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## **Oshidori International Holdings Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 622)**

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

The board of directors (the “**Board**”) of Oshidori International Holdings Limited (the “**Company**”) announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2024 (the “**Reporting Period**”) as follows:

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

*FOR THE SIX MONTHS ENDED 30 JUNE 2024*

		<b>Six months ended</b>	
		<b>30 June 2024</b>	30 June 2023
	<i>Notes</i>	<b><i>HK\$’000</i></b>	<b><i>HK\$’000</i></b>
		<b>(Unaudited)</b>	(Unaudited)
<b>Revenue</b>			
Advisory, commission income and other fee income		<b>189</b>	631
Net loss on sales of financial assets at fair value through profit or loss (“ <b>FVPL</b> ”)		<b>(78)</b>	(2,001)
Interest income		<b>19,301</b>	35,199
Dividend income		<b>2,806</b>	6,129
		<hr/>	<hr/>
<b>Total revenue</b>	<b>3</b>	<b>22,218</b>	39,958

	Notes	Six months ended	
		30 June 2024 HK\$'000 (Unaudited)	30 June 2023 HK\$'000 (Unaudited)
Other income	4	5,391	17,907
Other net gains (losses)	5	12,647	(2,903)
Net unrealised fair value loss on financial assets at FVPL	3	(42,106)	(21,453)
(Provision) Reversal of impairment loss in respect of loan receivables, net	14(c)	(9,093)	25,042
Depreciation and amortisation expenses		(13,081)	(15,161)
Employee benefits expenses	6	(6,797)	(8,708)
Other expenses	6	(39,969)	(22,576)
Share of results of associates		(41,899)	(521)
Share of results of a joint venture		3,941	10,642
Finance costs	6	(2,676)	(8,059)
<b>(Loss) Profit before taxation</b>	6	<b>(111,424)</b>	<b>14,168</b>
Income tax expense	7	(240)	(2,387)
<b>(Loss) Profit for the period</b>		<b>(111,664)</b>	<b>11,781</b>
<b>Other comprehensive expense:</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Fair value change on equity investments measured at fair value through other comprehensive income (“ <b>Designated FVOCI</b> ”)		(434,684)	(334,026)
Share of other comprehensive expense of an associate		(9,936)	–
Share of other comprehensive expense of a joint venture		(1,050)	–
		<b>(445,670)</b>	<b>(334,026)</b>
<i>Item that is reclassified or may be reclassified subsequently to profit or loss</i>			
Exchange differences arising on translation to presentation currency		(91)	(2,049)
<b>Total other comprehensive expense for the period</b>		<b>(445,761)</b>	<b>(336,075)</b>
<b>Total comprehensive expense for the period</b>		<b>(557,425)</b>	<b>(324,294)</b>
		<i>HK cents</i>	<i>HK cents</i>
<b>(Loss) Earnings per share</b>	9		
Basic		<b>(1.81)</b>	0.19
Diluted		<b>(1.81)</b>	0.19

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2024

	<i>Notes</i>	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
<b>Non-current assets</b>			
Property and equipment	10	14,003	130,005
Investment property		86,530	86,530
Right-of-use assets		11,411	11,856
Designated FVOCI	11	1,602,104	1,971,977
Debt investment at amortised cost	12	–	30,000
Interests in associates	13	275,174	327,009
Interests in a joint venture		167,395	164,504
Intangible assets		14,864	15,114
Other deposits		445	425
Loan receivables	14	3,623	6,521
		<b>2,175,549</b>	2,743,941
<b>Current assets</b>			
Trade, loan and other receivables	14	641,018	464,628
Income tax recoverable		1,098	2,041
Debt investment at amortised cost	12	30,000	–
Financial assets at FVPL	15	180,721	224,804
Bank balances – trust and segregated accounts		59,700	54,926
Short-term bank deposits		–	50,000
Cash and cash equivalents		268,429	348,050
		<b>1,180,966</b>	1,144,449
<b>Current liabilities</b>			
Trade and other payables	16	119,900	93,101
Lease liabilities		6,701	6,670
Income tax payable		1,056	1,016
Interest-bearing borrowings	17	50,253	51,235
		<b>177,910</b>	152,022
<b>Net current assets</b>		<b>1,003,056</b>	992,427
<b>Total assets less current liabilities</b>		<b>3,178,605</b>	3,736,368
<b>Non-current liabilities</b>			
Lease liabilities		4,985	5,323
<b>NET ASSETS</b>		<b>3,173,620</b>	3,731,045
<b>Capital and reserves</b>			
Share capital		309,213	305,463
Reserves		2,864,407	3,425,582
<b>TOTAL EQUITY</b>		<b>3,173,620</b>	3,731,045

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2024

## 1. CORPORATE INFORMATION

Oshidori International Holdings Limited (the “**Company**”) is a public limited company incorporated in Bermuda as an exempted company and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Company and its subsidiaries (together the “**Group**”) principally engage in investment holdings, tactical and/or strategic investments, the provision of financial services including (i) securities brokerage services, (ii) margin financing services, (iii) placing and underwriting services, (iv) corporate finance advisory services, (v) investment advisory and asset management services, and the provision of credit and lending services.

Certain group entities are licensed under the Hong Kong Securities and Futures Ordinance with the following regulated activities:

Type 1: Dealing in securities  
Type 2: Dealing in futures contracts  
Type 4: Advising on securities  
Type 6: Advising on corporate finance  
Type 8: Securities margin financing  
Type 9: Asset management

## 2. PRINCIPAL ACCOUNTING POLICIES

### Basis of preparation

The condensed consolidated financial statements of the Group for the six months ended 30 June 2024 (the “**Interim Financial Statements**”) are prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “*Interim Financial Reporting*” issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange. The Interim Financial Statements should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2023. The accounting policies adopted in preparing the Interim Financial Statements are consistent with those in the preparation of the Group’s annual financial statements for the year ended 31 December 2023, except for the adoption of the new/revised standards of Hong Kong Financial Reporting Standards (“**HKFRSs**”) which are relevant to the Group’s operation and are effective for the Group’s financial year beginning on 1 January 2024 as described below.

