



# CHINA INNOVATION INVESTMENT LIMITED

中國創新投資有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 1217)

# 2024

*Interim Report*



# CONTENTS

	Page
CORPORATE INFORMATION	2
FINANCIAL HIGHLIGHTS	4
MANAGEMENT DISCUSSION AND ANALYSIS	5
DISCLOSURE OF INTEREST	11
CORPORATE GOVERNANCE AND OTHER INFORMATION	13
CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	16
CONDENSED STATEMENT OF FINANCIAL POSITION	17
CONDENSED STATEMENT OF CHANGES IN EQUITY	18
CONDENSED STATEMENT OF CASH FLOWS	19
NOTES TO THE CONDENSED FINANCIAL STATEMENTS	20



## **CORPORATE INFORMATION**

### **Executive Directors**

Mr. Xiang Xin

*(Chairman and Chief Executive Officer)*

Mr. Chan Cheong Yee

### **Independent Non-Executive Directors**

Ms. An Jing

Ms. Zhou Zan

Ms. Qin Han

### **Alternate Director**

Ms. Kung Ching, an alternate director to

Mr. Xiang Xin

### **Authorised Representatives**

Mr. Xiang Xin

Ms. Chi Yee Shan Esa (resigned on 30 June 2024)

Ms. Choi Yan Ting (appointed on 1 July 2024)

### **Company Secretary**

Ms. Chi Yee Shan Esa (resigned on 30 June 2024)

Ms. Choi Yan Ting (appointed on 1 July 2024)

### **Executive Committee**

Mr. Xiang Xin *(Chairman)*

Mr. Chan Cheong Yee

### **Nomination Committee**

Mr. Xiang Xin *(Chairman)*

Ms. An Jing

Ms. Zhou Zan

### **Audit Committee and Remuneration Committee**

Ms. An Jing *(Chairman)*

Ms. Zhou Zan

Ms. Qin Han

### **Registered Office**

Sinclair Group Centre

3rd Floor Genesis Building, Genesis Close

P.O. Box 498, George Town

Grand Cayman KY1-1100

Cayman Islands

### **Principal Place of Business**

26/F, No. 9 Des Voeux Road West

Sheung Wan, Hong Kong

### **Principal Share Registrar and Transfer Office**

Suntera (Cayman) Limited

Suite 3204, Unit 2A, Block 3, Building D

P.O. Box 1586, Gardenia Court

Camana Bay

Grand Cayman, KY1-1100

Cayman Islands

### **Hong Kong Branch Share Registrar and Transfer Office**

Union Registrars Limited

Suites 3301-04

33/F, Two Chinachem Exchange Square

338 King's Road

North Point

Hong Kong



## **CORPORATE INFORMATION**

### **Investment Manager**

Evergrande Securities (Hong Kong) Limited

### **Principal Bankers**

Bank of China (Hong Kong) Limited

UBS AG

### **Custodians**

China Everbright Securities (HK) Limited

UBS AG

### **Stock Code**

1217

### **Website**

[www.1217.com.hk](http://www.1217.com.hk)



## FINANCIAL HIGHLIGHTS

The board (the “Board”) of directors (the “Directors”) of China Innovation Investment Limited (the “Company”) are pleased to announce the unaudited interim results of the Company for the six months ended 30 June 2024 with comparative figures for the corresponding period of 2023 as follows:

	Six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Turnover	269,660	77,028
Revenue	11,843	10,254
Profit for the period and attributable to owners of the Company	8,109	7,136
Earning per share		
Basic	0.063 cents	0.056 cents
Diluted	N/A	N/A

### Interim Dividend

To maintain the capital for operation and potential investment opportunities, the Board does not recommend the payment of an interim dividend for the six months ended 30 June 2024 (2023: Nil).



# MANAGEMENT DISCUSSION AND ANALYSIS

## Financial Review

For the six months ended 30 June 2024, the Company recorded turnover was approximately HK\$269,660,000 (2023: HK\$77,028,000).

For the six months ended 30 June 2024, the Company's revenue was approximately HK\$11,843,000, mainly including:

- (i) The dividend income from Hong Kong listed securities was approximately HK\$3,411,000.
- (ii) The net realised gain on disposal of investments at fair value through profit or loss was approximately HK\$24,522,000.
- (iii) The net unrealised holding loss from investment at fair value through profit or loss was approximately HK\$17,771,000.

The Hong Kong listed securities and structured products were classified as financial assets at fair value through profit or loss.

The net profit for the six months ended 30 June 2024 was approximately HK\$8,109,000 while the net profit for the corresponding period of 2023 was approximately HK\$7,136,000. The net profit is due to the increase of the realised gains on disposal of investments at fair value through profit or loss.

## Business Review

The Company is an investment company and the Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 28 August 2002 pursuant to Chapter 21 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").



