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**JIMU GROUP LIMITED**  
**積木集團有限公司**

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

**(Stock Code: 8187)**

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

The board (the “**Board**”) of directors (the “**Directors**”) of Jimu Group Limited (the “**Company**”) is pleased to announce the unaudited consolidated financial results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2024. This announcement, containing the full text of the 2024 interim report of the Group, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcement of interim results.

By order of the Board  
**Jimu Group Limited**  
**Tsang Hing Bun**  
*Executive Director*

Hong Kong, 21 August 2024

*As at the date of this announcement, the executive Director of the Company is Dr. Tsang Hing Bun; the non-executive Director of the Company is Mr. Shum Tsz Yeung; and the independent non-executive Directors of the Company are Mr. Hung Wai Che, Mr. Choi Ho Yan and Mr. Yiu Yu Hong John.*

*This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Announcements” page of the Stock Exchange’s website at <http://www.hkexnews.hk> for at least 7 days from the date of its posting and on the Company’s website at <http://www.jimugroup8187.com>.*

## CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This report, for which the directors (the “**Directors**”) of Jimu Group Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*



## RESULTS

The board (the “**Board**”) of directors (“**Directors**”) of Jimu Group Limited (the “**Company**”) presents the unaudited condensed consolidated financial statements of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 June 2024, together with the comparative unaudited figures of the corresponding period in 2023.

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

For the six months ended 30 June 2024

	NOTES	(Unaudited) Six months ended 30 June	
		2024 HK\$'000	2023 HK\$'000
Revenue	4	5,361	13,501
Cost of inventories sold		(3,059)	(9,920)
Other income		1	6
Other gains and losses		(84)	2
Employee benefits expenses		(2,462)	(2,771)
Other operating expenses		(2,985)	(3,218)
Finance costs		(182)	(773)
<b>Loss before taxation</b>		<b>(3,410)</b>	<b>(3,173)</b>
Income tax expenses	6	–	–
<b>Loss for the period from continuing operation</b>	7	<b>(3,410)</b>	<b>(3,173)</b>
<b>Profit for the period from discontinued operation</b>	8	<b>–</b>	<b>7,427</b>
<b>(Loss)/profit for the period</b>		<b>(3,410)</b>	<b>4,254</b>
<b>Other comprehensive expenses:</b>			
<i>Item that will not be reclassified to profit or loss:</i>			
Release of translation reserve upon disposal of subsidiaries		–	(176)
<b>Total comprehensive (expenses)/income for the period</b>		<b>(3,410)</b>	<b>4,078</b>
<b>Loss per share from continuing operation</b>			
Basic and diluted (HK cents)	10	<b>(3.15)</b>	(8.79)
<b>(Loss)/earnings per share from continuing and discontinued operation</b>			
Basic and diluted (HK cents)	10	<b>(3.15)</b>	11.78

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2024

	NOTES	(Unaudited) 30 June 2024 HK\$'000	(Audited) 31 December 2023 HK\$'000
<b>Non-current assets</b>			
Plant and equipment	11	942	85
Right-of-use assets	11	2,610	1,795
Rental deposits	14	681	114
		<b>4,233</b>	1,994
<b>Current assets</b>			
Inventories	12	14,425	12,973
Trade receivables	13	2,240	12,919
Other receivables, prepayment and deposits	14	983	1,363
Bank balances and cash		1,092	1,482
		<b>18,740</b>	28,737
<b>Current liabilities</b>			
Trade payables	15	2,875	3,995
Other payables and accruals	16	2,765	3,143
Interest-bearing borrowings	17	1,707	4,646
Lease liabilities		898	1,647
Contract liabilities		–	19
		<b>8,245</b>	13,450
<b>Net current assets</b>		<b>10,495</b>	15,287
<b>Total assets less current liabilities</b>		<b>14,728</b>	17,281
<b>Non-current liabilities</b>			
Interest-bearing borrowings	17	–	711
Lease liabilities		1,825	257
		<b>1,825</b>	968
<b>Net assets</b>		<b>12,903</b>	16,313
<b>Capital and reserves</b>			
Share capital	18	21,669	21,669
Reserves and accumulated losses		(8,766)	(5,356)
<b>Total equity</b>		<b>12,903</b>	16,313

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Share capital HK\$'000	Share premium HK\$'000	Translation reserve HK\$'000	Share option reserve HK\$'000	Capital reserve HK\$'000	Statutory reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 January 2024 (Audited)	21,669	65,313	(36)	204	4,950	-	(75,787)	16,313
Loss for the period and total comprehensive expenses for the period	-	-	-	-	-	-	(3,410)	(3,410)
At 30 June 2024 (Unaudited)	21,669	65,313	(36)	204	4,950	-	(79,197)	12,903
At 1 January 2023 (Audited)	7,223	66,209	178	-	4,950	1,630	(78,955)	1,235
Profit for the period and total comprehensive income for the period	-	-	-	-	-	-	4,078	4,078
Share-based payments (Note b)	-	-	-	204	-	-	-	204
Release of translation reserve upon disposal of subsidiaries	-	-	(176)	-	-	-	-	(176)
At 30 June 2023 (Unaudited)	7,223	66,209	2	204	4,950	1,630	(74,877)	5,341

## Notes:

- a. On 17 March 2023, the shareholders at the extraordinary general meeting approved share consolidation ("Share Consolidation") on the basis that every twenty (20) issued and unissued existing shares of HK\$0.01 each will be consolidated into one (1) consolidated share of HK\$0.20 each.

The consolidation was implemented on 21 March 2023. 722,304,000 Existing Shares of par value HK\$0.01 each successfully converted into 36,115,200 consolidated shares par value of HK\$0.20 each which are fully paid or credited as fully paid. The board lot size for trading in the consolidated shares remained unchanged at 5,000 consolidated shares per board lot.

