

HARBOUR BAY HOTEL  
維港灣酒店

# 2024/2025 Interim Report



**金粵控股有限公司**  
**Rich Goldman Holdings Limited**

(Incorporated in Hong Kong with limited liability)  
(Stock Code: 00070)

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

Ms. Lin Yee Man (*Chairman*)  
Mr. Zhang Yiwei  
(resigned on 28 January 2025)

### Non-executive Director

Mr. Nicholas J. Niglio

### Independent Non-executive Directors

Mr. Cheung Yat Hung, Alton  
Mr. Yue Fu Wing  
Ms. Yeung Hoi Ching

## COMPANY SECRETARY

Ms. So Hei Lu

## AUDIT COMMITTEE

Mr. Cheung Yat Hung, Alton (*Chairman*)  
Mr. Yue Fu Wing  
Ms. Yeung Hoi Ching

## REMUNERATION COMMITTEE

Mr. Cheung Yat Hung, Alton (*Chairman*)  
Mr. Yue Fu Wing  
Mr. Nicholas J. Niglio

## NOMINATION COMMITTEE

Ms. Lin Yee Man (*Chairman*)  
Mr. Cheung Yat Hung, Alton  
Mr. Yue Fu Wing

## AUTHORISED REPRESENTATIVES

Ms. Lin Yee Man  
Ms. So Hei Lu

## REGISTERED OFFICE

Room 1807, 18/F  
West Tower, Shun Tak Centre  
168-200 Connaught Road Central  
Sheung Wan, Hong Kong

## COMPANY WEBSITE

[www.richgoldman.com.hk](http://www.richgoldman.com.hk)

## AUDITOR

ZHONGHUI ANDA CPA Limited  
23/F, Tower 2  
Enterprise Square Five  
38 Wang Chiu Road  
Kowloon Bay, Hong Kong

## PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited  
Bank of Communications  
(Hong Kong) Limited  
Hang Seng Bank Limited

## SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor  
Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

## E-MAIL

[enquiry@richgoldman.com.hk](mailto:enquiry@richgoldman.com.hk)

## STOCK CODE

00070

## BOARD LOT

10,000 shares

# MANAGEMENT DISCUSSION AND ANALYSIS

## RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Rich Goldman Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that during the six months ended 31 December 2024, the Group incurred a loss attributable to owners of the Company of approximately HK\$59.3 million (loss per share of approximately HK cents 3.06) and total comprehensive loss attributable to owners of the Company of approximately HK\$62.5 million, while it recorded a loss attributable to owners of the Company of approximately HK\$18.8 million (loss per share of approximately HK cents 0.97) and total comprehensive loss attributable to owners of the Company of approximately HK\$13.3 million for the six months ended 31 December 2023.

## BUSINESS REVIEW

The Group is principally engaged in (i) money lending business; (ii) hotel operations business; and (iii) property leasing business.

The loss for the six months ended 31 December 2024 was increased by approximately HK\$43.9 million as compared to that for the six months ended 31 December 2023. This was primarily attributable to (i) the impairment loss on the properties held by the Group, which are classified as property, plant and equipment, was increased by approximately HK\$24.3 million as compared to that for the six months ended 31 December 2023; (ii) the increase in fair value loss on the Group’s investment properties by approximately HK\$13.1 million as compared to that for the six months ended 31 December 2023; and (iii) the increase in the Group’s provision for impairment and write-off of loans receivable and interest receivables by approximately HK\$5.7 million as compared to that for the six months ended 31 December 2023.

In the past financial period, against the backdrop of a high interest rate cycle and the falling property market, the economy did not recover to pre-pandemic levels as swiftly as expected. Relying on diversification transformation, the Group has maintained the cash flow at a healthy level, and it successfully enabled the Group to withstand the challenge of the complex and volatile economic landscape. The Board believes that by steadily operating the existing business segments, the Group’s business and financial position will be able to continuously improve in the future.

# MANAGEMENT DISCUSSION AND ANALYSIS

## **BUSINESS REVIEW** *(Continued)*

### **Money Lending Business**

During the six months ended 31 December 2024, the Group's money lending business focused on providing unsecured personal loans and property mortgage services to the local market. Supported by the Group's strong resources, its brand "Funku Finance" has been growing rapidly. With brand recognition and market share in the industry steadily increasing, its business scale and customer base continued to expand.

Positioned as a fintech company, Funku Finance has further strengthened its technological capabilities by introducing deep learning algorithms to build dynamic credit scoring models, which enable real-time integration of multi-source data, optimising the accuracy of risk assessment. By deploying an AI-powered fully automated loan approval system, the loan vetting and approval process became significantly efficient.

The gross loans receivable as at 31 December 2024 amounted to approximately HK\$339.2 million, representing a decrease of approximately HK\$63.1 million as compared to that of approximately HK\$402.3 million as at 30 June 2024 due to approximately HK\$49.1 million of the gross loans receivable reclassified as assets classified as held for sale during the six months ended 31 December 2024. As at 31 December 2024, the Group had a sizeable customer base of 1,992 customers. The interest income generated for the six months ended 31 December 2024 amounted to approximately HK\$41.6 million, representing an increase of approximately HK\$7.6 million as compared to that of approximately HK\$34.0 million generated for the six months ended 31 December 2023. The interest income for the six months ended 31 December 2024 was generated from a larger customer base and therefore is more sustainable.

During the reporting period, the money lending business faced dual pressures of rising financing costs and increasing bad debt ratios. To address these challenges, the Group established an AI-powered predictive analytics platform utilizing time series models to anticipate market fluctuations, thereby further reducing capital mismatch risks. Management prioritised credit management enhancements through a machine learning-based customer profiling system that automates credit decision-making. Additionally, the deployment of a risk monitoring dashboard with anomaly detection algorithms has enabled proactive identification of high-risk loans receivable, accelerating early warning timelines for overdue payments.

# MANAGEMENT DISCUSSION AND ANALYSIS

## **BUSINESS REVIEW** *(Continued)*

### **Hotel Operations Business**

Hotel operations business is another segment of the Group with an aim to diversify the income stream. The hotel operations business achieved an average occupancy rate of 93.7% for the six months ended 31 December 2024. Hotel room revenue for the six months ended 31 December 2024 was approximately HK\$10.0 million, representing a slight drop of approximately HK\$1.0 million as compared to that for the six months ended 31 December 2023 amounted to approximately HK\$11.0 million.

The underlying loss before tax from the hotel operations business amounted to approximately HK\$31.5 million for the six months ended 31 December 2024 as compared to that of approximately HK\$6.0 million for the six months ended 31 December 2023, which was mainly attributable to the increase in the impairment loss made on property, plant and equipment of approximately HK\$24.3 million as compared to that for the six months ended 31 December 2023.

The Board remains cautiously optimistic on the hotel business in Hong Kong in the long run.

### **Property Leasing Business**

The Group's property leasing business in Hong Kong primarily represents leasing the shops on the ground floor of the hotel property to independent third parties; while that in the People's Republic of China (the "PRC") represents the leasing of the shops and venue spaces in the properties which are situated at the north side of Jinyan Road, Pudong New District, Shanghai, the PRC\* (中國上海市浦東新區錦延路北側), and have been called as Shanghai Zhang Jiabang Yifei Creativity Street\* (上海張家浜逸飛創意街) or Shanghai Jin Xiu Fun\* (上海錦繡坊) (the "PRC Properties") to various tenants.