## MANAGEMENT DISCUSSION AND ANALYSIS

### Investing in Unlisted Companies

As at 30 June 2024, the Company held investments in five unlisted companies namely Topsun Creation Limited, Aesthetic Vision Limited, United Crown Future Company Limited, FengTian Capital Limited and Grand Far Sky Limited and carrying amount of these investments were approximately HK\$36,149,000, HK\$53,933,000, HK\$40,955,000, HK\$34,935,000 and HK\$44,249,000 respectively. For the six months ended 30 June 2024, these five unlisted companies did not make any significant investment, acquisition or assets disposal.

### Investing in Listed Companies

The Company also invest in listed companies in Hong Kong on short-term basis. For the half year ended 30 June 2024, the gross sales proceeds of investments is HK\$269,660,000 (2023: HK\$77,028,000).

### Prospect

The Company is one of the few investment companies in Hong Kong focusing on investment business. We invest in listed and non-listed companies with high quality to strive for medium to long-term gains from capital appreciation in the course of securitisation of corporate assets invested, and apply the same as our key operation strategy and income source.

Leveraging on our experience and well-connected network in the Mainland China over years, the Company recently invested in energy storage products, lighting products, energy-saving materials, health communications and asset management respectively through its investment. With energy conservation as our development goal, our investments have achieved breakthroughs in realising the five industries of “New Energy”, “New Light”, “New Materials”, “New Health” and “New Capital” in real projects.

For “New Energy”, the Company invests in Topsun Creation Limited (“Topsun”), which adopts solar cell technology as its own core to develop the strategy of “Production — Research — Preliminary Research” for the research and manufacturing of solar cell application products.

For “New Light”, the Company invests in Aesthetic Vision Limited (“Aesthetic”). Aesthetic’s major product is LED lighting. It possesses of LED ergonomics technology and the LED lighting products developed are energy-saving, environmentally friendly, long-lived and small in size.



## MANAGEMENT DISCUSSION AND ANALYSIS

For “New Materials”, the Company invests in United Crown Future Company Limited (“United Overseas”). United Overseas’ business started from building decoration materials, as focusing on four core product concepts of green, health, environmental protection and convenience, and gradually expanded to all kinds of essential home decoration products.

For “New Health”, the Company invested in FengTian Capital Limited (“FengTian”). FengTian is principally engaged in development and sales of health communication products.

For “New Capital”, the Company invested in Grand Far Sky Limited (“Grand Far Sky”). Grand Far Sky was principally engaged in asset management. Grand Far Sky possessed a full-storey office property at the central area of Shanghai, PRC.

Looking forward, the Company will continue to explore investment opportunities, especially identify those regarding innovative business models. Through the fulfilment of its social responsibilities, the Company will make effort in unleashing the power of investment for good.

### Investment Portfolios

As at 30 June 2024 and 31 December 2023, the Company holds the following listed investments and derivatives:

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
<b>Investments at fair value through profit or loss</b>		
Equity securities listed in Hong Kong - current portion	<b>53,159</b>	137,382

The fair values of the equity securities listed in Hong Kong are based on bid prices as at 30 June 2024 and 31 December 2023.



## MANAGEMENT DISCUSSION AND ANALYSIS

Particulars of the Company's principal equity security listed in Hong Kong as at 30 June 2024 disclosed pursuant to the Chapter 21 of the Listing Rules is as follows:

Listed equity security	Note	Number of shares held	Proportion of investee's capital owned	Cost	Market value as at 30 June 2024	Unrealised holding (loss) during the period	Dividend income received during the period	Target company net assets attributable to the investments
				HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>At 30 June 2024</b>								
Alibaba Group Holding Ltd (09988.hk)	1	689,000	Less than 0.01%	79,166	48,575	(3,514)	619	40,480
Da Yu Financial Holdings Limited (01073.hk)	2	8,355,000	0.37%	3,760	802	(785)	-	1,136
China Merchants Commercial REIT (01503.hk)	3	3,470,000	0.31%	11,555	3,782	(868)	156	16,566

- Alibaba Group Holding Ltd was incorporated in the Cayman Islands and its shares are listed on the Stock Exchange (stock code: 9988). Its principal activities are to provide the technology infrastructure and marketing reach to help merchants, brands, retailers and other businesses to leverage the power of new technology to engage with their users and customers and operate in a more efficient way. At 31 March 2024, the audited consolidated net assets was approximately of USD154,093,000,000 (equivalent to HK\$1,209,630,000,000).
- Da Yu Financial Holdings Limited was incorporated in the Cayman Islands and its shares are listed on the Stock Exchange (stock code:1073). Its principal activities are dealing in securities, advising on securities, advising on corporate finance, asset management, money lending and securities and related services. As at 31 December 2023, the audited consolidated net assets was approximately of RMB4,880,584,000 (equivalent to HK\$5,384,260,000).
- China Merchants Commercial REIT is a Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and its units are listed on the Main Board of the Stock Exchange (stock code:1503).Its principal activity is investment holding and its subsidiaries own and invest in income-producing commercial properties in Shenzhen and Beijing with the objective of producing stable and sustainable distributions to unitholders and to achieve long term growth in the net asset value per unit. As at 31 December 2023, the audited consolidated net assets was approximately of HK\$309,938,000.

