



**CORE ECONOMY
INVESTMENT GROUP LIMITED**
核心經濟投資集團有限公司

(Continued into Bermuda with limited liability)

(Stock Code : 339)

2022
INTERIM REPORT

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CORPORATE INFORMATION

BOARD OF DIRECTORS Executive Directors

Mr. SUN Bo (*Chairman*)

Mr. WANG Daming

Non-executive Directors

Mr. HE Yu

Ms. LIU Li

Independent Non-executive Directors

Mr. CHEN Ming

Mr. MOK Ho Ming

Mr. WONG Yan Wai George

CHIEF EXECUTIVE OFFICER

Mr. ZHANG Yufei

COMPANY SECRETARY

Ms. CHEUNG Hoi Ue

AUDITOR

LIF & WONG CPA Limited

Certified Public Accountants and

Registered Public Interest Entity Auditors

REGISTERED OFFICE

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM 10

Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1805

18/F, Harbour Centre

25 Harbour Road

Wanchai, Hong Kong

PRINCIPAL BANKER

DBS Bank (Hong Kong) Limited

AUDIT COMMITTEE

Mr. MOK Ho Ming (*Chairman*)

Mr. CHEN Ming

Mr. WONG Yan Wai George

REMUNERATION COMMITTEE

Mr. WONG Yan Wai George (*Chairman*)

Mr. MOK Ho Ming

Mr. SUN Bo

NOMINATION COMMITTEE

Mr. SUN Bo (*Chairman*)

Mr. MOK Ho Ming

Mr. WONG Yan Wai George

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Management (Bermuda) Limited

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM 10

Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

STOCK CODE

339

MANAGEMENT DISCUSSION AND ANALYSIS

The board (the "Board") of directors (the "Directors", and each, a "Director") of Core Economy Investment Group Limited (the "Company", together with its subsidiaries, the "Group") is pleased to present the unaudited consolidated interim financial results for the six months ended 30 June 2022 (the "Period").

RESULTS

During the Period, the Group recorded a revenue of approximately HK\$164,000 (2021: Approximately HK\$75,000), loss attributable to owners of the Company of approximately HK\$6,579,000 (2021: Approximately HK\$3,259,000) and basic loss per share of HK\$0.027 (2021: HK\$0.014). The revenue recorded in the Period is generated from dividend income from listed investments as well as bank and other interest income. The increase in revenue was mainly attributable to increase in dividend income from listed equity securities during the Period.

The Group's administrative and other operating expenses amounted to approximately HK\$3,867,000 (2021: Approximately HK\$4,837,000). The Group recorded a loss on net change in fair value of financial assets at fair value through profit or loss for the Period of approximately HK\$2,672,000 as compared with a gain of approximately HK\$1,774,000 in the corresponding period of previous year. The increase in net loss was mainly driven by increase in loss on net change in fair value of financial assets at fair value through profit or loss as a result of the recent downturn in financial market and effect is partially mitigated by decrease in administrative and other operating expenses because of implementation of cost saving plan.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2022 (2021: HK\$Nil).

BUSINESS REVIEW

The last half-year hasn't exactly been stellar for the stock market. During the first six months of 2022, the Hang Seng Index dropped more than 10%, marking its worst first-half performance since 2016. Shares are likely to see continued short-term volatility as central banks continue to tighten to combat high inflation, the war in Ukraine continues and fears of recession remain high. During the reporting period, the new wave of COVID-19 outbreak adversely affected the global economy, especially Mainland China and Hong Kong. Looking ahead, the relaxation of COVID-19 measures will give a boost to the market. Yet, the Company maintains a conservative investment position in the face of the rising risk of recession and uncertainty.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group's portfolio of listed securities as at 30 June 2022 consisted of Tencent Holdings Limited, Alibaba Group Holding Limited, Sunac China Holdings Limited, DT Capital Limited, Meta Platforms, Inc., China Evergrande Group, New Silkroad Culturaltainment Limited, Ping An Insurance (Group) Company of China, Ltd. – A Shares, JD.com, Inc., HSBC Holdings Plc, Baidu, Inc., Blue Moon Group Holdings Limited, JD Health International Inc. and Sunac Services Holdings Limited. For details of the Group's ten largest investments analysis, please refer to note 14 of the condensed consolidated financial statements.

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

The Group mainly relies upon shareholders' funds, loans from a director, funds from placing of shares and cash generated from its business operations to finance its operation and expansion. The Group managed the cash and cash equivalents principally based on making good use of capital to achieve returns for shareholders and ensuring sufficient liquidity for the working capital requirements.

The Group had non-interest-bearing loans from one Director of HK\$1,500,000 as at 30 June 2022 (At 31 December 2021: Nil) which were repayable on 9 December 2022 and 26 December 2022 respectively. Details of the loans from the Director are disclosed in the section "Loans from a Director" below.

Cash and cash equivalents stood at HK\$1,471,748 as at 30 June 2022 (At 31 December 2021: HK\$1,419,050). As at 30 June 2022, the consolidated net asset value of the Group was HK\$12,869,411 (At 31 December 2021: HK\$19,449,336) with consolidated net asset value per share of HK\$0.05 (At 31 December 2021: HK\$0.08).

Loans from a Director

On 8 June 2022 and 24 June 2022, the Company entered into two loan agreements with Mr. SUN Bo ("Mr. SUN"), an executive Director and one of the shareholders of the Company, pursuant to which Mr. SUN agreed to provide two loans to the Company with the principal amount of HK\$500,000 and HK\$1,000,000 respectively. The purpose of the loans is to support the day-to-day operation of the Group. The loans did not bear any interest and were repayable within six months. The loans were repayable on 9 December 2022 and 26 December 2022 respectively. As at 30 June 2022, HK\$1,500,000 has been drawn and approximately of HK\$200,000 has been used as working capital of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

During the Period, the Company did not carry out any fund raising activities.

The Group has no significant liabilities. The Group's accruals and other payables amounted to HK\$725,676 as at 30 June 2022 (At 31 December 2021: HK\$514,332), a lease liability amounted to HK\$1,927,854 (At 31 December 2021: HK\$2,493,106) and a provision amounted to HK\$300,000 (At 31 December 2021: HK\$300,000). The Group has recognised a right-of-use asset and a lease liability for the office property lease contract. The gearing ratio of the Group, calculated on the basis of the Group's total liabilities over total owners' equity, was 0.346 as at 30 June 2022 (At 31 December 2021: 0.170).

CAPITAL STRUCTURE

The capital of the Group comprises only ordinary shares as at 30 June 2022 and 31 December 2021. There was no change on the Group's overall capital structure for the six months ended 30 June 2022.