\* *for identification purposes only*

# MANAGEMENT DISCUSSION AND ANALYSIS

## **BUSINESS REVIEW** *(Continued)*

### **Property Leasing Business** *(Continued)*

As at 31 December 2024, a total number of 42 third parties business tenants, a majority of which are chain restaurants with renowned brands such as McDonald's and Starbucks, as well as education centres, had signed a tenancy agreement in relation to shops and venue spaces of an aggregate gross floor area of approximately 14,592 square metres within the PRC Properties; while a gross floor area of approximately 3,852 square metres within the PRC Properties was vacant and available for lease. The PRC Properties are currently managed by a third party management company under a property management agreement which will expire on 31 December 2026.

The underlying loss before tax from the property leasing business amounted to approximately HK\$7.8 million for the six months ended 31 December 2024 as compared to a profit before tax of approximately HK\$3.3 million for the six months ended 31 December 2023, which was primarily due to the fair value loss on investment properties of approximately HK\$17.3 million.

The Board has confidence in the PRC economy and will continue to hold on to the PRC Properties, and develop and enhance the Group's property leasing business. The leasing of the PRC Properties has brought stable cash flow to the Group and it has generated another major source of revenue and profit for the Group.

## **FINANCIAL POSITION**

The total equity attributable to owners of the Company as at 31 December 2024 amounted to approximately HK\$999.3 million (as at 30 June 2024: HK\$1,061.8 million). The decrease was mainly due to the loss for the period.

## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 31 December 2024, the Group's net current assets was approximately HK\$58.4 million (as at 30 June 2024: HK\$21.3 million). The current ratio was 1.3 times as at 31 December 2024 (as at 30 June 2024: 1.1 times). The total cash and bank balances were approximately HK\$63.4 million as at 31 December 2024 as compared to that of approximately HK\$77.2 million as at 30 June 2024. The Group's approach in managing liquidity is to ensure, as far as possible, that the Group always maintains sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Group's reputation.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BORROWINGS AND GEARING RATIO

As at 31 December 2024, the Group had a total borrowings of approximately HK\$193.7 million (as at 30 June 2024: HK\$209.6 million) comprising secured borrowings from bank of HK\$150.0 million (as at 30 June 2024: HK\$100.0 million), unsecured loans from third parties of approximately HK\$8.8 million (as at 30 June 2024: HK\$49.7 million) and amounts due to non-controlling shareholders of a subsidiary of approximately HK\$34.9 million (as at 30 June 2024: HK\$59.9 million). The currency in which the borrowings of the Group were made was Hong Kong dollars. Details of the maturity profile and the interest rates of the Group's borrowings are set out in notes 13 and 15 to the condensed consolidated financial statements.

The interest-bearing secured bank borrowings of the Group as at 31 December 2024 was HK\$150.0 million (as at 30 June 2024: HK\$100.0 million) with interest rate of 7.0% per annum. The Group reviews and ensures sufficient external financing to reserve resources to support its business development. As at 31 December 2024, the Group had an uncommitted revolving loan facility limit granted by a commercial bank amounted to HK\$200.0 million (as at 30 June 2024: HK\$100.0 million), of which HK\$150.0 million (as at 30 June 2024: HK\$100.0 million) had been utilised. The relevant loan facility will mature on 3 December 2026. Pursuant to the relevant facility agreement, Ms. Lin Yee Man, the controlling shareholder of the Company, shall remain (directly or indirectly) the single largest shareholder of the Company.

The gearing ratio, calculated on the basis of total borrowings over total equity attributable to owners of the Company, was approximately 19.4% as at 31 December 2024 (as at 30 June 2024: 19.7%).

## CAPITAL STRUCTURE

There was no material change in the capital structure of the Group from that disclosed in the annual report for the year ended 30 June 2024. As at 31 December 2024, the total number of issued shares of the Company was approximately 1,938,823,000 (as at 30 June 2024: 1,938,823,000 shares).

There was no issue of equity securities (including securities convertible into equity securities) during the six months ended 31 December 2024.



# MANAGEMENT DISCUSSION AND ANALYSIS

## CHARGE ON ASSETS

As at 31 December 2024, the Group's buildings classified as property, plant and equipment and investment properties with a total carrying amount of approximately HK\$299.0 million (as at 30 June 2024: HK\$335.9 million) and HK\$94.7 million (as at 30 June 2024: HK\$106.0 million), respectively, have been pledged as collaterals for the purpose of securing the loan facilities granted to the Group.

## SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS OF ASSETS

On 2 December 2024, Credible Limited (a direct wholly-owned subsidiary of the Company) as vendor (the "**Vendor**") , Ever Bright International Holdings Limited as purchaser (the "**Purchaser**") and Mr. Chan Siu Ping as guarantor entered into a sale and purchase agreement (the "**SPA**") pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the entire issued share capital of Home Mortgage Finance Company Limited ("**Home Mortgage Finance**", an indirect wholly-owned subsidiary of the Company prior to the closing of the disposal) at a consideration of approximately HK\$9,296,000 (the "**Disposal**"). For details, please refer to the Company's announcement dated 2 December 2024 and the circular dated 23 December 2024.

Save as disclosed in this report, there were no significant investments held by the Group as at 31 December 2024, nor other material acquisitions or disposals of assets by the Group.

# MANAGEMENT DISCUSSION AND ANALYSIS

## IMPORTANT EVENTS SINCE THE END OF FINANCIAL PERIOD

The closing of the Disposal took place on 6 January 2025 and Home Mortgage Finance ceased to be a subsidiary of the Company. Accordingly, the financial results of Home Mortgage Finance would no longer be consolidated into the consolidated financial statements of the Company.

On the date of closing of the Disposal, each of the Company and Funki Finance Limited (“**Funki Finance**”, an indirect wholly-owned subsidiary of the Company) entered into a deed of assignment with the Purchaser and Home Mortgage Finance, pursuant to which the Company shall assign and the Purchaser shall acquire from the Company a loan in the principal amount of approximately HK\$36,329,000 (the “**Company Loan**”); and Funki Finance shall assign and the Purchaser shall acquire from Funki Finance a loan in the principal amount of approximately HK\$14,046,000 (the “**Funki Loan**”) (the “**Loan Assignment**”), representing all outstanding loan advanced to Home Mortgage Finance by the Company and Funki Finance, respectively.

Save as disclosed in this report, there were no important events affecting the Group which have occurred since the end of financial period.

## CONTINGENT LIABILITIES

The Company did not have any material contingent liabilities as at 31 December 2024.

## FUNDING AND TREASURY POLICY AND FOREIGN EXCHANGE RISK MANAGEMENT

The Group adopts prudent funding and treasury policy. All assets and liabilities of the Group were denominated in Hong Kong dollars. The functional currencies of the Company and its major subsidiaries are Hong Kong dollars and Renminbi in which most of their transactions and assets are denominated. As at 31 December 2024, the Group was exposed to certain foreign exchange risk as the Group had bank balances in Renminbi of approximately RMB31.9 million (equivalent to approximately HK\$33.8 million). The Group currently does not have any foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities, but it closely monitors its foreign currency exposure and will consider hedging significant foreign currency exposure should the needs arise.