The Company's structured products are measured at market prices for financial reporting purposes. As at 30 June 2024, the Company holds the following unlisted investments:

- Topsun Creation Limited ("Topsun") was incorporated in Hong Kong and principally engaged in investment holding. Topsun directly holds 100% interests in a company incorporated in the PRC, which the principal activity was in relation to production of solar cell products as its major products. The Company holds 2,710 "B" non-voting shares in Topsun, representing 67.75% interests in the issued share capital of Topsun. No dividend was received during the period.

## MANAGEMENT DISCUSSION AND ANALYSIS

- (ii) Aesthetic Vision Limited (“Aesthetic”) was incorporated in Hong Kong and principally engaged in investment holding. The principal assets of Aesthetic include its wholly-owned subsidiary incorporated in the PRC. Aesthetic possesses LED ergonomics technology and the LED lighting products developed by it have remarkable characteristics such as energy saving, environmental protection, long life and small size. The Company holds 8,500 “B” non-voting shares, representing 85% interests in the issued share capital of Aesthetic. No dividend was received during the period.
- (iii) United Crown Future Company Limited (“United Overseas”) was incorporated in British Virgin Island and principally engaged in investment holding. United Overseas started its business from building decoration materials, as focusing on four core product concept of green, health, environmental protection and convenience, it has gradually expanded to all kind of essential home decoration products. The Company holds 1,621 “B” non-voting shares in United Overseas, representing 52.68% interests in the issued share capital of United Overseas. No dividend was received during the period.
- (iv) FengTian Capital Limited (“FengTian”) was incorporated in Hong Kong and principally engaged in investment holding. The principal assets of FengTian include its 88% of equity shares of its subsidiary incorporated in the PRC with 100% equity interests. FengTian principally engaged in development and sale of health communication products. The Company holds 3,470 non-voting shares in FengTian, representing 39.43% interest in the issued share capital of FengTian. No dividend was received during the period.
- (v) Grand Far Sky Limited (“Grand Far Sky”) was incorporated in Hong Kong and principally engaged in investment holding. Grand Far Sky holds 100% interests in a subsidiary incorporated in the PRC, of which the principle activity is asset management. The Company holds 5,400 “B” non-voting shares in Grand Far Sky, which represented 56.84% interests in the issued share capital of Grand Far Sky. Grand Far Sky holds a full-storey office property at the central area of Shanghai, PRC. No dividend was received during the period.

### Liquidity and Financial Position

As at 30 June 2024, the Company had cash and cash equivalents of approximately HK\$195,499,000. All the cash and cash equivalents were mainly denominated in Hong Kong dollars.

For the period under review, the Company financed its operations with its own available funding and did not have any banking facilities. In this regard, the Company had a net cash position and its gearing ratio was zero (net debt to shareholders’ funds) as at 30 June 2024. Taking into consideration the existing financial resources of the Company, it is anticipated that the Company should have adequate financial resources to meet its ongoing operating and development requirements.



# MANAGEMENT DISCUSSION AND ANALYSIS

## Capital Structure

Details in the changes of the capital structure of the Company during the six months ended 30 June 2024 are set out in note 11 to the condensed financial statements of the interim report. The capital of the Company comprises only ordinary shares as at 30 June 2024.

## Foreign Currency Fluctuation

The Company conducted its business transactions principally in US dollars and Hong Kong dollars. The Directors considered that the Company had no significant exposure to foreign exchange fluctuations and believed it was not necessary to hedge against any exchange risk. Nevertheless, management will continue to monitor the foreign exchange exposure position and will take any future prudent measure it deems appropriate.

## Charge on Company Asset and Contingent Liabilities

As at 30 June 2024, the Company has not pledged its assets and the Company did not have any significant contingent liabilities.

## Employee Information

As at 30 June 2024, the Company had 19 (2023: 21) staff, including full time and part-time. The total remuneration paid to staff (including Directors' remuneration) was approximately of HK\$1,325,000 (2023: HK\$952,000). The total amount comprised salaries, wages and allowance, medical and insurance coverage, pension scheme contributions, and discretionary bonus. The Company ensured that its employees were remunerated according to the prevailing manpower market condition, and individual performance with its remuneration policies reviewed on a regular basis.

## Appreciation

On behalf of the Board, I would like to take this opportunity to express my appreciation and heartfelt thanks to those who have given their utmost supports and contributions to the Company during the period.

On behalf of the Board

**CHINA INNOVATION INVESTMENT LIMITED**

**Xiang Xin**

*Chairman and Chief Executive Officer*

Hong Kong, 16 August 2024

# DISCLOSURE OF INTEREST

## Disclosure of Interest by Directors

As at 30 June 2024, the following Directors and the chief executive of the Company or any of their respective associates had the following interests and short positions in the ordinary shares of HK\$0.01 each in the capital of the Company (the “Share”), underlying shares, and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers under the Listing Rules (the “Model Code”).