CAPITAL EXPENDITURES

The Group's capital expenditures primarily consisted of expenditures on acquisition of computer equipment, furniture and fixtures, motor vehicles, office equipment and leasehold improvements. During the six months ended 30 June 2022, the Group incurred capital expenditure in the amount of HK\$Nil (2021: HK\$86,550).

CAPITAL COMMITMENTS

As at 30 June 2022, the Group did not have any significant capital commitments (At 31 December 2021: Nil).

FOREIGN EXCHANGE EXPOSURE

The Board believes that the Group has certain exposure to foreign exchange risk as some of the business transactions of the Group are denominated in Renminbi and United States dollars. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Board will monitor the foreign currency exposure closely.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2022, the Group has employed a total of 12 employees (2021: 12) including the Directors of the Company. The remuneration packages consist of basic salary, mandatory provident fund, medical insurance, and other benefits considered as appropriate. Remuneration packages are generally structured by reference to the prevailing market conditions, individual qualification and performance. They are under periodic review based on individual merit and other market factors. The total staff costs for the six months ended 30 June 2022 amounted to HK\$2,421,000 (2021: HK\$2,637,859).

MANAGEMENT DISCUSSION AND ANALYSIS

CHARGES ON THE GROUP'S ASSETS

As at 30 June 2022, no charges had been created on the Group's assets (At 31 December 2021: Nil).

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 June 2022 (At 31 December 2021: Nil).

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed above and the section headed "CHANGE OF THE AUDITOR OF THE COMPANY" under OTHER INFORMATION, there is no material subsequent event undertaken by the Group after the end of the six months ended 30 June 2022 and up to the date of this report.

SIGNIFICANT INVESTMENT HELD

As at 30 June 2022, the significant investments of the Group are included in the note 14 to the condensed consolidated financial statements of this report.

FUTURE PLANS RELATING TO MATERIAL INVESTMENT OR CAPITAL ASSET

The Group had not executed any agreement in respect of material investment or capital asset and did not have any other future plans relating to material investment or capital asset as at the date of this report. Nonetheless, if any potential investment opportunity arises in the coming future, the Group will perform feasibility studies and prepare implementation plans to consider whether it is beneficial to the Group and the shareholders of the Company as a whole.

PROSPECTS

Having mentioned in "Business Review" section, the market is experiencing a tumultuous in short run. The Group expect the global economy will be full of challenge in future. The management of the Group will adopt a conservative approach in managing the existing investments in accordance with the Group's investment objectives and policies. On the other hand, the Group will continue to seek and evaluate good investment opportunities to enrich the investment portfolios, aiming to maximize the return for the shareholders of the Company.

OTHER INFORMATION

SHARE OPTION SCHEME

At the special general meeting of the Company held on 16 May 2016, the shareholders of the Company approved the adoption of a share option scheme (the "Share Option Scheme") under which the directors of the Company may grant options to eligible persons ("Eligible Person(s)") to subscribe for the Company's shares subject to the terms and conditions as stipulated therein. Unless otherwise cancelled or amended, the Share Option Scheme will remain valid for a period of 10 years from the date of its adoption. The Share Option Scheme constitutes a share option scheme governed by Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The Share Option Scheme was adopted on 16 May 2016, details are as follows:

(i) Purpose

The purpose of the Share Option Scheme is to provide the Company with a flexible and effective means of incentivising, rewarding, remunerating, compensating and/or providing benefits to participants.

(ii) Eligible Person

(a) Any executive, i.e. any person who is a full-time or part-time employee or a Director (including executive and non-executive directors) of the Company or any of its subsidiaries at the offer date.

(b) Any non-executive as approved by the Board.

(iii) The total number of shares available for issue under the Share Option Scheme and the percentage of the issued share capital that it represents as at the date of the interim report

(a) The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes must not in aggregate exceed 11,600,000 shares, representing approximately 4.82% of the issued share capital as at 30 June 2022.

(b) The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Company must not exceed 30% of the shares in issue from time to time.

OTHER INFORMATION

SHARE OPTION SCHEME *(continued)*

(iv) **Maximum entitlement of each Eligible Person**

The maximum number of shares issued and to be issued upon the exercise of options granted to each Eligible Person (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the issued share capital of the Company. Any further grant of share options in excess of this limit is subject to shareholders' approval in general meeting of the Company.

(v) **Timing for exercise of options**

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be notified by the Directors to each option holder but may not be exercised after the expiry of 10 years from the offer date. The Directors may provide restrictions on the exercise of an option during the period and option may be exercised as a result.

(vi) **The minimum period for which an option must be held before it can be exercised**

Pursuant to the Share Option Scheme, the Directors have discretion to set a minimum period for which an option has to be held before the exercise of the subscription rights attaching thereto.

(vii) **Basis for determination of option price**

The option price per share in relation to an option shall be a price to be determined by the Directors and shall be no less than the highest of:

- (a) the closing price of the shares as stated in the daily quotation sheets issued by The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date on which the option is offered to an Eligible Person, which must be a business day;
- (b) the average closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the offer date; or
- (c) the nominal value of the shares on the offer date.

(viii) **Life of the scheme**

The Share Option Scheme will remain in force for a period of 10 years commencing on 16 May 2016, which was the date of adoption of the Share Option Scheme.

During the reporting period, no option was granted, exercised, cancelled or lapsed under the Share Option Scheme and there was no outstanding option as at 30 June 2022.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION

As at 30 June 2022, so far as the Directors are aware, the interests and/or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company, its specific undertaking or any of others associated corporations (within the meaning of Part XV of the Securities and Future 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 the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules, were as follows:

Name of Directors or chief executives	Capacity	Long/ Short position	Number of shares held	Approximate percentage of the issued share capital as at 30 June 2022
LIU Li ¹	Interest of controlled corporation	Long position	57,950,000	24.10%
HE Yu ²	Interest of controlled corporation	Long position	27,800,000	11.56%
SUN Bo	Beneficial owner	Long position	22,275,000	9.26%
ZHANG Yufei	Beneficial owner	Long position	8,000,000	3.33%

Notes:

- Ms. LIU Li holds 99% of Zhongqing Keji Shiye Development Limited* (中擎科技實業發展有限公司) which holds 80% of HK Jin Tai Feng Group Limited, which holds 57,950,000 shares of the Company. By virtue of the SFO, Ms. LIU Li is deemed to be interested in the 57,950,000 shares of the Company.
- The 27,800,000 shares were held by Sun Oxford Co., Limited was solely and wholly owned by Mr. HE Yu. By virtue of the SFO, Mr. HE Yu is deemed to be interested in the 27,800,000 shares of the Company.