# MANAGEMENT DISCUSSION AND ANALYSIS

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

Save as disclosed in this report, the Group does not have any solid plans for material investments or acquisition of capital assets as at the date of this report. The Group continues to seek appropriate investment opportunities which are in line with the Group's business strategy.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 December 2024, the total number of employees of the Group was 82. The emolument policy regarding the Directors, senior management and other employees of the Group was formulated and is reviewed by the remuneration committee of the Company from time to time. Employees are remunerated according to their qualifications, experience, job nature and performance and under the pay scales aligned with prevailing market conditions. Other benefits to employees include mandatory provident fund schemes, medical insurance coverage and share option schemes.

## **INTERIM DIVIDEND**

The Board has resolved not to declare any interim dividend for the six months ended 31 December 2024 (for the six months ended 31 December 2023: nil).

# CORPORATE GOVERNANCE AND OTHER INFORMATION

## COMPLIANCE WITH CORPORATE GOVERNANCE PRACTICES

The Board is committed to the maintenance of good corporate governance practices and procedures. The corporate governance principles of the Company emphasises a quality Board, sound internal controls and transparency to all shareholders.

The Company has applied the principles of and complied with all code provisions and, where applicable, the recommended best practices as set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”) during the six months ended 31 December 2024.

## COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as the code of conduct regulating Directors’ dealings in securities of the Company. In response to specific enquiries made, all Directors have confirmed their compliance with the required standard set out in the Model Code regarding their securities dealings during the six months ended 31 December 2024.

## AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”) and adopted the written terms of reference in compliance with the CG Code. The primary duties of the Audit Committee are to review and approve the Group’s financial reporting process, risk management and internal control system. The Audit Committee comprises all independent non-executive Directors, namely Mr. Cheung Yat Hung, Alton (chairman of the Audit Committee), Mr. Yue Fu Wing and Ms. Yeung Hoi Ching.

## REVIEW OF INTERIM RESULTS AND INTERIM REPORT

The Group’s interim results and interim report for the six months ended 31 December 2024 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results and report complied with the applicable accounting standards and requirements, adequate disclosures have been made and there was no disagreement with any accounting treatment adopted. The Audit Committee recommended the Board to adopt the same.

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

During the six months ended 31 December 2024, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares (as defined under the Listing Rules) for cash).

## CORPORATE GOVERNANCE AND OTHER 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 31 December 2024, none of the Directors or the chief executive of the Company, or any of their associates, had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were required, pursuant to section 352 of the SFO, to be recorded in the register required to be kept referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

### SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2024, according to the information available to the Company, substantial shareholders of the Company and persons, other than a Director or chief executive of the Company, who had interests in 5% or more of the issued share capital of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO, were as follows:

Name of shareholder	Long/short position	Number of ordinary shares held	Percentage of shares held
Ms. Lin Yee Man	Long	1,374,502,606	70.89%
Mr. Wong Yau Shing	Long	108,000,000	5.57%

Save as disclosed above, no other person had registered any interests or short positions in 5% or more of the share capital and underlying shares of the Company, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which was required to be recorded in the register required to be kept by the Company under section 336 of the SFO as at 31 December 2024.

# CORPORATE GOVERNANCE AND OTHER INFORMATION

## SHARE OPTION SCHEMES

The Company previously adopted a share option scheme in 2007 and such scheme expired in accordance with its terms in 2017.

On 30 November 2023, the Company has adopted a new share option scheme for the purpose of enabling the Group to recognise the contribution and potential future contribution of grantees.

Details of the movements of the share options during the period are set out as follows:

Name of grantee	Date of grant	Exercise period	Exercise price per share HK\$	Outstanding as at 1 July 2024	Granted/ exercised/ cancelled/ lapsed during the period	Outstanding as at 31 December 2024
<b>Director</b>						
Mr. Nicholas J. Niglio	1/4/2016	1/4/2016 – 31/3/2026	0.50	5,119,000	–	5,119,000
<b>Other Eligible Participant</b>	1/4/2016	1/4/2016 – 31/3/2026	0.50	5,119,000	–	5,119,000

The vesting period of the share options was from the date of grant until the commencement of the exercise period.

Save as disclosed above, none of the Directors or chief executive of the Company, or any of their associates, had any rights to subscribe for the securities of the Company, or had exercised any such rights during the six months ended 31 December 2024.

The number of options available for grant under all share option schemes to eligible participants was 193,882,269 as at 1 July 2024 and 31 December 2024; and the number of options available for grant under all share option schemes to service providers was 19,388,226 as at 1 July 2024 and 31 December 2024.

The number of shares that might be issued in respect of options granted under such share option schemes of the Company during the six months ended 31 December 2024 divided by the weighted average number of shares of the relevant class in issue (excluding treasury shares (as defined under the Listing Rules)) for the six months ended 31 December 2024 was 0.53%.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

### ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

Save as disclosed above, at no time during the six months ended 31 December 2024 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

### DISCLOSURE UNDER RULE 13.18 OF THE LISTING RULES

#### Loan Facility I

On 11 January 2023, Funki Finance as borrower, Ever Praise Enterprises Limited (a wholly-owned subsidiary of the Company) as mortgagor, and the Company as guarantor, entered into a facility agreement (the **“Facility Agreement I”**) in respect of uncommitted revolving loan facility limit amounted to HK\$100,000,000 (the **“Loan Facility I”**) with a commercial bank as lender (**“Lender A”**). The Loan Facility I will mature on 10 January 2026.

Under the terms of the Facility Agreement I, Ms. Lin Yee Man, the controlling shareholder of the Company, shall (directly or indirectly) remain the single largest shareholding interest in the Company.

Lender A reserves its overriding right at any time with immediate effect to cancel or vary the Loan Facility I, demand immediate repayment of all outstanding amounts and require provision of immediate cash cover (in the amount notified by Lender A) for any future or contingent liabilities.

Bank borrowings of HK\$100,000,000 granted under the Facility Agreement I together with accrued interests were fully repaid on or before 9 December 2024, and the charges on the Group’s hotel property and investment properties were discharged on 9 December 2024. From the date of entering into of the Facility Agreement I to 9 December 2024, Ms. Lin Yee Man was beneficially interested in approximately 70.89% of the total issued share capital of the Company.

#### Loan Facility II

On 4 December 2024, Funki Finance as borrower, Ever Praise Enterprises Limited as mortgagor, and the Company as guarantor, entered into a facility agreement (the **“Facility Agreement II”**) in respect of an uncommitted revolving loan facility limit amounted to HK\$200,000,000 (the **“Loan Facility II”**) with another commercial bank as lender (**“Lender B”**). The Loan Facility II will mature on 3 December 2026.

