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## **LONGHUI INTERNATIONAL HOLDINGS LIMITED**

### **龍輝國際控股有限公司**

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

**(Stock Code: 1007)**

#### **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2023**

#### **RESULTS**

The board (the “**Board**”) of directors (the “**Director(s)**”) of Longhui International Holdings Limited (the “**Company**”) hereby announces the unaudited interim results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 June 2023, together with comparative figures from the previous corresponding period.

<b>FINANCIAL HIGHLIGHTS</b>	<b>Six months ended 30 June</b>		<b>Changes</b>
	<b>2023</b>	<b>2022</b>	
	<b>RMB'000</b>	<b>RMB'000</b>	<b>%</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	
Revenue	<b>44,965</b>	31,540	42.6%
Net loss	<b>(2,325)</b>	(14,681)	-84.2%
Earnings/(losses) before interest, tax, depreciation and written-off (the “ <b>Adjusted EBITDA</b> ”)	<b>2,852</b>	(7,218)	139.5%

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

*For the six months ended 30 June 2023*

		<b>Six months ended 30 June</b>	
		<b>2023</b>	2022
	<i>Notes</i>	<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	2	<b>44,965</b>	31,540
Foods and beverage and other materials consumables used		<b>(15,293)</b>	(11,618)
Employee benefit and related expenses	3	<b>(18,682)</b>	(15,533)
Property rentals and related expenses		<b>(3,538)</b>	(6,215)
Utilities expenses		<b>(883)</b>	(953)
Depreciation and written-off of property, plant and equipment and right-of-use assets		<b>(3,318)</b>	(6,443)
Other operating expenses		<b>(3,845)</b>	(5,350)
Other income, other gains and losses, net		<b>128</b>	911
		<hr/>	<hr/>
<b>Loss from operating activities</b>	4	<b>(466)</b>	(13,661)
Finance expenses, net		<b>(1,886)</b>	(1,031)
		<hr/>	<hr/>
<b>Loss before tax</b>		<b>(2,352)</b>	(14,692)
Income tax	5	<b>27</b>	11
		<hr/>	<hr/>
<b>Loss for the period</b>		<b>(2,325)</b>	(14,681)
		<hr/> <hr/>	<hr/> <hr/>
<b>Loss attributable to:</b>			
Owners of the Company		<b>(2,272)</b>	(14,552)
Non-controlling interest		<b>(53)</b>	(129)
		<hr/>	<hr/>
		<b>(2,325)</b>	(14,681)
		<hr/> <hr/>	<hr/> <hr/>
<b>Loss per share</b>	6		
— Basic		<b>RMB(0.02)</b>	RMB(0.21)
		<hr/> <hr/>	<hr/> <hr/>
— Diluted		<b>RMB(0.02)</b>	RMB(0.21)
		<hr/> <hr/>	<hr/> <hr/>

	<b>Six months ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Loss for the period</b>	<b>(2,325)</b>	<b>(14,681)</b>
Other comprehensive loss, net of income tax		
<i>Item that may be reclassified subsequently to profit</i>		
<i>or loss:</i>		
Currency translation differences	<u>(1,859)</u>	<u>(1,204)</u>
<b>Total comprehensive loss for the period</b>	<b><u>(4,184)</u></b>	<b><u>(15,885)</u></b>
<b>Total comprehensive loss attributable to:</b>		
Owners of the Company	<b>(4,131)</b>	<b>(15,756)</b>
Non-controlling interest	<u>(53)</u>	<u>(129)</u>
	<b><u>(4,184)</u></b>	<b><u>(15,885)</u></b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 30 June 2023*