Save as disclosed above, at no time during the Period, the Directors or chief executives had any interest in, or had been granted, or exercised, any rights to subscribe for shares of the Company and its specific undertaking or any other associated corporations required to be disclosed pursuant to the SFO.

* for identification purpose only

OTHER INFORMATION

Save as disclosed above, at no time during the Period was the Company or its subsidiaries a party to any arrangement to enable the Directors or chief executives of the Company to hold any interests or short positions in shares or underlying shares in, or debentures of, the Company, its specific undertaking or any other associated corporation.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2022, as far as the Directors are aware, the Company had been notified of the following substantial shareholders' interests or short positions in the shares and underlying shares of the Company (representing 5% or more of the Company's issued share capital) which were recorded in the register of substantial shareholders maintained by the Company under Section 336 of Part XV of the SFO:

Name of substantial shareholders	Capacity	Long/ Short position	Number of shares held	Approximate percentage of the issued share capital as at 30 June 2022
HK Jin Tai Feng Group Limited	Beneficial Owner	Long position	57,950,000	24.10%
Zhongqing Keji Shiye Development Limited* (中擎科技實業發展有限公司) ¹	Interest of controlled corporation	Long position	57,950,000	24.10%
Sun Oxford Co., Limited	Beneficial Owner	Long position	27,800,000	11.56%
The People's Government of Henan Province (河南省人民政府) ² ("Henan Province")	Interest of controlled corporation	Long position	13,200,000	5.49%
Zhongmei Energy International Limited ² ("Zhongmei")	Beneficial owner	Long position	13,200,000	5.49%

Notes:

- These shares were held by HK Jin Tai Feng Group Limited. Zhongqing Keji Shiye Development Limited* owned 80% of the issued shares of HK Jin Tai Feng Group Limited and therefore was deemed to be interested in these shares.

* For identification purpose only

OTHER INFORMATION

2. Those shares were held by Zhongmei. Zhongmei is held as 100% by Henan Zhongmei Energy Co., Ltd.* (河南省中美能源集團有限公司) ("Henan Zhongmei"). Henan Zhongmei is held as 100% by Sheng Da Investment Limited* (盛大投資有限公司) ("Sheng Da"). Sheng Da is in turn held as 100% by Henan Province Guotou Enterprise Management Co., Ltd.* (河南省國投企業管理有限公司) ("Guotou"). Guotou is held as 65% by Henan Province Economy Technology Xiezu Group Corporation* (河南省經濟技術協作集團公司) ("Xiezu") and as 35% by Zhong Zi Hua Ke Shang Ye Bao Li (Shen Zhen) Limited* (中資華科商業保理(深圳)有限公司) ("Zhong Zi"). Zhong Zi is held as 100% by Sheng Da. Xiezu is held as 100% by Henan Province. By virtue of the SFO, each of Henan Province, Henan Zhongmei, Zhong Zi, Sheng Da, Guotou and Xiezu is deemed to be interested in the underlying shares of the Company held by Zhongmei.

Save as disclosed above, as far as the Directors are aware, no other person had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO, or which was recorded in the register of substantial shareholders required to be kept by the Company pursuant to section 336 of Part XV of the SFO as at 30 June 2022.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in the sections headed "DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION" and the "SHARE OPTION SCHEME" above in this report, at no time during the reporting period was the Company, a party to any arrangements to enable the Directors and chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE GROUP'S BUSINESS

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company and any of its subsidiaries was a party and in which any Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the Period or at any time during the Period.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

For the period ended 30 June 2022 and up to the date of this interim report, none of the Directors or their respective associates (as defined in the Listing Rules) had any interest in any business which were in competition or were likely to compete, either directly or indirectly, with the Company's business which needs to be disclosed pursuant to Rule 8.10 of the Listing Rules.

CHANGE OF INFORMATION OF DIRECTORS AND CHIEF EXECUTIVES

There is no other change in the Directors' and chief executive's information required to be disclosed pursuant to Rule 13.51B (1) of the Listing Rules.

OTHER INFORMATION

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code. Having made specific enquiry of all Directors, all the Directors have complied with the required standards as set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the reporting period.

CORPORATE GOVERNANCE

The Company is dedicated to maintaining and ensuring high standards of corporate governance practices and the corporate governance principles of the Company are adopted in the best interest of the Company and its shareholders. The Company has established procedures on corporate governance that comply with the requirements of the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Listing Rules. The Board has reviewed and taken measures to adopt the CG Code as the Company's code of corporate governance practices. During the six months ended 30 June 2022, the Company has complied with the code provisions under the CG Code.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the reporting period.

CHANGE OF THE AUDITOR OF THE COMPANY

Reference is made to the announcement of the Company dated 15 July 2022. BDO Limited ("BDO") has resigned as the auditor of the Company with effect from 15 July 2022. LIF & WONG CPA Limited had been appointed as the auditor of the Company to fill the casual vacancy following the resignation of BDO with effect from 15 July 2022 and hold office until the conclusion of the next annual general meeting of the Company.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee"), with its terms of reference established in compliance with the Listing Rules, comprises three independent non-executive Directors, namely Mr. MOK Ho Ming (the chairman of the Audit Committee), Mr. CHEN Ming and Mr. WONG Yan Wai George. The Audit Committee has reviewed with the management of the Company the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2022 including the accounting principles and practices adopted by the Group and has also discussed with management of the Company the financial reporting procedures, internal control and risk management systems.

REVIEW OF ACCOUNTS

The external auditor, LIF & WONG CPA Limited, has reviewed the condensed consolidated financial statements for the six months ended 30 June 2022 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

LIF & WONG CPA LIMITED

理賢蒼會計師事務所有限公司

To the Board of Directors of
Core Economy Investment Group Limited

(Continued into Bermuda with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements set out on pages 15 to 36 which comprise the condensed consolidated statement of financial position of Core Economy Investment Group Limited (the "Company") and its subsidiaries (together, the "Group") as of 30 June 2022 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months period then ended and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The directors are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34.

Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements of the Group are not prepared, in all material respects, in accordance with HKAS 34.

