade receivables were impaired as at 31 December 2024 (30 June 2024: Nil).

## 12. TRADE PAYABLES

	As at <b>31 December</b> <b>2024</b> <i>HK\$'000</i> (unaudited)	As at 30 June 2024 <i>HK\$'000</i> (audited)
Trade payables – third parties	<u>53,672</u>	<u>32,024</u>

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

	As at <b>31 December</b> <b>2024</b> <i>HK\$'000</i> (unaudited)	As at 30 June 2024 <i>HK\$'000</i> (audited)
0 – 30 days	52,025	31,660
31 – 60 days	1,398	135
61 – 90 days	–	–
91 – 180 days	249	229
	<u>53,672</u>	<u>32,024</u>

The carrying amounts of the Group's trade payables approximate their fair values.

### 13. BORROWINGS

	As at 31 December 2024 <i>HK\$'000</i> (unaudited)	As at 30 June 2024 <i>HK\$'000</i> (audited)
Unsecured		
– Factoring loan – within one year	<u>116,391</u>	<u>188,934</u>

As at 31 December 2024, the Group factored the bills receivables with certain banks amounted to RMB109,803,000 (approximately HK\$116,391,000) (30 June 2024: RMB174,939,000 (approximately HK\$188,934,000)) (Note 11) with terms of recourse and bank interest at rates ranging from 1.0% to 3.1% per annum (30 June 2024: ranging from 1.3% to 3.0% per annum).

The carrying amounts of the borrowings approximate their fair values.

### 14. CAPITAL COMMITMENTS

The Company did not have any material capital expenditure contracted for at the end of the period/ year but not yet incurred (30 June 2024: Nil).

## INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Financial Period (2023: Nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

#### 1. Property Investment

The policy of the Group's investment properties is holding to earn rentals and/or for capital appreciation. The management will review the Group's property portfolio from time to time to achieve this policy. The revenue for the Financial Period was HK\$1.5 million (2023: HK\$3.0 million). As at 31 December 2024, all the investment properties were renting out except for two office premises in Wan Chai, Hong Kong. In last corresponding period, only one office premise in Wan Chai was vacant. In the year 2024, the Hong Kong office rental market witnessed a subdued leasing momentum together with total vacant space reached a record high. In the near term, the rebound of office market sentiment will be subject to the recovery of the Hong Kong economy.

#### 2. Exploration and Evaluation of Mineral Resources

FVSP LLC ("FVSP"), a 51% owned indirect subsidiary, holds a mining license number MV-021621 with gold and other mineral resources in Mongolia covering approximately 7,120 hectares (the "Zoolon Project").

A brief summary of the latest developments for the Financial Period is as follows:

- (a) Geological Exploration: No geological exploration work was planned or implemented during the Financial Period;
- (b) Column Leaching Tests for Oxidized Ore of Zoolon Project: In late June 2024, FVSP collected a total of 1,200 kg of test samples, which met the testing requirements. These samples were sent to an independent laboratory in Mongolia in July 2024 for column leaching tests. The tests were conducted using environmentally friendly leaching agent, with the preliminary results received in November 2024. Key findings include:
  - For the 50mm sample, the recovery rates were Gold (Au)– 66.57% and Silver (Ag)– 45.68%, with a leaching agent usage of 2.24 kg/t;
  - For the 25mm sample, the recovery rates were Au-69.4% and Ag-55.16%, with a usage of 1.77 kg/t; and
  - For the 12.5mm sample, the recovery rates were Au-69.19% and Ag-65.19%, with a usage of 0.86 kg/t.

The ore samples for the recent column-leaching test were sourced from the upper oxidized zone of the Zoolon Project, which primarily consists of gold and silver mineralization. The copper (Cu) grade of the original ore sample (test sample) was recorded at a very low 0.00148% Cu, rendering it economically unfeasible for inclusion in the column-leaching test. Copper mineralization primarily occurs in the lower mineralization zone of the Zoolon Project, where it is found as a byproduct of gold and silver ores;

- (c) A supplementary test using sodium cyanide (NaCN) on the 25mm sample was completed in February 2025 to compare the leaching effects of NaCN and an environmentally friendly agent. The results indicated that, compared to the environmentally friendly agent, the recovery rate of gold with NaCN increased by 6.47%, the recovery rate of silver increased by 4.94%, and the reagent dosage was halved and;
- (d) Year 2025 Mining Plan for Zoolon Project: The online submission of the Year 2025 mining plan was made in November 2024. The plan is based on the feasibility study approved by the Mongolian government in 2021, focusing on oxidized ore production. Key components include open-pit construction, stripping, a minimum ore output of 40,000 tons of oxidized ore, and the establishment of necessary facilities related to oxidized ore production. The Mongolian government approved the plan in early February 2025. Management of FVSP will formulate a development plan for internal discussion in due course.

