



# GLORIOUS SUN ENTERPRISES LIMITED

(Incorporated in Bermuda with limited liability) (Stock Code:393)

## 2024 Interim Report

Adhering to  
High-quality  
Development



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west  
真维斯

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>>> GIVE YOUR ALL

王一博

真维斯休闲装 品牌全球代言人

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2024

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## INTERIM RESULTS

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

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Six months ended 30 June 2024

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

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(Continued)

Six months ended 30 June 2024

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

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended 30 June 2024

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

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2024

	Notes	30 June 2024 (Unaudited) HK\$'000	31 December 2023 (Audited) HK\$'000
<b>NON-CURRENT ASSETS</b>			
Debt investments at amortised cost	(8)	100,247	197,167
Financial assets at fair value through other comprehensive income	(9)	1,528,199	576,054
Deferred tax assets		7,210	11,386
Other non-current assets		38,390	37,773
Total non-current assets		1,674,046	822,380
<b>CURRENT ASSETS</b>			
Inventories		297,567	223,407
Trade and bills receivables	(10)	111,755	192,355
Financial assets at fair value through profit or loss		49,498	33,393
Time deposit with original maturity of over three months when acquired		—	239
Cash and cash equivalents		1,043,809	1,703,918
Other current assets		187,320	76,903
Total current assets		1,689,949	2,230,215
<b>CURRENT LIABILITIES</b>			
Trade payables	(11)	71,202	139,359
Other payables and accruals		292,327	295,866
Interest-bearing bank borrowings		5,435	14,175
Lease liabilities		5,830	6,378
Tax payable		13,226	3,326
Other current liabilities		327,032	196,743
Total current liabilities		715,052	655,847
<b>NET CURRENT ASSETS</b>		<b>974,897</b>	<b>1,574,368</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>2,648,943</b>	<b>2,396,748</b>

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

30 June 2024

	Note	30 June 2024 (Unaudited) HK\$'000	31 December 2023 (Audited) HK\$'000
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		16,847	18,039
Deferred tax liabilities		1,300	1,300
Total non-current liabilities		18,147	19,339
Net assets		2,630,796	2,377,409
<b>EQUITY</b>			
<b>Equity attributable to ordinary equity holders of the Company</b>			
Issued capital	(12)	151,681	152,264
Treasury shares	(12)	(5,242)	(4,139)
Reserves		2,482,212	2,228,404
		2,628,651	2,376,529
Non-controlling interests		2,145	880
Total equity		2,630,796	2,377,409



# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six months ended 30 June 2024

	Attributable to ordinary equity holders of the Company							
	Issued capital (Unaudited) HK\$'000	Treasury shares (Unaudited) HK\$'000	Share premium account (Unaudited) HK\$'000	Other reserves (Unaudited) HK\$'000	Retained profits (Unaudited) HK\$'000	Total (Unaudited) HK\$'000	Non-controlling interests (Unaudited) HK\$'000	Total equity (Unaudited) HK\$'000
As at 1 January 2024	152,264	(4,139)	735,143	402,232	1,091,029	2,376,529	880	2,377,409
Profit for the period	-	-	-	-	24,489	24,489	1,461	25,950
Other comprehensive income	-	-	-	306,288	-	306,288	4	306,292
Total comprehensive income	-	-	-	306,288	24,489	330,777	1,465	332,242
Shares repurchased	-	(5,970)	-	-	-	(5,970)	-	(5,970)
Cancellation of shares repurchased	(583)	4,867	(4,284)	-	-	-	-	-
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	(200)	(200)
Dividend paid	-	-	-	-	(72,685)	(72,685)	-	(72,685)
As at 30 June 2024	151,681	(5,242)	730,859	708,520	1,042,833	2,628,651	2,145	2,630,796

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY *(Continued)*

Six months ended 30 June 2024

	Attributable to ordinary equity holders of the Company						Non-controlling interests (Unaudited) HK\$'000	Total equity (Unaudited) HK\$'000
	Issued capital (Unaudited) HK\$'000	Treasury shares (Unaudited) HK\$'000	Share premium account (Unaudited) HK\$'000	Other reserves (Unaudited) HK\$'000	Retained profits (Unaudited) HK\$'000	Total (Unaudited) HK\$'000		
As at 1 January 2023	152,798	–	738,818	396,044	1,141,161	2,428,821	792	2,429,613
Profit for the period	–	–	–	–	17,618	17,618	(161)	17,457
Other comprehensive income	–	–	–	5,672	–	5,672	(1,150)	4,522
Total comprehensive income	–	–	–	5,672	17,618	23,290	(1,311)	21,979
Shares repurchased	–	(774)	–	–	–	(774)	–	(774)
Dividends paid to non-controlling shareholders	–	–	–	–	–	–	(242)	(242)
Contributions from non-controlling shareholders	–	–	–	–	–	–	835	835
Dividend paid	–	–	–	–	(61,119)	(61,119)	–	(61,119)
As at 30 June 2023	152,798	(774)	738,818	401,716	1,097,660	2,390,218	74	2,390,292