### (I) Interest in the underlying shares of the Company — share options

Name of Director	Date of grant	Exercise period	Nature of interest	Exercise price per share HK\$	Number of underlying Shares for Share Options	Approximate percentage of interest
Xiang Xin	6 July 2014	6 July 2014 to 5 July 2024 (note 1)	Beneficial interest	0.0497	60,394,737(L)	0.47%
An Jing	14 April 2020	14 April 2020 to 13 April 2030	Beneficial interest	0.0497	30,000,000(L)	0.23%
Zhou Zan	4 April 2018	4 April 2018 to 3 April 2028	Beneficial interest	0.0497	30,000,000(L)	0.23%
Qin Han	29 September 2023	29 September 2023 to 28 September 2033	Beneficial interest	0.0497	30,000,000(L)	0.23%

Note:

1. Subsequently after the report date as at 30 June 2024, 60,394,737 shares options held by Director, Xiang Xin were automatically lapsed on 5 July 2024.

## Share Option Scheme

As regards to the share option scheme (“Share Option Scheme”) approved by shareholders under annual general meeting on 22 May 2014, there were 528,868,422 Shares available for issue under Share Option Scheme which represents approximately 4.1% of the issued share capital of the Company as at 30 June 2024.



## DISCLOSURE OF INTEREST

### Disclosure of Interests by Substantial Shareholders

As at 30 June 2024, the persons/companies, other than a Director or chief executive of the Company, who had interests or short positions in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

#### Long positions of substantial shareholders in the shares of the Company

Name	Capacity	Number of issued shares held	Approximate percentage of interests
Harvest Rise Investments Limited ( <i>note 1</i> )	Beneficiary	3,817,807,905(L)	29.82%
China Trends Holdings Limited ( <i>note 1</i> )	Interest of controlled corporation	3,817,807,905(L)	29.82%
China Technology Education Trust Association ( <i>note 1</i> )	Interest of controlled corporation	3,817,807,905(L)	29.82%

Note:

1. Harvest Rise Investments Limited is a private company wholly and beneficially owned by China Trends Holdings Limited ("China Trends"), and China Technology Education Trust Association (the "Trust Association") is the shareholder of China Trends with the largest shareholdings. Accordingly, China Trends and the Trust Association is interested in the Shares and the underlying Shares of the Company held by Harvest Rise Investments Limited. China Trends is a public company regulated by the Securities and Futures Commission of Hong Kong. The Trust Association is a society registered under the provisions of section 5A(1) of the Societies Ordinance in 2005, which is a charitable society providing charity and financial aid to technology education and employment in Hong Kong and Mainland China. Mr. Xiang is a chairman of the Trust Association as well as the executive director of China Trends.

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

# CORPORATE GOVERNANCE AND OTHER INFORMATION

## Corporate Governance Practice

The Board is committed to establish and maintain high standards of corporate governance so as to enhance corporate transparency and protect the interests of the Company's shareholders. The Company devotes to best practice on corporate governance, and to comply with the extent practicable, comply with the relevant requirements under the Hong Kong Companies Ordinance, the Hong Kong Securities and Futures Ordinance, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Listing Rules.

During the six months ended 30 June 2024, the Company has complied with the code provisions in the Code, save for deviation from relevant Codes as follows.

- The roles of Chairman and Chief Executive Officer should be separated and should not be performed by the same individual.

During the period, Mr. Xiang Xin was the Chairman of the Board and the Chief Executive Officer of the Company. This deviates from code provision C.2.1 of the Code which requires that the roles of Chairman and Chief Executive Officer should be separated and should not be performed by the same individual.

After evaluation of the current situation of the Company and taking into account of the experience and past performance of Mr. Xiang, the Board is of the opinion that it is appropriate and in the best interests of the Company at the present stage for Mr. Xiang to hold both positions as the Chairman and the Chief Executive Officer of the Company as it helps to maintain the continuity of the policies and the stability of the operations of the Company.

## Executive Committee

The Company established an Executive committee (the "Executive Committee") on 3 August 2007 and delegated with powers from the Board to deal with all matters relating to the daily operations of the Company. The Executive Committee consists of all executive Directors of the Company, namely Mr. Xiang Xin and Mr. Chan Cheong Yee. Mr. Xiang Xin is the chairman of the Executive Committee. The Executive Committee regularly reviews, discusses and evaluates the business performance and operational matters of the Company.



## **CORPORATE GOVERNANCE AND OTHER INFORMATION**

### **Remuneration Committee**

The Company established a Remuneration committee (the “Remuneration Committee”) in 2006 in accordance with the terms and reference set out by the Board. The Remuneration Committee consists of three independent non-executive Directors, namely Ms. An Jing, Ms. Qin Han and Ms. Zhou Zan. Ms. An Jing is the chairman of the Remuneration Committee. The Remuneration Committee determines the policy for the remuneration of executive Directors and senior management, assesses performance of executive Directors and approves the terms of executive Directors’ service contracts and review or approve matter relating to share schemes under chapter 17.