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

The adoption of these new/revised HKFRSs in the current period had no significant impacts on the results and financial position of the Group for the current and prior periods.

### 3. REVENUE AND SEGMENT INFORMATION

The Group determines its operating segment and measurement of segment profit based on the internal reports to executive directors, the Group's chief operating decision makers, for the purposes of resource allocation and performance assessment.

The Group's reportable and operating segments are as follows:

Financial services	Provision of securities brokerage, margin financing, placing and underwriting, corporate finance advisory, investment advisory and asset management services
Tactical and/or strategical investments	Investment in financial instruments
Credit and lending services	Provision of credit and lending services

#### *Segment revenue and results*

The following is an analysis of the Group's revenue and results by reportable and operating segments.

#### *For the six months ended 30 June 2024 (Unaudited)*

	Financial services HK\$'000	Tactical and/ or strategical investments HK\$'000	Credit and lending services HK\$'000	Consolidated HK\$'000
<b>Revenue</b>				
Advisory, commission income and other fee income	189	–	–	189
Net loss on sales of financial assets at FVPL	–	(78)	–	(78)
Interest income	4,547	1,304	13,450	19,301
Dividend income	–	2,806	–	2,806
Total revenue	4,736	4,032	13,450	22,218
Net unrealised fair value loss on financial assets at FVPL	–	(42,106)	–	(42,106)
Segment revenue	4,736	(38,074)	13,450	(19,888)
Segment profit (loss)	710	(45,298)	(6,693)	(51,281)
Unallocated other income				2,648
Unallocated other net gains				12,679
Share of results of associates				(41,899)
Share of results of a joint venture				3,941
Unallocated finance costs				(1,943)
Central corporate expenses				(35,569)
Loss before taxation				(111,424)

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

#### Segment revenue and results (Continued)

For the six months ended 30 June 2023 (Unaudited)

	Financial services HK\$'000	Tactical and/ or strategical investments HK\$'000	Credit and lending services HK\$'000	Consolidated HK\$'000
<b>Revenue</b>				
Advisory, commission income and other fee income	631	–	–	631
Net loss on sales of financial assets at FVPL	158	(2,159)	–	(2,001)
Interest income	20,027	4,451	10,721	35,199
Dividend income	–	6,129	–	6,129
	<u>20,816</u>	<u>8,421</u>	<u>10,721</u>	<u>39,958</u>
Total revenue	20,816	8,421	10,721	39,958
Net unrealised fair value loss on financial assets at FVPL	–	(21,453)	–	(21,453)
	<u>20,816</u>	<u>(13,032)</u>	<u>10,721</u>	<u>18,505</u>
Segment revenue	<u>20,816</u>	<u>(13,032)</u>	<u>10,721</u>	<u>18,505</u>
Segment profit (loss)	<u>14,106</u>	<u>(20,450)</u>	<u>25,554</u>	19,210
Unallocated other income				12,925
Unallocated other net losses				(2,864)
Share of results of associates				(521)
Share of results of a joint venture				10,642
Unallocated finance costs				(1,490)
Central corporate expenses				<u>(23,734)</u>
Profit before taxation				<u>14,168</u>

Segment revenue includes revenue from financial services, tactical and/or strategical investments and credit and lending services. In addition, the chief operating decision makers also consider net unrealised fair value loss on financial assets at FVPL as segment revenue.

Segment result represents the profit earned or loss incurred by each segment without allocation of certain other income, certain other net gains (losses), share of results of associates, share of results of a joint venture, certain finance costs and the central corporate expenses. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

#### 4. OTHER INCOME

	Six months ended	
	30 June 2024	30 June 2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Interest income on:		
– bank deposits	4,338	2,778
– financial assets arising from a financing arrangement	–	5,500
– others	2	9
	<u>4,340</u>	<u>8,287</u>
Property licence fee income	–	1,200
Handling fee income	145	397
Scrip fee income	64	220
Others	842	7,803
	<u>5,391</u>	<u>17,907</u>

#### 5. OTHER NET GAINS (LOSSES)

	Six months ended	
	30 June 2024	30 June 2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Bad debt written off	(16)	–
Gain on disposal of property and equipment	16,355	–
Gain on disposal of an associate	–	638
Gain on deemed disposal of an associate	–	125
Gain on deregistration of subsidiaries	–	1,520
Net exchange loss	(3,692)	(5,186)
	<u>12,647</u>	<u>(2,903)</u>

## 6. (LOSS) PROFIT BEFORE TAXATION

This is stated after charging:

	<b>Six months ended</b>	
	<b>30 June 2024</b>	30 June 2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<b>(Unaudited)</b>	(Unaudited)
<b>Finance costs</b>		
Interest on bank loan	1,528	1,314
Interest on other loans	–	4,621
Interest on margin financing	733	1,949
Imputed interest on lease liabilities	415	175
	<u>2,676</u>	<u>8,059</u>
<b>Employee benefits expenses (including directors' emoluments)</b>		
Salaries and other benefits	6,610	7,430
Retirement benefit scheme contributions	187	215
Share-based payment expenses	–	1,063
	<u>6,797</u>	<u>8,708</u>
<b>Other expenses</b>		
Business development expenses	1,304	484
Business registration fees, statutory fees and listing fees	1,020	1,058
Financial information charges	844	865
Handling and settlement expenses	308	405
Insurance	708	798
Investment transaction cost	261	162
Legal and professional fees	4,626	2,322
Commission on sales of property and equipment	7,999	–
Marketing expenses	7,122	5,096
Other operating expenses	3,458	2,355
Other tax expenses	12,319	–
Share-based payment expenses to service providers	–	9,031
	<u>39,969</u>	<u>22,576</u>



## 7. INCOME TAX EXPENSE

The profits tax rate for the first HK\$2,000,000 assessable profits arising from Hong Kong of qualifying entities will be taxed at 8.25%, and assessable profits arising from Hong Kong above HK\$2,000,000 will continue to be taxed at the rate of 16.5%. As only one of the subsidiaries in the Group is eligible to elect the two-tiered profits tax rates, profits of the remaining subsidiaries of the Group will continue to be taxed at a flat rate of 16.5%.

