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鼎益豐控股集團國際有限公司

DING YI FENG HOLDINGS GROUP INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)
(formerly known as China Investment Fund Company Limited)

(Stock code: 00612)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

The Board (the “**Board**”) of Directors (the “**Directors**”) of Ding Yi Feng Holdings Group International Limited (formerly known as China Investment Fund Company Limited) (the “**Company**”) wishes to announce the audited consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2023, together with the comparative figures for the year ended 31 December 2022 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2023

	Notes	2023 HK\$'000	2022 HK\$'000
Revenue	3	1,134	252
Other income, gains and (losses)	5	416	229
Net realised gain (loss) on disposals of financial assets at fair value through profit or loss		5,870	(2,798)
Net unrealised loss on financial assets at fair value through profit or loss		(210,565)	(206,646)
		(203,145)	(208,963)
Net gains (losses) on disposals/deregistrations of subsidiaries	17	33,196	(190)
Administrative expenses		(123,780)	(105,389)
Finance costs	6	(8,797)	(16,645)
Loss before taxation	7	(302,526)	(331,187)
Taxation	8	(8,406)	–
Loss for the year attributable to owners of the Company		(310,932)	(331,187)
Loss per share	10		
– Basic (HK cents per share)		(20.45)	(23.97)
– Diluted (HK cents per share)		(20.45)	(23.97)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Loss for the year attributable to owners of the Company	<u>(310,932)</u>	<u>(331,187)</u>
Other comprehensive expenses:		
<i>Item that will not be reclassified to profit or loss:</i>		
Fair value loss on equity instrument at fair value through other comprehensive income	(10,696)	–
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	<u>(15,937)</u>	<u>(51,940)</u>
Other comprehensive expense for the year, net of tax	<u>(26,633)</u>	<u>(51,940)</u>
Total comprehensive expense attributable to owners of the Company	<u><u>(337,565)</u></u>	<u><u>(383,127)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2023

	<i>Notes</i>	2023 HK\$'000	2022 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		445,705	467,776
Intangible assets		4,995	9,806
Right-of-use assets		21,724	16,257
Equity instrument at fair value through other comprehensive income	<i>12</i>	22,005	–
Financial assets at fair value through profit or loss	<i>13</i>	269,177	497,279
Deferred tax assets		–	6,359
Deposits and prepayments	<i>11</i>	5,381	4,118
		<hr/> 768,987	<hr/> 1,001,595
Current assets			
Prepayments, deposits and other receivables	<i>11</i>	13,934	7,529
Financial assets at fair value through profit or loss	<i>13</i>	111,598	107,309
Bank balances and cash		173,342	101,029
		<hr/> 298,874	<hr/> 215,867
Current liabilities			
Accruals and other payables		8,737	9,452
Borrowings	<i>14</i>	34,792	55,440
Lease liabilities		13,330	8,417
Tax payable		8	–
		<hr/> 56,867	<hr/> 73,309
Net current assets		<hr/> 242,007	<hr/> 142,558
Total assets less current liabilities		<hr/> 1,010,994	<hr/> 1,144,153

	<i>Notes</i>	2023 HK\$'000	2022 <i>HK\$'000</i>
Non-current liabilities			
Borrowings	<i>14</i>	10,102	38,532
Deferred tax liabilities		2,018	–
Lease liabilities		9,629	8,929
		<u>21,749</u>	<u>47,461</u>
Net assets		<u>989,245</u>	<u>1,096,692</u>
Capital and reserve			
Share capital	<i>15</i>	78,072	71,014
Reserves		911,173	1,025,678
Total equity		<u>989,245</u>	<u>1,096,692</u>
Net asset value per share	<i>10</i>	<u>HK\$0.63</u>	<u>HK\$0.77</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

New and amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2023 for the preparation of the consolidated financial statements:

HKFRS 17 (including the October 2020 February 2022 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Disclosure of Accounting Policies – Amendments to HKAS 1 and HKFRS Practice Statement 2

The amendments to HKAS 1 and HKFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities to provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their “significant” account policies with a requirement to disclose their “material” accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group’s disclosure of accounting policies, but not on the measurement, recognition or presentation of any items in the Group’s financial statements.

New guidance on accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong issued by the HKICPA

In June 2022, Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (“**the Amendment Ordinance**”) was enacted. The Amendment Ordinance abolishes the use of the accrued benefits derived from employers’ mandatory contributions under the mandatory provident fund (“**MPF**”) to offset severance payments (“**SP**”) and long service payments (“**LSP**”) (“**the Abolition**”). Subsequently, the Government of HKSAR announced that the Abolition will take effect on 1 May 2025 (“**the Transition Date**”). The following key changes will take effect on the Transition Date:

- Accrued benefits derived from employers’ mandatory MPF contributions cannot be used to offset the LSP/SP in respect of the employment period after the Transition Date.
- The pre-transition LSP/SP is calculated using the last month’s salary immediately preceding the Transition Date, instead of using the salary of employment termination date.

Due to the complexities of the accounting for the offsetting of accrued benefits derived from an employer’s MPF contributions and its LSP obligation and the accounting for offsetting mechanism could become material in light of the Abolition, the HKICPA published “Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong” (“**the Guidance**”) in July 2023 to provide guidance to account for the offsetting mechanism and the Abolition. The HKICPA concluded that there are two acceptable accounting approaches for the offsetting mechanism, being:

Approach 1: Account for the amount expected to be offset as a deemed employee contribution towards that employee’s LSP benefits in terms of Hong Kong Accounting Standard 19.93(a)

Approach 2: Account for the employer MPF contributions and the offsetting mechanism as a funding mechanism for the LSP obligation

For the years ended 31 December 2022 and 2023, the Group’s LSP liability before the expected offsetting under the MPF-LSP offsetting mechanism is insignificant. Application of the guidance had no material effect on the consolidated financial statements of the Group.

Amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ²
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ²
Amendments to HKAS 1	Non-current Liabilities with Covenants ²
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements ²
Amendments to HKAS 21	Lack of Exchangeability ³

¹ Effective date to be determined.

² Effective for annual periods beginning on or after 1 January 2024.

³ Effective for annual periods beginning on or after 1 January 2025.

The directors of the Company anticipate that the application of the above amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. REVENUE

An analysis of the Group's revenue for the year is as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Interest income from banks and financial institutions	1,134	252

4. SEGMENT INFORMATION

For the years ended 31 December 2023 and 2022, the Group's revenue was interest income from banks and financial institutions. The directors of the Company consider that these activities constitute one business segment since these transactions are subject to common risks and returns. Given the nature of the Group's operation is investment holding, it is not considered meaningful to provide a business segment analysis of operating profits. The Group's segment revenue, assets and liabilities for the year, analysed by geographical markets, are as follows:

	Hong Kong		The People's Republic of China ("PRC") and others jurisdictions		Consolidated	
	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Segment revenue:						
Interest income from banks and financial institutions	1,038	134	96	118	1,134	252
Non-current assets*	291,117	509,620	472,489	481,498	763,606	991,118
Total assets	480,856	604,567	587,005	612,895	1,067,861	1,217,462
Total liabilities	65,239	103,026	13,377	17,744	78,616	120,770
Other segment information:						
Additions to property, plant and equipment	2,771	–	–	1,054	2,771	1,054
Additions to right-of-use assets	18,883	–	–	21,049	18,883	21,049

* The non-current assets information above is based on the locations of the assets and excluded deferred tax assets and deposits and prepayments.

Given that the nature of the Group's operation is investment holding, there was no information regarding major customers as determined by the Group.

5. OTHER INCOME, GAINS AND (LOSSES)

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Effective interest income from rental deposit	327	358
Government subsidies	–	598
Loss on disposal of property, plant and equipment	(43)	–
Net foreign exchange losses	(253)	(729)
Refund of interest expenses on borrowings	505	–
Loss on rental deposits written-off	(118)	–
Others	(2)	2
	<u>416</u>	<u>229</u>

6. FINANCE COSTS

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Interest expenses on:		
Interest-bearing loan notes	778	2,174
Interest-bearing bonds	6,317	13,039
Lease liabilities	1,702	1,432
	<u>8,797</u>	<u>16,645</u>

7. LOSS BEFORE TAXATION

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
The Group's loss before taxation has been arrived at after charging the following items:		
Employee benefits expenses (including directors' emoluments):		
Basic salaries, allowances and benefits in kind	29,120	29,167
Retirement benefits scheme contributions	520	561
Equity-settled share-based payments	4,335	–
Total employee benefits expenses	<u>33,975</u>	<u>29,728</u>
Auditor's remuneration	795	770
Depreciation of property, plant and equipment	12,236	12,551
Depreciation of right-of-use assets	13,081	13,541
Expenses related to short-term leases	736	96
Loss on disposal of property, plant and equipment	43	11
Loss on rental deposits written-off	118	–
Impairment loss on intangible assets	4,811	1,109
Net foreign exchange losses	<u>253</u>	<u>729</u>

8. TAXATION

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
PRC Enterprise Income Tax (“EIT”)		
Charge for the year	16	–
Deferred taxation		
Charge for the year	8,390	–
	<u>8,406</u>	<u>–</u>

Under the Hong Kong Profits Tax two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

No Hong Kong Profits Tax has been provided as the Group had no assessable profits in Hong Kong for the year (2022: Nil).

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Regulation on the Implementation of the EIT Law of the PRC, the applicable PRC EIT rate of the Group’s PRC subsidiaries is 25% for both years.

9. DIVIDEND

No dividend was proposed during the year, nor has any dividend been proposed since the end of the reporting period (2022: Nil).

10. NET ASSET VALUE PER SHARE AND LOSS PER SHARE

Net asset value per share

The net asset value per share is calculated by dividing the net assets included in the consolidated statement of financial position of approximately HK\$989,245,000 (2022: HK\$1,096,692,000) by the number of ordinary shares in issue as at 31 December 2023, being approximately 1,561,434,000 (2022: 1,420,290,000) shares.

Loss per share

The calculations of basic and diluted loss per share are based on:

	2023 HK\$'000	2022 HK\$'000
Loss		
Loss attributable to owners of the Company	<u>(310,932)</u>	<u>(331,187)</u>
	2023 '000	2022 '000
Shares		
Weighted average number of ordinary shares for the purpose of basic loss per share calculation	1,520,374	1,381,450
Effect of dilutive potential ordinary shares – share options	<u>4,000</u>	<u>4,000</u>
Weighted average number of ordinary shares for the purpose of diluted loss per share calculation	<u>1,524,374*</u>	<u>1,385,450*</u>

* No adjustment has been made to the basic loss per share for the year ended 31 December 2023 and 2022 because the resulted loss per share is decreased when taking the outstanding share options into account, as the outstanding share options had an anti-dilutive effect on the basic loss per share. Accordingly, the diluted loss per share is same as the basic loss per share.

11. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2023 HK\$'000	2022 HK\$'000
Rental deposits and prepayments	6,208	7,321
Due from brokers (<i>note</i>)	11,868	48
Prepayment for leasehold improvements	–	2,296
Other prepayments	826	1,330
Other utility deposits and receivables	320	648
Interest receivables from bank deposits	<u>93</u>	<u>4</u>
	<u>19,315</u>	<u>11,647</u>
Analysed for reporting purposes as:		
Current assets	13,934	7,529
Non-current assets*	<u>5,381</u>	<u>4,118</u>
	<u>19,315</u>	<u>11,647</u>

* Non-current assets include rental deposits of approximately HK\$5,381,000 (2022: approximately HK\$1,822,000) and prepayment for leasehold improvements of HK\$Nil (2022: approximately HK\$2,296,000).

Note: The balances represent the cash account balances with securities brokers that are used for trading of securities. The management of the Company monitors the credit risk of these brokers on a regular basis.

None of the above assets is either past due or impaired. The receivables included in the above balances have no recent history of default.

12. EQUITY INSTRUMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (“FVTOCI”)

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Unlisted equity investment, at fair value	<u>22,005</u>	<u>–</u>

Particulars of investment in unlisted equity securities held by the Group as at 31 December 2023 disclosed pursuant to Chapter 21 of the Listing Rules are as follows:

Name of investee company	Place of incorporation	Proportion of investee's capital owned	Cost <i>HK\$'000</i>	Fair value <i>HK\$'000</i>	Accumulated unrealised gain (loss) <i>HK\$'000</i>	Net assets attributable to the Group <i>HK\$'000</i>	Dividend received/receivable during the year <i>HK\$'000</i>	% of gross assets of the Group
At 31 December 2023								
Shanghai Hongpeng Energy Technology Co., Ltd.	PRC	10%	21,891	22,005	114	5,013	–	2.06%

Note: Shanghai Hongpeng Energy Technology Co., Ltd. was principally engaged in the business of research and development of nuclear fusion technology, and development and commercial application of fusion neutron source products in the PRC.

For the year ended 31 December 2023, the unaudited net loss was approximately RMB9,799,000 (equivalent to HK\$10,849,000). As at 31 December 2023, its unaudited net assets were approximately RMB45,563,000 (equivalent to HK\$50,129,000).

The fair value of unlisted equity investment was assessed by the directors of the Company with reference to the valuation conducted by the independent professional valuer.

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (“FVTPL”)

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Equity securities in Hong Kong (<i>note</i>)	288,961	505,341
Equity securities in the PRC (<i>note</i>)	<u>91,814</u>	<u>99,247</u>
	<u>380,775</u>	<u>604,588</u>
Analysed for reporting purposes as:		
Current assets	111,598	107,309
Non-current assets	<u>269,177</u>	<u>497,279</u>
	<u>380,775</u>	<u>604,588</u>

Note: Particulars of investments of listed equity securities held by the Group as at 31 December 2023 and 2022 disclosed pursuant to Chapter 21 of Listing Rules are as follows:

Name of investee companies	Place of incorporation	Number of shares held	Proportion of investee's interests	Cost HK\$'000	Market value HK\$'000	Accumulated unrealised gain (loss) recognised HK\$'000	Dividend received/receivable during the year HK\$'000	% of gross assets of the Group	% of net assets of the Group
At 31 December 2023									
<i>Listed equity securities in Hong Kong</i>									
Hong Kong Exchanges and Clearing Limited	Hong Kong	30,000	Less than 0.01%	7,983	8,040	57	-	0.75%	0.81%
Tencent Holdings Limited	Cayman Islands	40,000	Less than 0.01%	11,692	11,744	52	-	1.10%	1.19%
Hua Yin International Holdings Limited	Bermuda	1,042,000,000	14.46%	79,192	171,930	92,738	-	16.10%	17.38%
New Concepts Holdings Limited	Cayman Islands	156,740,000	9.76%	42,998	94,044	51,046	-	8.81%	9.51%
Jiading International Group Holdings Limited	Bermuda	78,125,000	4.26%	8,938	3,203	(5,735)	-	0.30%	0.32%
				<u>150,803</u>	<u>288,961</u>	<u>138,158</u>			
<i>Listed equity securities in the PRC</i>									
Caihong Display Devices Co., Ltd.	PRC	100,000	Less than 0.01%	903	743	(160)	-	0.07%	0.08%
HuiZhou Intelligence Technology Group Co., Ltd. (formerly known as Tianma Bearing Group Co., Ltd.)	PRC	19,850,000	0.99%	49,117	91,071	41,954	-	8.53%	9.21%
				<u>50,020</u>	<u>91,814</u>	<u>41,794</u>			
				<u>200,823</u>	<u>380,775</u>	<u>179,952</u>			
At 31 December 2022									
<i>Listed equity securities in Hong Kong</i>									
Hong Kong Exchanges and Clearing Limited	Hong Kong	8,800	Less than 0.01%	2,993	2,967	(26)	-	0.24%	0.27%
Tencent Holdings Limited	Cayman Islands	8,800	Less than 0.01%	2,956	2,939	(17)	-	0.24%	0.27%
Hua Yin International Holdings Limited	Bermuda	1,042,000,000	14.46%	79,192	422,010	342,818	-	34.66%	38.48%
New Concepts Holdings Limited	Cayman Islands	156,740,000	11.46%	42,998	72,100	29,102	-	5.92%	6.57%
Jiading International Group Holdings Limited	Bermuda	18,750,000	1.84%	3,000	3,169	169	-	0.26%	0.29%
Alibaba Group Holding Limited	Cayman Islands	25,000	Less than 0.01%	2,135	2,156	21	-	0.18%	0.20%
				<u>133,274</u>	<u>505,341</u>	<u>372,067</u>			
<i>Listed equity securities in the PRC</i>									
Caihong Display Devices Co., Ltd.	PRC	100,000	Less than 0.01%	928	468	(460)	-	0.04%	0.04%
HuiZhou Intelligence Technology Group Co., Ltd. (formerly known as Tianma Bearing Group Co., Ltd.)	PRC	28,000,000	1.41%	71,188	98,779	27,591	-	8.11%	9.01%
				<u>72,116</u>	<u>99,247</u>	<u>27,131</u>			
				<u>205,390</u>	<u>604,588</u>	<u>399,198</u>			