Under the terms of the Facility Agreement II, Ms. Lin Yee Man, the controlling shareholder of the Company, shall remain (directly or indirectly) the single largest shareholder of the Company.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

### **DISCLOSURE UNDER RULE 13.18 OF THE LISTING RULES** *(Continued)*

#### **Loan Facility II** *(Continued)*

Failure to comply with such obligation will constitute an event of default under the Facility Agreement II, and on the occurrence of which Lender B shall be entitled to (i) make a demand for immediate payment of the outstanding amount; and/or (ii) vary, reduce, suspend, terminate or cancel all or any part of the Loan Facility II.

As of the date of entering into of the Facility Agreement II and up to the date of this report, Ms. Lin Yee Man is beneficially interested in approximately 70.89% of the total issued share capital of the Company.



# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 31 December 2024

	Notes	Six months ended 31 December	
		2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Revenue	3	67,724	63,149
Cost of services provided		(9,522)	(12,758)
Other income		1,890	1,752
Other gains and losses, net		(5,090)	194
Fair value loss on investment properties	9	(17,257)	(4,200)
Impairment loss on property, plant and equipment		(28,414)	(4,131)
Provision for impairment and write-off of loans receivable and interest receivables, net	11	(21,346)	(15,646)
Administrative expenses		(41,133)	(37,005)
<b>Loss from operations</b>		<b>(53,148)</b>	(8,645)
Finance costs		(7,295)	(5,852)
<b>Loss before tax</b>		<b>(60,443)</b>	(14,497)
Income tax expense	5	(1,043)	(3,065)
<b>Loss for the period</b>	4	<b>(61,486)</b>	(17,562)

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)*

For the six months ended 31 December 2024

	Six months ended 31 December	
	2024	2023
	<b>(Unaudited)</b>	(Unaudited)
<i>Note</i>	<b>HK\$'000</b>	HK\$'000
<b>Other comprehensive (loss)/income after tax</b>		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of foreign operation	<b>(4,412)</b>	7,595
<b>Total other comprehensive (loss)/income for the period, net of tax</b>	<b>(4,412)</b>	7,595
<b>Total comprehensive loss for the period</b>	<b>(65,898)</b>	(9,967)
<b>(Loss)/profit for the period attributable to:</b>		
– Owners of the Company	<b>(59,288)</b>	(18,841)
– Non-controlling interests	<b>(2,198)</b>	1,279
	<b>(61,486)</b>	(17,562)
<b>Total comprehensive (loss)/income for the period attributable to:</b>		
– Owners of the Company	<b>(62,504)</b>	(13,300)
– Non-controlling interests	<b>(3,394)</b>	3,333
	<b>(65,898)</b>	(9,967)
<b>Loss per share</b>	7	
– Basic and diluted <i>(HK cents)</i>	<b>(3.06)</b>	(0.97)

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

		<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
	Notes		
<b>Non-current assets</b>			
Property, plant and equipment	8	<b>351,418</b>	389,849
Right-of-use assets		<b>829</b>	1,314
Investment properties	9	<b>585,056</b>	606,867
Intangible assets		<b>727</b>	911
Deferred tax assets		<b>5,056</b>	4,402
Financial assets at fair value through profit or loss ("FVTPL")	10	<b>31,508</b>	31,492
Loans receivable	11	<b>185,801</b>	257,241
		<b>1,160,395</b>	1,292,076
<b>Current assets</b>			
Trade and other receivables	12	<b>19,423</b>	16,098
Loans receivable and interest receivables	11	<b>119,556</b>	121,477
Current tax assets		<b>15</b>	28
Assets classified as held for sale	14	<b>58,258</b>	–
Bank and cash balances		<b>63,371</b>	77,241
		<b>260,623</b>	214,844
<b>Current liabilities</b>			
Contract liabilities		<b>1,536</b>	2,075
Other payables		<b>35,717</b>	34,025
Borrowings and interest payables	13	<b>159,849</b>	151,708
Lease liabilities		<b>922</b>	1,056
Current tax liabilities		<b>4,006</b>	4,700
Liabilities directly associated with assets classified as held for sale	14	<b>153</b>	–
		<b>202,183</b>	193,564
<b>Net current assets</b>		<b>58,440</b>	21,280
<b>Total assets less current liabilities</b>		<b>1,218,835</b>	1,313,356

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

At 31 December 2024

		<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
	<i>Notes</i>		
<b>Non-current liabilities</b>			
Other payables		<b>3,117</b>	4,949
Amounts due to non-controlling shareholders of a subsidiary	15	<b>34,935</b>	59,900
Lease liabilities		–	392
Deferred tax liabilities		<b>80,081</b>	81,515
		<b>118,133</b>	146,756
<b>NET ASSETS</b>		<b>1,100,702</b>	1,166,600
<b>Capital and reserves</b>			
Share capital	16	<b>1,317,736</b>	1,317,736
Reserves		<b>(318,478)</b>	(255,974)
Equity attributable to owners of the Company		<b>999,258</b>	1,061,762
Non-controlling interests		<b>101,444</b>	104,838
<b>TOTAL EQUITY</b>		<b>1,100,702</b>	1,166,600

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2024

For the six months ended 31 December 2024 (Unaudited)

	Attributable to owners of the Company									Non-controlling interests	Total
	Share capital	Property revaluation reserve	Non-distributable reserve	Share option reserve	Other reserve	Statutory surplus reserve	Translation reserve	Accumulated losses	Sub-total		
	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
At 1 July 2024	1,317,736	5,922	2,264	2,628	(42,738)	2,713	(43,832)	(182,831)	1,061,762	104,838	1,166,600
Total comprehensive loss for the period	-	-	-	-	-	-	(3,216)	(59,288)	(62,504)	(3,394)	(65,898)
Transfer to statutory surplus reserve	-	-	-	-	-	268	-	(268)	-	-	-
At 31 December 2024	1,317,736	5,922	2,264	2,628	(42,738)	2,981	(47,148)	(242,387)	999,258	101,444	1,100,702

For the six months ended 31 December 2023 (Unaudited)

	Attributable to owners of the Company									Non-controlling interests	Total
	Share capital	Property revaluation reserve	Non-distributable reserve	Share option reserve	Other reserve	Statutory surplus reserve	Translation reserve	Accumulated losses	Sub-total		
	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
At 1 July 2023	1,317,736	5,922	2,264	2,628	(42,738)	1,785	(41,291)	(131,418)	1,114,888	104,372	1,219,260
Total comprehensive loss for the period	-	-	-	-	-	-	5,541	(18,841)	(13,300)	3,333	(9,967)
Transfer to statutory surplus reserve	-	-	-	-	-	582	-	(582)	-	-	-
At 31 December 2023	1,317,736	5,922	2,264	2,628	(42,738)	2,367	(35,750)	(150,841)	1,101,588	107,705	1,209,293

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 December 2024

	<b>Six months ended 31 December</b>	
	<b>2024</b>	2023
	<b>(Unaudited)</b>	(Unaudited)
	<b>HK\$'000</b>	HK\$'000
<b>Net cash generated from/(used in) operating activities</b>	<b>24,547</b>	(32,262)
<b>Net cash generated from investing activities</b>	<b>1,481</b>	720
<b>Net cash (used in)/generated from financing activities</b>	<b>(29,735)</b>	66,399
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(3,707)</b>	34,857
<b>Cash and cash equivalents at the beginning of the period</b>	<b>77,241</b>	63,114
<b>Effect of foreign exchange rate changes</b>	<b>(591)</b>	619
<b>Cash and cash equivalents classified as held for sale</b>	<b>(9,572)</b>	–
<b>Cash and cash equivalents at the end of the period</b>	<b>63,371</b>	98,590

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 1. BASIS OF PREPARATION

The unaudited 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 with the applicable disclosure provisions of the Listing Rules. The principal accounting policies used in the unaudited condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s consolidated financial statements for the year ended 30 June 2024 except for the adoption of the new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “**new and amendments to HKFRSs**”) as disclosed in Note 2 to this interim report. The condensed consolidated financial statements are unaudited but have been reviewed by the Audit Committee.