LIF & WONG CPA LIMITED

Certified Public Accountants

Hong Kong, 29 August 2022

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2022

	Notes	(Unaudited)	
		Six months ended 30 June	
		2022	2021
		HK\$	HK\$
Revenue	6	164,418	74,721
Net change in fair value of financial assets at fair value through profit or loss	7	(2,671,934)	1,774,293
Administrative and other operating expenses		(3,867,006)	(4,836,842)
Finance costs	8	(204,962)	(270,924)
Loss before income tax expense	9	(6,579,484)	(3,258,752)
Income tax expense	10	–	–
Loss for the period attributable to owners of the Company		(6,579,484)	(3,258,752)
Other comprehensive income for the period, net of tax:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		(441)	(206)
Total comprehensive income for the period attributable to owners of the Company		(6,579,925)	(3,258,958)
Loss per share			
– Basic and diluted	12	(0.027)	(0.014)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

	Notes	(Unaudited) As at 30 June 2022 HK\$	(Audited) As at 31 December 2021 HK\$
Non-current assets			
Property, plant and equipment	13	437,702	535,522
Right-of-use asset		1,813,110	2,409,992
Refundable rental deposit		403,129	403,129
		2,653,941	3,348,643
Current assets			
Financial assets at fair value through profit or loss	14	12,992,432	17,660,440
Prepayments, deposits and other receivables		204,820	328,641
Cash and cash equivalents		1,471,748	1,419,050
		14,669,000	19,408,131
Current liabilities			
Accruals and other payables		725,676	514,332
Director's loans	15	1,500,000	–
Lease liability		1,231,620	1,163,564
		3,457,296	1,677,896
Net current assets		11,211,704	17,730,235
Total assets less current liabilities		13,865,645	21,078,878
Non-current liabilities			
Lease liability		696,234	1,329,542
Provision		300,000	300,000
		996,234	1,629,542
NET ASSETS		12,869,411	19,449,336
Equity attributable to owners of the Company			
Share capital	16	4,809,600	4,809,600
Reserves		8,059,811	14,639,736
TOTAL EQUITY		12,869,411	19,449,336

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2022

	Share Capital HK\$	Share Premium HK\$	Contributed Surplus HK\$	Exchange Reserve HK\$	Accumulated Losses HK\$	Total HK\$
At 1 January 2021 (audited)	4,008,000	65,687,433	28,040,011	3	(70,753,507)	26,981,940
Loss for the period	-	-	-	-	(3,258,752)	(3,258,752)
Other comprehensive income for the period:						
Exchange differences arising on translation of foreign operations	-	-	-	(206)	-	(206)
Total comprehensive income for the period	-	-	-	(206)	(3,258,752)	(3,258,958)
Issue of shares (note 16)	801,600	6,657,509	-	-	-	7,459,109
At 30 June 2021 (unaudited)	4,809,600	72,344,942	28,040,011	(203)	(74,012,259)	31,182,091
At 1 January 2022 (audited)	4,809,600	72,344,942	28,040,011	228	(85,745,445)	19,449,336
Loss for the period	-	-	-	-	(6,579,484)	(6,579,484)
Other comprehensive income for the period:						
Exchange differences arising on translation of foreign operations	-	-	-	(441)	-	(441)
Total comprehensive income for the period	-	-	-	(441)	(6,579,484)	(6,579,925)
At 30 June 2022 (unaudited)	4,809,600	72,344,942	28,040,011	(213)	(92,324,929)	12,869,411

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2022

	Notes	(Unaudited)	
		Six months ended 30 June	
		2022	2021
		HK\$	HK\$
Cash flows from operating activities			
Cash (used in)/generated from operations		(841,065)	2,409,366
Dividend income received	6	164,398	74,027
Interest received	6	20	694
Net cash (used in)/generated from operating activities		(676,647)	2,484,087
Cash flow from investing activities			
Purchase of property, plant and equipment and net cash used in investing activities		–	(86,550)
Cash flows from financing activities			
Proceed from director's loans	15	1,500,000	–
Interest paid on other borrowings	8	(75,876)	(87,710)
Proceeds from issue of shares		–	7,535,040
Share issue expenses		–	(75,931)
Principal elements of lease payments		(565,252)	(416,050)
Interest on lease liability	8	(129,086)	(183,214)
Net cash generated from financing activities		729,786	6,772,135
Net increase in cash and cash equivalents		53,139	9,169,672
Effect of foreign exchange rate changes		(441)	(206)
Cash and cash equivalents at 1 January		1,419,050	3,904,660
Cash and cash equivalents at 30 June			
Representing cash and cash equivalents		1,471,748	13,074,126

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Core Economy Investment Group Limited (the "Company") was continued into Bermuda as an exempted company with limited liability under Bermuda Companies Act 1981. The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda. The address of its principal place of business is Room 1805, 18th Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company acts as an investment holding company and its principal activities are investment and trading of listed and unlisted securities. The Company and its subsidiaries are collectively referred to as the "Group".

These condensed consolidated financial statements are presented in Hong Kong Dollars ("HK\$"), unless otherwise stated.

The condensed consolidated financial statements have not been audited.

2. BASIS OF PREPARATION

These condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

The accounting policies applied in these condensed consolidated financial statements are consistent with those of the annual financial statements for the year ended 31 December 2021, except for those that relate to new standards or interpretations effective for the first time for periods beginning on or after 1 January 2022. The Group has not early adopted any new and revised Hong Kong Financial Reporting Standards (the "HKFRSs") that has been issued but not yet effective in the current accounting period.

These condensed consolidated financial statements and notes do not include all of the information required for a complete set of financial statements prepared in accordance with HKFRSs and should be read in conjunction with the annual financial statements for the year ended 31 December 2021.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2. BASIS OF PREPARATION *(continued)*

The preparation of these condensed consolidated financial statements in compliance with HKAS 34 requires the use of certain judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 4 to the condensed consolidated financial statements.

3. CHANGES IN HONG KONG FINANCIAL REPORTING STANDARDS

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following amendments are relevant to the Group:

Amendments to HKAS 16	Property, Plant and Equipment: Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendments to HKFRS 16	Covid-19-Related Rent Concessions
Annual Improvements to HKFRSs 2018–2020 Cycle	Amendments to HKFRS 1, HKFRS 9 and HKAS 41 and Illustrative Examples Accompanying HKFRS 16

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in these condensed consolidated financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

4. USE OF JUDGEMENTS AND ESTIMATES

Except for the estimation of fair value of certain financial assets, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty in preparing these condensed consolidated financial statements, were the same as those that applied to the annual financial statements for the year ended 31 December 2021.

Estimation of the fair value of certain financial assets

The fair value of financial assets at fair value through profit or loss ("FVTPL") that suspended for trading on the Stock Exchange are determined using valuation technique. The Group uses its judgement to select comparable companies and makes assumptions that are mainly based on market conditions existing at the end of reporting period. Detail information about the valuation technique is disclosed in note 5.