For the six months ended 30 June 2024 and 2023, Hong Kong Profits Tax is calculated in accordance with the two-tiered profits tax rates regime.

	<b>Six months ended</b>	
	<b>30 June 2024</b>	30 June 2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Current tax</b>		
Hong Kong Profits Tax		
Current period	<u>240</u>	<u>2,387</u>
Income tax expense	<u><u>240</u></u>	<u><u>2,387</u></u>

## 8. DIVIDENDS

The directors of the Company (the “**Directors**”) do not recommend the payment of an interim dividend in respect of the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

## 9. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share is based on (loss) profit attributable to the equity holders of the Company and the weighted average number of ordinary shares in issue during the period as follows:

### (Loss) Earnings

	<b>Six months ended</b>	
	<b>30 June 2024</b>	30 June 2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
(Loss) Profit for the period attributable to equity shareholders of the Company, for the purpose of basic and diluted (loss) earnings per share	<b>(111,664)</b>	11,781

### Number of shares

	<b>Six months ended</b>	
	<b>30 June 2024</b>	30 June 2023
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Weighted average number of ordinary shares, for the purpose of basic and diluted (loss) earnings per share ( <i>Note</i> )	<b>6,175,605,293</b>	6,109,259,139

### *Note:*

The computation of diluted loss per share for the period ended 30 June 2024 did not assume the exercise of certain share options since their assumed exercise for the period would have an anti-dilutive effect on the basic loss per share amount presented.

The computation of diluted earnings per share for the period ended 30 June 2023 did not assume the exercise of certain share options and the issue of certain shares under the share award scheme since their assumed exercise and issue for the period would have an anti-dilutive effect on the basic earnings per share amount presented.

## 10. PROPERTY AND EQUIPMENT

During the six months ended 30 June 2024, the Group acquired and disposed property and equipment of approximately HK\$55,000 and HK\$106,572,000 respectively (six months ended 30 June 2023: acquired property and equipment of approximately HK\$5,444,000).

## 11. DESIGNATED FVOCI

		<b>30 June</b>	31 December
		<b>2024</b>	2023
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
Equity securities – listed			
Listed in Hong Kong		<b>941,273</b>	1,220,886
Listed in the United States		<b>35,070</b>	30,144
	<i>(a)</i>	<b>976,343</b>	1,251,030
Equity securities – unlisted	<i>(a)</i>	<b>550,541</b>	645,727
Deferred day-one loss	<i>(c)</i>	<b>75,220</b>	75,220
		<b>625,761</b>	720,947
		<b>1,602,104</b>	1,971,977

### Notes:

- (a) At the date of initial recognition, the Group irrevocably designated certain investments in equity securities as Designated FVOCI because these equity securities represent investments that the Group intends to hold for long-term strategic purposes.
- (b) At the end of the reporting period, the Group holds 7.88% (31 December 2023: 7.88%) equity interest of Co-Lead Holdings Limited (“**Co-Lead**”), 17.81% (31 December 2023: 17.81%) equity interest of Future Capital Group Limited (“**Future Capital**”) and 14.90% (31 December 2023: 14.90%) equity interest of Green River Associates Limited (“**Green River**”). Co-Lead and its subsidiaries and Green River principally engage in securities trading and investments holding business while Future Capital and its subsidiaries principally engage in property investments. During the six months ended 30 June 2024, the fair value loss on investment in Co-Lead, Future Capital and Green River of approximately HK\$38,760,000 (six months ended 30 June 2023: fair value loss of approximately HK\$1,649,000), HK\$41,000,000 (six months ended 30 June 2023: fair value loss of approximately HK\$99,000,000) and HK\$15,426,000 (six months ended 30 June 2023: fair value gain of approximately HK\$2,281,000) were recognised in other comprehensive income.
- (c) The day-one losses arising from acquisition of unlisted equity investments represents the difference between the consideration and the fair value at the initial recognition, which was determined based on valuation carried out by independent professional valuer. As the fair value determination of unlisted equity securities is not evidenced by a quoted price in an active market or based on a valuation technique that uses only data from observable markets, the day-one losses should be deferred and will be recognised to profit or loss until (i) the fair value is evidenced by a quoted price in active market, (ii) the valuation can be determined using market observable inputs or (iii) realised through settlement.

## 12. DEBT INVESTMENT AT AMORTISED COST

	<b>30 June 2024</b>	31 December 2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Senior notes	<b>30,000</b>	30,000
Analysed as:		
Non-current	–	30,000
Current	<b>30,000</b>	–
	<b>30,000</b>	30,000

As at 30 June 2024, the Group held senior notes issued by a company listed in Hong Kong which bear interest at 9.5% (31 December 2023: 9.5%) per annum payable semi-annually and will be due on 30 June 2025 (31 December 2023: 30 June 2025).

## 13. INTERESTS IN ASSOCIATES

	<b>30 June 2024</b>	31 December 2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Unlisted shares</b>		
Shares of net assets	<b>275,174</b>	327,009

As at 30 June 2024, interests in associates represented the Group's interests in 22.39% and 25% (31 December 2023: 22.39% and 25%) of the issued ordinary share capital of Hope Capital Limited and HEC Securities Company Limited.