14. BORROWINGS

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Interest-bearing loan notes, unsecured	–	32,481
Interest-bearing bonds, unsecured	44,894	61,491
	44,894	93,972
Analysed for reporting purposes as:		
Current liabilities	34,792	55,440
Non-current liabilities	10,102	38,532
	44,894	93,972
The carrying amounts of above borrowings are repayable:		
Within one year	34,792	55,440
More than one year but not exceeding two years	9,964	28,455
More than two years but not exceeding five years	138	10,077
	44,894	93,972

15. SHARE CAPITAL

	Number of ordinary shares of HK\$0.05 each <i>'000</i>	Nominal value <i>HK\$'000</i>
Authorised:		
At 1 January 2022, 31 December 2022 and 31 December 2023	4,000,000	200,000
Issued and fully paid:		
At 1 January 2022	1,350,005	67,500
Issue of shares by placement (<i>Note a</i>)	64,720	3,236
Exercise of share options (<i>Note b</i>)	5,565	278
At 31 December 2022 and 1 January 2023	1,420,290	71,014
Issue of shares by placement (<i>Note c</i>)	140,344	7,018
Exercise of share options (<i>Note d</i>)	800	40
At 31 December 2023	1,561,434	78,072

Notes:

- (a) On 2 June 2022, 37,912,000 ordinary shares were issued by the Company pursuant to a placing agreement dated 16 May 2022 at a placing price of HK\$3.05 per share, giving gross proceeds of approximately HK\$115,632,000.

On 14 October 2022, 26,808,000 ordinary shares were issued by the Company pursuant to a placing agreement dated 21 September 2022 at a placing price of HK\$3.5 per share, giving gross proceeds of HK\$93,828,000.

- (b) During the year ended 31 December 2022, 1,465,193 share options and 4,100,000 share options were exercised at the subscription price of HK\$0.729 per share and HK\$0.808 per share respectively, and a total of 5,565,193 ordinary shares were issued, giving gross proceeds in a total of approximately HK\$4,381,000.
- (c) On 17 April 2023, 140,344,000 ordinary shares were issued by the Company pursuant to a placing agreement dated 4 April 2023 at a placing price of HK\$1.65 per share, giving gross proceeds of approximately HK\$231,568,000.
- (d) During the year ended 31 December 2023, 800,000 share options were exercised at the subscription price of HK\$0.808 per share, and 800,000 ordinary shares were issued, giving a gross proceeds of approximately HK\$646,000.

16. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

- (a) **Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis**

Some of the Group's financial assets and liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined, as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

Fair value hierarchy

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

	Level 1 <i>HK\$'000</i>	Level 2 <i>HK\$'000</i>	Level 3 <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 31 December 2023				
Financial assets at FVTPL (note a)				
– Listed equity securities	380,775	–	–	380,775
Equity instrument at FVTOCI (note b)				
– Unlisted equity securities	–	–	22,005	22,005
	<u>380,775</u>	<u>–</u>	<u>22,005</u>	<u>402,780</u>
At 31 December 2022				
Financial assets at FVTPL (note a)				
– Listed equity securities	604,588	–	–	604,588

Notes:

- (a) The fair value of listed equity securities classified as Level 1 is determined by the closing price quoted in active markets.
- (b) The fair value of unlisted equity securities classified as level 3 is determined by management's valuation assessment with reference to the valuation report provided by the independent professional valuer.

During the years ended 31 December 2023 and 2022, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>	Fair value hierarchy	Valuation technique(s)	Significant unobservable inputs	Range	Relationship of unobservable inputs to fair value
<u>Equity instrument at FVTOCI:</u>							
Unlisted equity investment	22,005	–	Level 3	Precedent transaction method	Transaction price	N/A	The higher the transaction price, the higher the fair value

(b) Reconciliation of level 3 fair value measurements

	Equity instrument at FVTOCI	
	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
At 1 January	–	–
Addition	21,891	–
Exchange gain	114	–
	<u>22,005</u>	<u>–</u>
At 31 December	<u>22,005</u>	<u>–</u>

17. NET GAINS (LOSSES) ON DISPOSALS/DEREGISTRATIONS OF SUBSIDIARIES

Disposals of subsidiaries

In January 2023, the Group disposed of its 82% equity interests in Sunshine Forever Limited, Bravo Fortune Limited and Energy Vitality Limited together with their subsidiaries (“**Disposed Subsidiaries**”) to independent third parties (“**New Investors**”) for an aggregate consideration of HK\$22,900,000. The disposals were completed in January 2023 and resulted in an aggregate gain on disposal of approximately HK\$33,654,000. The retained 18% equity interests in these Disposed Subsidiaries was classified as FVTOCI.