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Six months ended 30 June 2024

	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash generated from operations	68,510	40,549
Interest paid	(1,859)	(2,111)
Tax paid	(2,561)	(1,645)
Net cash flows from operating activities	64,090	36,793
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Bank interest received	24,880	47,058
Purchases of financial assets at fair value through other comprehensive income	(645,857)	(103,966)
Other cash flows used in investing activities	(16,306)	(2,584)
Net cash flows used in investing activities	(637,283)	(59,492)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
New bank loans	91,810	84,001
Repayment of bank loans	(100,550)	(109,354)
Dividends paid	(70,574)	(58,742)
Other cash flows used in financing activities	(9,063)	(3,467)
Net cash flows used in financing activities	(88,377)	(87,562)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(661,570)</b>	<b>(110,261)</b>
Cash and cash equivalents at beginning of period	1,703,918	2,166,743
Effect of foreign exchange rate changes, net	1,461	1,334
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>1,043,809</b>	<b>2,057,816</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	156,950	232,883
Non-pledged time deposits	886,859	1,825,183
	1,043,809	2,058,066
Less: Non-pledged time deposit with original maturity of over three months when acquired	—	(250)
Cash and cash equivalents as stated in the condensed consolidated statement of financial position	1,043,809	2,057,816

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## (1) BASIS OF PREPARATION

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

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

## (2) CHANGES IN ACCOUNTING POLICIES

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

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

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



### (3) OPERATING SEGMENT INFORMATION

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

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

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

	Six months ended 30 June 2024 (Unaudited)				
	Financial investments HK\$'000	Interior decoration and renovation HK\$'000	Export operations HK\$'000	Retail, franchise and others HK\$'000	Total HK\$'000
<b>Segment revenue</b>					
Revenue from external parties	126,133	156,376	218,116	29,305	529,930
Other income and gains	–	4,125	2,164	3,590	9,879
<b>Total</b>	<b>126,133</b>	<b>160,501</b>	<b>220,280</b>	<b>32,895</b>	<b>539,809</b>
<b>Segment results</b>					
	(653)	4,792	13,169	6,144	23,452
Interest income					24,880
Unallocated revenue					1,971
Corporate and other unallocated expenses					(6,380)
Finance costs (other than interest on lease liabilities)					(1,335)
<b>Profit before tax</b>					<b>42,588</b>

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

	Six months ended 30 June 2023 (Unaudited)				
	Financial investments HK\$'000	Interior decoration and renovation HK\$'000	Export operations HK\$'000	Retail, franchise and others HK\$'000	Total HK\$'000
<b>Segment revenue</b>					
Revenue from external parties	32,662	234,790	158,568	28,177	454,197
Other income and gains	713	675	1,435	3,055	5,878
<b>Total</b>	<b>33,375</b>	<b>235,465</b>	<b>160,003</b>	<b>31,232</b>	<b>460,075</b>
<b>Segment results</b>	<b>(47,183)</b>	<b>1,221</b>	<b>11,792</b>	<b>6,265</b>	<b>(27,905)</b>
Interest income					47,058
Unallocated revenue					5,358
Corporate and other unallocated expenses					(2,082)
Finance costs (other than interest on lease liabilities)					(1,522)
<b>Profit before tax</b>					<b>20,907</b>

#### (4) PROFIT BEFORE TAX

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

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

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

#### (5) INCOME TAX

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

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

## (6) DIVIDENDS

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

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

## (7) EARNINGS PER SHARE

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

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



## (8) DEBT INVESTMENTS AT AMORTISED COST

	30 June 2024 (Unaudited) HK\$'000	31 December 2023 (Audited) HK\$'000
<b>Financial assets measured at amortised cost</b>		
Listed debt investments	469,013	452,061
Impairment allowance	(368,766)	(254,894)
	<b>100,247</b>	197,167

An impairment analysis was performed by considering the probability of default of comparable companies with published credit ratings. The Group applies the general approach and measures impairment allowance for listed debt investments at an amount equal to lifetime expected credit losses. Expected credit loss allowance of HK\$368,766,000 (31 December 2023: HK\$254,894,000) was recognised for the listed debt investments as at 30 June 2024.