The consolidated financial information relating to the financial year ended 30 June 2024 that is included in this interim report as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from the financial statements. Further information relating to the statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the consolidated financial statements for the year ended 30 June 2024 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

## 2. ADOPTION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS

The accounting policies and methods of computation used in the preparation of the unaudited interim financial statements are consistent with those used in the annual financial statements for the year ended 30 June 2024 except for the changes mentioned below.

The Group has applied the Amendments to Reference to the Conceptual Framework in HKFRS Standards and the following amendments to HKFRSs and HKASs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2024 for the preparation of the unaudited condensed consolidated financial statements:

HKAS 1 (Amendments)	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 Term Loan that Contains a Repayment on Demand Clause
HKAS 7 and HKFRS 7 (Amendments)	Supplier Finance Arrangements
HKFRS 16 (Amendments)	Lease liability in sale and leaseback

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 2. **ADOPTION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS** *(Continued)*

The Group has assessed the impact of the adoption of the above amendments to HKFRSs and HKASs, and considered that there was no significant impact on the Group's results and financial position or any substantial changes in the Group's accounting policies.

## 3. **REVENUE AND SEGMENT INFORMATION**

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The Group has three operating segments as follows:

- (i) Money lending business;
- (ii) Hotel operations business; and
- (iii) Property leasing business.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 3. REVENUE AND SEGMENT INFORMATION (Continued)

### (a) Segment revenue and results

An analysis of the Group's revenue and results by reportable and operating segment is as follows:

#### For the six months ended 31 December 2024 (Unaudited)

	Money lending business HK\$'000	Hotel operations business HK\$'000	Property leasing business HK\$'000	Total HK\$'000
Revenue	41,581	9,968	16,175	67,724
Segment results	(3,152)	(31,454)	(7,784)	(42,390)
Unallocated other income				1,514
Unallocated other gains and losses				(5,090)
Unallocated finance costs				(3,268)
Unallocated expenses				(11,209)
Loss before tax				(60,443)

#### For the six months ended 31 December 2023 (Unaudited)

	Money lending business HK\$'000	Hotel operations business HK\$'000	Property leasing business HK\$'000	Total HK\$'000
Revenue	33,968	11,049	18,132	63,149
Segment results	(999)	(6,023)	3,318	(3,704)
Unallocated other income				1,502
Unallocated other gains and losses				24
Unallocated finance costs				(2,773)
Unallocated expenses				(9,546)
Loss before tax				(14,497)

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 3. REVENUE AND SEGMENT INFORMATION *(Continued)*

### (b) Segment assets and liabilities

An analysis of the Group's assets and liabilities by reportable and operating segment is as follows:

#### At 31 December 2024 (Unaudited)

	Money lending business <i>HK\$'000</i>	Hotel operations business <i>HK\$'000</i>	Property leasing business <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Assets</b>				
Segment assets	<u>394,076</u>	<u>306,933</u>	<u>632,737</u>	1,333,746
Unallocated corporate assets				<u>87,272</u>
Consolidated total assets				<u>1,421,018</u>
<b>Liabilities</b>				
Segment liabilities	<u>(164,794)</u>	<u>(5,378)</u>	<u>(111,233)</u>	(281,405)
Unallocated corporate liabilities				<u>(38,911)</u>
Consolidated total liabilities				<u>(320,316)</u>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 3. REVENUE AND SEGMENT INFORMATION (Continued)

### (b) Segment assets and liabilities (Continued)

At 30 June 2024 (Audited)

	Money lending business HK\$'000	Hotel operations business HK\$'000	Property leasing business HK\$'000	Total HK\$'000
<b>Assets</b>				
Segment assets	<u>399,520</u>	<u>338,474</u>	<u>679,510</u>	1,417,504
Unallocated corporate assets				<u>89,416</u>
Consolidated total assets				<u>1,506,920</u>
<b>Liabilities</b>				
Segment liabilities	<u>(115,421)</u>	<u>(5,527)</u>	<u>(112,591)</u>	(233,539)
Unallocated corporate liabilities				<u>(106,781)</u>
Consolidated total liabilities				<u>(340,320)</u>

Unallocated corporate assets mainly represent certain property, plant and equipment, certain right-of-use assets, financial assets at FVTPL, deposits, other receivables and certain bank and cash balances.

Unallocated corporate liabilities mainly represent other payables, certain borrowings and interest payables, certain lease liabilities and amounts due to non-controlling shareholders of a subsidiary.

Assets and liabilities of disposal group classified as held for sale (note 14) are allocated to the money lending business segment.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 4. LOSS FOR THE PERIOD

The Group's loss for the period is stated after charging/(crediting) the followings:

	Six months ended 31 December	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Amortisation of intangible assets	184	184
Bank interest income	(252)	(89)
Dividend income from financial assets at FVTPL	(1,492)	(1,488)
Depreciation of property, plant and equipment	10,070	10,208
Depreciation of right-of-use assets	486	393
Fair value gain on financial assets at FVTPL	(16)	(24)
Loss on early repayment on amounts due to non-controlling shareholders of a subsidiary (note 15)	5,106	–

## 5. INCOME TAX EXPENSE

	Six months ended 31 December	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
<b>Current tax – Hong Kong Profits Tax</b>		
Provision for the period	156	228
Under-provision in prior years	139	–
	<b>295</b>	<b>228</b>
<b>Current tax – The PRC Enterprise Income Tax (“EIT”)</b>		
Provision for the period	2,244	1,437
Over-provision in prior years	–	(277)
	<b>2,244</b>	<b>1,160</b>
<b>Deferred taxation</b>	<b>(1,496)</b>	<b>1,677</b>
<b>Income tax expense</b>	<b>1,043</b>	<b>3,065</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 5. INCOME TAX EXPENSE (Continued)

Under the two-tiered profits tax regime, the first HK\$2 million of assessable profits of the qualifying Group's entity incorporated in Hong Kong are taxed at a rate of 8.25% and assessable profits above that amount are taxed at a rate of 16.5%. The profits of the Group's entities not qualified for the two-tiered profits tax regime remain to be taxed at a rate of 16.5%.

The Group's entity operating in the PRC is subject to EIT at the rate of 25% on the assessable profits.

Tax charge on profits assessable elsewhere has been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

## 6. INTERIM DIVIDEND

The Directors do not recommend the payment of any interim dividend in respect of the six months ended 31 December 2024 and 2023.