- b. On 6 January 2023, 14,400,000 share options were granted to certain eligible participants to subscribe for shares of the Company under the Share Option Scheme. Please refer to the Company's announcement dated 6 January 2023 for further details. The fair value of the options granted is estimated at the date of grant on 6 January 2023 using Binomial Option Pricing Model taking into account the terms and conditions upon which the options were granted and the total fair value of the share options granted was HK\$204,000. Subsequent to the Company's share consolidation implemented on 21 March 2023 and the share options adjustments in accordance with the GEM Listing Rules and the Supplementary Guidance on Main Board Listing Rules 17.03(13)/GEM Listing Rule 23.03(13) and the Note Immediately After the Rule attached to the Frequently asked Question No. 072-2020 issued by the Stock Exchange, as at the date of this report, there are adjusted 807,886 outstanding share options granted under the Share Option Scheme entitling the holders thereof to subscribe for 807,886 shares of the Company at the adjusted exercise price of HK\$0.37 per share. For details, please refer to the Company's announcements dated 30 August 2023 and 21 March 2024.

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

	(Unaudited) Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Net cash generated from/(used in) operating activities	5,345	(2,397)
<b>Investing activities</b>		
Interest received	1	1
Purchase of property, plant and equipment	(965)	(135)
Net cash outflow on disposal of subsidiaries	–	(307)
Net cash used in investing activities	(964)	(441)
<b>Financing activities</b>		
Repayment to a former director	–	(3)
Repayment of lease liabilities	(932)	(772)
Repayment of interest-bearing borrowings	(5,357)	–
New interest-bearing borrowings raised	1,700	5,007
Interest paid	(182)	(773)
Net cash (used in)/generated from financing activities	(4,771)	3,459
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(390)</b>	621
<b>Cash and cash equivalents at beginning of the period</b>	<b>1,482</b>	2,011
Effect of foreign exchange rate changes	–	(8)
<b>Cash and cash equivalents at end of the period, represented by bank balances and cash</b>	<b>1,092</b>	2,624





# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 1. GENERAL INFORMATION

Jimu Group Limited (the “**Company**”) is a public listed company incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited. The registered office of the Company is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company was at Suite 2105, 21/F, Central Plaza, 18 Harbour Road, Hong Kong and changed to Suite 3902, 39/F, Central Plaza, 18 Harbour Road, Hong Kong on 10 May 2024.

The Company is an investment holding company. The Group is principally engaged in the trading of footwear, apparel and sports-related peripheral products businesses. An operating segment regarding the loan facilitation and credit assessment services was discontinued during the six months ended 30 June 2023.

The condensed consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company.

## 2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 June 2024 have been prepared in accordance with Hong Kong Accounting Standard 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants and Chapter 18 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited.

The unaudited condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2023.

The unaudited condensed consolidated financial statements have not been audited by the Company’s auditors, but have been reviewed by the audit committee of the Company.



### 3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim unaudited condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following revised Hong Kong Financial Reporting Standards ("HKFRSs") for the first time for the current period's financial information.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current (the "2020 Amendments")</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants (the "2022 Amendments")</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The adoption of the new/amendments to HKFRSs that are relevant to the Group and effective from the current period had no significant effects on the results and financial position of the Group for the current and prior periods.

The Group has not early adopted the new/amendments to HKFRSs that have been issued but are not yet effective. The Directors do not anticipate that the adoption of the new/amendments to HKFRSs in future periods will have any material impact on the Group's condensed consolidated financial statements.

### 4. REVENUE

An analysis of the Group's revenue from sales of goods from contracts with customers for the period from continuing operations is as follows:

	(Unaudited)	
	Six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
Trading of footwear, apparel and sport-related peripheral products	5,361	13,501
<b>Timing of revenue recognition</b>		
At a point in time	5,361	13,501



## 5. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the Chief Operating Decision Maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group’s operating and reportable segment under HKFRS 8 Operating Segments are as follows:

An operating segment regarding the loan facilitation and credit assessment services was discontinued during the six months ended 30 June 2023. The segment information reported and comparatives do not include any amounts for these discontinued operations, which are described in more details in Note 8.

Since there is the only reportable and operating segment of the Group, no further analysis thereof is presented. All the revenue of the Group are generated from operation and management of footwear, apparel and sport-related peripheral products businesses for the six months ended 30 June 2024 and 2023.

### Geographical information

The Group’s operations are located in Hong Kong and Canada.

The following table sets out information about the geographical location of the Group’s revenue from external customers. The geographical location of revenue is based on the location of external customers.

	<b>(Unaudited)</b> <b>Six months ended 30 June</b>	
	<b>2024</b> <b>HK\$’000</b>	<b>2023</b> <b>HK\$’000</b>
<b>Continuing operation</b>		
Hong Kong	<b>5,060</b>	7,059
Canada	<b>301</b>	6,442
	<b>5,361</b>	13,501

## 5. SEGMENT INFORMATION – continued

Information about the Group's non-current assets is presented based on geographical location of the assets.

### Non-current assets

	(Unaudited) 30 June 2024 HK\$'000	(Audited) 31 December 2023 HK\$'000
Hong Kong	3,552	1,880
Canada	–	–
	<b>3,552</b>	<b>1,880</b>

Non-current assets excluded rental deposits.

## 6. INCOME TAX EXPENSES

	(Unaudited) Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
<b>Continuing operation</b>		
Hong Kong – current tax	–	–

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the 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%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

No provision for Hong Kong Profits Tax has been made in the unaudited condensed consolidated financial statements as the Group had no assessable profit for the six months periods ended 30 June 2024 and 2023.