The above listed debt investments are all senior notes issued by Easy Tactic Limited. Easy Tactic Limited is one of the wholly-owned subsidiaries of Guangzhou R&F Properties Co., Ltd. whose shares are listed on the Main Board of the Stock Exchange (stock code: 02777.HK). Guangzhou R&F Properties Co., Ltd. and its subsidiaries (the "R&F Group") have elected to pay payment-in-kind interest at 7.50% per annum (the "PIK Interest Rate") instead of cash interest at 6.50% per annum during the first 18 months commencing on 12 July 2022. The Group received interest income at the PIK Interest Rate on 11 January 2024. Therefore, the principal amount of the 6.50% senior notes due 2025 increased from US\$16,692,591 (investment cost equivalent to approximately HK\$130,978,000) to US\$17,318,563 (investment cost equivalent to approximately HK\$135,860,000), and the 6.50% senior notes due 2027 increased from US\$41,263,899 (investment cost equivalent to approximately HK\$323,775,000) to US\$42,811,295 (investment cost equivalent to approximately HK\$335,845,000), respectively.

As of the date of this report, the Group has not yet received the interest of approximately HK\$14,311,000 due on its debt investments calculated at 6.50% cash interest rate from 12 January 2024 to 30 June 2024 as a result of the liquidity pressure currently faced by the R&F Group. Based on the principle of prudence, the Group has made sufficient impairment provision for the portion of the outstanding interest receivables.

## (9) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2024 (Unaudited) HK\$'000	31 December 2023 (Audited) HK\$'000
<b>Non-current:</b>		
Unlisted equity investment, at fair value		
Hebei Jialian Industrial Group Co., Ltd.*	7,630	7,630
Hong Kong listed equity investments, at fair value		
China Construction Bank Corporation ("CCB")	637,874	369,675
Industrial and Commercial Bank of China Limited ("ICBC")	596,022	154,454
Bank of China Limited ("BOC")	280,372	38,740
BOC Hong Kong (Holdings) Limited ("BOC HK")	6,301	5,555
	<b>1,528,199</b>	<b>576,054</b>

\* The official name of this entity is in Chinese. The English translation of the name is for identification purpose only.

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

During the six months ended 30 June 2024, the gross gain in respect of the financial assets at fair value in other comprehensive income amounted to HK\$306,288,000 (2023: HK\$5,914,000) and the dividend income amounted to HK\$110,754,000 (2023: HK\$16,359,000).

**(9) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME** *(Continued)*

Movements in the carrying amount of the financial assets at fair value through other comprehensive income held by the Group were as follows:

	<b>HK\$'000</b>
Carrying amount at 1 January 2023 (Audited)	103,405
Add: Acquisitions (Audited)	468,385
Unrealised gain arising on change in fair value (Audited)	4,514
Less: Exchange realignment (Audited)	(250)
Carrying amount at 31 December 2023 (Audited)	576,054
Add: Acquisitions (Unaudited)	<b>645,857</b>
Unrealised gain arising on change in fair value (Unaudited)	<b>306,288</b>
Carrying amount at 30 June 2024 (Unaudited)	<b>1,528,199</b>

During the six months ended 30 June 2024, the Group acquired listed equity securities through the open market. Details of the material acquisitions were set out in the announcements of the Company dated 16 January 2024, 17 January 2024, 25 January 2024 and 30 January 2024 and the circular of the Company dated 5 February 2024.