## 7. LOSS PER SHARE

### Basic loss per share

The calculation of basic loss per share is based on the loss for the period attributable to owners of the Company of approximately HK\$59,288,000 (unaudited) for the six months ended 31 December 2024 (for the six months ended 31 December 2023: HK\$18,841,000 (unaudited)) and the weighted average number of ordinary shares of approximately 1,938,823,000 in issue during both periods.

### Diluted loss per share

No diluted loss per share has been presented as there were no potential dilutive shares outstanding during the six months ended 31 December 2024 and 2023.

## 8. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31 December 2024, the Group acquired property, plant and equipment of approximately HK\$263,000 (unaudited). During the six months ended 31 December 2023, property, plant and equipment of approximately HK\$768,000 (unaudited) and of approximately HK\$1,019,000 (unaudited) was acquired and transferred from construction in progress by the Group, respectively.

As at 31 December 2024, the Group's hotel property in Hong Kong amounted to approximately HK\$299,000,000 (unaudited) (30 June 2024: HK\$335,900,000 (audited)) have been pledged to secure the loan facility granted to the Group, respectively.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 9. INVESTMENT PROPERTIES

	<i>HK\$'000</i>
<b>Fair value</b>	
At 1 July 2023	638,215
Fair value loss	(27,427)
Exchange differences	(3,921)
At 30 June 2024 and 1 July 2024 (Audited)	606,867
<b>Fair value loss</b>	<b>(17,257)</b>
<b>Exchange differences</b>	<b>(4,554)</b>
<b>At 31 December 2024 (Unaudited)</b>	<b>585,056</b>

As at 31 December 2024, the Group's investment properties in Hong Kong amounted to approximately HK\$94,700,000 (30 June 2024: HK\$106,000,000) have been pledged to secure the loan facility granted to the Group.

## 10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
Financial assets at FVTPL		
– Unlisted fund investment	<b>31,508</b>	31,492

As at 31 December 2024, the carrying amount of the unlisted fund investment was approximately HK\$31,508,000 (30 June 2024: HK\$31,492,000) which was not quoted in an active market. The fair value of investment was stated with reference to the net asset value provided by the administrator of the fund at the end of the reporting period. The Directors believe that the estimated fair value provided by the administrator of the fund is reasonable, and is the most appropriate value at the end of the reporting period.

The carrying amount of the investment is denominated in Hong Kong dollars.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 11. LOANS RECEIVABLE AND INTEREST RECEIVABLES

	<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
Loans receivable	<b>339,208</b>	402,338
Less: Provision for impairment of loans receivable	<b>(46,154)</b>	(39,844)
Loans receivable, net of provision	<b>293,054</b>	362,494
Interest receivables	<b>21,898</b>	21,630
Less: Provision for impairment of interest receivables	<b>(9,595)</b>	(5,406)
Interest receivables, net of provision	<b>12,303</b>	16,224
	<b>305,357</b>	378,718
Analysed as:		
– Non-current assets	<b>185,801</b>	257,241
– Current assets	<b>119,556</b>	121,477
	<b>305,357</b>	378,718

During the six months ended 31 December 2024, loans receivable and interest receivables, net of provision, in aggregate of approximately HK\$48,469,000 were transferred to assets held for sale (note 14).

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 11. LOANS RECEIVABLE AND INTEREST RECEIVABLES (Continued)

The credit quality analysis of the loans receivable and interest receivables is as follows:

	<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
<b>Loans receivable</b>		
Neither past due nor impaired		
– Secured	–	68,342
– Unsecured	<b>267,494</b>	261,689
1-30 days past due		
– Secured	–	8
– Unsecured	<b>43</b>	42
31-90 days past due		
– Secured	–	13
– Unsecured	<b>525</b>	142
181-365 days past due		
– Secured	–	5,544
Over 365 days past due		
– Secured	<b>24,992</b>	26,714
	<b>293,054</b>	362,494
<b>Interest receivables</b>		
Neither past due nor impaired		
– Secured	–	535
– Unsecured	<b>4,571</b>	4,277
1-30 days past due		
– Secured	–	190
– Unsecured	<b>70</b>	170
31-90 days past due		
– Secured	–	80
– Unsecured	<b>227</b>	72
Over 365 days past due		
– Secured	<b>7,435</b>	10,900
	<b>12,303</b>	16,224
	<b>305,357</b>	378,718

The secured loan(s) was/were secured by property(ies). The fair value(s) of the collateral(s), as assessed by the management, was/were not less than the outstanding aggregate amounts of loan receivable and interest receivable of the relevant loan(s) as at 31 December 2024 and 30 June 2024.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 11. LOANS RECEIVABLE AND INTEREST RECEIVABLES (Continued)

Movement on the Group's provision for impairment of loans receivable and interest receivables are as follows:

	Loans receivable			Total HK\$'000
	Stage 1 12-month expected credit losses ("ECL") HK\$'000	Stage 2 Lifetime ECL HK\$'000	Stage 3 Lifetime ECL HK\$'000	
At 1 July 2023	11,627	240	5,936	17,803
New loans originated	8,715	138	–	8,853
Loans repaid during the year (Credited)/charged for the year	(4,278)	(27)	(2,874)	(7,179)
Written off during the year	–	–	(13,882)	(13,882)
Transfer between stages	(698)	(39)	737	–
At 30 June 2024 and 1 July 2024 (Audited)	14,273	382	25,189	39,844
<b>New loans originated</b>	<b>5,094</b>	<b>76</b>	<b>622</b>	<b>5,792</b>
<b>Loans repaid during the period (Credited)/charged for the period</b>	<b>(2,931)</b>	<b>–</b>	<b>(555)</b>	<b>(3,486)</b>
<b>Written off during the period</b>	<b>–</b>	<b>–</b>	<b>(9,316)</b>	<b>(9,316)</b>
<b>Transfer between stages</b>	<b>(430)</b>	<b>(28)</b>	<b>458</b>	<b>–</b>
<b>Transfer to assets classified as held for sale (note 14)</b>	<b>(1)</b>	<b>–</b>	<b>(613)</b>	<b>(614)</b>
<b>At 31 December 2024 (Unaudited)</b>	<b>13,940</b>	<b>347</b>	<b>31,867</b>	<b>46,154</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 11. LOANS RECEIVABLE AND INTEREST RECEIVABLES (Continued)

	Interest receivables			Total HK\$'000
	Stage 1 12-month ECL HK\$'000	Stage 2 Lifetime ECL HK\$'000	Stage 3 Lifetime ECL HK\$'000	
	At 1 July 2023	149	7	
New loans originated	156	7	–	163
Loans repaid during the year (Credited)/charged for the year	(62)	–	(81)	(143)
Written off during the year	–	–	(1,348)	(1,348)
Transfer between stages	(8)	(4)	12	–
At 30 June 2024 and 1 July 2024 (Audited)	234	24	5,148	5,406
<b>New loans originated</b>	<b>96</b>	<b>7</b>	<b>68</b>	<b>171</b>
<b>Loans repaid during the period (Credited)/charged for the period</b>	<b>(51)</b>	<b>–</b>	<b>(101)</b>	<b>(152)</b>
<b>Written off during the period</b>	<b>–</b>	<b>–</b>	<b>(917)</b>	<b>(917)</b>
<b>Transfer between stages</b>	<b>(6)</b>	<b>(17)</b>	<b>23</b>	<b>–</b>
<b>At 31 December 2024 (Unaudited)</b>	<b>243</b>	<b>13</b>	<b>9,339</b>	<b>9,595</b>