## 14. TRADE, LOAN AND OTHER RECEIVABLES

		<b>30 June</b>	31 December
		<b>2024</b>	2023
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Trade receivables</b>			
Trade receivables arising from the business of securities brokerage			
– cash clients		97	114
– margin clients	(b)	99,165	164,937
– others		80	–
		<u>          </u>	<u>          </u>
	(a)	<u>99,342</u>	<u>165,051</u>
<b>Loan receivables</b>			
Loan and interest receivables from independent third parties			
		535,070	283,634
Less: Loss allowance		<u>(20,215)</u>	<u>(11,122)</u>
		<u>          </u>	<u>          </u>
	(c)	514,855	272,512
Less: Non-current portion		<u>(3,623)</u>	<u>(6,521)</u>
		<u>          </u>	<u>          </u>
Current portion		<u>511,232</u>	<u>265,991</u>
<b>Other receivables</b>			
Deposits with securities brokers	(d)	2,799	1,878
Other receivables, deposits and prepayments		<u>27,645</u>	<u>31,708</u>
		<u>          </u>	<u>          </u>
		<u>30,444</u>	<u>33,586</u>
		<u>          </u>	<u>          </u>
	(e)	<u><u>641,018</u></u>	<u><u>464,628</u></u>

### Notes:

- (a) No aging analysis by invoice date is disclosed as in the opinion of the Directors, the aging analysis does not give additional value in view of the nature of securities brokerage business. The Group offsets certain trade receivables against trade payables when the Group currently has a legally enforceable right to set off the balances; and intends to settle on a net basis or to realise the balances simultaneously.
- (b) Trade receivables from margin clients are repayable on demand and bear interests ranging from 8% to 30% (31 December 2023: 8% to 30%) per annum at the end of the reporting period. The loans are secured by pledged marketable securities with a total fair value of approximately HK\$308,195,000 (31 December 2023: approximately HK\$461,096,000). The Group is permitted to sell or repledge the marketable securities if the customers default on the payments when requested by the Group. During the six months ended 30 June 2024 and 2023, no margin loans were granted to the Directors or directors of subsidiaries.

#### 14. TRADE, LOAN AND OTHER RECEIVABLES (CONTINUED)

Notes (Continued):

- (c) At the end of the reporting period, the Group's net loan receivables included both fixed and variable rate loan advances to independent third parties of which approximately HK\$14,747,000 (31 December 2023: approximately HK\$14,751,000) were secured by the pledge of certain collaterals and personal guarantees (31 December 2023: the pledge of certain collaterals and personal guarantees), bearing interests ranging from HKD Prime Rate plus 2.75% to 9% (31 December 2023: HKD Prime Rate plus 2.75% to 9%) per annum and had contractual loan period between 12 months and 18 months (31 December 2023: between 12 months and 18 months) under the Group's credit and lending services. The remaining balance included fixed rate loan advances to independent third parties of which approximately HK\$500,108,000 (31 December 2023: HK\$257,761,000) were unsecured, bearing interests ranging from 5% to 8% (31 December 2023: 5% to 8%) per annum. The contractual loan period for majority of the unsecured loan receivables from third parties is between 9 months and 5 years (31 December 2023: between 3 months and 5 years).

The amount granted to individuals and corporates depends on management's assessment of credit risk of the customers by evaluation on background checks (such as their background, and financial positions for individual borrowers and their industries and financial positions for corporate borrowers) and repayment abilities. During the six months ended 30 June 2024, the Group recognised a net provision of impairment loss in respect of loan receivables of approximately HK\$9,093,000 (six months ended 30 June 2023: net reversal of impairment loss of approximately HK\$25,042,000).

Aging analysis of loan receivables (net of loss allowance) prepared based on contractual due date is as follows:

	<b>30 June 2024</b>	31 December 2023
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Audited)
Not yet past due	<b>514,855</b>	272,512

As at 30 June 2024, the Group has concentration of credit risk on loans to independent third parties as the exposure to the largest borrower and the five largest borrowers represents 11% and 45% (31 December 2023: 26% and 82%) respectively of the total loans granted by the Group within the credit and lending services segment. Management of the Group monitors the exposure from time to time to assess their recoverability.

- (d) Deposits with securities brokers represented the funds deposited with the brokers' houses for securities trading purpose.
- (e) The trade, loan and other receivables are expected to be recovered within one year, except for the deposits of approximately HK\$9,968,000 (31 December 2023: approximately HK\$10,168,000).

## 15. FINANCIAL ASSETS AT FVPL

		<b>30 June 2024</b>	31 December 2023
	<i>Note</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
Mandatorily measured at FVPL:			
– Listed shares in Hong Kong		<b>111,047</b>	152,849
– Listed shares in the United States		<b>9,167</b>	7,098
– Unlisted investment funds	<i>(a)</i>	<b>60,507</b>	64,857
		<b>180,721</b>	224,804

*Note:*

- (a) The unlisted investment funds are mainly subscribed from independent financial institutions in overseas. The portfolios of these funds mainly comprise securities listed in overseas and unlisted debt and equity securities in Asia-Pacific region. The funds are redeemable at the discretion of the Group from time to time and the intention of holding them was for short-term investment.

## 16. TRADE AND OTHER PAYABLES

		<b>30 June 2024</b>	31 December 2023
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Trade payables</b>			
Trade payables arising from the business of securities brokerage			
– cash clients	<i>(a)</i>	<b>3,036</b>	818
– margin clients	<i>(a)</i>	<b>58,676</b>	54,118
– HKSCC	<i>(b)</i>	<b>18,470</b>	4,613
Secured margin loans from securities brokers	<i>(c)</i>	<b>18,241</b>	10,065
		<b>98,423</b>	69,614
<b>Other payables</b>			
Other payables and accrued charges		<b>21,477</b>	23,487
		<b>119,900</b>	93,101

## 16. TRADE AND OTHER PAYABLES (CONTINUED)

Notes:

- (a) Trade payables to cash and margin clients are repayable on demand. In the opinion of the Directors, no aging analysis is disclosed as the aging analysis does not give additional value.
- (b) The settlement terms of trade payables arising from the provision of securities brokerage business with HKSCC are usually two days after trade date.
- (c) For secured margin loans from securities brokers, the loans are repayable on demand (except certain balances arising from trades pending settlement or margin deposits) and are interest-bearing at a fixed rate of 7.236% per annum (31 December 2023: Hong Kong Interbank Offered Rate 1 month rate plus 3.8% per annum). The total market value of equity securities classified as financial assets at FVPL and Designated FVOCI pledged as collateral in respect of the loans was approximately HK\$98,945,000 (31 December 2023: HK\$129,266,000) as at 30 June 2024.