The aggregate net assets of the Disposed Subsidiaries at the date of disposal were as follows:

	<i>HK\$’000</i>
Intangible assets (<i>note</i>)	53,987
Other payables	(58)
	<hr/>
Net assets disposed of	53,929
Release of capital reserve	(53,987)
	<hr/>
	(58)
Fair value of retained interests in Disposed Subsidiaries	(10,696)
Consideration received	(22,900)
	<hr/>
Gain on disposals	<u>(33,654)</u>

An analysis of net inflows of cash and cash equivalents in respect of the disposal of Disposed Subsidiaries is as follows:

	<i>HK\$’000</i>
Net cash inflow arising on disposal:	
Cash consideration received	22,900
Cash and cash equivalents disposed of	–
	<hr/>
	<u>22,900</u>

Note: The intangible assets represent the rights to use over the properties located in the PRC which were owned by a wholly owned subsidiary of the Company free of charge (the “**Rights**”) for a period of three years up to 29 September 2025. The Rights were initially recognised as intangible assets at fair value with reference to the valuation reports provided by an independent valuer. The fair values were determined taking into account of the expected discounted cash flows generated by the property under the Rights over three years. The amounts were recognised and resulted in an increase in capital reserves in subsidiaries’ accounts.

In December 2023, the New Investors of the Disposed Subsidiaries failed to fulfill their obligation in paying the property related expenses, resulting in termination of the Rights by the Group. At the same time, the retained 18% equity interests of Disposed Subsidiaries were sold to the New Investors for an aggregate consideration of HK\$420, the fair value loss on financial assets at FVTOCI was approximately HK\$10,696,000.

During the year ended 31 December 2023, the Group disposed of its entire interests in Enrich Bloom Limited, Prospect Crystal Limited and Bestar Investment Holding Limited together with their subsidiaries to independent third parties during the year ended 31 December 2023 for an aggregate consideration of approximately HK\$11,000, resulting in gains on disposals of approximately HK\$61,000.

The aggregate net liabilities of the subsidiaries at the date of disposals were as follows:

	<i>HK\$'000</i>
Prepayment and deposit paid	8
Other payables	(55)
Release of exchange reserve	(3)
	<u> </u>
	(50)
Considerations received	(11)
	<u> </u>
Gain on disposals	<u><u> (61)</u></u>

An analysis of net inflows of cash and cash equivalents in respect of the disposals of subsidiaries is as follows:

	<i>HK\$'000</i>
Net cash inflow arising on disposals:	
Cash consideration received	11
Cash and cash equivalents disposed of	—
	<u> </u>
	<u><u> 11</u></u>

During the year ended 31 December 2022, the Group disposed of its entire equity interests in 5 subsidiaries to an independent third party for an aggregate consideration of HK\$50,000, resulting in a loss on disposal of HK\$190,000.

The aggregate net assets of the subsidiaries at the date of disposal were as follows:

	<i>HK\$'000</i>
Intangible asset	240
	<u> </u>
Net assets disposed of	240
Consideration received	(50)
	<u> </u>
Net loss on disposal	<u><u> 190</u></u>

An analysis of net inflows of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

	<i>HK\$'000</i>
Net cash inflow arising on disposal:	
Cash consideration received	50
Cash and cash equivalents disposed of	—
	<hr/>
	50
	<hr/> <hr/>

Deregistrations of subsidiaries

The Group had dissolved of two PRC subsidiaries during the year ended 31 December 2023, resulting in a loss on deregistrations of approximately HK\$519,000.

18. CAPITAL COMMITMENTS

	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	15,754	16,191
	<hr/> <hr/>	<hr/> <hr/>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in investment in listed and unlisted securities.

Relations between U.S. and China stabilized in the last quarter of 2023, after the leaders of the two countries met on the sidelines of the 2023 APEC Leaders' Forum in San Francisco. However, new conflicts have sprung up in other parts of the world. Hamas attacked Israel in October 2023 and Israel launched a full-scale war on Hamas in Palestinian Gaza. As the death toll involving mostly women and children in Gaza soared, the UN chief described the scale of civilian killings as "heartbreaking and utterly unacceptable". As a result, Yemen's Houthi rebels have since November 2023 attacked what they claim are Israel-linked commercial vessels in the Red Sea, disrupting maritime trade routes. The conflict in Ukraine has spilled into its second year and a peaceful resolution is still not foreseeable in the near future. Given such chaotic environment, the Directors have taken prudent strategies to manage our portfolio.

FINANCIAL REVIEW

For the year ended 31 December 2023, the Group recorded a net loss of approximately HK\$310,932,000 (2022: a net loss of approximately HK\$331,187,000). The net loss for the year decreased by approximately HK\$20,255,000 or 6.1% as compared to a net loss of the last year, and this was primarily due to the net gains on disposals/deregistrations of subsidiaries of approximately HK\$33,196,000 (2022: net losses on disposals of subsidiaries of approximately HK\$190,000).

SECURITIES INVESTMENTS

The Board exercised caution while actively managing its investment portfolio in accordance with the Company's investment objective and policy for the best interests of our shareholders.

Investment in listed securities

As at 31 December 2023, the Group held total listed securities classified under financial assets at FVTPL of approximately HK\$380,775,000 (2022: approximately HK\$604,588,000).