## 7. LOSS FOR THE PERIOD FROM CONTINUING OPERATION

	(Unaudited)	
	Six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
<b>Continuing operation</b>		
Loss for the period has been arrived at after charging:		
Cost of inventories sold	3,059	9,920
Directors' remuneration	420	420
Other staff costs (excluding directors' remuneration)		
– Salaries, allowances and benefits in kind	1,960	2,268
– Retirement benefit scheme contributions	82	83
Total staff costs	2,462	2,771
Depreciation of plant and equipment	109	13
Depreciation of right-of-use assets	936	799
Total depreciation	1,045	812
Expenses relating to short-term leases	115	461

## 8. PROFIT FOR THE PERIOD FROM DISCONTINUED OPERATION

On 20 April 2023, the Company entered into a sale and purchase agreement with an independent third party in relation to the disposal of entire interest of the loan facilitation and credit assessment services business at a total consideration of HK\$1.

In view of the unsatisfactory financial performance of the loan facilitation and credit assessment services business, the Directors had considered that the disposal is expected to allow the Group focusing on the continuing business segments to the Group.

During the six months ended 30 June 2023, the Group discontinued the loan facilitation and credit assessment services business in the PRC. The results of the discontinued operation for the period ended 30 June 2023 are presented below. The figures in the unaudited consolidated statement of profit or loss and other comprehensive income have been restated to re-present the loan facilitation and credit assessment services business as a discontinued operation.

## 8. PROFIT FOR THE PERIOD FROM DISCONTINUED OPERATION – continued

The profit for the period from discontinued operation is analysed as follows:

	NOTE	(Unaudited) Six months ended 30 June 2023 HK\$'000
Profit arising from the loan facilitation and credit assessment services for the period		161
Gain on disposal of subsidiaries	20	7,266
		7,427

The results of the loan facilitation and credit assessment services for the period from 1 January 2023 to 20 April 2023 (date of the completion of the disposal) which have been included in the unaudited condensed consolidated statement of profit or loss, were as follows:

	(Unaudited) Six months ended 30 June 2023 HK\$'000
<b>Revenue</b>	<b>2</b>
Other income and gains, net	325
Employee benefit expenses	–
Other operating expenses	(164)
Finance costs	(2)
<b>Profit before tax</b>	<b>161</b>
Income tax credit	–
<b>Profit for the period from discontinued operation</b>	<b>161</b>

## 9. DIVIDENDS

No dividends were paid, declared or proposed during the current and prior interim periods. The directors of the Company do not recommend the payment of any interim dividend for the six months ended 30 June 2024 (2023: HK\$Nil).

## 10. (LOSS)/EARNINGS PER SHARE

The calculation of the basic (loss)/earnings per share is based on the following data:

	(Unaudited)	
	Six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
<b>(Loss)/earnings:</b>		
(Loss)/earnings for the purpose of basic (loss)/earnings per share		
– From continuing operation	(3,410)	(3,173)
– From discontinued operation	–	7,427
	<b>(3,410)</b>	4,254

	(Unaudited)	
	Six months ended 30 June	
	2024	2023
	'000	'000
<b>Number of shares:</b>		
Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earnings per share	<b>108,345</b>	36,115

For the six months ended 30 June 2023, the weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share has been adjusted for the share consolidation implemented on 21 March 2023 (details are disclosed in Note 18(a)).

Basic and diluted loss per share for the six months ended 30 June 2024 were the same because exercise of share options would decrease the loss per share for the six months ended 30 June 2024 and, therefore, be anti-dilutive.

The computation of diluted earnings per share for the six months ended 30 June 2023 did not assume the exercise of the Company's outstanding share options since the exercise price of the share options exceeds the average market price.

## 11. MOVEMENT OF PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2024, the Group acquired items of plant and equipment with a total cost of approximately HK\$965,000 (31 December 2023: HK\$118,000) and the depreciation expenses was approximately HK\$109,000 (30 June 2023: HK\$13,000).

During the six months ended 30 June 2024, the Group added the right-of-use assets with a total cost of approximately HK\$1,751,000 (31 December 2023: HK\$1,007,000) and the depreciation expenses was approximately HK\$936,000 (30 June 2023: HK\$799,000).

## 12. INVENTORIES

	(Unaudited) 30 June 2024 HK\$'000	(Audited) 31 December 2023 HK\$'000
Merchandise of footwear, apparel and sports-related peripheral products for resale	14,425	12,973



## 13. TRADE RECEIVABLES

	(Unaudited) 30 June 2024 HK\$'000	(Audited) 31 December 2023 HK\$'000
Trade receivables from contracts with customers	2,543	13,232
Less: allowance for credit losses	(303)	(313)
	2,240	12,919

The Group allows credit period ranging from 30 to 60 days (2023: 30 to 60 days) to its trade debtors in relation to trading of footwear, apparel and sports-related peripheral products.

The following is an ageing analysis of trade receivables, net of allowance for credit losses, presented based on the invoice date:

	(Unaudited) 30 June 2024 HK\$'000	(Audited) 31 December 2023 HK\$'000
0 to 30 days	–	5,480
31 to 60 days	–	–
61 to 90 days	355	–
Over 90 days	1,885	7,439
	2,240	12,919



#### 14. OTHER RECEIVABLES, PREPAYMENT AND DEPOSITS

	(Unaudited) 30 June 2024 HK\$'000	(Audited) 31 December 2023 HK\$'000
Other receivables, net of allowances	799	392
Prepayment	155	448
Rental deposits	681	524
Other deposits	29	113
	<b>1,664</b>	1,477
Less: Rental deposits shown under non-current assets	<b>(681)</b>	(114)
	<b>983</b>	1,363

#### 15. TRADE PAYABLES

The credit period on purchase of goods varies from 0 to 60 days (2023: 0 to 60 days). The following is an ageing analysis of the trade payables presented based on the invoice date:

	(Unaudited) 30 June 2024 HK\$'000	(Audited) 31 December 2023 HK\$'000
0 to 30 days	214	512
31 to 60 days	45	350
61 to 90 days	3	356
Over 90 days	2,613	2,777
	<b>2,875</b>	3,995