5. FAIR VALUE MEASUREMENTS

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the condensed consolidated statement of financial position approximate their respective fair values.

(a) Fair value hierarchy

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 values hierarchy that categorises into three levels and the inputs to valuation techniques used to measure fair value:

Level 1: Fair value measured using only Level 1 inputs, i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;

Level 2: Fair value measured based on valuation techniques using Level 2 inputs, i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs; or

Level 3: Fair value measured based on valuation techniques using significant unobservable inputs (i.e. not derived from market data).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. FAIR VALUE MEASUREMENTS *(continued)*

(a) Fair value hierarchy *(continued)*

The fair value of the Group's financial assets traded in active markets is based on quoted market prices for identical items at the end of the reporting period. An active market represents a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide information on an ongoing basis. These financial assets of listed equity securities are included in Level 1 of fair value measurements.

For certain listed equity securities held by the Group, the trading of which on the Stock Exchange has been halted during the current reporting period and remained suspended as at 30 June 2022 (the "Suspended Equity Securities"). The Suspended Equity Securities are included in Level 3 of the fair value measurements and their fair values are determined by independent professional valuer using valuation in accordance with generally accepted valuation methodology. The management of the Group works closely with the valuer to establish the appropriate valuation techniques and inputs to the valuation.

The following table presents the Group's financial assets at FVTPL measured and recognised at fair value at 30 June 2022 and 31 December 2021 on recurring basis:

	Unaudited			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
At 30 June 2022				
Financial assets at FVTPL				
– Listed equity securities excluding the Suspended Equity Securities	11,851,276	–	–	11,851,276
– Suspended Equity Securities	–	–	1,141,156	1,141,156
	11,851,276	–	1,141,156	12,992,432
		Audited		
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
At 31 December 2021				
Financial assets at FVTPL				
– Listed equity securities	17,660,440	–	–	17,660,440

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. FAIR VALUE MEASUREMENTS *(continued)*

(b) Valuation techniques and fair value measurements using significant unobservable inputs (Level 3)

The valuation techniques and significant unobservable inputs used in the fair value measurements with Level 3 for the six months ended 30 June 2022:

	Fair value at 30 June 2022 HK\$	Valuation techniques	Unobservable inputs*	Range of inputs	Relationship and sensitivity of fair value to the input
Suspended Equity Securities	1,141,156	Market approach	Discounts for market trend	11.8% – 13.5%	10% increase/decrease in the discounts for market trend would result in decrease/increase in fair value by approximately HK\$248,000.
			Discounts for lack of marketability	38.6% – 50.0%	10% increase/decrease in the discounts for lack of marketability would result in decrease/increase in fair value by approximately HK\$218,000.

* There were no significant inter-relationships between unobservable inputs that materially affect fair values.

Market approach is adopted by taking average discounts for market trend from the comparable companies, which have similar business nature with the Suspended Equity Securities, and applying the average discounts for market trend and discounts for lack of marketability to the latest quoted prices or observable market data upon suspension of the Suspended Equity Securities.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. FAIR VALUE MEASUREMENTS *(continued)*

(c) Transfers between Levels 1 and 3

The Group recognises and determines any transfers into and transfers out of any level of fair value hierarchy as at the end of each reporting period. As at 31 December 2021, the fair values of the Suspended Equity Securities were based on the quoted market prices on the relevant stock exchange, which were within Level 1 of fair value measurements. As it is no longer possible to determine the fair value of the Suspended Equity Securities using quoted prices or observable market data after the suspension of trading in current reporting period, there were transfers of fair value measurements of financial assets at FVTPL from Level 1 to Level 3 for the Suspended Equity Securities. The total amounts of the transfers were HK\$2,480,900 during the six months ended 30 June 2022 (2021: Nil), which were determined by their latest quoted prices upon the suspension of trading. Save as the transfers of Suspended Equity Securities from Level 1 to Level 3 explained above, there was no other transfers between the levels of the fair value hierarchy for the six months ended 30 June 2022. The movements in fair value measurements in Level 3 are as follows:

	(Unaudited)	
	2022	2021
	HK\$	HK\$
At 1 January	–	–
Transfers from Level 1		
– Suspended Equity Securities	2,480,900	–
Unrealised losses on Suspended Equity Securities charged to profit or loss	(1,339,744)	–
At 30 June	1,141,156	–

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

6. REVENUE AND SEGMENT INFORMATION

	(Unaudited)	
	Six months ended 30 June	
	2022 HK\$	2021 HK\$
Dividend income from listed equity investments	164,398	74,027
Bank interest income	20	30
Other interest income	–	664
Revenue	164,418	74,721
Proceeds from disposals of financial assets at FVTPL	14,757,090	38,395,131

No segment information is presented as all of the revenue and contribution to operating results, assets and liabilities of the Group are attributable to investment activities which are carried out or originated principally in Hong Kong.

7. NET CHANGE IN FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	(Unaudited)	
	Six months ended 30 June	
	2022 HK\$	2021 HK\$
Net realised gains on disposals of financial assets at FVTPL	1,044,294	1,692,987
Net unrealised (losses)/gains on financial assets at FVTPL	(3,716,228)	81,306
	(2,671,934)	1,774,293

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

8. FINANCE COSTS

	(Unaudited)	
	Six months ended 30 June	
	2022	2021
	HK\$	HK\$
Interest expense on lease liability	129,086	183,214
Interest expense on other borrowings	75,876	87,710
	204,962	270,924

9. LOSS BEFORE INCOME TAX EXPENSE

	(Unaudited)	
	Six months ended 30 June	
	2022	2021
	HK\$	HK\$
Loss before income tax expense for the period is stated at after charging:		
Auditor's remuneration	48,000	48,000
Depreciation		
– Property, plant and equipment	97,820	115,005
– Right-of-use asset	596,882	980,048
Directors' emoluments		
– Fees	1,368,000	1,516,881
Written off of property, plant and equipment	–	5,088

10. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax is required since the Group has no assessable profit for the period (2021: Nil).

As at 30 June 2022, the Group has unused tax losses of HK\$98,052,172 (At 31 December 2021: HK\$93,650,711) and unrealised losses from financial assets at FVTPL of HK\$10,425,367 (At 31 December 2021: HK\$7,694,976) available to offset against future profits. No deferred tax asset has been recognised in the condensed consolidated financial statements due to the unpredictability of future profit streams.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

11. DIVIDENDS

The directors do not recommend the payment of interim dividend for the six months ended 30 June 2022 (2021: Nil).