## (9) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME *(Continued)*

Details of the financial assets at fair value through other comprehensive income as at 30 June 2024 were as follows:

Name of investee	Number of shares held	Percentage of issued capital owned by the Group %	Percentage to the Group's total assets %	Investment cost HK\$'000	Fair value HK\$'000	As at 31 December 2023 (Audited)	Six months ended 30 June 2024 (Unaudited)	Fair value gain recognised in other comprehensive income HK\$'000
						Fair value HK\$'000	Dividend received/receivable HK\$'000	
CCB	110,550,000	0.04422%	18.96%	497,985	637,874	369,675	48,464	131,342
ICBC	128,453,000	0.03604%	17.72%	489,484	596,022	154,454	43,124	110,659
BOC	72,824,000	0.02474%	8.33%	213,633	280,372	38,740	18,866	63,541
BOC HK	262,000	0.00248%	0.19%	6,459	6,301	5,555	300	746
Total listed shares			45.20%	1,207,561	1,520,569	568,424	110,754	306,288
Unlisted			0.23%	12,500	7,630	7,630	–	–
			45.43%	1,220,061	1,528,199	576,054	110,754	306,288



## (9) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME *(Continued)*

The principal businesses of the significant investments are as follows:

Name of investee	Stock code	Principal businesses
CCB	00939.HK, 601939.SH	Corporate and personal banking services, treasury and asset management services, and other financial services
ICBC	01398.HK, 601398.SH	Corporate and personal financial services, treasury operations, investment banking, asset management, trust, financial leasing, insurance and other financial services
BOC	03988.HK, 601988.SH	Corporate and personal banking, treasury operations, investment banking, insurance and other financial services
BOC HK	02388.HK	Corporate and personal banking, treasury operations, insurance and other financial services

Management maintains a prudent investment attitude as there are many uncertainties in the investment outlook, including high inflation pressure, global high interest rate environment and weak local consumption in the PRC. The Group's significant investments held are blue-chip high-yield stocks for long-term investments and stable dividend income purposes.

## (10) TRADE AND BILLS RECEIVABLES

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

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

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

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

## (11) TRADE PAYABLES

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

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

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

## (12) SHARE CAPITAL AND TREASURY SHARES

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

## (12) SHARE CAPITAL AND TREASURY SHARES *(Continued)*

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

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

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

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

## **(12) SHARE CAPITAL AND TREASURY SHARES** *(Continued)*

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

## **(13) FAIR VALUE AND FAIR VALUE HIERARCHY**

At the end of the reporting period, the carrying amounts of the Group's financial assets and financial liabilities approximated to their fair values.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Management has assessed that the fair values of cash and cash equivalents, time deposit with original maturity of over three months when acquired, trade and bills receivables, trade payables, the current portion of financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals, amounts due from/to related companies, and the current portion of interest-bearing bank borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the non-current portion of rental deposits have been calculated by discounting the expected future cash flows using rates currently available for instruments on similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing bank borrowings as at 30 June 2024 and 31 December 2023 was assessed to be insignificant. The fair values of the interest-bearing bank borrowings approximate to their carrying amounts as at 30 June 2024 and 31 December 2023.

The fair values of listed equity investments are based on quoted market prices and the fair value of the unlisted equity investment is based on valuation model using unobservable inputs, and the fair values of structured deposits are based on the redemption values quoted by banks with reference to the expected return of the underlying assets.

## (13) FAIR VALUE AND FAIR VALUE HIERARCHY *(Continued)*

### Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

*Assets measured at fair value:*

	30 June 2024 (Unaudited)			
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Financial assets at fair value through other comprehensive income:				
Listed equity investments	1,520,569	–	–	1,520,569
Unlisted equity investment	–	–	7,630	7,630
Financial assets at fair value through profit or loss:				
Listed equity investment	585	–	–	585
Structured deposits	–	48,913	–	48,913
	1,521,154	48,913	7,630	1,577,697

### (13) FAIR VALUE AND FAIR VALUE HIERARCHY (Continued)

#### Fair value hierarchy (Continued)

Assets measured at fair value: (Continued)

	31 December 2023 (Audited)			Total HK\$'000
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	
Financial assets at fair value through other comprehensive income:				
Listed equity investments	568,424	–	–	568,424
Unlisted equity investment	–	–	7,630	7,630
Financial assets at fair value through profit or loss:				
Listed equity investment	784	–	–	784
Structured deposits	–	32,609	–	32,609
	569,208	32,609	7,630	609,447

During the period, there were no transfers of fair value measurement between Level 1 and Level 2 for both financial assets and financial liabilities, and no transfers into or out of Level 3 for financial assets (31 December 2023: Nil).

Liabilities measured at fair value:

The Group did not have any financial liabilities measured at fair value as at 30 June 2024 and 31 December 2023.