## 16. OTHER PAYABLES AND ACCRUALS

	(Unaudited) 30 June 2024 HK\$'000	(Audited) 31 December 2023 HK\$'000
Accrued staff salaries	512	681
Accrued expenses	888	918
Other tax payables	1,200	1,283
Other payables	165	261
	<b>2,765</b>	3,143

## 17. INTEREST-BEARING BORROWINGS

During the year ended 31 December 2022, a loan total amount of HK\$3,000,000 were obtained from an independent third party in 2022 and remained outstanding as at 31 December 2023 ("**2022 Other Loan A**"). 2022 Other Loan A is unsecured, bearing interest at 8% per annum and repayable after two years from the date of drawdown. Loan amount of HK\$3,000,000 was fully repaid during the period ended 30 June 2024.

During the six months ended 30 June 2023, 4 loans total amount of approximately HK\$3,007,000 were obtained from an independent third party ("**2023 Other Loans B1**") and a loan total amount of HK\$2,000,000 was obtained from a related company ("**2023 Other Loan B2**"), respectively, aggregated a total loan of approximately HK\$5,007,000. 2023 Other Loans B1 and Other Loan B2 are unsecured, bearing interest at 8% per annum and repayable after half year to two years from the date of drawdown. The executive director, Dr. Tsang Hing Bun was also the executive director of the ultimate holding company of the related company. Dr. Tsang resigned as an executive director of the ultimate holding company on 25 September 2023.

2023 Other Loans B1 total amount of approximately HK\$1,961,000 remained outstanding as at 31 December 2023 and such loan amount of HK\$1,961,000 was fully repaid during the period ended 30 June 2024.

During the period ended 30 June 2024, a new loan amount of HK\$1,700,000 was obtained from an independent third party ("**2024 Other Loan C**"). 2024 Other Loan C is unsecured, bearing interest at 10% per annum and repayable after one year from the date of drawdown or on demand.



## 18. SHARE CAPITAL

	Number of shares				Share capital	
	30 June 2024		31 December 2023		(Unaudited)	(Audited)
	Nominal		Nominal		30 June	31 December
	Values	(Unaudited)	Values	(Audited)	2024	2023
	HK\$		HK\$	HK\$'000	HK\$'000	
Authorised ordinary shares						
At the beginning of the period/year	0.2	500,000,000	0.01	1,000,000,000	100,000	10,000
Share consolidation (Note a)		–		(950,000,000)	–	–
Increase share capital (Note b)		–		450,000,000	–	90,000
At the end of the period/year	0.2	500,000,000	0.2	500,000,000	100,000	100,000
Issued and fully paid shares						
At the beginning of the period/year	0.2	108,345,600	0.01	722,304,000	21,669	7,223
Share consolidation (Note a)		–		(686,188,800)	–	–
Issue of New Shares under rights issue (Note c)		–		72,230,400	–	14,446
At the end of the period/year	0.2	108,345,600	0.2	108,345,600	21,669	21,669

Notes:

- a. On 17 March 2023, the shareholders at the EGM approved share consolidation (“**Share Consolidation**”) on the basis that every twenty (20) issued and unissued existing shares of HK\$0.01 each will be consolidated into one (1) consolidated share of HK\$0.20 each.

The consolidation was implemented on 21 March 2023. 722,304,000 Existing Shares of par value HK\$0.01 each successfully converted into 36,115,200 consolidated shares of par value HK\$0.20 each which are fully paid or credited as fully paid. The board lot size for trading in the consolidated shares remain unchanged at 5,000 consolidated shares per board lot.

- b. On 27 July 2023, the authorised share capital of the Company increased from HK\$10,000,000 divided into 50,000,000 Shares of HK\$0.2 each to HK\$100,000,000 divided into 500,000,000 Shares by the creation of an additional 450,000,000 Shares, and that each such new Share, upon issue and fully paid, shall rank *pari passu* in all respects with the existing issued Shares and have the rights and privileges and be subject to the provisions contained in the memorandum and articles of association of the Company.

## 18. SHARE CAPITAL – continued

- c. On 31 August 2023, 72,230,400 shares (the “**Rights Shares**”) of HK\$0.2 each were issued by way of rights issue on the basis of two Rights Shares for every one existing share held by the qualifying shareholders at a subscription price of HK\$0.2 per share. The Rights Shares rank *pari passu* with the existing shares in all respects.

Among the 72,230,400 Rights Shares issued, as disclosed in the Company’s announcement dated 30 August 2023, 3 applications subscribed in aggregate 72,230,400 Rights Shares at the subscription price of HK\$0.2 per Rights Share, and the gross proceeds of the rights issue was approximately of HK\$14,446,000.

## 19. SHARE OPTION SCHEMES

The Company adopted a share option scheme (the “**2016 Scheme**”). The share option scheme enables the Company to grant options (the “**Options**”) to eligible persons, which mean among others, any full-time or part-time employee of the Company or any member of the Group, including any executive, non-executive directors and independent non-executive directors, advisors, consultants of our Company or any of the subsidiaries (“**Eligible Person**”) as incentives or rewards for their contributions to our Group. The share option scheme will be valid and effective for a period of ten years commencing on 11 May 2016, after which period no further Options may be granted but the provisions of the share option scheme shall remain in full force and effect in all other respects and Options granted during the life of the share option scheme may continue to be exercisable in accordance with their terms of issue.