		As at <b>30 June 2023</b>	As at 31 December 2022
	<i>Notes</i>	<b>RMB'000</b> <b>(Unaudited)</b>	<b>RMB'000</b> <b>(Audited)</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>98</b>	398
Right-of-use assets	8	<b>8,933</b>	11,819
Prepayments, deposits and other receivables	10	<b>4,657</b>	4,611
		<u><b>13,688</b></u>	<u>16,828</u>
<b>Current assets</b>			
Inventories		<b>13,909</b>	15,088
Trade receivables	9	<b>1,963</b>	1,955
Prepayments, deposits and other receivables	10	<b>8,414</b>	8,330
Cash and cash equivalents		<b>4,447</b>	1,701
		<u><b>28,733</b></u>	<u>27,074</u>
<b>Total assets</b>		<u><b>42,421</b></u>	<u>43,902</u>
<b>Equity</b>			
<b>Capital and reserves</b>			
Share capital	11	<b>337</b>	332
Reserves		<b>(188,953)</b>	(185,809)
<b>Deficiency attributable to owners of the Company</b>		<b>(188,616)</b>	(185,477)
<b>Non-controlling interest</b>		<b>(2,075)</b>	(2,022)
<b>Total deficiency</b>		<u><b>(190,691)</b></u>	<u>(187,499)</u>

		As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liabilities	8	8,986	14,801
Deferred tax liabilities		4	26
		<u>8,990</u>	<u>14,827</u>
<b>Current liabilities</b>			
Trade payables	12	25,408	24,603
Other payables and accruals	12	134,635	128,751
Contract liabilities		42,773	40,244
Lease liabilities	8	12,838	14,196
Borrowing		4,400	5,000
Convertible bonds		4,068	3,780
		<u>224,122</u>	<u>216,574</u>
<b>Total liabilities</b>		<u>233,112</u>	<u>231,401</u>
<b>Total deficiency and liabilities</b>		<u>42,421</u>	<u>43,902</u>
<b>Net current liabilities</b>		<u>(195,389)</u>	<u>(189,500)</u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the six months ended 30 June 2023*

### 1. BASIS OF PREPARATION AND APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) issued by the International Accounting Standards Board (the “IASB”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The condensed consolidated financial statements as at and for the six months ended 30 June 2023 comprise the Group.

The condensed consolidated financial statements are presented in Renminbi (“RMB”), and all values are rounded to the nearest thousand (“RMB’000”) except otherwise indicated. RMB is the Company’s presentation currency and the functional currency of the principal operating subsidiaries of the Group. The functional currency of the Company is Hong Kong dollars (“HK\$”). The Directors consider the choosing of RMB as the presentation currency best suits the needs of the shareholders and investors.

#### **Going concern basis**

The Group reported a consolidated net loss of approximately RMB2,325,000 for the current period and net current liabilities of approximately RMB195,389,000 as at 30 June 2023. These circumstances may cast significant doubt on the Group’s ability to continue as a going concern and, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. The Directors have made an assessment and concluded that the Group is able to continue as a going concern for at least the next twelve months from the end of the reporting period and to meet its obligations, as and when they fall due, having regard to the following:

- (i) the substantial shareholder of the Company has given his consent to provide continuous financial support to the Group to enable the Group to meet its obligations when due;
- (ii) negotiating with banks and other financial institution for new banking facilities;
- (iii) management has been endeavoring to improve the Group’s operating results and cash flows through various cost control measures and will slow down the opening of new restaurants or will close under performing restaurants in the future;

Consequently, the unaudited condensed consolidated financial statements have been prepared on a going concern basis. The condensed consolidated financial statements do not include any adjustments that would result should the Group be unable to operate as a going concern.

The condensed consolidated financial statements have been prepared on the historical cost basis.

Other than changes in accounting policies resulting from application of new and amendments to International Financial Reporting Standards (“IFRSs”), the accounting policies, methods of computation and presentation used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2022, except for those noted below.