12. LOSS PER SHARE

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the period attributable to owners of the Company of HK\$6,579,484 (2021: HK\$3,258,752) and the weighted average number of 240,480,000 (2021: 233,394,033) ordinary shares in issue during the period.

Diluted loss per share equals to basic loss per share, as there were no potential dilutive ordinary shares issued during the six months ended 30 June 2022 and 2021.

13. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2022, the Group did not acquire and dispose of any item of property, plant and equipment. During the six months ended 30 June 2021, the Group acquired items of property, plant and equipment with a cost of HK\$154,200 and wrote off an item of property, plant and equipment with a net book value of HK\$5,088.

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	(Unaudited) 30 June 2022 HK\$	(Audited) 31 December 2021 HK\$
Equity securities excluding Suspended Equity Securities, at fair value		
– Listed in Hong Kong	10,077,076	15,708,817
– Listed outside Hong Kong	1,774,200	1,951,623
	11,851,276	17,660,440
Suspended Equity Securities in Hong Kong, at fair value	1,141,156	–
	12,992,432	17,660,440

The investments included above represent investments in listed equity securities that offered the Group the opportunity for return through dividend income and fair value gains. They have no fixed maturity or coupon rate.

Except for the Suspended Equity Securities, the fair values of the listed securities are based on quoted market prices. Details of fair value measurements of equity securities are disclosed in note 5.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Particulars of the Group's financial assets at FVTPL are as follows:

At 30 June 2022

Name of investee company	Place of incorporation	Number of shares held	Proportion of investee's capital owned	Cost HK\$	Market Value HK\$	Fair value gains/(losses) HK\$	Dividend income received during the period HK\$	Dividend cover	Net assets attributable to the Group HK\$
Equity securities excluding Suspended Equity Securities									
- Listed in Hong Kong:									
Tencent Holdings Limited ("Tencent") (note a)	Cayman Islands	11,900	Less than 1%	6,499,920	4,217,360	(2,282,560)	148,769	1.25	1,066,941
Alibaba Group Holding Limited ("Alibaba") (note b)	Cayman Islands	32,300	Less than 1%	7,015,900	3,614,370	(3,401,530)	-	N/A	1,680,307
DT Capital Limited ("DT Capital") (note c)	Cayman Islands	37,230,000	Less than 2%	1,458,276	1,451,970	(6,306)	-	N/A	1,419,670
New Silkroad Culturaltainment Limited ("New Silkroad") (note d)	Bermuda	1,900,000	Less than 1%	1,202,546	328,700	(873,846)	-	N/A	982,825
JD.com, Inc. ("JD") (note e)	Cayman Islands	567	Less than 1%	129,730	143,338	13,608	2,793	N/A (note)	42,074
HSBC Holdings Plc ("HSBC") (note f)	England	2,400	Less than 1%	178,200	123,960	(54,240)	3,388	3.44	174,111
Baidu, Inc.	Cayman Islands	700	Less than 1%	176,400	103,950	(72,450)	-	N/A	65,568
Blue Moon Group Holdings Limited	Cayman Islands	10,500	Less than 1%	138,180	70,350	(67,830)	-	N/A	20,083
JD Health International Inc.	Cayman Islands	350	Less than 1%	24,703	21,542	(3,161)	-	N/A	5,463
Sunac Services Holdings Limited	Cayman Islands	322	Less than 1%	3,735	1,536	(2,199)	47	3.31	903
- Listed outside Hong Kong:									
Meta Platforms, Inc. ("Meta") (note g)	United States of America	1,150	Less than 1%	1,999,292	1,449,658	(549,634)	-	N/A	497,629
Ping An Insurance (Group) Company of China, Ltd. ("Ping An Insurance") (note h)	People's Republic of China ("PRC")	6,000	Less than 1%	523,839	324,542	(199,297)	9,401	3.54	326,316
Suspended Equity Securities in Hong Kong:									
Sunac China Holdings Limited ("Sunac China") (note i)	Cayman Islands	430,000	Less than 1%	2,776,106	869,511	(1,906,595)	-	N/A	12,188,498
China Evergrande Group ("Evergrande") (note j)	Cayman Islands	310,000	Less than 1%	2,039,903	271,645	(1,768,258)	-	N/A	5,389,004
				24,166,730	12,992,432	(11,174,298)			

note: Special dividend of HK\$2,793 was declared by JD during the year ending 31 December 2022. Dividend cover is not applicable for the special dividend recognised by the Group during the six months ended 30 June 2022.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Particulars of the Group's financial assets at FVTPL are as follows: (continued)

At 31 December 2021

Name of investee company	Place of incorporation	Number of shares held	Proportion of investee's capital owned	Cost HK\$	Market Value HK\$	Fair value gains/(losses) HK\$	Dividend income received during the year HK\$	Dividend cover	Net assets attributable to the Group HK\$
Equity securities excluding Suspended Equity Securities									
- Listed in Hong Kong:									
Tencent Holdings Limited	Cayman Islands	11,900	Less than 1%	6,499,920	5,435,920	(1,064,000)	16,160	12.69	1,222,790
Alibaba Group Holding Limited	Cayman Islands	32,300	Less than 1%	7,015,900	3,840,470	(3,175,430)	-	N/A	1,755,911
Meituan	Cayman Islands	9,700	Less than 1%	2,455,591	2,186,380	(269,211)	-	N/A	243,156
JD.com, Inc.	Cayman Islands	5,000	Less than 1%	1,384,270	1,370,000	(14,270)	-	N/A	404,855
DT Capital Limited	Cayman Islands	23,280,000	Less than 1%	944,946	977,760	32,814	-	N/A	1,077,614
Sunac China Holdings Limited	Cayman Islands	73,000	Less than 1%	1,339,500	859,940	(479,560)	66,000	4.74	2,256,383
China Evergrande Group	Cayman Islands	310,000	Less than 1%	2,039,903	492,900	(1,547,003)	-	N/A	5,389,004
New Silkroad Culturalainment Limited	Bermuda	1,900,000	Less than 1%	1,202,546	229,900	(972,646)	-	N/A	1,011,467
HSBC Holdings Plc	England	2,400	Less than 1%	178,200	112,560	(65,640)	4,106	4.27	179,836
Baidu, Inc.	Cayman Islands	700	Less than 1%	176,400	101,220	(75,180)	-	N/A	64,073
Blue Moon Group Holdings Limited	Cayman Islands	10,500	Less than 1%	138,180	77,700	(60,480)	724	3.77	22,828
JD Health International Inc.	Cayman Islands	350	Less than 1%	24,703	21,507	(3,196)	-	N/A	5,213
Sunac Services Holdings Limited	Cayman Islands	322	Less than 1%	3,735	2,560	(1,175)	23	4.31	1,247
- Listed outside Hong Kong:									
Pinduoduo Inc.	Cayman Islands	3,500	Less than 1%	1,610,652	1,585,162	(25,490)	-	N/A	64,972
Ping An Insurance (Group) Company of China, Ltd.	PRC	6,000	Less than 1%	523,839	366,461	(157,378)	14,667	7.06	326,513
				25,538,265	17,660,440	(7,877,845)			