The following share options were outstanding under the 2016 Scheme during the period/year:

	30 June 2024		31 December 2023	
	Weighted average exercise price HK\$ per share	Number of options	Weighted average exercise price HK\$ per share	Number of options
At the beginning of the period/year	0.37	807,886	–	–
Granted during the period/year (Note a, b)				
Director (Dr. Tsang Hing Bun)	–	–	0.37	403,943
General manager of a subsidiary of the Group (Guarantee A)	–	–	0.37	403,943
At the end of the period/year	0.37	807,886	0.37	807,886
Exercisable at the end of the period/year	N/A	–	N/A	–

## 19. SHARE OPTION SCHEMES – continued

Notes:

- a. On 6 January 2023, 14,400,000 share options were granted to certain eligible participants to subscribe for shares of HK\$0.021 per share of the Company under the Share Option Scheme. Please refer to the Company's announcement dated 6 January 2023 for further details. The fair value of the options granted is estimated at the date of grant on 6 January 2023 using Binomial Option Pricing Model taking into account the terms and conditions upon which the options were granted. The fair values of options granted were estimated on the date of grant using the following assumptions:

	<b>Share Option granted</b>
Date of grant	6 January 2023
Fair value at measurement date	HK\$0.014
Share price at the date of grant	HK\$0.021
Exercise price at the date of grant	HK\$0.021
Expected volatility	133.5%
Option life	10 years
Expected dividends	0.00%
Risk-free interest rate	3.7%

The expected volatility is based on the historical volatility, adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends.

The total fair value of the share options granted was HK\$204,000 at the date of grant on 6 January 2023.

Subsequent to the Company's share consolidation implemented on 21 March 2023 and there are 720,000 outstanding share options granted under the Share Option Scheme entitling the holders thereof to subscribe for 720,000 shares of the Company at the exercise price of HK\$0.42 per share and the validating period is from 6 January 2023 to 5 January 2033.

- b. Prior to the completion of the Rights Issue, the Company had 720,000 outstanding Share Options (the "**Outstanding Options**") granted by the Company exercisable into 720,000 Shares, at the exercise price of HK\$0.42 per Share under the Share Option Scheme. As a result of the Rights Issue, the Company has calculated the necessary adjustments (the "**Share Options Adjustments**") to the exercise price and the number of Shares falling to be issued upon exercise of the outstanding share options in accordance with the terms and conditions of the Share Option Scheme, the GEM Listing Rules and the supplementary guidance on GEM Listing Rules and the Note Immediately After the Rule attached to the Frequently Asked Question No. 072-2020 issued by the Stock Exchange.

## 19. SHARE OPTION SCHEMES – continued

Notes: – continued

b. – continued

The Share Options Adjustments as a result of the Rights Issue with effect from 31 August 2023, being the date on which the fully-paid Rights Shares are allotted and issued, are set out below:

Date of Grant	Immediately before the completion of the Rights Issue	Immediately after the completion of the Rights Issue		
	Number of Shares to be issued upon exercise of the Outstanding Options	Exercise price HK\$ per Share	Adjusted number of Shares to be issued upon exercise of the Outstanding Options	Adjusted exercise price HK\$ per Share
6 January 2023	720,000	0.42	807,886*	0.37

\* The number of outstanding options has been scaled down 1 Share due to no decimal places of Shares being issued.

Save for the above adjustments, all other terms and conditions of the Outstanding Options remain unchanged.

c. During the six months ended 30 June 2024 and 2023, no share option was cancelled or exercised.



## 20. GAIN ON DISPOSAL OF SUBSIDIARIES

On 20 April 2023, the Group disposed of the loan facilitation and credit assessment businesses at a nominal consideration of HK\$1 to an independent third party. The net liabilities of the loan facilitation and credit assessment businesses at the date of disposal were as follows:

Analysis of assets and liabilities over which control was lost:

	HK\$'000
Non-current assets	359
Trade receivables	39
Contract assets	25
Other receivables prepayments and deposits	847
Bank balances and cash	307
Trade payables	(953)
Other payables and accruals	(7,267)
Lease liabilities	(424)
Contract liabilities	(23)
	(7,090)
Gain on disposal of subsidiaries	
Consideration received	–
Net liabilities disposed of	7,090
Release of exchange fluctuation reserve upon disposal of subsidiaries	176
Gain on disposal	7,266
Net cash outflow arising on disposal:	
Cash consideration	–
Less: bank balances and cash disposed of	(307)
	(307)

## 21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

### Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The Directors consider that the carrying amounts of these financial assets and financial liabilities recorded at amortised cost in the unaudited condensed consolidated financial statements approximate their fair values.



## 22. RELATED PARTY DISCLOSURES

### Compensation of the Directors and key management personnel

The key management of the Group comprises all executive directors of the Company, details of their emoluments are disclosed in Note 7. The emoluments of the executive directors of the Company are decided by the remuneration committee of the Company having regard to individual's performance, the Group's performance and profitability, remuneration benchmark in the industry and prevailing market condition.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Business Review and Outlook

The Group is engaged in the footwear, apparel and sports-related peripheral products businesses.

### *Footwear, Apparel and Sports-related Peripheral Products Businesses*

The Group is engaged in the trading of footwear, apparel and sports-related peripheral products businesses. The Group has built a diverse global customer portfolio comprising mainly international wholesalers and retailers and offers formal and casual footwear and apparel to its customers since 2009. Also, the Group extended the apparel business since 2021 for the massive overseas market potential of the apparel business.

The Group has been engaged in footwear and apparel businesses by selling branded footwear and apparel products in Hong Kong and Canada. At the end of 2022, the Group expanded our retail footprint and opened 3 physical shops engaged in the trading of footwear, apparel and sports-related peripheral products in Hong Kong. Hong Kong's retail industry will still head on thin ice in 2024. The household consumption has been weak and constrained by the structural change of consumption behaviour of numerous Hong Kong people of choosing to spend in China instead of in Hong Kong. Initially, we anticipated that the UEFA 2024 would boost our sales significantly but the outcome was rather disappointing. It did contribute a bit but the drive was not strong enough. As disclosed in our 2023 annual report, our Canada business continues to be weak due to its gloomy economic outlook. Moreover, sluggish property and equity markets, and economic uncertainties in Hong Kong together with the recent weakened style of RMB have placed substantial pressure on the Company's retail business. As a result, the revenue of the Group for the six months ended 30 June 2024 dropped substantively to approximately HK\$5.4 million compared with approximately HK\$13.5 million of last year's corresponding period.