### Application of amendments to IFRSs

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

IFRS 17 (including the June 2020 and December 2021 Amendments to IFRS 17)	Insurance Contracts
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to IAS 12	International Tax Reform — Pillar Two Model Rules

The application of the new and amendments to IFRSs in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

## 2. REVENUE AND SEGMENT INFORMATION

### (A) Segment information

	Six months ended 30 June 2023 (Unaudited)								
	Faigo			Xiao Faigo Hotpot				Unallocated	Total
	Shanghai	Others	Subtotal	Shanghai	Wuxi	Others	Subtotal		
<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	
Revenue	29,527	—	29,527	13,765	1,673	—	15,438	—	44,965
Depreciation and written-off of property, plant and equipment and right-of-use	(1,066)	(91)	(1,157)	(1,541)	(603)	—	(2,144)	(17)	(3,318)
Operating profit/(loss)	3,594	(176)	3,418	(1,716)	1,720	—	4	(3,888)	(466)
Profit/(loss) before income tax	2,700	(176)	2,524	(2,392)	1,567	—	(825)	(4,051)	(2,352)

	Six months ended 30 June 2022 (Unaudited)							Unallocated	Total
	Faigo			Xiao Faigo Hotpot					
	Shanghai	Others	Subtotal	Shanghai	Wuxi	Others	Subtotal		
<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	
Revenue	19,333	816	20,149	8,275	1,712	1,404	11,391	—	31,540
Depreciation and written-off of property, plant and equipment and right-of-use assets	(3,113)	(218)	(3,331)	(2,483)	(189)	(7)	(2,679)	(433)	(6,443)
Operating (loss)/profit	(5,097)	(361)	(5,458)	(5,178)	(694)	60	(5,812)	(2,391)	(13,661)
(Loss)/profit before income tax	(5,353)	(363)	(5,716)	(5,774)	(694)	22	(6,446)	(2,530)	(14,692)

**(B) Geographical information**

The Group's revenue from external customers by location of sales and information about its non-current assets by location of assets are detailed as below:

	Revenue from external customers		Non-current assets	
	Six months ended 30 June		As at 30 June 2023	As at 31 December 2022
	2023	2022	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
The People's Republic of China (the "PRC")	<u>44,965</u>	<u>31,540</u>	<u>13,688</u>	<u>16,828</u>

**(C) Information about major customers**

The Group are primarily engaged in the operation of a hotpot restaurant chain.

The Group's customer base is diversified. No individual customer (six months ended 30 June 2022: Nil) had transactions which exceeded 10% of the Group's aggregate revenue for the six months ended 30 June 2023.



#### (D) Disaggregation of revenue

Revenue represents the sales value of goods supplied to customers (net of value-added tax, other sales tax and discounts). Disaggregation of revenue from contracts with customers by major product lines is as follows:

	Six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>Revenue from contracts with customers within the scope of IFRS 15</b>		
Disaggregated by major product lines		
— Hotpot business	<u>44,965</u>	<u>31,540</u>

The timing of revenue recognition of all revenue from contracts with customers is at a point in time.

### 3. EMPLOYEE BENEFIT AND RELATED EXPENSES

	Six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Wages and salaries	5,609	3,342
Defined contribution plan ( <i>note a</i> )	855	902
Other social security costs and housing benefits	766	268
Other employee benefits	584	431
Labour outsourcing expenses ( <i>note b</i> )	<u>10,868</u>	<u>10,590</u>
	<u>18,682</u>	<u>15,533</u>

*Notes:*

- (a) Employees of the Group established in the PRC are required to participate in a retirement benefit scheme administered and operated by the PRC government. The Group is required to contribute 14.0% to 22.5% of payroll costs as determined by respective local government authorities to the designated pension fund. The only obligation of the Group with respect to retirement benefit scheme is to make the specific contributions under the scheme.
- (b) The Group entered into certain human resources agency agreements. Pursuant to these agreements, the Group outsourced a portion of its low level positions, such as waiter or waitress, kitchen assistants etc.