Assets for which fair value are disclosed:

	30 June 2024 (Unaudited)			Total HK\$'000
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	
Debt investments at amortised cost	15,347	–	–	15,347

  

	31 December 2023 (Audited)			Total HK\$'000
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	
Debt investments at amortised cost	22,445	–	–	22,445

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **INTERIM DIVIDEND**

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

### **CLOSURE OF REGISTER OF MEMBERS**

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

### **REVIEW OF OPERATIONS**

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

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



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

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

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

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

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

(Unit: HK\$'000)			
Net cash and near cash in hand*	<b>2,708,688</b>	2,488,966	+8.83%

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

## Financial Investments

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

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

## **Interior Decoration and Renovation**

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

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

## **Export Operations**

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

## Hong Kong Retailing and Overseas Franchising

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

## Financial Position

### *Liquidity and Financial Resources*

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

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

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

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

### *Financial Investments Held*

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

## Human Resources

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

## Social Responsibility

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

## PROSPECTS

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

## OTHER INFORMATION

### BOARD OF DIRECTORS

#### **Executive**

Dr. Charles Yeung, GBS, JP

*(Chairman)*

Yeung Chun Fan, BBS

*(Vice-chairman)*

Hui Chung Shing, Herman, GBS, MH, JP

Ms. Cheung Wai Yee

Yeung Yin Chi, Jennifer, JP

#### **Independent Non-executive**

Lau Hon Chuen, Ambrose, GBS, JP

Dr. Chan Chung Bun, Bunny, GBM, GBS, JP

Ng Wing Ka, Jimmy, BBS, JP

Choi Tak Shing, Stanley, JP

### **COMPANY SECRETARY**

Ms. Hoi Siu Ling

## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 30 June 2024, the interests or short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules were as follows:

### Long positions in shares of the Company

Name of Director	Capacity	Number of shares held
Dr. Charles Yeung, GBS, JP <sup>(1)</sup>	– interest held through Glorious Sun Holdings (BVI) Limited (51.934% of the share capital was held by Dr. Charles Yeung)	622,263,000
	– interest held through Advancetex Holdings (BVI) Limited (51.934% of the share capital was held by Dr. Charles Yeung)	207,810,000
Yeung Chun Fan, BBS <sup>(2)</sup>	– interest held through Glorious Sun Holdings (BVI) Limited (48.066% of the share capital was held by Mr. Yeung Chun Fan)	622,263,000
	– interest held through Advancetex Holdings (BVI) Limited (48.066% of the share capital was held by Mr. Yeung Chun Fan)	207,810,000
Dr. Charles Yeung, GBS, JP <sup>(1)</sup> and Yeung Chun Fan, BBS <sup>(2)</sup>	– beneficial owner (50% of the interest was held by each of Dr. Charles Yeung and Mr. Yeung Chun Fan)	138,285,499
Yeung Chun Fan, BBS <sup>(2)</sup>	– beneficial owner	75,000,000
Ms. Cheung Wai Yee <sup>(3)</sup>	– beneficial owner	10,095,000
Hui Chung Shing, Herman, GBS, MH, JP <sup>(4)</sup>	– beneficial owner	6,250,000
Lau Hon Chuen, Ambrose, GBS, JP <sup>(5)</sup>	– beneficial owner	1,492,402

Notes:

Calculations of the interests in shares disclosed pursuant to the SFO were as follows:

- (1) The total interests held were 968,358,499 shares which represented 63.842% of the Company's issued share capital as at 30 June 2024.
- (2) Interest of spouse (Ms. Cheung Wai Yee) of 10,095,000 shares has to be included. Therefore, according to the calculation of interests under the SFO, the total interests held by Mr. Yeung Chun Fan were 1,053,453,499 shares which represented 69.452% of the Company's issued share capital as at 30 June 2024.
- (3) Interest of spouse (Mr. Yeung Chun Fan) of 1,043,358,499 shares has to be included. Therefore, according to the calculation of interests under the SFO, the total interests held by Ms. Cheung Wai Yee were 1,053,453,499 shares which represented 69.452% of the Company's issued share capital as at 30 June 2024.
- (4) The total interests held were 6,250,000 shares which represented 0.412% of the Company's issued share capital as at 30 June 2024.
- (5) The total interests held were 1,492,402 shares which represented 0.098% of the Company's issued share capital as at 30 June 2024.

Save as disclosed above, as at 30 June 2024, none of the Directors had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations, within the meaning of Divisions 7 and 8 of Part XV of the SFO, as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## SHARE OPTION SCHEME

A share option scheme (the "Scheme") was adopted by the Company on 2 June 2015, unless otherwise terminated or amended, the Scheme will remain in force for 10 years from the date of adoption.