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS *(continued)*

A brief description of the business and financial information of the listed investee companies that accounted for the Group's ten largest investments at 30 June 2022, based on their published annual and interim reports, is as follows:

- (a) Tencent is principally engaged in providing of value-added services ("VAS") and online advertising services. Tencent operates through three main segments. The VAS segment is mainly involved in provision of online or mobile games, community value-added services and applications across various internet and mobile platforms. The online advertising segment is mainly engaged in display based and performance based advertisements. The others segment is mainly involved in provision of payment related services, cloud services and other services. The audited consolidated profit attributable to owners of Tencent for the year ended 31 December 2021 was approximately HK\$271,000,439,000 (2020: HK\$179,779,921,000). As at 31 December 2021, the audited consolidated net asset value attributable to owners of Tencent was approximately HK\$987,313,126,000 (2020: HK\$839,078,530,000). The unaudited consolidated profit attributable to owners of Tencent for the six months ended 30 June 2022 was approximately HK\$50,728,421,000 (2021: HK\$108,442,871,000). As at 30 June 2022, the unaudited consolidated net asset value attributable to owners of Tencent was approximately HK\$862,729,072,000 (2021: HK\$1,017,987,021,000).
- (b) Alibaba is principally engaged in providing the technology infrastructure and marketing reach to its customers including retail and wholesale, logistics services and consumer service business; cloud computing; digital media and entertainment; and innovation initiatives and others. The audited consolidated profit attributable to owners of Alibaba for the year ended 31 March 2022 was approximately HK\$74,778,317,000 (2021: HK\$180,399,662,000). As at 31 March 2022, the audited consolidated net asset value attributable to owners of Alibaba was approximately HK\$1,111,048,301,000 (2021: HK\$1,127,776,410,000).
- (c) DT Capital is to invest in listed equity securities and unlisted debt securities for earnings growth and capital appreciation. The audited consolidated loss attributable to owners of DT Capital for the year ended 31 December 2021 was HK\$4,781,495 (2020: HK\$40,913,149). As at 31 December 2021, the audited consolidated net asset value attributable to owners of DT Capital was HK\$126,614,100 (2020: HK\$115,679,132). The unaudited consolidated loss attributable to owners of DT Capital for the six months ended 30 June 2022 was HK\$22,311,263 (2021: profit of HK\$370,288). As at 30 June 2022, the unaudited consolidated net asset value attributable to owners of DT Capital was HK\$104,302,837 (2021: HK\$116,049,420).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS *(continued)*

- (d) New Silkroad is principally engaged in the development and operation of integrated resort and cultural tourism in South Korea, development and operation of real estate in South Korea and Australia, production and distribution of wine in the PRC and operation of entertainment business in South Korea. The audited consolidated profit attributable to owners of New Silkroad for the year ended 31 December 2021 was approximately HK\$61,864,000 (2020: loss of HK\$92,028,000). As at 31 December 2021, the audited consolidated net asset value attributable to owners of New Silkroad was approximately HK\$1,809,150,000 (2020: HK\$1,694,593,000). The unaudited consolidated loss attributable to owners of New Silkroad for the six months ended 30 June 2022 was approximately HK\$73,318,000 (2021: HK\$11,793,000). As at 30 June 2022, the unaudited consolidated net asset value attributable to owners of New Silkroad was approximately HK\$1,659,212,000 (2021: HK\$1,707,565,000).
- (e) JD is principally engaged in e-commerce business. It provides the technology infrastructure to its customers, including online retail and online marketplace through its retail mobile apps and website, the marketing service to business partners, the integrated supply chain solutions and logistics service, primarily including warehousing and distribution services. The audited consolidated loss attributable to owners of JD for the year ended 31 December 2021 was approximately HK\$4,291,224,000 (2020: profit of HK\$55,566,054,000). As at 31 December 2021, the audited consolidated net asset value attributable to owners of JD was approximately HK\$255,811,520,000 (2020: HK\$223,532,853,000). The unaudited consolidated profit attributable to owners of JD for the six months ended 30 June 2022 was approximately HK\$1,671,557,000 (2021: HK\$5,294,745,000). As at 30 June 2022, the unaudited consolidated net asset value attributable to owners of JD was approximately HK\$235,821,562,000 (2021: HK\$260,760,992,000).
- (f) HSBC provides banking and financial services worldwide through Wealth and Personal Banking, Commercial Banking, and Global Banking and Markets segments. HSBC offer current and savings accounts, mortgages and personal loans, credit and debit cards, local and international payment, credit and lending, treasury management, cash management, commercial insurance, investment services, commercial cards, international trade and receivables finance services, foreign exchange products, capital raising services on debt and equity markets, advisory and securities services. The audited consolidated profit attributable to owners of HSBC for the year ended 31 December 2021 was approximately HK\$97,999,254,000 (2020: HK\$30,237,566,000). As at 31 December 2021, the audited consolidated net asset value attributable to owners of HSBC was approximately HK\$1,545,953,500,000 (2020: HK\$1,523,022,579,000). The unaudited consolidated profit attributable to owners of HSBC for the six months ended 30 June 2022 was approximately HK\$64,875,516,000 (2021: HK\$56,477,040,000). As at 30 June 2022, the unaudited consolidated net asset value attributable to owners of HSBC was approximately HK\$1,478,233,554,000 (2021: HK\$1,539,559,206,000).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS *(continued)*