### **3. Private Jet Management Services (“PJM”)**

As at 31 December 2024, PJM managed four aircrafts: three under long-term management contracts (30 June 2024: four) and one under ad hoc arrangement (30 June 2024: one). Revenue for the Financial Period reached approximately HK\$13.6 million (2023: HK\$16.4 million). The decrease in revenue compared to the previous corresponding period was attributed to the termination of a long-term aircraft management contract during the Financial Period.

### **4. Logistics business**

The logistics business of the Group is carried out by an indirect non-wholly owned subsidiary (the “JV”). The JV is owned beneficially as to 60% by the Group and the remaining 40% by independent third parties. The business scope of the JV is mainly covering drop and pull transport at Xinjiang border; gangue backfill and route transportation of clean coal and its by-products.

Since mid-2024, the JV has implemented a fleet outsourcing strategy. All trucks, drivers, and management personnel of the JV's own fleet have been outsourced to an independent third party for a two-year period. This strategy aims to increase the revenue of the JV's own trucks and reduce logistics costs. The rights to operate and use the trucks, including, but not limited to, truck maintenance and driver management, have been outsourced. The JV no longer bears the operating costs of its own fleet. The JV now relies on several outside contractors to provide adequate transportation services.

Business performance has experienced a slight decline, primarily due to the downward pressure on bulk commodity transportation fees in Xinjiang. The revenue for the Financial Period was HK\$207.3 million (2023: HK\$209.8 million). The freight traffic handled by the JV during the Financial Period was approximately 1,271,000 tonnes (2023: 1,047,400 tonnes).

## **FINANCIAL REVIEW**

### **1. Results Analysis**

#### ***Revenue***

During the Financial Period, the Group's revenue decreased to HK\$224.1 million (2023: HK\$239.1 million). Around 92.5% (2023: 87.8%) of the Group's revenue was generated from the logistics business, 6.1% (2023: 6.9%) from the private jet management services and 1.4% (2023: 5.3%) from other segments.

#### ***Fair value changes on investment properties***

The fair values of the Group's investment properties at the end of the Financial Period were valued by an independent qualified valuer. The decrease in carrying values was due to fair value losses on investment properties of HK\$19.1 million (2023: HK\$19.9 million). The Group's portfolio of commercial properties in Hong Kong accounted for most of the fair value losses on investment properties.

#### ***Finance costs***

For the Financial Period, finance costs were HK\$4.8 million (2023: HK\$4.3 million). The increase in finance costs was mainly due to the increase in loan from a Director.

### **2. Liquidity and Financial Resources**

As at 31 December 2024, the Group had a revolving standby facility from Mr. Lo Lin Shing, Simon ("Mr. Lo"), the Chairman and Director of the Company totaling HK\$160.0 million. The Group drew down HK\$145.9 million from the facility as of 31 December 2024 (30 June 2024: HK\$125.6 million). The maturity date of this facility is 30 June 2026.

### **3. Gearing**

As at 31 December 2024, the gearing ratio of the Group was 43.1% (30 June 2024: 46.4%) which was calculated based on the Group's total borrowings to total assets.

### **4. Foreign Exchange**

The Group's key operations are located in Hong Kong, China and Mongolia. The Group's assets and liabilities are mainly denominated in Hong Kong dollars, United States dollars and Renminbi. The Group does not establish a foreign currency hedging policy. However, management of the Group continues to monitor foreign exchange exposure and will consider hedging significant currency exposures should the need arise.

### **5. Contingent Liabilities**

As at 31 December 2024, the Group did not have material contingent liabilities (30 June 2024: Nil).