In light of this, we are formulating new strategies in the hope to maintain and solidify our position within the industry, and allocate internal resources to develop our existing business in the trading of footwear, apparel and sports-related peripheral products. Meanwhile, we are actively in quest of overseas business opportunities to make up the weak local market.





## Financial Review

### *Revenue*

The Group recorded revenue of approximately HK\$5.4 million for the six months ended 30 June 2024, a decrease of approximately 60.0% compared with that of approximately HK\$13.5 million for the six months ended 30 June 2023. Revenue for the six months ended 30 June 2024 was solely derived from the footwear, apparel and sports-related peripheral products businesses.

### *Footwear, Apparel and Sports-related Peripheral Products Businesses*

The Group recorded revenue from the footwear, apparel and sports-related peripheral products businesses of approximately HK\$5.4 million for the six months ended 30 June 2024 (2023: approximately HK\$13.5 million). The decrease is mainly due to the lingering effects of global economic uncertainties, China's slow economic recovery and the slowdown of retail business by weakened style of RMB and sluggish PRC property and equity market weight somewhat on PRC tourist arrivals and PRC customers' purchasing power on footwear, apparel and sports-related peripheral products. Besides, Hong Kong consumers across the border to China to spend and reversing trend of PRC shoppers flocking to Hong Kong. The outlook of household consumption has been weak by gloomy economic outlook and constrained by the structural change of consumption behaviour weights pressure on Company's retail business.

### *Discontinued operation of Loan Facilitation and Credit Assessment Businesses*

Revenue and profit before taxation from the loan facilitation segment decreased by 100.0% from approximately HK\$2,000 and HK\$161,000 respectively for the six months ended 30 June 2023 to HK\$Nil for the six months ended 30 June 2024 due to the disposal of the loan facilitation and credit assessment businesses on 20 April 2023.

### *Cost of inventories sold*

Cost of inventories sold of approximately HK\$3.1 million incurred during the six months ended 30 June 2024 (2023: approximately HK\$9.9 million).

### *Employee benefits expenses*

Employee benefits expenses remained stable at to approximately HK\$2.5 million for the six months ended 30 June 2024 from approximately HK\$2.8 million for the six months ended 30 June 2023.



### *Other operating expenses*

Other operating expenses remained stable at to approximately HK\$3.0 million for the six months ended 30 June 2024 from approximately HK\$3.2 million for the six months ended 30 June 2023.

### *Finance costs*

The decrease of finance costs by 76.3% to approximately HK\$182,000 for the six months ended 30 June 2024 from approximately HK\$773,000 for the six months ended 30 June 2023, which was mainly due to most of the loans were fully repaid during the six months ended 30 June 2024.

### *Loss for the period*

An operating segment regarding the loan facilitation and credit assessment businesses was discontinued in 2023, therefore the footwear, apparel and sports-related peripheral products business is the only reportable and operating segment during the six months ended 30 June 2024.

Loss for the period from continuing operation increased to loss of approximately HK\$3.4 million for the six months ended 30 June 2024 from approximately HK\$3.2 million for the six months ended 30 June 2023. This was mainly due to the poor performance of the retail business in Hong Kong and Canada in 2024 resulted from lingering effects of global economic uncertainties, China's slow economic recovery and weakened style of RMB, sluggish PRC property and equity market weight somewhat on tourists and customers in both Hong Kong and Canada.

The Group's discontinued operation, being its loan facilitation and credit assessment segment, had incurred profit approximately HK\$7.4 million for the six months ended 30 June 2023, which was mainly attributable to the gain on disposal of subsidiaries and being HK\$Nil during the six months ended 30 June 2024 as no such disposal in 2024.

For the six months ended 30 June 2024, the unaudited consolidated loss for the period increased to approximately HK\$3.4 million (six months ended 30 June 2023: profit for the period approximately HK\$4.3 million). The Group's turnaround from profit to loss for the six months ended 30 June 2024 was mainly attributable to the gain on disposal of subsidiaries from discontinued operation for the six months ended 30 June 2023 and did not occur in 2024.







## OTHER INFORMATION

### Dividend

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2024 (2023: HK\$Nil).

### Liquidity, Financial and Capital Structure

As at 30 June 2024, the total borrowings of the Group amounted to approximately HK\$4.4 million (31 December 2023: approximately HK\$7.3 million) which comprised interest-bearing borrowings and lease liabilities.

As at 30 June 2024, the gearing ratio of the Group was 19.3% (31 December 2023: 23.8%). Gearing ratio is calculated based on total borrowings divided by total assets at the end of the relevant period.

As at 30 June 2024, the Group's net current assets amounted to approximately HK\$10.5 million (31 December 2023: net current assets amounted to approximately HK\$15.3 million). The current ratio of the Group was approximately 2.3 times (31 December 2023: approximately 2.1 times). Current ratio is calculated based on total current assets divided by total current liabilities at the end of the relevant period.

The Group's operations are financed principally by revenue generated from its business operation, available bank balances and cash as well as interest-bearing borrowings. The Board will continue to follow a prudent treasury policy in managing its bank balances and cash and maintain a strong and healthy liquidity position to ensure that the Group is well positioned to achieve its business objectives and strategies.

### Pledge of Assets

As at 30 June 2024, the Group had no asset pledged (31 December 2023: HK\$Nil) to secure the Group's other borrowings.