No share options have been granted or exercised under the Scheme since its adoption and up to and including 30 June 2024. The total number of share options available for grant under the Scheme was 103,871,400 shares as at 1 January 2024 and 30 June 2024.

As at 30 June 2024, the Company did not have any share options outstanding under the Scheme.

Details of the terms of the Scheme were disclosed in the annual report of the Company for the year 2023.



## SUBSTANTIAL SHAREHOLDERS

As at 30 June 2024, the register required to be kept by the Company pursuant to Section 336 of the SFO showed that the following shareholders had disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO an interest or a short position in the shares or underlying shares of the Company:

### Long positions in shares of the Company

Name of shareholder	Capacity	Number of shares held
Glorious Sun Holdings (BVI) Limited <sup>(1)</sup> (51.934% of the share capital was held by Dr. Charles Yeung and 48.066% of the share capital was held by Mr. Yeung Chun Fan)	– beneficial owner	622,263,000
Advancetex Holdings (BVI) Limited <sup>(2)</sup> (51.934% of the share capital was held by Dr. Charles Yeung and 48.066% of the share capital was held by Mr. Yeung Chun Fan)	– beneficial owner	207,810,000
Dr. Charles Yeung, GBS, JP <sup>(3)</sup>	– 50% of the interest was held by each of Dr. Charles Yeung and Mr. Yeung Chun Fan	138,285,499
Yeung Chun Fan, BBS <sup>(4)</sup>	– 50% of the interest was held by each of Dr. Charles Yeung and Mr. Yeung Chun Fan	138,285,499
	– beneficial owner	75,000,000
Ms. Cheung Wai Yee <sup>(5)</sup>	– beneficial owner	10,095,000

Notes:

Calculations of the interests in shares disclosed pursuant to the SFO were as follows:

- (1) The total interests held were 622,263,000 shares which represented 41.025% of the Company's issued share capital as at 30 June 2024.
- (2) The total interests held were 207,810,000 shares which represented 13.700% of the Company's issued share capital as at 30 June 2024.

- (3) Interests of controlled corporations (Glorious Sun Holdings (BVI) Limited and Advancetex Holdings (BVI) Limited) of 830,073,000 shares have to be included. Therefore, according to the calculation of interests under the SFO, the total interests held by Dr. Charles Yeung were 968,358,499 shares which represented 63.842% of the Company's issued share capital as at 30 June 2024.
- (4) Interests of controlled corporations (Glorious Sun Holdings (BVI) Limited and Advancetex Holdings (BVI) Limited) of 830,073,000 shares and interest of spouse (Ms. Cheung Wai Yee) of 10,095,000 shares have to be included. Therefore, according to the calculation of interests under the SFO, the total interests held by Mr. Yeung Chun Fan were 1,053,453,499 shares which represented 69.452% of the Company's issued share capital as at 30 June 2024.
- (5) Interest of spouse (Mr. Yeung Chun Fan) of 1,043,358,499 shares has to be included. Therefore, according to the calculation of interests under the SFO, the total interests held by Ms. Cheung Wai Yee were 1,053,453,499 shares which represented 69.452% of the Company's issued share capital as at 30 June 2024.

Save as disclosed above, no other parties disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as having an interest or a short position in the shares or underlying shares of the Company as at 30 June 2024.

## **CORPORATE GOVERNANCE**

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

## **DISCLOSURE OF INFORMATION ON DIRECTORS**

There are no changes in the information of the Company's Directors which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the code of conduct regarding Directors' securities transaction as set out in the Model Code.

The Board confirms that, having made specific enquiry of all Directors, the Directors have complied with the required standards set out in the Model Code throughout the period for the six months ended 30 June 2024.

## AUDIT COMMITTEE

The audit committee of the Company comprises three independent non-executive Directors, namely Mr. Lau Hon Chuen, Ambrose, Mr. Ng Wing Ka, Jimmy and Mr. Choi Tak Shing, Stanley. The audit committee has reviewed the accounting principles and practices adopted by the Group and has discussed internal controls and financial reporting matters including a review of the interim report of the Company for the six months ended 30 June 2024.

## POSSIBLE VERY SUBSTANTIAL ACQUISITIONS

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

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

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

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

Details of the repurchases of shares are as follows:

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

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

All the repurchased shares were subsequently cancelled by the Company.

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

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

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

Hong Kong, 21 August 2024



Our export business offers diversified products to customers





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**王一博**