## 17. INTEREST-BEARING BORROWINGS

	<b>30 June 2024</b>	31 December 2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<b>(Unaudited)</b>	(Audited)
Secured bank loan	<b>50,253</b>	51,235

At the end of the reporting period, the bank loan is interest bearing at Hong Kong Interbank Offered Rate plus 1.3% (31 December 2023: Hong Kong Interbank Offered Rate plus 1.3%) per annum and secured by the Group's investment property with carrying value of HK\$86,530,000 (31 December 2023: HK\$86,530,000) and corporate guarantees provided by the Group's subsidiaries. The bank loan with a clause in their terms that gives the bank an overriding right to demand for repayment without notice or with notice period of less than 12 months at their sole discretion are classified as current liabilities even though the Directors do not expect that the banks would exercise their right to demand repayment.

The maturity terms of the bank loan based on repayment schedule pursuant to the loan facility letters (ignoring the effect of any repayment on demand clause) are as follows:

	<b>30 June 2024</b>	31 December 2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within one year	<b>1,964</b>	1,964
In the second to fifth year	<b>7,857</b>	7,857
Over five years	<b>40,432</b>	41,414
	<b>50,253</b>	51,235



## **MANAGEMENT DISCUSSION AND ANALYSIS**

The Group recorded a net loss of HK\$111.7 million for the Reporting Period as compared to the net profit of HK\$11.8 million for the six months ended 30 June 2023 (the “**Previous Period**”). Such loss was mainly attributable to the combined effects of: (a) the net unrealised fair value loss on financial assets at fair value through profit or loss of HK\$42.1 million; and (b) the share of loss from associates of HK\$41.9 million.

## **BUSINESS REVIEW**

The Group principally engages in investment holdings, tactical and/or strategical investments (including property investments), provision of financial services including the Securities and Futures Commission (the “**SFC**”) regulated activities namely Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 8 (securities margin financing) and Type 9 (asset management); and provision of credit and lending services regulated under the Money Lenders Ordinance.

## **A. Financial Services**

The Group is licensed by the SFC to conduct regulated activities including Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 8 (securities margin financing) and Type 9 (asset management).

Brokerage commission income generated from the Group's securities brokerage services decrease by 66.7% to HK\$0.2 million for the Reporting Period (Previous Period: HK\$0.6 million). Interest income generated from provision of margin financing services decrease by 77.5% to HK\$4.5 million for the Reporting Period (Previous Period: HK\$20.0 million).

## **B. Credit and Lending Services**

### **(i) Business Model**

The Company, through its wholly owned subsidiaries, namely, Oshidori WW Resources Limited and Oshidori Citizens Money Lending Corporation Limited, conducts credit and lending business under the Money Lenders Ordinance, Chapter 163 of the Laws of Hong Kong.

The Group maintains readily available funds and equips itself with sufficient lending capacities for capturing potential business opportunities. The Group finances its credit and lending business with its existing general working capital. The Group's credit and lending business has a unique business model with emphasis on the provision of sizeable loans to both corporate and individual clients with good financial standing and low credit risk (such as listed companies and individuals holding marketable assets).

The Group targets a niche market of high-profile borrowers (i.e. (a) listed companies; (b) companies with well-established businesses; (c) companies or individuals holding marketable assets; and (d) individuals whose occupations are executives, businessmen or professionals) in need of sizeable loans, who have a proven track record of making repayments. The Group grants loans only to recognised and creditworthy customers. The Group grants loans only to the customers (a) who are third parties and not connected with the Group; (b) who are introduced by the Group's directors, senior management, business partners or existing/previous borrowers; and (c) whose creditworthiness and loan collateral are evaluated and approved by the credit committee (the "**Credit Committee**") of the Group.

The management team of the Group's credit and lending business comprises the Credit Committee and 2 managers. During the six months ended 30 June 2024, the Credit Committee consisted of two directors of the Group, who had over 13 years of working experience in an international banking group and around 20 years of experience in finance, investment and credit and lending industries, respectively. The Credit Committee has the power and authority to review and approve the loan applications. The Credit Committee is responsible for (i) assessing credit risks; (ii) overseeing the approval of credit applications and loan approvals; and (iii) managing customer relationships. The managers are responsible for (i) reviewing loan documentations, (ii) identifying potential problems; and (iii) recommending mitigating factors.

**(ii) Internal Control Procedures**

The Group has taken the following internal control measures in carrying out the credit and lending services business:

***Credit risk assessment of customers***

Potential customers are required to disclose and provide the Group with a list of information required for a loan application. The Group will then assess the creditworthiness of the potential customers and their repayment abilities, including legal due diligence. In particular, the following information is requested and considered as part of the process of assessing creditworthiness:

- a) the potential customers' background and statutory information;
- b) the potential customers' proof of income, including bank statements;
- c) the amount and purpose of the loan;
- d) the results of legal searches, such as litigation (or the absence of), on the potential customers; and
- e) whether the Group and the potential customers have any prior dealings and, if so, the credit history of any such prior arrangements.

In making the approval decision, the Credit Committee considers the information set out above and assesses the potential customers' credit risk, the loan-to-value ratio and the proposed interest rate. The operations of the Credit Committee are subject to review by the Executive Directors of the Company.

### ***Mechanism in determining loan terms***

The request from each potential customer is unique. The loan terms are determined based on the potential customers' financial needs (e.g. type of loan, capital needs and loan tenure), credit risk assessment of potential customers and their financial repayment abilities. The loan interest rate is determined based on the result of credit risk assessment and reference to the market interest rate.

### ***Approval process for granting loans***

Application and approval process are as follows:

- a) collection of potential customer's information;
- b) preliminary loan assessment and approval (if disapproved, reject loan application and inform the potential customer);
- c) credit assessment – 3C's Assessment (i.e. character, capacity, and collateral):
  - character is defined by credit and loan repayment history;
  - capacity measures income and ability to service a loan or line of credit;
  - collateral refers to asset(s) that could be leveraged for payment;
- d) determine the terms of the loan and obtain approval from the Credit Committee (if disapproved, reject loan application and inform the potential customer);
- e) prepare board minutes to approve the loan and notify the potential customer of the loan approval;
- f) prepare all relevant loan documents and explain the terms of the loan and the associated loan documents to the potential customer;
- g) execution of the relevant loan documents and prepare loan disbursement;  
and
- h) review and file the loan documents in the filing cabinets.