## **BUSINESS OUTLOOK AND DEVELOPMENT**

The Xinjiang bulk logistics market has been sluggish in the Financial Period, and transportation fees have reached a low level in recent years. Fortunately, the Group entered into a 3-year logistics services framework agreement (the "**Agreement**") with Mongolia Energy Corporation Limited, effective from 2023 to 2026. The Agreement secures a stable volume of business for the JV.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

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

## **CORPORATE GOVERNANCE**

The Board recognises the importance of maintaining a high standard of corporate governance practice to protect and enhance the benefits of the shareholders. The Board and the management of the Company have collective responsibility to maintain the interest of the shareholders and the sustainable development of the Group. The Board also believes that good corporate governance practices can facilitate growth of a company under a healthy governance structure and strengthen the confidence of the shareholders and investors.

During the Financial Period, the Company had applied the principles of and complied with the code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 (the “**CG Code**”) to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), save for the following deviations:

- i. Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer (“**CEO**”) should be separated and should not be performed by the same individual.

Mr. Lo is the chairman of the Company (the “**Chairman**”) and has also carried out the responsibility of CEO. Mr. Lo possesses the essential leadership skills to manage the Board and extensive knowledge in the business of the Group. The Board considers the present structure is more suitable for the Company because it can promote the efficient formulation and implementation of the Company’s strategies.

- ii. Code provision F.2.2 of the CG Code stipulates that the chairman of the board should attend the Annual General Meeting (“**AGM**”) of the Company.

Due to another business engagement, the Chairman of the Board did not attend the 2024 AGM. The chairman of the Audit and Remuneration Committees of the Company had chaired the 2024 AGM and answered shareholders’ questions. The AGM of the Company provides a channel for communication between the Board and the shareholders. Other than the AGM, the shareholders may communicate with the Company through the contact methods listed on the Company’s website.

## **COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted its own Code for Securities Transactions by Directors (the “**Code**”), which are on terms no less exacting than those set out in the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 to the Listing Rules (the “**Model Code**”). The Code is sent to each Director on his/her initial appointment and from time to time when the same is amended or restated.

The Company has also established written guidelines on terms no less exacting than the Model Code (the “**Employees’ Guidelines**”) for securities transactions by relevant employees of the Group who are likely to be in possession of unpublished inside information of the Company. During the Financial Period, no incident of non-compliance with the Employees’ Guidelines by the employees was noted by the Company.

During the period of thirty days immediately preceding and including the publication date of the half year results or, if shorter, the period from the end of the relevant financial quarterly or half year period up to and including the publication date of the half year results, all Directors and relevant employees are restricted to deal in the securities and derivatives of the Company until such results have been published.

The Company Secretary will send reminders prior to the commencement of such period to all Directors and relevant employees. Having made specific enquiry by the Company, all Directors have confirmed in writing that they have complied with the required standards set out in the Model Code and the Code throughout the Financial Period.

It is stipulated under the Code and the Employees' Guidelines that all dealings of the Company's securities must be conducted in accordance with the provisions stated therein. Under the Code, the Directors are required to notify the Chairman and receive a dated written acknowledgement before dealing in the securities and derivatives of the Company, and in the case of the Chairman himself, he must notify the designated Director and receive a dated written acknowledgement before any dealings.

## **EMPLOYEES AND REMUNERATION POLICY**

As at 31 December 2024, the Group had a total of 41 full-time employees (30 June 2024: 50). Remuneration policy of the Group is reviewed regularly, making reference to legal framework, market condition and the performance of the Group and individual staff (including directors). The remuneration policy and remuneration packages of the executive directors and senior management of the Group are reviewed by the Remuneration Committee.

## **REVIEW OF INTERIM RESULTS**

The audit committee of the Company (the “**Audit Committee**”) comprises four independent non-executive Directors, namely Mr. Tsui Hing Chuen, William *JP*, Mr. Lee Kee Wai, Frank, Mr. Wei, Chi Kuan Kenny and Mr. Lau Wai Piu (chairman of the Audit Committee). The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 31 December 2024.

By Order of the Board  
**Vision Values Holdings Limited**  
**Tang Chi Kei**  
*Company Secretary*

Hong Kong, 26 February 2025

*As at the date of this announcement, the Board of the Company comprises ten Directors, including Mr. Lo Lin Shing, Simon, Mr. Ho Hau Chong, Norman, Ms. Yvette Ong, Mr. Lo, Rex Cze Kei, Mr. Lo, Chris Cze Wai and Mr. Lo, James Cze Chung as executive Directors, Mr. Tsui Hing Chuen, William *JP*, Mr. Lau Wai Piu, Mr. Lee Kee Wai, Frank and Mr. Wei, Chi Kuan Kenny as independent non-executive Directors.*