Investment in unlisted securities

For the year ended 31 December 2023, the Group acquired 10% equity interest in Shanghai Hongpeng Energy Technology Co., Ltd. ("**Shanghai Hongpeng**"), a company principally engaged in the business of research and development of nuclear fusion technology, and development and commercial application of fusion neutron source products in the PRC.

As at 31 December 2023, the Group's investment portfolio in unlisted securities of Shanghai Hongpeng, which was classified under equity instrument at FVTOCI, was approximately HK\$22,005,000 (2022: Nil).

INVESTMENT PORTFOLIO

We divide our strategy into three categories, namely long-term holding investments, mid-term private equity and venture capital and short-term trading of securities and other financial instruments. Our investments during the year 2023 were diverse and covered the following sectors: property development and management, construction works and environmental protection, financial, clean energy and investment in innovation and technology.

Significant Investments

As at 31 December 2023, the Group's securities investments in an entity with a value which exceeds 5% of the Group's total assets included securities investments in Hua Yin International Holdings Limited, New Concepts Holdings Limited and HuiZhou Intelligence Technology Group Co., Ltd.

The Group has established risk management procedures that enable it to identify, measure, monitor and control various types of risk it faces. The management will closely monitor the Group's investment portfolio.

Particulars of investments in listed and unlisted equity securities held by the Group as at 31 December 2023 and 2022 disclosed pursuant to Chapter 21 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") are as follows:

At 31 December 2023

Name of investee companies	Place of incorporation	Number of shares held	Proportion of investee's interests	Cost HK\$'000	Market value HK\$'000	Accumulated unrealised gain (loss) recognised HK\$'000	Dividend received/receivable during the year HK\$'000	% of gross assets of the Group	% of net assets of the Group
<i>Listed equity securities in Hong Kong</i>									
Hong Kong Exchanges and Clearing Limited	Hong Kong	30,000	Less than 0.01%	7,983	8,040	57	-	0.75%	0.81%
Tencent Holdings Limited	Cayman Islands	40,000	Less than 0.01%	11,692	11,744	52	-	1.10%	1.19%
Hua Yin International Holdings Limited	Bermuda	1,042,000,000	14.46%	79,192	171,930	92,738	-	16.10%	17.38%
New Concepts Holdings Limited	Cayman Islands	156,740,000	9.76%	42,998	94,044	51,046	-	8.81%	9.51%
Jiading International Group Holdings Limited	Bermuda	78,125,000	4.26%	8,938	3,203	(5,735)	-	0.30%	0.32%
				<u>150,803</u>	<u>288,961</u>	<u>138,158</u>			

Listed equity securities in the People's Republic of China ("PRC")

Caihong Display Devices Co., Ltd.	PRC	100,000	Less than 0.01%	903	743	(160)	-	0.07%	0.08%
HuiZhou Intelligence Technology Group Co., Ltd. (formerly known as Tianma Bearing Group Co., Ltd.)	PRC	19,850,000	0.99%	49,117	91,071	41,954	-	8.53%	9.21%
				<u>50,020</u>	<u>91,814</u>	<u>41,794</u>			
				<u>200,823</u>	<u>380,775</u>	<u>179,952</u>			

Name of investee company	Place of incorporation	Proportion of investee's capital owned			Accumulated unrealised gain (loss) HK\$'000	Net assets attributable to the Group HK\$'000	Dividend received/receivable during the year HK\$'000	% of gross assets of the Group
			Cost HK\$'000	Fair value HK\$'000				
<i>Unlisted investment in the PRC</i>								
Shanghai Hongpeng Energy Technology Co., Ltd.	PRC	10%	21,891	22,005	114	5,013	-	2.06%

At 31 December 2022

Name of investee companies	Place of incorporation	Number of shares held	Proportion of investee's capital owned			Accumulated unrealised gain (loss) recognised HK\$'000	Dividend received/receivable during the year HK\$'000	% of gross assets of the Group	% of net assets of the Group
				Cost HK\$'000	Market value HK\$'000				
<i>Listed equity securities in Hong Kong</i>									
Hong Kong Exchanges and Clearing Limited	Hong Kong	8,800	Less than 0.01%	2,993	2,967	(26)	-	0.24%	0.27%
Tencent Holdings Limited	Cayman Islands	8,800	Less than 0.01%	2,956	2,939	(17)	-	0.24%	0.27%
Hua Yin International Holdings Limited	Bermuda	1,042,000,000	14.46%	79,192	422,010	342,818	-	34.66%	38.48%
New Concepts Holdings Limited	Cayman Islands	156,740,000	11.46%	42,998	72,100	29,102	-	5.92%	6.57%
Jiading International Group Holdings Limited	Bermuda	18,750,000	1.84%	3,000	3,169	169	-	0.26%	0.29%
Alibaba Group Holding Limited	Cayman Islands	25,000	Less than 0.01%	2,135	2,156	21	-	0.18%	0.20%
				133,274	505,341	372,067			

Listed equity securities in the PRC

Caihong Display Devices Co., Ltd.	PRC	100,000	Less than 0.01%	928	468	(460)	-	0.04%	0.04%
Huizhou Intelligence Technology Group Co., Ltd. (formerly known as Tianma Bearing Group Co., Ltd.)	PRC	28,000,000	1.41%	71,188	98,779	27,591	-	8.11%	9.01%
				72,116	99,247	27,131			
				205,390	604,588	399,198			

Going forward

Given the fluctuation in the worldwide financial markets, the Board will continue to identify any investment opportunities and manage the investment portfolio in accordance with the Company's investment objective and policy with a view of gaining good investment return for our shareholders. The Board will monitor market development closely with a view of identifying attractive and long-term investment opportunities.

DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2023 (2022: Nil).

LIQUIDITY AND FINANCIAL RESOURCES

The Group had bank balances and cash of approximately HK\$173,342,000 as at 31 December 2023 (2022: approximately HK\$101,029,000), representing approximately 16.2% (2022: approximately 8.3%) of the Group's total assets. As at 31 December 2023, the Group had long-term borrowings of unsecured interest-bearing bonds of approximately HK\$10,102,000 (2022: approximately HK\$38,532,000).

Apart from the long-term debts, the Group had short-term borrowings of unsecured interest-bearing bonds of approximately HK\$34,792,000 (2022: approximately HK\$55,440,000 including unsecured interest-bearing loan notes and unsecured interest-bearing bonds).

The Group's gearing ratio, being the total borrowings divided by equity attributable to owners of the Company, was approximately 4.5% as at 31 December 2023 (2022: approximately 8.6%).

CAPITAL COMMITMENTS

As at 31 December 2023, the Group had capital commitments in respect of property, plant and equipment which is contracted for but not provided for of approximately HK\$15,754,000 (2022: approximately HK\$16,191,000).

PLEDGE OF ASSETS AND CONTINGENT LIABILITIES

As at 31 December 2023, there were no charges on the Group's assets and the Group did not have any material contingent liabilities (2022: Nil).

FOREIGN EXCHANGE EXPOSURE

Most of the business transactions of the Group are denominated in Hong Kong dollars (“**HK\$**”) and Renminbi (“**RMB**”). The management of the Group will closely monitor fluctuations in these currencies and take appropriate actions when needed. As at 31 December 2023, the Group did not engage in currency hedging nor did it adopt any formal hedging activities. For the year ended 31 December 2023, the Group had major financial assets of approximately HK\$139,986,000 (2022: approximately HK\$131,995,000) which was denominated in RMB. The Group currently does not have any foreign currency hedging policy. However, the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

Except for disclosed in note 17 to this announcement, there was no other material acquisition or disposal of subsidiaries by the Group during the year.

CAPITAL STRUCTURE

The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”). During the year, the movements in the Company’s share capital are as follow:

During the year ended 31 December 2023, 800,000 share options were exercised at the subscription price of HK\$0.808 per share, and a total of 800,000 ordinary shares were issued, giving gross proceeds approximately of HK\$646,000.

Following a placing which completed on 14 October 2022, the Company obtained gross proceeds of HK\$93,828,000. Up to 31 December 2022, the Group used HK\$40.1 million (or 42.7% of the gross proceeds) to invest in listed securities and HK\$39.2 million (or 41.8% of the gross proceeds) for the general working capital purposes. During the year ended 31 December 2023, the Group fully utilised the balance of the gross proceeds in the amount of HK\$14.5 million for general working capital purposes.

On 17 April 2023, 140,344,000 ordinary shares were issued by the Company pursuant to a placing agreement dated 4 April 2023 at a placing price of HK\$1.65 per share, giving gross proceeds of approximately HK\$231,568,000. Up to 31 December 2023, the Group used (a) HK\$45.5 million (or 19.6% of the gross proceeds) to invest in listed securities (namely, listed equity securities in Hong Kong Exchanges and Clearing Limited (HK\$8.0 million); Tencent Holdings Limited (HK\$22.6 million); Jiading International Group Holdings Limited (HK\$5.9 million) and Alibaba Group Holding Limited (HK\$9 million) and (b) HK\$102.7 million (or 44.3% of the gross proceeds) for general working capital purposes. As at 31 December 2023, the remaining gross proceeds of HK\$83.4 million (or 36.1% of the gross proceeds) had not been utilized, and subject to factors including but not limited to the operational needs of the Group and the investment climate from time to time, was expected to be utilized over the next 12 months for investments in listed and unlisted securities and the balance for general working capital purposes.

PROSPECTS

In 2023, China’s GDP growth amounted to 5.2 percent, higher than IMF’s forecast of around 4.6 percent. The IMF forecast global growth of 3.1% in 2024, up two-tenths of a percentage point from its October forecast. Global headline inflation is expected to fall to 5.8 percent in 2024 and to 4.4 percent in 2025. The U.S. Federal Reserve is expected to hold the rates at 5.25%-5.5% until the second half of 2024. Houthi rebels’ attacks in the Red Sea have resulted in many major shipping firms redirecting their container-ships around all of Africa, while the U.S. has grappled with the advent of low-cost drone warfare costing the country millions in missiles as they have looked to protect ships in Red Sea. Both the Israel-Hamas war and rebel attacks in the Red Sea remain two of the largest global uncertainties affecting supply chains in 2024. Under such highly risky environment, the Directors will take prudent strategies to manage our investment portfolio.

COMPLIANCE WITH THE APPLICABLE LAWS AND REGULATIONS

During the year ended 31 December 2023, the Group has in all material respects complied with the applicable requirements under the Companies Law (Revised) under the laws of the Cayman Islands, the Listing Rules, the Companies Ordinance and the Securities and Futures Ordinance under the laws of Hong Kong.

EMPLOYEES

As at 31 December 2023, the Company had 28 (2022: 35) employees including executive Directors. The Group's remuneration policies are in line with the prevailing market practice and are determined on the basis of the performance and experience of individual employees. During the year, the Group has generally maintained good relationship with its employees.