### **Nomination Committee**

The Company established an Nomination committee (the “Nomination Committee”) on August 2007 in accordance with the terms of reference set out by the Board. The Nomination Committee consists of three Directors of the Company, namely Mr. Xiang Xin, Ms. An Jing and Ms. Zhou Zan. Mr. Xiang Xin is the chairman of the Nomination Committee.

The primary functions of the Nomination Committee are to make recommendations to the Board regarding the appointment of members of the Board. The Nomination Committee is responsible for identifying the individuals suitably qualified to become board members and select or make recommendations to the board on the selection of individuals nominated for directorships.

### **Audit Committee**

The Company established an Audit committee (the “Audit Committee”) on 28 August 2002 in accordance with the terms of reference set out by the Board. The Audit Committee consists of three independent non-executive Directors, namely Ms. An Jing, Ms. Qin Han and Ms. Zhou Zan. Ms. An Jing is the chairman of the Audit Committee. The primary duties of the Audit Committee are to review and supervise the financial reporting process, internal control and risk management systems of the Company and to provide advice and comments to the Board, to oversee the audit process and to perform other duties and responsibilities as may be assigned by the Board from time to time.

The Company/s unaudited condensed financial statements for the six months ended 30 June 2024 has been reviewed by the Audit Committee.

## **CORPORATE GOVERNANCE AND OTHER INFORMATION**

### **Event after the Reporting Period**

The Company does not have any significant event after the reporting period.

### **Purchase, Sale or Redemption of Listed Securities of the Company**

During the six months ended 30 June 2024, the Company had not purchased, sold or redeemed any of the Company's listed securities.

### **Model Code for Securities Transactions**

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by Directors.

Having made specific enquiry of all Directors, the Directors of the Company have complied with the required standard set out in the Model Code.

### **Sufficiency of Public Float**

The Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the Directors, throughout the six months ended 30 June 2024.



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

	Notes	Six months ended 30 June	
		2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Turnover	3	269,660	77,028
Revenue	3	11,843	10,254
Other income	3	66	19
Administrative and other operating expenses		(3,741)	(3,132)
Finance cost		(59)	(5)
<b>Profit before taxation</b>	4	<b>8,109</b>	7,136
Income tax expense	5	-	-
<b>Profit for the period and attributable to owners of the Company</b>		<b>8,109</b>	7,136
<b>Total comprehensive profit for the period and attributable to owners of the Company</b>		<b>8,109</b>	7,136
<b>Earnings per share</b>			
Basic	6	0.063 cents	0.056 cents
Diluted	6	N/A	N/A

## CONDENSED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
<b>NON-CURRENT ASSETS</b>			
Right-of-use asset		<b>1,762</b>	2,202
Property, plant and equipment		<b>313</b>	362
Equity investments at fair value through other comprehensive income	7	<b>210,221</b>	210,221
		<b>212,296</b>	212,785
<b>CURRENT ASSETS</b>			
Investments at fair value through profit or loss	8	<b>53,159</b>	137,382
Prepayment, deposits and other receivables		<b>96,730</b>	159,473
Cash and bank balances	9	<b>195,499</b>	40,578
		<b>345,388</b>	337,433
<b>CURRENT LIABILITIES</b>			
Other payables and accruals		<b>93</b>	315
Lease liabilities	10	<b>880</b>	854
		<b>973</b>	1,169
<b>NET CURRENT ASSETS</b>		<b>344,415</b>	336,264
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>556,711</b>	549,049
<b>NON-CURRENT LIABILITY</b>			
Lease liabilities	10	<b>934</b>	1,381
<b>NET ASSETS</b>		<b>555,777</b>	547,668
<b>EQUITY</b>			
Share capital	11	<b>128,016</b>	128,016
Reserves		<b>427,761</b>	419,652
<b>TOTAL EQUITY</b>		<b>555,777</b>	547,668
Net asset value per share	13	<b>0.043</b>	0.043



## CONDENSED STATEMENT OF CHANGES IN EQUITY

	Issued share capital HK\$'000	Share premium HK\$'000	Equity investment revaluation reserve HK\$'000	Share option reserve HK\$'000	Accumulated losses HK\$'000	Total equity HK\$'000
<b>At 1 January 2024 (Audited)</b>	<b>128,016</b>	<b>655,342</b>	<b>(127,804)</b>	<b>8,822</b>	<b>(116,708)</b>	<b>547,668</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,109</b>	<b>8,109</b>
<b>At 30 June 2024 (Unaudited)</b>	<b>128,016</b>	<b>655,342</b>	<b>(127,804)</b>	<b>8,822</b>	<b>(108,599)</b>	<b>555,777</b>
At 1 January 2023 (Audited)	128,016	655,342	(109,933)	8,890	(119,058)	563,257
Total comprehensive income for the period	-	-	-	-	7,136	7,136
At 30 June 2023 (Unaudited)	128,016	655,342	(109,933)	8,890	(111,922)	570,393