### **Monitoring loan repayment and recovery**

The status of outstanding loan principals and interest collection is monitored by the Credit Committee, two managers and accounting department on a daily basis by reviewing daily reports. On the maturity date, the Credit Committee communicates with borrowers by phone regarding their financial conditions and source of repayment to ascertain whether borrowers have any difficulty in making their repayments on time; and the Credit Committee also reminds borrowers to make timely repayments of their loans. When borrowers request for loan extension, the Credit Committee would request the managers and accounting department to ascertain and review the borrowers' financial condition through publicly available information (such as website of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and press media, etc) so as to assess the recoverability of loans. In the event that there is no such publicly available information, the Credit Committee would request the respective borrowers for their updated financial information.

### **Taking actions on delinquent loans**

When a loan is overdue, the Group will contact the borrower and guarantor (if any) to remind them of the possible enforcement action(s) and timing of repayment and seeking reasons for the delay in repayment. The Group will also issue demand letter(s) to the borrowers. If the Group does not receive any favourable reply from the borrowers, the Group will instruct legal advisers to take legal actions for recovery of outstanding loan principal and accrued interest.

The action plans are determined based on the individual situation on a case by case basis. In general, the Group takes into account factors such as whether the pledged assets provided by the borrowers are sufficient in value; and whether there are any bona fide settlement offers made by the borrowers.

In case the market value of pledged assets falls below the outstanding loan amount, the Group may request the borrowers to increase the pledged assets. In case the borrowers can provide the Group with bona fide settlement proposal, the Group may consider withholding legal action against the borrowers and accept the settlement proposal in order to save legal costs and time.

**(iii) Major Terms of Loans**

As at 30 June 2024, the Company's credit and lending services business had 17 customers (all of them are independent third parties) and the total net loan receivables including both fixed and variable rate loan advances was HK\$514.9 million (31 December 2023: HK\$272.5 million).

Among these loan receivables, totalling HK\$14.7 million (31 December 2023: totalling HK\$14.8 million) were secured by the pledge of certain collateral and personal guarantees (31 December 2023: the pledge of certain collateral and personal guarantees), bearing interests ranging from HKD Prime Rate plus 2.75% to 9% (31 December 2023: HKD Prime Rate plus 2.75% to 9%) per annum and had contractual loan period between 12 months and 18 months (31 December 2023: between 12 months and 18 months).

The remaining balance of HK\$500.2 million (31 December 2023: HK\$257.7 million) were unsecured, and bearing interests ranging from 5% to 8% (31 December 2023: 5% to 8%) per annum. Out of these unsecured loan receivables, HK\$396.3 million has contractual loan period between 9 months and 1 year, HK\$97.3 million has contractual loan period between over 1 year and 2 years, HK\$5.6 million has contractual loan period between over 2 years and 5 years and HK\$1.0 million has contractual loan period over 5 years (31 December 2023: between 3 months and 5 years and over 5 years).

During the six months period ended 30 June 2024, the Group offered attractive interest rate to borrowers (as low as 5% per annum) as special promotion and on ad hoc basis. Such interest rate was offered as a special promotion to maintain amicable business relationship with our borrowers whose credit assessment were of satisfactory results.

Interest income from loan receivables for the Reporting Period was HK\$13.5 million (Previous Period: HK\$10.7 million), which was increased by 26.2% as compared with the Previous Period.

**(iv) Top Five Borrowers**

As at 30 June 2024, the loan and interest receivables from the largest borrower was HK\$58.5 million (representing approximately 11.4% of the total loan and interest receivables of the Group) while the loan and interest receivables from the five largest borrowers together was HK\$232.0 million (representing approximately 45.1% of the total loan and interest receivables of the Group).

### **C. Tactical and/or Strategic Investments**

The Group engages in tactical and/or strategic investments of a diversified portfolio overseen by a professional investment team that holds Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 9 (asset management) licences under the Securities and Futures Ordinance. Negative income from this segment amounted to HK\$38.1 million for the Reporting Period (Previous Period: HK\$13.0 million).

The Group's vision is to implement its corporate strategy through building a successful portfolio of investments that is resilient, sound and of value to the shareholders of the Company.

The Group strives to achieve excellent results and performance through the Group's tactical and/or strategic investments segment – creating value through investment selection and disposal, and demonstrates resilience in adverse market conditions. The Group has formulated a criteria to identify appropriate investments, established the basis for evaluation, and categorized such investments to reflect their significance and contribution to the Group. The holding size and holding periods are dependent upon the reasons for the acquisition, the strategic value of the investments, and the potential returns. The Group may consider realizing certain investments based on the internal resources' requirements, the increase/decrease in valuations that trigger the threshold for disposal, and the availability of alternative investment opportunities that may be superior in returns compared to existing holdings from time to time.

## THE GROUP'S INVESTMENTS

A breakdown of the Group's investments (with a value of 5% or more of the Group's total assets) as at 30 June 2024 is set out below:

Name of investments	Number of shares held as at 30 Jun 2024	Percentage of shareholding held as at 30 Jun 2024	Unrealised	Unrealised	Dividends	Approximate % to the Group's total assets as at 30 Jun 2024	Investment cost	Fair
			gain/(loss) for the six months ended 30 Jun 2024	gain/(loss) through other comprehensive income for the six months ended 30 Jun 2024	received for the six months ended 30 Jun 2024			value/ carrying amount as at 30 Jun 2024
			HK\$'000	HK\$'000	HK\$'000		HK\$'000	HK\$'000
Listed shares in Hong Kong								
- Shengjing Bank Co., Ltd. (stock code: 2066)	293,034,000	12.52%	(212)	(20,300)	-	6.20%	1,972,015	208,054
- ZhongAn Online P&C Insurance Co., Ltd. (stock code: 6060)	18,479,000	1.3%	-	(69,411)	-	7.48%	470,827	250,945
- Hao Tian International Construction Investment Group Limited (stock code: 1341)	246,832,000	3.24%	-	(59,240)	-	5.88%	51,835	197,466
Unlisted shares								
- Future Capital Group Limited	3,750	17.81%	-	(41,000)	-	13.94%	750,000	468,000
- Hope Capital Limited	480	22.39%	-	-	-	5.90%	291,200	198,098

The performance and prospects of such investments during the Reporting Period were as follows:

### 1. Shengjing Bank Co., Ltd. ("Shengjing") (Stock Code: 2066)

Shengjing and its subsidiaries principally engage in the provision of corporate and personal deposits, loans and advances, settlement, treasury business and other banking services as approved by the National Financial Regulatory Administration (formerly China Banking and Insurance Regulatory Commission).