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

During the year ended 31 December 2023, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors by Listed Issuers (the "**Model Code**") set out in Appendix 10 to the Listing Rules. Upon enquiry by the Company of those who served as Director during the year ended 31 December 2023, all Directors have confirmed that they have complied with the required standards set out in the Model Code throughout the year ended 31 December 2023.

CORPORATE GOVERNANCE CODE

During the year ended 31 December 2023, the Company complied with all the applicable provisions of the Corporate Governance Code (the "**Code Provision**") as set out in Appendix 14 to the Listing Rules, except for the deviation set out as below.

Code Provision A.2.1

Code Provision A.2.1 stipulates that the roles of the chairman and the chief executive should be segregated and assumed by two separate individuals who have no relationship with each other to strike a balance of power and authority, so that the job responsibilities are not concentrated on any one individual. While the post of chief executive was taken up throughout the year by an individual, the post of chairman has become vacate since February 2023. The Board is in the process of identifying a suitable candidate to fill in the vacancy for the post of chairman in order to be compliant with the requirement of the Code Provision A.2.1. Further announcement will be made by the Company with regard to any appointment of the post of chairman of the Company as and when appropriate.

Code Provision E.1.2

Code Provision E.1.2 stipulates that the chairman of the Board should attend the annual general meeting ("**AGM**"). No chairman of the Board was available to attend the AGM of the Company held on 27 June 2023 as the Board was in the process of identifying suitable candidate to fill in the vacancy for the post of chairman. The said AGM was chaired by an executive Director.

AUDIT COMMITTEE

The Audit Committee currently comprises independent non-executive Directors only, namely, Ms. Jing Siyuan (chairman), Mr. Zhang Aimin and Mr. Zhang Qiang. The composition and members of the Audit Committee comply with the requirement under Rule 3.21 of the Listing Rules.

The Audit Committee is mainly responsible for overseeing the Company's financial reporting system and internal control procedures; making recommendations to the Board on the appointment, re-appointment and removal of the external auditors, and to approve the remuneration and terms of engagement of the external auditors, and any questions of the resignation or dismissal of such auditors; and reviewing the interim and annual reports and accounts of the Company.

The Audit Committee meets regularly to review the financial reporting process and internal controls of the Group. The Audit Committee has reviewed the accounting policies and practices adopted by the Group and discussed internal controls and financial reporting matters with the management of the Company including a review on the consolidated financial statements of the Group for the year ended 31 December 2023.

The Group's 2023 audited financial statements have been duly reviewed by the Audit Committee with the auditor and in relation to which the members of the Audit Committee unanimously recommended for approval by the Board. The Audit Committee has concluded that it is satisfied with the professional performance of Confucius International CPA Limited ("CICPA") as the auditor of the Company and therefore recommends to the Board that CICPA be reappointed as the auditor of the Company, which will be put forward for Shareholders' approval at the forthcoming annual general meeting.

With the consent of the Audit Committee, the Board hereby confirms that, in the preparation of the 2023 consolidated financial statements of the Group, the Directors, both collectively and individually, applied such degree of skill, care and diligence as may reasonably be expected of them under the Rule 3.08 of the Listing Rules.

REMUNERATION COMMITTEE

The Remuneration Committee currently comprises one executive Director, Mr. Zhang Xi and two independent non-executive Directors, namely, Mr. Zhang Aimin (chairman) and Ms. Jing Siyuan.

The Remuneration Committee is mainly responsible for making recommendations to the Board on the Company's policy and structure for remuneration of all the Directors and senior management of the Company and making recommendations to the Board on the remuneration packages of individual executive Director and senior management.

NOMINATION COMMITTEE

The Nomination Committee currently comprises one executive Director, Mr. Luk Hong Man, Hammond and two independent non-executive Directors, namely, Ms. Jing Siyuan (chairman) and Mr. Zhang Aimin.

The Nomination Committee is mainly responsible for reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy; identifying individuals suitably qualified to become Board members and selecting or making recommendations to the Board on the selection of individuals nominated for directorships; assessing the independence of the independent non-executive Directors; and making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors.

The Nomination Committee formulated the Board diversity policy and the Company has adopted the Board diversity policy in August 2013. The Company recognises and embraces the benefits of diversity in Board members. Selection of Board members will be based on a range of diversified perspectives, including but not limited to gender, age, ethnicity, cultural and educational background, or professional experience. All Board appointments will be based on merit and the needs of the Company's business while taking into account diversity. The Nomination Committee also monitors the implementation of this policy and reports to the Board on the achievement of the measurable objectives for achieving diversity under this policy.

PUBLICATION OF FINAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This final results announcement is published on the Stock Exchange's website at www.hkexnews.hk and the website of the Company at www.dyf.com.hk. The Company's annual report for the year ended 31 December 2023 will in due course be published on the same websites and despatched to the Company's shareholders.

SCOPE OF WORK OF THE INDEPENDENT AUDITOR

The figures in respect of the Group's consolidated statement of financial position, the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2023 as set out in this announcement have been agreed by the Group's auditors, CICPA to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by CICPA in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by CICPA on this annual results announcement.

By Order of the Board
Ding Yi Feng Holdings Group International Limited
Luk Hong Man, Hammond
Executive Director

Hong Kong, 22 March 2024

As at the date of this announcement, the executive Directors are Mr. Luk Hong Man, Hammond and Mr. Zhang Xi; the non-executive directors are Mr. Wang Mengtao and Mr. Liang Wenzhi; and the independent non-executive Directors are Ms. Jing Siyuan, Mr. Zhang Aimin and Mr. Zhang Qiang.