## CONDENSED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Net cash generated from (used in) operating activities	150,250	(5,378)
Net cash flows generated from investing activities	5,092	2,894
Net cash used in financing activities	(421)	(475)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>154,921</b>	<b>(2,959)</b>
Cash and cash equivalents at the beginning of the period	40,578	6,656
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>195,499</b>	<b>3,697</b>
<b>BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	195,499	3,697



# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 1 Corporate Information

China Innovation Investment Limited (the “Company”) is a limited liability company incorporated in the Cayman Islands. The address of the Company’s registered office is Sinclair Group Centre, 3rd Floor Genesis Building, Genesis Close, P.O. Box 498, George Town, Grand Cayman KY1-1106, Cayman Islands. Its principal place of business is situated at 26/F., No. 9 Des Voeux Road West, Sheung Wan, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 28 August 2002.

The Company’s principal activity has not changed during the period and is principally engaged in investments. Its principal investment objective is to achieve medium to long-term capital appreciation by investing in listed and unlisted companies mainly in Hong Kong (“HK”) and the People’s Republic of China (the “PRC”).

## 2 Basis of Preparation

The unaudited condensed interim financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Listing Rules and the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

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

### Summary of significant accounting policies

The Company has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 January 2023. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”), Hong Kong Accounting Standards and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Company’s accounting policies, presentation of the Company’s financial statements and amounts reported for the current period and prior years except as stated in this unaudited interim condensed financial statements.

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

### 3 Turnover, Revenue and Other income

Turnover represents the gross sales proceeds from disposal/redemption of investments at fair value through profit or loss.

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
<b>Turnover</b>		
Gross sales proceeds from disposal/redemption of investments at fair value through profit or loss	269,660	77,028
<b>Revenue</b>		
Bank interest income	1,681	14
Dividend income from equity securities listed in Hong Kong	3,411	2,880
Net realised gains on disposal of investments at fair value through profit or loss	24,522	1,391
Net unrealised holding (losses) gains from investment at fair value through profit or loss	(17,771)	5,969
	11,843	10,254
<b>Other income</b>		
Gain on exchange difference	66	19
	11,909	10,273

### 4 Profit Before Taxation

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
The Company's profit before taxation is arrived at after charging:		
Depreciation of right-of-use asset	440	447
Depreciation of property, plant and equipment	48	42
Employee benefits expenses, (including Directors' remuneration):		
— Salaries, allowances and benefits in kind	1,282	925
— Pension scheme contributions	43	27
Interest expense on lease liabilities	59	5
Investment management fee	240	240



## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

### 5 Income Tax Expense

No provision for Hong Kong profits tax has been made for the six months ended 30 June 2024 and 30 June 2023 as the Company did not generate any assessable profits.

### 6 Earnings Per Share

The calculation of basic earnings per share is based on the earning attributable to owners of the Company of approximately HK\$8,109,000 (2023: HK\$7,136,000) and the weighted average number of 12,801,578,629 (2023: 12,801,578,629) shares in issue during the period.

No diluted earnings per share are presented as the Company did not have any dilutive potential ordinary shares during the six months ended 30 June 2024 and 2023.

### 7 Equity Investments at Fair Value Through Other Comprehensive Income

The balance represented the Company's unlisted equity securities designated by the Company as at fair value through other comprehensive income.

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Unlisted equity securities	<b>210,221</b>	210,221

### 8 Investments at fair value through profit or loss

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
<b>Investment at fair value through profit or loss:</b>		
Equity securities listed in Hong Kong	<b>53,159</b>	137,382

As at 30 June 2024, the Company held approximately HK\$53,159,000 of equity securities listed in Hong Kong, with fair value calculated based on the current bid price. This includes the holding of 689,000 shares of Alibaba Group Holding Limited with a market value of approximately HK\$48,575,000 (accounting for approximately 8.7% of the Company's total assets).

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

Save as disclosed above, as of 30 June 2024, the Company had no other significant investments accounting for more than 5% of the Company's total assets.

Particulars of the Company's principal equity security listed in Hong Kong as at 30 June 2024 disclosed pursuant to the Chapter 21 of the Listing Rules is as follows:

Listed equity security	Note	Number of shares held	Proportion of investee's capital owned	Cost	Market value as at 30 June 2024	Unrealised holding (loss)/gain during the period	Dividend income received during the period	Net assets attributable to the investments
				HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>At 30 June 2024</b>								
Alibaba Group Holding Ltd (09988.hk)	1	689,000	Less than 0.01%	79,166	48,575	(3,514)	619	40,480
Da Yu Financial Holdings Limited (01073.hk)	2	8,355,000	0.37%	3,760	802	(785)	-	1,136
China Merchants Commercial REIT (01503.hk)	3	3,470,000	0.31%	11,555	3,782	(868)	156	16,566