One (30 June 2024: Three) secured loan(s) receivable was/were default as at 31 December 2024, two default secured loans receivable were transferred to assets classified as held for sale during the six months ended 31 December 2024. As at 31 December 2024, the balance of the relevant loan(s) receivable and interest receivable(s) were approximately HK\$24,992,000 (30 June 2024: HK\$32,258,000) and approximately HK\$7,345,000 (30 June 2024: HK\$10,900,000), respectively, in aggregate of approximately HK\$32,337,000 (30 June 2024: HK\$43,158,000). Based on the fair value of the collateral(s) of the relevant loan(s) receivable and interest receivable(s) which is/are residential property(ies) located in Macau (30 June 2024: Hong Kong and Macau), the provision for impairment losses of the relevant loan(s) receivable and interest receivable(s) amounted to approximately HK\$10,008,000 (30 June 2024: HK\$6,985,000) and HK\$7,370,000 (30 June 2024: HK\$2,753,000), respectively. The Group carried out legal action against the relevant borrower(s) to recover the aforesaid loan(s) receivable and interest receivable(s) by enforcing the rights on the collateral(s).

For loans receivable and interest receivables that are not credit-impaired without significant increase in credit risk since initial recognition (“**Stage 1**”), ECL is measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next twelve months. If a significant increase in credit risk since initial recognition is identified (“**Stage 2**”) but not yet deemed to be credit-impaired, ECL is measured based on lifetime ECL. If credit impaired is identified (“**Stage 3**”), ECL is measured based on lifetime ECL. In general, when loans receivable and interest receivables are overdue by 30 days, there is significant increase in credit risk.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 11. LOANS RECEIVABLE AND INTEREST RECEIVABLES (Continued)

As at 31 December 2024, the charge of impairment allowance of loans receivable of approximately HK\$13,934,000 (30 June 2024: HK\$34,249,000), and that of interest receivables of approximately HK\$5,087,000 (30 June 2024: HK\$5,343,000) was due to change in probability of default and loss given default during the period/year.

## 12. TRADE AND OTHER RECEIVABLES

	<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
Trade receivables from hotel operations business	<b>22</b>	3
Trade receivables from property leasing business	<b>10,345</b>	7,137
	<b>10,367</b>	7,140
Impairment losses on trade receivables	<b>(205)</b>	(338)
	<b>10,162</b>	6,802
Deposits, prepayments and other receivables	<b>9,261</b>	9,296
	<b>19,423</b>	16,098

Hotel room revenue is normally settled by cash or credit card. The Group allows an average credit period of not more than 30 days to travel agents and corporate customers. No credit period is allowed to other customers. Rentals are payable upon presentation of demand notes.

Regarding the property leasing business, the Group maintains a defined credit policy including stringent credit evaluation on and payment of a rental deposit from customers. In addition to the payment of rental deposits, customers are required to pay monthly rents in respect of leased properties in advance. Receivables are regularly reviewed and closely monitored to minimise any associated credit risk. No interest is charged on overdue trade receivables. In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the trade receivables from the date on which credit was initially granted up to the end of the reporting period.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

### 12. TRADE AND OTHER RECEIVABLES (Continued)

The ageing analysis of trade receivables, based on the invoice dates, and net of allowance, is as follows:

	<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
0 – 90 days	<b>4,681</b>	4,837
91 – 180 days	<b>2,914</b>	1,836
181 – 365 days	<b>1,535</b>	–
Over 365 days	<b>1,032</b>	129
	<b>10,162</b>	6,802

As at 31 December 2024, an allowance was made for estimated irrecoverable trade receivables of approximately HK\$205,000 (30 June 2024: HK\$338,000).

Reconciliation of allowance for trade receivables:

	<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
At the beginning of the period/year	<b>338</b>	794
Increase in loss allowance for the period/year	–	46
Reversed during the period/year	<b>(3)</b>	(2)
Written off during the period/year	<b>(126)</b>	(498)
Exchange differences	<b>(4)</b>	(2)
At the end of the period/year	<b>205</b>	338

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 13. BORROWINGS AND INTEREST PAYABLES

	31 December 2024 (Unaudited) HK\$'000	30 June 2024 (Audited) HK\$'000
Secured borrowings from bank (note a)	150,000	100,000
Unsecured loans from third parties (note b)	8,800	49,700
Interest payables	1,049	2,008
	<b>159,849</b>	<b>151,708</b>
Carrying amount repayable:		
Within one year	<b>159,849</b>	<b>151,708</b>

Notes:

- (a) On 11 January 2023, the Group as borrower entered into a facility agreement (the “**Facility Agreement I**”) in respect of uncommitted revolving loan facility limit amounted to HK\$100,000,000 (the “**Loan Facility I**”) with a commercial bank as lender. The Loan Facility I granted to the Group was secured by the Group’s hotel property in Hong Kong, which is classified as property, plant and equipment (note 8) and investment properties (note 9) and the corporate guarantee from the Company. The Loan Facility I will mature on 10 January 2026.

Under the terms of the Facility Agreement I, Ms. Lin Yee Man, the controlling shareholder of the Company, shall (directly or indirectly) remain the single largest shareholding interest in the Company. As at 30 June 2024, Ms. Lin Yee Man was beneficially interested in approximately 70.9% of the total issued share capital of the Company.

At 30 June 2024, the Group’s secured bank borrowings carry interest at variable rate of the Hong Kong Inter-Bank Offered Rate plus 2.6% per annum, with interest rates ranging from 7.1% to 7.4% per annum. All the Group’s secured bank borrowings will be due within one year.

Bank borrowings of HK\$100,000,000 granted under the Facility Agreement I together with accrued interests were fully repaid on or before 9 December 2024, and the charges on the Group’s hotel property and investment properties were discharged on 9 December 2024.

On 4 December 2024, the Group as borrower entered into a new facility agreement (the “**Facility Agreement II**”) in respect of uncommitted revolving loan facility limit amounted to HK\$200,000,000 (the “**Loan Facility II**”) with another commercial bank as lender. The Loan Facility II granted to the Group was secured by the Group’s hotel property in Hong Kong, which is classified as property, plant and equipment (note 8) and investment properties (note 9), and the corporate guarantee from the Company. The Loan Facility II will mature on 3 December 2026.

Under the terms of the Facility Agreement II, Ms. Lin Yee Man, the controlling shareholder of the Company, shall remain (directly or indirectly) the single largest shareholder of the Company. As at 31 December 2024, Ms. Lin Yee Man was beneficially interested in approximately 70.9% of the total issued share capital of the Company.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 13. BORROWINGS AND INTEREST PAYABLES (Continued)

Notes: (Continued)

(a) (Continued)

At 31 December 2024, the Group's secured bank borrowings carry interest at variable rate of the Hong Kong Inter-Bank Offered Rate plus 2.65% per annum, being interest rate 7.0% per annum. All the Group's secured bank borrowings will be due within one year.