According to the annual report of Shengjing for the year ended 31 December 2023, the total assets of Shengjing amounted to RMB1,080.053 billion, the total loans and advances to customers amounted to RMB477.877 billion, the operating income amounted to RMB10.040 billion and the net profit amounted to RMB765 million.

From a long-term perspective, Shengjing appears to have good prospects and the Company considers its investment in Shengjing has strategic investment value.



**2. ZhongAn Online P & C Insurance Co., Ltd. (“ZhongAn”) (Stock Code: 6060)**

ZhongAn and its subsidiaries are principally engaged in Fintech business, which provides internet insurance services and insurance information technology services to customers.

According to the interim results announcement of ZhongAn for the six months ended 30 June 2024, the total assets of ZhongAn amounted to approximately RMB43,037 million, the net assets amounted to approximately RMB20,240 million, the total income amounted to approximately RMB16,035 million and the net profit amounted to approximately RMB55 million.

From a long-term perspective, ZhongAn appears to have good prospects and the Company considers its investment in ZhongAn has strategic investment value.

**3. Hao Tian International Construction Investment Group Limited (“Hao Tian”) (Stock Code: 1341)**

Hao Tian and its subsidiaries principally engage in securities investment, provision of securities brokerage and financial services, asset management, rental and trading of construction machinery, provision of repair and maintenance and transportation service, property development and money lending.

According to the annual report of Hao Tian for the year ended 31 March 2024, the total assets of Hao Tian amounted to approximately HK\$2,388 million, the net assets amounted to approximately HK\$1,236 million, the total revenue amounted to approximately HK\$173 million and the net loss amounted to approximately HK\$512 million.

Pursuant to a voluntary announcement of Hao Tian dated 19 August 2024, Hao Tian has been selected and will be included as a constituent of the Hang Seng Composite Index by Hang Seng Indexes Company Limited with effect from 9 September 2024.

From a long-term perspective, Hao Tian appears to have good prospects and the Company considers its investment in Hao Tian has strategic investment value.

**4. Future Capital Group Limited (“Future Capital”)**

Future Capital was incorporated in the Cayman Islands with limited liability and it principally engages in property investments.

Hong Kong’s government has abolished all property cooling measures and eased mortgage restrictions, to stimulate the buying power of real estates and attract investors to participate in Hong Kong real estate sector.

From a long-term perspective, Future Capital appears to have good prospects and the Company considers its investment in Future Capital has strategic investment value.

## **5. Hope Capital Limited (“Hope Capital”)**

Hope Capital was incorporated in the British Virgin Islands with limited liability. Hope Capital and its subsidiary principally engage in financial services business.

Hong Kong’s government is on a drive to attract more family offices to the city and the new capital investment entrant scheme is launched to attract more new capital to Hong Kong and strengthen the development of financial services sector in Hong Kong.

From a long-term perspective, Hope Capital appears to have good prospects and the Company considers its investment in Hope Capital has strategic investment value.

Going forward, the Group will continue to implement its corporate strategy through building a successful portfolio of investments that is resilient, sound and of value for our shareholders. Although the market sentiment is expected to gradually improve, the overall economic outlook still remains uncertain. The Group will continue to adopt prudent capital management and liquidity risk management policies and practices to preserve adequate capital to meet the challenges ahead. The Group did not have any plan for material investments or capital assets as at 30 June 2024.

## **FINANCIAL REVIEW**

### **Review of Results**

The Group recorded a total revenue of HK\$22.2 million for the Reporting Period, representing a decrease of 44.5% as compared with the amount of HK\$40.0 million for the Previous Period. Income from financial services segment amounted to HK\$4.7 million (Previous Period: HK\$20.8 million). Negative income from tactical and/or strategical investments segment amounted to HK\$38.1 million (Previous Period: HK\$13.0 million). Income from credit and lending services segment amounted to HK\$13.5 million (Previous Period: HK\$10.7 million).

The Group recorded a net loss of HK\$111.7 million for the Reporting Period (Previous Period: net profit of HK\$11.8 million). Such loss was mainly attributable to the combined effects of: a) the net unrealised fair value loss on financial assets at fair value through profit or loss of HK\$42.1 million; and (b) the share of loss from associates of HK\$41.9 million. Basic and diluted loss per share for the Reporting Period were HK cents 1.81 and HK cents 1.81 respectively (Previous Period: basic and diluted earnings per share of HK cents 0.19 and HK cents 0.19 respectively). The net profit of financial services segment was HK\$0.7 million (Previous Period: HK\$14.1 million). The net loss of tactical and/or strategical investments segment was HK\$45.3 million (Previous Period: HK\$20.5 million). The net loss of credit and lending services segment was HK\$6.7 million (Previous Period: net profit of HK\$25.6 million).

## **Capital Structure**

The Company has not conducted any equity fund raising activities during the Reporting Period. In January 2024, 75,000,000 new ordinary shares of the Company were issued pursuant to the vesting of awarded shares granted under the share award scheme adopted by the Company on 19 December 2019. As at 30 June 2024, the Company has 6,184,259,139 shares in issue.

The unaudited consolidated total asset value of the Group as at 30 June 2024 was HK\$3,356.5 million (31 December 2023: HK\$3,888.4 million). The unaudited consolidated net asset value of the Group as at 30 June 2024 was HK\$3,173.6 million (31 December 2023: HK\$3,731.0 million). The unaudited consolidated net asset value per share as at 30 June 2024 was HK\$0.51 (31 December 2023: HK\$0.61). Apart from financial assets being held by the Group for its tactical and/or strategic investments, the Group also holds substantive assets which mainly comprise tangible assets such as cash and bank balances and trade, loan and other receivables.