## Exchange Rate Exposure

Revenue, cost and expenses of the Group's are denominated in Hong Kong dollars ("HK\$") and Canadian dollars ("CAD"), as such the net exposure to fluctuation of HK\$ against CAD are not material. The Group's management considers that the Group has no significant foreign exchange exposures. Foreign exchange risk arising from the normal course of operations is considered to be minimal. As at 30 June 2024, the Group did not use any financial instrument for hedging the foreign exchange risk.

## Future Plans for Material Investments and Capital Assets

During the six months ended 30 June 2024, the Group currently has no other plan for material investments.

## Contingent Liabilities

As at 30 June 2024, the Group did not have any significant contingent liabilities (31 December 2023: HK\$Nil).

## Capital Commitments

As at 30 June 2024, the Group had no significant capital commitments (31 December 2023: HK\$Nil).

## Employees and Emolument Policies

As at 30 June 2024, the total employees in mainland China, Hong Kong and Canada has decreased from 28 in 31 December 2023 to 20 in 30 June 2024. In order to recruit, develop and retain talented employees, the Group offers competitive remuneration packages to our staff, including internal promotion opportunities, share options and performance based bonus. The Group enters into standard employment contracts with our staff which contain provisions on intellectual property rights and confidentiality.

The remuneration committee of the Company will make recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group.

## Significant Investments Held

During the six months ended 30 June 2024, there was no significant investment held by the Group.





## Material Acquisitions or Disposals

The Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies during the six months ended 30 June 2024.

## Compliance with the Corporate Governance Code

Currently, the positions of Chairman and Chief Executive Officer have been vacant but the Executive Director performs similar function as Chief Executive Officer. Besides, the Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation by management. The Board monitors the Group's operating and financial performance and ensures that effective governance and corporate social responsibility and policies and sound internal control and risk management systems are in place. As such, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are comparable to those in the Corporate Governance Code in Appendix C1 to the GEM Listing Rules (the "CG Code").

The Company is committed to achieve high standards of corporate governance to safeguard the interests of the shareholders of the Company and enhance its corporate value. The Company's corporate governance practices are based on the principles and code provisions as set out in the CG Code. During the six months ended 30 June 2024, to the best knowledge of the Board, the Company had complied with the code provisions in the CG Code.

## Code of Conduct Regarding Securities Transactions by Directors

The Group has adopted the required standard of dealing, as set out in Rules 5.48 to 5.67 of the GEM Listing Rules, as the code of conduct for securities transactions by the Directors in respect of the shares of the Company. Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standard of dealing and the code of conduct for securities transactions by directors during the period under review.

## Interests in Competing Business

For the six months ended 30 June 2024, none of the Directors or any of their respective close associates (all as defined under the GEM Listing Rules) are engaged in any business that competes or may compete, directly or indirectly, with the business of the Group or have any other conflicts of interest with the Group nor are they aware of any other conflicts of interest which any such persons has or may have with the Group.



## Share Option Scheme

The Company adopted a share option scheme (the “**Share Option Scheme**”) on 11 May 2016.

The Share Option Scheme has been valid and effective for a period of ten years, commencing on 30 May 2016, after which period no further Options may be granted but the provisions of the Share Option Scheme shall remain in full force and effect in all other respects and Options granted during the life of the Share Option Scheme may continue to be exercisable in accordance with their terms of issue.

As at 1 January 2024 and 30 June 2024, the total number of share options available for grant under the scheme mandate was 1,592,114 on both dates. No service provider sublimit was set under the Share Option Scheme. During the Reporting Period, the Company did not grant any share option under the Share Option Scheme.

The total number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during the six months ended 30 June 2024 (i.e. 807,886) divided by the weighted average number of Shares in issue for the six months ended 30 June 2024 (i.e. 108,345,600) was approximately 0.75%.

Details of the share options granted under the Share Option Scheme are as follows:

Name	Capacity	Date of grant	Vesting Period	Exercise Period	Exercise Price HK\$/ per share	Balance	Options	Options	Options	Balance
						as at 1 January 2024	granted during the Reporting Period	exercised during the Reporting Period	cancelled/ lapsed during the Reporting Period	as at 30 June 2024
Dr. Tsang Hing Bun	Director	6 January 2023	6 January 2023 to 5 January 2024	6 January 2024 to 5 January 2033	0.37	403,943	-	-	-	403,943
Grantee A	General manager of a subsidiary of the Group	6 January 2023	6 January 2023 to 5 January 2024	6 January 2024 to 5 January 2033	0.37	403,943	-	-	-	403,943

## Use of Proceeds from the Rights Issue in 2023

On 31 August 2023, the Company completed a Rights Issue of 72,230,400 Rights Shares at a subscription price of HK\$0.2 per right share on the basis of two Rights Share for every one existing shares held by the qualifying shareholders on the record date (the “**2023 Rights Issue**”). The net proceeds from the 2023 Rights Issue amounted to approximately HK\$13.3 million.

Set out below is the actual use of net proceeds during the year ended 31 December 2023 and six months ended 30 June 2024.

Use of net proceeds	Net proceeds	Net proceeds		Unutilised net proceeds as at 30 June 2024	Expected timeline on utilisation of unutilised net proceeds
		utilised during the year ended 31 December 2023	utilised during the six months ended 30 June 2024		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
<b>2023 Rights Issue</b>					
Loan repayment	11,000	(11,000)	–	–	N/A
Business operations	2,300	(1,553)	(747)	–	N/A
	13,300	(12,553)	(747)	–	

There is no material change between the intended use of the net proceeds of the 2023 Rights Issue. As at 30 June 2024, the abovementioned net proceeds had been fully utilised.