- Alibaba Group Holding Ltd was incorporated in the Cayman Islands and its shares are listed on the Stock Exchange (stock code: 9988). Its principal activities are to provide the technology infrastructure and marketing reach to help merchants, brands, retailers and other businesses to leverage the power of new technology to engage with their users and customers and operate in a more efficient way.
- Da Yu Financial Holdings Limited was incorporated in the Cayman Islands and its shares are listed on the Stock Exchange (stock code:1073). Its principal activities are dealing in securities, advising on securities, advising on corporate finance, asset management, money lending and securities and related services. As at 31 December 2023, the audited consolidated net assets was approximately of RMB4,880,584,000 (equivalent to HK\$5,384,260,000).
- China Merchants Commercial REIT is a Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and its units are listed on the Main Board of the Stock Exchange (stock code:1503). Its principal activity is investment holding and its subsidiaries own and invest in income-producing commercial properties in Shenzhen and Beijing with the objective of producing stable and sustainable distributions to unitholders and to achieve long term growth in the net asset value per unit. As at 31 December 2023, the audited consolidated net assets was approximately of HK\$309,938,000.



# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 9 Cash and Bank Balances

Cash at banks earns interest at floating rates based on daily bank deposit rates. Fixed term deposits during the period are made for various periods from 1 day to 1 month depending on the immediate cash requirements of the Company and earn interest at respective short term time deposits rates. The carrying amount of the cash and bank balances approximate to their fair value.

At the end of the reporting period, no material bank and cash balances of the Company denominated in foreign currency (2023: Nil).

## 10 Lease Liabilities

	Present value of minimum lease payments	
	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
Lease liabilities payable:		
Within one year	880	854
After 1 year but within 2 years	934	907
After 2 years but within 5 years	–	474
	<b>1,814</b>	2,235
Less: Amount due for settlement within 12 months shown under current liabilities	<b>(880)</b>	(854)
Amount due for settlement after 12 months shown under non-current liabilities	<b>934</b>	1,381

The Company leases a property to operate its office and these lease liabilities are measured at the present value of the lease payments that are not yet paid.

The Company does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Company's treasury function.

The total cash outflows for leases including payments of principal and interest portion of lease liabilities for the period ended 30 June 2024 was HK\$480,000 (For the period ended 30 June 2023: HK\$480,000).

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 11 Share Capital

	<b>30 June 2024</b>	31 December 2023
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Audited)
Authorised:		
100,000,000,000 ordinary shares of HK\$0.01 each (31 December 2023: 100,000,000,000) ( <i>note</i> )	<b>1,000,000</b>	1,000,000
Issued and fully paid:		
12,801,578,629 ordinary shares of HK\$0.01 each (31 December 2023: 12,801,578,629)	<b>128,016</b>	128,016

## 12 Share Options

Pursuant to an annual general meeting of the Company held on 22 May 2014 and the Stock Exchange granting approval of the listing of and permission to deal in the shares to be issued under the share option scheme (the "Scheme") on 4 June 2014, the Company adopted the Share Option Scheme for the purpose of providing incentive to Directors, employees and consultants. Unless or otherwise cancelled, amended or expired, the Scheme will be expired on 3 June 2024.

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue, or if such 10% limit is refreshed, the maximum aggregate number of shares which may be issued upon the exercise of all outstanding options grant and yet to be exercised under the Scheme must not exceed 30% of the total number of shares of the Company in issue from time to time. The number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company then issued, without prior approval from the Company's shareholders. Each grant of options to any director, chief executive or substantial shareholder must be approved by independent non-executive Directors. Where any grant of options to a substantial shareholder or any of their respective associates would result in the shares of the Company issued and to be issued upon exercise of options already granted and to be granted in excess of HK\$5,000,000 in the 12 month period up to the date of grant, then the grant must be approved in advance by the Company's shareholders.

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

A consideration of HK\$1 shall be paid to the Company upon acceptance of the grant. Options may be exercised in accordance with the terms of the Scheme at any time during a year to be determined and notified by the Directors of the Company, which period may not expire earlier than 3 years and later than 10 years from the date of grant of the option subject to the provisions for early termination thereof.

The exercise price is determined by the Directors of the Company, and will not be less than the higher of closing price of the Company's shares on the date of grant, and the average closing price of the shares for the five business days immediately preceding the date of grant.

No share options were granted or lapsed during the period ended 30 June 2024 and 2023.

All share-based compensation will be settled in equity. The Company has no legal or constructive obligation to repurchase or settle the options other than by issuing the Company's ordinary shares.