As at 31 December 2024, bank borrowings of HK\$150,000,000 (30 June 2024: HK\$100,000,000) were secured by charge over the Group's buildings classified as property, plant and equipment and investment properties amounting to HK\$299,000,000 (note 8) and HK\$94,700,000 (note 9) (30 June 2024: HK\$335,900,000 and HK\$106,000,000), respectively.

(b) The Group entered into several loan agreements with independent third parties. Pursuant to the loan agreements, the loans are unsecured with fixed interest rates ranging from 2% to 10% (30 June 2024: 2% to 10%) per annum and shall be repayable within one year.

## 14. ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 2 December 2024, Credible Limited (a direct wholly-owned subsidiary of the Company) as vendor (the "**Vendor**"), Ever Bright International Holdings Limited as purchaser (the "**Purchaser**") and Mr. Chan Siu Ping as guarantor entered into a sale and purchase agreement (the "**SPA**") pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the entire issued share capital of Home Mortgage Finance Company Limited ("**Home Mortgage Finance**", an indirect wholly-owned subsidiary of the Company prior to the closing of the disposal), at a consideration of approximately HK\$9,296,000 (the "**Disposal**").

Pursuant to the SPA, at the completion of the Disposal, each of the Company and Funki Finance Limited ("**Funki Finance**", an indirect wholly-owned subsidiary of the Company) will enter a deed of assignment with the Purchaser and Home Mortgage Finance, pursuant to which the Company shall assign and the Purchaser shall acquire from the Company the loan in the principal amount of approximately HK\$36,329,000 (the "**Company Loan**") and Funki Finance shall assign and the Purchaser shall acquire from Funki Finance the Loan in the principal amount of approximately HK\$14,046,000 (the "**Funki Loan**") (the "**Loan Assignment**"), representing all outstanding loan advanced to Home Mortgage Finance by the Company and Funki Finance. The Purchaser shall pay the Company and Funki Finance the principal amount of its respective loan at the completion of the Disposal.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 14. ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

*(Continued)*

The gross proceeds to be received by the Group under the Disposal and the Loan Assignment, being the consideration arising from the Disposal, and the principal amount of the Company Loan and the Funki Loan, are approximately HK\$59,671,000.

As at 31 December 2024, a deposit of approximately HK\$625,000, as stipulated in the SPA, had been received from the Purchaser as partial payment of the consideration.

The following assets and liabilities were reclassified as held for sale in relation to the Disposal as at 31 December 2024:

	<b>31 December 2024 (Unaudited) HK\$'000</b>
<hr/>	
Assets classified as held for sale	
Deferred tax assets	<b>101</b>
Loans receivable and interest receivables	<b>48,469</b>
Other receivables	<b>116</b>
Bank and cash balances	<b>9,572</b>
	<hr/>
	<b>58,258</b>
	<hr/>
Liabilities directly associated with assets classified as held for sale	
Current tax liabilities	<b>(153)</b>
	<hr/>

After completion of the Disposal in accordance with the terms and conditions of the SPA, Home Mortgage Finance would cease to be a subsidiary of the Company. Accordingly, the financial results of Home Mortgage Finance would no longer be consolidated into the consolidated financial statements of the Company.

As at 31 December 2024, the Disposal was pending completion. For details, please refer to the Company's announcement dated 2 December 2024 and the circular dated 23 December 2024.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 15. AMOUNTS DUE TO NON-CONTROLLING SHAREHOLDERS OF A SUBSIDIARY

The amounts due are unsecured, non-interest bearing and have no fixed repayment terms.

On 18 June 2021, the Group entered into a sale and purchase agreement to conditionally agree to acquire 51% of the issued share capital of Fast Advance Resources Limited ("**Fast Advance**") and its subsidiaries (collectively referred as the "Fast Advance Group") from two independent third parties, Power Able International Holdings Limited and Original Praise Investment Development Limited (the "**Acquisition**"). On 30 September 2021 (the "**Completion Date**"), the Group has completed the Acquisition and the final consideration of the Acquisition was in the amount of HK\$72,233,000.

Pursuant to the sale and purchase agreement of the Acquisition, the non-controlling shareholders of Fast Advance mutually agreed with the Group that without prior written consent of the Group, the non-controlling shareholders of Fast Advance shall not demand repayment, whether in whole or in part, for a period of 24 months from the Completion Date of the Acquisition. The amounts due were carried at amortised cost using the effective interest method. The effective interest rate applied was 8% per annum. On 30 June 2023, the non-controlling shareholders of Fast Advance mutually further agreed with the Group that the non-controlling shareholders of Fast Advance did not intend to demand repayment, whether in whole or in part, for a period of 36 months until 30 June 2026 and the resulting gain on the modification of repayment terms of approximately HK\$16,634,000 was recognised in equity during the year ended 30 June 2023. The effective interest rate applied was 10% per annum.

During the six months ended 31 December 2024, the Group made a partial repayment of approximately HK\$31,800,000 to the non-controlling shareholders of Fast Advance, and resulting in a loss on early repayment on amounts due to non-controlling shareholders of a subsidiary of approximately HK\$5,106,000 was recognised in profit or loss for the six months ended 31 December 2024.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 16. SHARE CAPITAL

	31 December 2024 (Unaudited)		30 June 2024 (Audited)	
	No. of shares (‘000)	Amount HK\$’000	No. of shares (‘000)	Amount HK\$’000
<b>Ordinary shares, issued and fully paid:</b>				
At the beginning and end of the period/year	<b>1,938,823</b>	<b>1,317,736</b>	1,938,823	1,317,736

The owners of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company’s residual assets.

## 17. MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in the condensed consolidated financial statements, during the period, the Group had entered into transactions with related parties which, in the opinion of the Directors, were carried out on normal commercial terms and in the ordinary course of the Group’s business, as shown below.

The remuneration of key management personnel during the period is as follows:

	Six months ended 31 December	
	2024 (Unaudited) HK\$’000	2023 (Unaudited) HK\$’000
Salaries and other short-term benefits	<b>2,335</b>	2,968
Post-employment benefits	<b>90</b>	63
	<b>2,425</b>	3,031

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The Group's certain financial assets are measured at fair value at the end of each reporting period. The following table sets out information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and key input(s) used), as well as the levels of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

- Level 1: fair value measurements are derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2: fair value measurements are derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: fair value measurements are derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Description	Fair value		Fair value hierarchy	Valuation Technique(s) and key input(s)
	31 December 2024 (Unaudited) HK\$'000	30 June 2024 (Audited) HK\$'000		
Financial assets at FVTPL				
– Unlisted fund investment	<b>31,508</b>	31,492	Level 3	Fair value of underlying investments provided by the administrator of fund
Investment properties				
– Commercial units located in Hong Kong	<b>94,700</b>	106,000	Level 3	Market comparison approach
– Commercial units located in the PRC	<b>490,356</b>	500,867	Level 3	Income approach

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 19. EVENTS AFTER THE REPORTING PERIOD

The closing of the Disposal took place on 6 January 2025. On 6 January 2025, each of the Company and Funki Finance entered into a deed of assignment with the Purchaser and Home Mortgage Finance, respectively, and each of the Company and Funki Finance received the proceeds of the Loan Assignment.