## Directors' and Chief Executives' Interests and/or Short Positions in Shares, Underlying Shares and Debentures of the Company

As at 30 June 2024, the interests and short positions of the Directors or chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) pursuant to Section 352 of the SFO, to be recorded in the register referred therein; or (c) pursuant to Rule 5.46 of the GEM Listing Rules to be notified to the Company and the Stock Exchange, were as follows:

### *Long position in shares or underlying shares of the Company*

Name of Director	Capacity	Number of shares or underlying shares held			Approximate percentage of interest in the Company
		Ordinary shares	Share options	Total	
Dr. Tsang Hing Bun	Beneficial owner	–	403,943	403,943	0.37%
Mr. Shum Tsz Yeung	Beneficial owner	6,750	–	6,750	0.01%

Save as disclosed above, as at 30 June 2024, none of the Directors or chief executive of the Company had any interest or short position in shares, debentures or underlying shares of the Company and its associated corporations which was required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) pursuant to Section 352 of the SFO, to be recorded in the register referred therein; or (c) pursuant to Rule 5.46 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.



## Substantial Shareholders' and Other Persons' Interests and/or Short Positions in Shares and Underlying Shares of the Company

As at 30 June 2024, according to the register kept by the Company pursuant to section 336 of SFO, and so far as is known to the Directors or chief executive of the Company, the following person (other than a Director or a chief executive of the Company) had, or was deemed or taken to have, an interest or short position in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

### *Long position in shares or underlying shares of the Company*


<b>Name</b>	<b>Capacity/Nature of interests</b>	<b>Number of shares held</b>	<b>Percentage of issued share capital of the Company</b>
Sharp Ally International Limited	Beneficial owner	26,464,939	24.43%

Save as disclosed above, and as at 30 June 2024, the Directors were not aware of any persons, other than the Directors or chief executive of the Company, who had any interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

## Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 30 June 2024, the Company did not redeem any of its shares, and neither did the Company nor any of its subsidiaries purchase or sell any of the Company's shares.

## Audit Committee



The Company established the Audit Committee on 11 May 2016 with written terms of reference in compliance with the code provisions of the Corporate Governance Code as set out in Appendix C1 to the GEM Listing Rules. The primary duties of the Audit Committee are to make recommendation to the Board on the appointment and removal of external auditors; review financial statements and material advice in respect of financial reporting; and oversee internal control procedures of the Company. The Audit Committee currently consists of three members, namely Mr. Choi Ho Yan (Chairman), Mr. Hung Wai Che and Mr. Yiu Yu Hong John, all being independent non-executive Directors.

The Audit Committee has reviewed the Group's interim results for the six months ended 30 June 2024. The Audit Committee is of the view that the unaudited condensed consolidated financial statements have been prepared in accordance with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements.

The unaudited condensed consolidated financial results for the six months ended 30 June 2024 have not been audited or reviewed by the Company's auditors.

## Event after Reporting Period

Save as to the event stated hereafter, there is no material subsequent event undertaken by the Company or by the Group after 30 June 2024 and up to the date of this report.

Reference is made to the announcements dated 8 March 2024 and 12 March 2024, the circular of the Company dated 15 April 2024 (the "**Circular**") and the poll results announcement of the Company dated 30 April 2024, all in relation to, among other things, the Placing.

Pursuant to the Placing Agreement (as amended and supplemented by the supplemental agreement dated 12 March 2024 (the "**First Supplemental Agreement**")), completion of the Placing was conditional upon the fulfilment of the conditions as set out in the section headed "Conditions of the Placing" of the Circular on or before 28 June 2024 (or such later date as may be agreed between the Company and the Placing Agent in writing) (the "**Long Stop Date**").

As additional time was required for the completion of certain administrative procedures in relation to the Placing, the Company and the Placing Agent, after arm's length negotiation, entered into a second supplemental agreement (the "**Second Supplemental Agreement**") on 28 June 2024 (after trading hours), whereby the parties agreed to extend the Long Stop Date from 28 June 2024 to 12 July 2024 (or such later date as may be agreed between the Company and the Placing Agent in writing).

The Board announced that due to market conditions, the Company and the Placing Agent entered into a termination agreement (the "**Termination Agreement**") on 10 July 2024 (after trading hours) to terminate the Placing Agreement (as amended and supplemented by the First Supplemental Agreement and the Second Supplemental Agreement) (the "**Termination**").

Pursuant to the Termination Agreement, all rights, obligations and liabilities of the parties hereto shall cease and determine and neither party shall have any claim against the other in respect of the Placing save in respect of any antecedent breach of any obligation under the Placing Agreement (as amended and supplemented by the First Supplemental Agreement and the Second Supplemental Agreement).







Reference is made to the announcement of the Company dated 4 August 2024 (the “**2024 August Announcement**”) in relation to, among other things, placing (the “**2024 August Placing**”). Pursuant to a placing agreement dated 4 August 2024 (the “**2024 August Agreement**”) entered into between the Company and Kingkey Securities Group Limited (“**KKSG**”), the Company has conditionally agreed to place through KKSG, on a best effort basis, of up to 43,338,240 shares to not less than six (6) places, subject to the conditions precedents outlined in the 2024 August Announcement. For further details of the 2024 August Placing, please refer to the 2024 August Announcement.

## **Publication of Interim Results and Interim Report on the Websites of the Stock Exchange and the Company**

The unaudited interim results announcement of the Company for the six months ended 30 June 2024 has been published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company’s website at [www.jimugroup8187.com](http://www.jimugroup8187.com). This interim report will be dispatched to the shareholders of the Company and made available on the websites of the Stock Exchange and the Company in due course.

By order of the Board  
**Jimu Group Limited**  
**Dr. Tsang Hing Bun**  
*Executive Director*

Hong Kong, 21 August 2024

*As at the date of this report, the executive Director is Dr. Tsang Hing Bun; the non-executive Director is Mr. Shum Tsz Yeung; and the independent non-executive Directors are Mr. Hung Wai Che, Mr. Choi Ho Yan and Mr. Yiu Yu Hong John.*