- (g) Meta develops products that enable people to connect and share with friends and family through mobile devices, personal computers, virtual reality headsets, wearables, and in-home devices worldwide. It operates in two segments, Family of Apps and Reality Labs. The Family of Apps segment's products include Facebook, Instagram, Messenger and WhatsApp. The Reality Labs segment provides augmented and virtual reality related products comprising virtual reality hardware, software, and content that help people feel connected, anytime, and anywhere. The audited consolidated profit attributable to owners of Meta for the year ended 31 December 2021 was approximately HK\$306,038,758,000 (2020: HK\$226,091,351,000). As at 31 December 2021, the audited consolidated net asset value attributable to owners of Meta was approximately HK\$973,806,442,000 (2020: HK\$994,632,370,000). The unaudited consolidated profit attributable to owners of Meta for the six months ended 30 June 2022 was approximately HK\$110,763,458,000 (2021: HK\$154,403,693,000). As at 30 June 2022, the unaudited consolidated net asset value attributable to owners of Meta was approximately HK\$986,893,649,000 (2021: HK\$1,073,609,109,000).
- (h) Ping An Insurance is principally engaged in provision of integrated financial products and services and is engaged in life insurance, property and casualty insurance, trust, securities and other assets management as well as banking. The audited consolidated profit attributable to owners of Ping An Insurance for the year ended 31 December 2021 was approximately HK\$122,490,337,000 (2020: HK\$160,943,445,000). As at 31 December 2021, the audited consolidated net asset value attributable to owners of Ping An Insurance was approximately HK\$994,789,923,000 (2020: HK\$908,895,264,000). The unaudited consolidated profit attributable to owners of Ping An Insurance for the six months ended 30 June 2022 was approximately HK\$72,743,484,000 (2021: HK\$69,617,601,000). As at 30 June 2022, the unaudited consolidated net asset value attributable to owners of Ping An Insurance was approximately HK\$994,189,437,000 (2021: HK\$952,578,708,000).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS *(continued)*

- (i) Sunac China is principally engaged in the businesses of property development and investment, property management services and operations in the PRC. The unaudited consolidated profit attributable to owners of Sunac China for the six months ended 30 June 2021 was approximately HK\$14,389,332,000 (2020: HK\$12,080,240,000). As at 30 June 2021, the unaudited consolidated net asset value attributable to owners of Sunac China was approximately HK\$154,450,495,000 (2020: HK\$106,375,562,000). The audited consolidated profit attributable to owners of Sunac China for the year ended 31 December 2020 was approximately HK\$40,088,557,000 (2019: HK\$29,509,985,000). As at 31 December 2020, the audited consolidated net asset value attributable to owners of Sunac China was approximately HK\$149,735,424,000 (2019: HK\$92,834,355,000).
- (j) Evergrande is principally engaged in the property development, property investment, property management, new energy vehicle business, hotel operations, finance business, internet business and health industry business in the PRC. The unaudited consolidated profit attributable to owners of Evergrande for the six months ended 30 June 2021 was approximately HK\$17,262,477,000 (2020: HK\$7,209,042,000). As at 30 June 2021, the unaudited consolidated net asset value attributable to owners of Evergrande was approximately HK\$229,542,024,000 (2020: HK\$142,818,417,000). The audited consolidated profit attributable to owners of Evergrande for the year ended 31 December 2020 was approximately HK\$9,083,077,000 (2019: HK\$19,592,064,000). As at 31 December 2020, the audited consolidated net asset value attributable to owners of Evergrande was approximately HK\$175,091,302,000 (2019: HK\$162,819,750,000).

15. DIRECTOR'S LOANS

During the six months ended 30 June 2022, the Group obtained loans from a director, Mr. Sun Bo, amounting to HK\$1,500,000. The director's loans were carried at amortised cost. The director's loans were unsecured, interest free and repayable within one year.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

16. SHARE CAPITAL

	(Unaudited) 30 June 2022 HK\$	(Audited) 31 December 2021 HK\$
Authorised:		
1,000,000,000 ordinary shares of HK\$0.02 each	20,000,000	20,000,000
Issued and fully paid:		
240,480,000 ordinary shares of HK\$0.02 each	4,809,600	4,809,600
	Number of	Nominal
	shares issued	value of
	Note	shares issued
		HK\$
At 1 January 2021	200,400,000	4,008,000
Issue of shares	(a) 40,080,000	801,600
At 31 December 2021, 1 January 2022 and 30 June 2022	240,480,000	4,809,600

Note:

- (a) On 12 January 2021, the Company and CNI Securities Group Limited entered into a placing agreement in respect of the placement of 40,080,000 ordinary shares of HK\$0.02 each ("the 2021 Placing Shares") to independent investors at a price of HK\$0.188 each. The placement was completed on 2 February 2021 and the 2021 Placing Shares were issued and allotted to not less than six placees, at the placing price of HK\$0.188 each. To the best knowledge, information and belief of the Company having made such reasonable enquiry and as informed by the placing agent, each of the placees and their respective ultimate beneficial owners are independent third parties and not connected with the Company and its connected persons as at the date of completion. The placees are professional investors and none of them has become a substantial shareholder of the Company immediately after completion. The premium on issue of shares amounting to HK\$6,657,509 (net of share issue expenses of HK\$75,931) was credited to the Company's share premium account.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

17. NET ASSET VALUE PER SHARE

The net asset value per share is HK\$0.05 as at 30 June 2022 (At 31 December 2021: HK\$0.08). The calculation is based on the net assets of the Group as at 30 June 2022 of HK\$12,869,411 (At 31 December 2021: HK\$19,449,336) and the number of ordinary shares of 240,480,000 (At 31 December 2021: 240,480,000) in issue as at that date.

18. RELATED PARTY TRANSACTIONS

(a) Key management compensation

The key management personnel of the Group comprises all directors and the chief executive officer. Details of their emoluments are disclosed below:

	(Unaudited)	
	Six months ended 30 June	
	2022	2021
	HK\$	HK\$
Fees	1,368,000	1,516,881
Salaries	60,000	60,000
Retirement benefit scheme contributions	12,000	19,427
	1,440,000	1,596,308

(b) Loans from a related party

	(Unaudited)	(Audited)
	30 June	31 December
	2022	2021
	HK\$	HK\$
Loans from a director	1,500,000	–

19. CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities at 30 June 2022 (At 31 December 2021: Nil).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

20. IMPACTS OF COVID-19 PANDEMIC

Since January 2020, the outbreak of Novel Coronavirus ("COVID-19") has dealt a big blow on the global business environment. In preparing the condensed consolidated financial statements, the Group applies fair value approach to measure its financial assets at FVTPL. Since 2020, fair value of the Group's financial assets at FVTPL has been suffering from fluctuations due to the COVID-19 outbreak. The impact will largely depend on duration of the outbreak.

In view of the development and spread of COVID-19 subsequent to the date of this report, further changes in economic conditions arising thereof may have negative impact on the financial results of the Group, the extent of which could not be estimated as at the date of this report. The Group will keep monitoring to the situation of the COVID-19 and react actively to its impact on the financial position and operating results of the Group.

21. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The unaudited condensed consolidated financial statements were approved and authorised for issue by the board of directors on 29 August 2022.