## **Charges on Group Assets**

As at 30 June 2024, the Group's borrowings included margin loans of HK\$18.2 million (31 December 2023: HK\$10.1 million) and a secured bank loan of HK\$50.3 million (31 December 2023: HK\$51.2 million). The bank loan is secured by a property, the fair value of which as at 30 June 2024 was HK\$86.5 million. The margin loans are secured by pledge of equity securities to securities brokers as collaterals, with total market value of HK\$98.9 million as at 30 June 2024 (31 December 2023: HK\$129.3 million). As at 30 June 2024, the Group's borrowings are interest bearing at HIBOR plus 1.3% per annum or at a fixed rate of 7.236% per annum (31 December 2023: HIBOR plus 1.3% per annum or at HIBOR 1 month rate plus 3.8% per annum) and repayable on demand (31 December 2023: repayable on demand).

## **Liquidity and Financial Resources**

The Group's cash and cash equivalents as at 30 June 2024 was HK\$268.4 million (31 December 2023: HK\$348.1 million). The cash and cash equivalents and financial assets at fair value through profit or loss in aggregate as at 30 June 2024 were HK\$449.2 million (31 December 2023: HK\$572.9 million).

The liquidity of the Group remained strong with a current ratio of 6.6 as at 30 June 2024 (31 December 2023: 7.5). The Group had borrowings of HK\$50.3 million as at 30 June 2024 (31 December 2023: HK\$51.2 million) and the gearing ratio of the Group (expressed as a percentage of total borrowings over total equity) as at 30 June 2024 was 1.6% (31 December 2023: 1.4%).

### **Exposure to Fluctuations in Exchange Rates and Related Hedges**

Save for certain bank balances that are denominated in Renminbi (“**RMB**”) and United States dollar (“**USD**”), most of the Group’s business transactions, assets and liabilities are denominated in Hong Kong dollar. As at 30 June 2024, the bank balances denominated in RMB and USD amounted to HK\$15.0 million and HK\$63.6 million respectively. Therefore, the Group’s exposure to the risk of foreign exchange rate fluctuations is not material. For the Reporting Period, the Group did not have any derivatives for hedging against the foreign exchange rate risk. The directors of the Company (the “**Directors**”) will continue to monitor the foreign exchange exposure and will consider appropriate action to mitigate such risk, when necessary

### **Capital Commitments**

The Group did not have any capital commitments in respect of the acquisition of property and equipment as at 30 June 2024 (31 December 2023: Nil).

### **Contingent Liabilities**

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

## **OUTLOOK AND CORPORATE STRATEGY**

Looking ahead, the global business and investment environment is still full of challenges and uncertainties.

The Group will continue to maintain a prudent approach in carrying out and monitoring its business, but adopt a wait and see approach in tackling the adverse environment.

Dealing with the future challenges, the Management will continue to review and adjust business strategies on a regular basis with a prudent and balanced risk management approach. The Group will focus on ensuring a healthy balance sheet.

## **MATERIAL TRANSACTION**

On 8 May 2024, a wholly owned subsidiary of the Company entered into a memorandum of agreement with a third party in respect of the disposal of a yacht at a consideration of EUR14.6 million. The disposal was completed on 14 June 2024. For further details, please refer to the announcement of the Company dated 9 May 2024.

## **SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD**

There are no major subsequent events since the end of the Reporting Period and up to the date of this announcement.

## **INTERIM DIVIDEND**

The Board does not recommend the payment of any interim dividend for the Reporting Period. (Previous Period: Nil).

## EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2024, the Group employed 23 (31 December 2023: 23) full time employees for its principal activities. The Group recognises the importance of high calibre and competent staff and continues to provide remuneration packages to employees with reference to prevailing market practices and individual performance. Remuneration packages consisted of salary as well as discretionary bonus. Other benefits include medical and retirement benefit and share options.

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

During the Reporting Period, 1,026,000 ordinary shares of the Company were repurchased on the Stock Exchange with the aggregate consideration paid (before expenses) amounting to HK\$141,288. The shares repurchased were cancelled after the Reporting Period.

Particulars of the share repurchases are as follows:

Month	Number of shares repurchased	Price paid per share		Aggregate consideration (before expenses)
		Highest HK\$	Lowest HK\$	
June 2024	1,026,000	0.142	0.127	141,288

Save as disclosed above, there was no purchase, sale or redemption of the Company's listed shares by the Company or any of its subsidiaries during the Reporting Period.

## AUDIT COMMITTEE

The audit committee (the “**Audit Committee**”) of the Company was established in accordance with the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. As at the date of this announcement, the Audit Committee comprises four Independent Non-Executive Directors. The Audit Committee is chaired by Mr. Yu Chung Leung and the members of the Audit Committee are Hon. Chan Hak Kan, Mr. Hung Cho Sing and Mr. Lam John Cheung-wah. The Audit Committee meets regularly with the Company's senior management and the Company's auditor to consider the Company's financial reporting process, the effectiveness of internal controls, the audit process and risk management.

The interim results of the Group for the Reporting Period had not been audited, but had been reviewed by the Company's auditor, Forvis Mazars CPA Limited (formerly known as Mazars CPA Limited) and the Audit Committee.

## **CORPORATE GOVERNANCE**

The Board is committed to maintaining high standards of corporate governance. During the Reporting Period, the Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

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

## **APPRECIATION**

On behalf of the Board, I would like to take this opportunity to express our gratitude to all staff for their devoted efforts and hard work.

By Order of the Board  
**Oshidori International Holdings Limited**  
**Sam Hing Cheong**  
*Executive Director and Chairman*

Hong Kong, 28 August 2024

As at the date of this announcement, the Board comprises the following directors:

*Executive Directors:*

Mr. Sam Hing Cheong (*Chairman*)  
Ms. Wong Wan Men  
Mr. Wong Yat Fai

*Independent Non-Executive Directors:*

Hon. Chan Hak Kan, *S.B.S., J.P.*  
Mr. Hung Cho Sing, *B.B.S.*  
Mr. Lam John Cheung-wah  
Mr. Yu Chung Leung