Movement of the options granted under the Scheme for the period ended 30 June 2024 and 30 June 2023 are as follows:

Grantee	Date of grant	Exercise period	Number of share options					Exercise price per share option HK\$	
			Outstanding as at 1 January 2024	Granted during the period	Lapsed during the period	Exercised during the year	Reclassified during the year		Outstanding as at 30 June 2024
<b>Directors</b>									
Xiang Xin	6 July 2014	6 July 2014 to 5 July 2024 (note 1)	60,394,737	-	-	-	-	60,394,737	0.0497
Zhou Zan	4 April 2018	4 April 2018 to 3 April 2028	30,000,000	-	-	-	-	30,000,000	0.0497
An Jing	14 April 2020	14 April 2020 to 13 April 2030	30,000,000	-	-	-	-	30,000,000	0.0497
Qin Han	29 September 2023	29 September 2023 to 28 September 2033	30,000,000	-	-	-	-	30,000,000	0.0497
			<b>150,394,737</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>150,394,737</b>	
Others	6 July 2014	6 July 2014 to 5 July 2024 (note 1)	378,473,685	-	-	-	-	378,473,685	0.0497
			<b>528,868,422</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>528,868,422</b>	



# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

Grantee	Date of grant	Exercise period	Number of share options					Exercise price per share option HK\$	
			Outstanding as at 1 January 2023	Granted during the period	Lapsed during the period	Exercised during the year	Reclassified during the year		Outstanding as at 30 June 2023
<b>Directors</b>									
Xiang Xin	6 July 2014	6 July 2014 to 5 July 2024	60,394,737	-	-	-	-	60,394,737	0.0497
Zhou Zan	4 April 2018	4 April 2018 to 3 April 2028	30,000,000	-	-	-	-	30,000,000	0.0497
An Jing	14 April 2020	14 April 2020 to 13 April 2030	30,000,000	-	-	-	-	30,000,000	0.0497
Zhang Yu Clement	14 April 2020	14 April 2020 to 13 April 2030	30,000,000	-	-	-	-	30,000,000	0.0497
			150,394,737	-	-	-	-	150,394,737	
Others	6 July 2014	6 July 2014 to 5 July 2024	378,473,685	-	-	-	-	378,473,685	0.0497
			528,868,422	-	-	-	-	528,868,422	

For share options outstanding at the end of the period, the weighted average remaining contractual lives is 1.1 years (2023: 1.9 years).

There was no share options exercised or cancelled during the periods ended 30 June 2024 and 2023.

The number of options available for grant under the scheme mandate at the beginning of the financial period was 169,070,153 shares and due to expiration of the Scheme, no options were available for grant at the end of the financial period ending 30 June 2024.

As at 30 June 2024, the number of shares that may be issued in respect of share options granted under all share schemes of the Company was 528,868,422, representing approximately 4.1% of the weighted average number of issued ordinary shares of the Company.

*Note:*

1. Subsequently after the reporting date as at 30 June 2024, 60,394,737 and 378,473,685 shares options held by Director, Xiang Xin and other grantees respectively were automatically lapsed on 5 July 2024.

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

### 13 Net Asset Value Per Share

The net asset value per share of the Company is HK\$0.043 (31 December 2023: HK\$0.043). The calculation of net asset value per share is based on the net asset of the Company as at 30 June 2024 of approximately HK\$555,777,000 (31 December 2023: HK\$547,668,000) and 12,801,578,629 ordinary shares in issued (31 December 2023: 12,801,578,629) at the end of reporting period.

### 14 Related Party Transactions

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Investment management fee paid to Evergrande Securities (Hong Kong) Limited ("ESHK") (note a)	<b>240</b>	240
Rent paid to New Era Group (China) Limited ("NEG") (note b)	<b>480</b>	480

Notes:

- (a) The Company entered into an investment management agreement with ESHK since 2020. ESHK is regarded as a related party of the Company as the Directors are of the view that ESHK is providing key management personnel services to the Company through its investment management services.
- (b) NEG, is a company over which Mr. Xiang Xin, a director of the Company, has control.

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 15 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Company's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

- (a) During the period, there were no transfer between Level 1 and Level 2, or transfers into or out of Level 3 (2023: Nil). The Company's policy is to recognise transfer between levels of fair value hierarchy as at the end of the reporting period in which they occur.
- (b) The total gains or losses recognised in other comprehensive income are presented in fair value changes of equity investments at fair value through other comprehensive income in the statement of profit or loss and other comprehensive income.



# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## (c) Level 3 fair value measurements as at 30 June 2024 and 31 December 2023

Description	Valuation technique	Unobservable inputs	Range	Effect on fair value for increase of input	Fair value HK\$'000
Unlisted equity securities classified as equity investments at fair value through other comprehensive income	Market approach	Price-to-book multiple	1.91-3.45 (2023: 2.48-4.08)	Increase	175,286
		Discount of lack of marketability	16% (2023: 15%)	Decrease	
	Cost approach	Net asset value	Net asset value with reference to management accounts of the investee company	Increase	34,935

The Company's management is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The management reports directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the management and the Board of Directors at least twice a year.

For level 3 fair value measurements, the Company will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

## 16 Contingent Liabilities

The Company did not have any significant contingent liabilities at 30 June 2024 and 2023.

## 17 Interim Dividends

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2024 (2023: Nil).