#### 4. LOSS FROM OPERATING ACTIVITIES

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Loss from operating activities has been arrived at after charging/(crediting):		
Depreciation of property, plant and equipment <sup>2</sup>	341	2,302
Depreciation of right-of-use assets <sup>2</sup>	2,886	4,141
Written-off of property, plant and equipment <sup>2</sup>	91	—
Short-term lease payment	136	181
Low-value asset lease payment	162	167
Allowance for/(reversal of allowance for) expected credit loss on trade and other receivables	360	(88)
Cleaning fee <sup>1</sup>	384	391
Transportation expenses <sup>1</sup>	288	237
Promotion and marketing expenses <sup>1</sup>	168	319
Travelling expenses <sup>1</sup>	178	51
Repair and maintenance fee <sup>1</sup>	361	337
Professional service expenses <sup>1</sup>	598	872

<sup>1</sup> These items were grouped under other operating expenses.

<sup>2</sup> These items were included under “depreciation and written-off of property, plant and equipment and right-of-use assets”.

#### 5. INCOME TAX

The income tax of the Group for the periods are analysed as follows:

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
PRC Enterprise Income tax		
— Current tax	—	(6)
Deferred tax	27	17
Income tax	27	11

## 6. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

Loss:

	Six months ended 30 June	
	2023	2022
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss for the period attributable to owners of the Company for the purpose of basic and diluted loss per share	<u>(2,272)</u>	<u>(14,552)</u>

Number of shares:

	Six months ended 30 June	
	2023	2022
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u>99,155,458</u>	<u>69,887,780</u>

The weighted average number of ordinary shares of 69,887,780 in issue during the six months ended 30 June 2022, as adjusted to reflect the effect of the share consolidation as disclosed in Note 11(a).

For the six months ended 30 June 2023 and 2022, the computation of diluted loss per share does not assume that the conversion of the outstanding convertible bonds and share options since their conversion would result in a decrease in loss per share.

## 7. DIVIDENDS

The Directors do not recommend the payment of any dividend for the six months ended 30 June 2023 (2022: Nil).

## 8. RIGHT-OF-USE ASSETS/LEASE LIABILITIES

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
<b>Right-of-use assets:</b>		
Offices	<u>8,933</u>	<u>11,819</u>
	<u><b>8,933</b></u>	<u><b>11,819</b></u>
	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
<b>Lease liabilities payables:</b>		
— Within one year	12,838	14,196
— More than one year but not more than two years	8,048	10,625
— More than two years but less than five years	<u>938</u>	<u>4,176</u>
	<u><b>21,824</b></u>	<u><b>28,997</b></u>

The Group obtains right to control the use of various shops and offices for a period of time through lease arrangements. Rental contracts are typically made for fixed periods of 1 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

During the six months ended 30 June 2023, total cash outflow for leases of approximately RMB8,800,000 (six months ended 30 June 2022: RMB9,801,000) was included in net cash used in financing activities.

## 9. TRADE RECEIVABLES

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
Trade receivables	4,742	4,474
Less: Allowance for expected credit loss	<u>(2,779)</u>	<u>(2,519)</u>
	<u><b>1,963</b></u>	<u><b>1,955</b></u>

As at 30 June 2023 and 31 December 2022, the fair values of the trade receivables of the Group approximated their carrying amounts.

- (a) The aging analysis of trade receivables, based on the invoice date and net of allowance for expected credit loss, were as follows:

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
0–30 days	1,095	1,252
31–90 days	107	179
91–180 days	567	469
181–360 days	<u>194</u>	<u>55</u>
	<u><b>1,963</b></u>	<u><b>1,955</b></u>

The Directors consider trade receivables mainly derived from sales through shopping malls or bills settled with credit cards, WeChat or Alipay, which are generally collectible within 1 month from sales date and no past due history.

## 10. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
Included in non-current assets:		
Rental deposits		
— non-current portion	<u>4,657</u>	<u>4,611</u>
Included in current assets:		
Rental deposits		
— current portion	144	214
Rental and utilities prepayments	536	447
Raw materials procurement prepayments	356	520
Value added tax inputs	6,862	6,518
Staff advances	505	519
Other receivables and prepayments due from related parties	277	276
Others	135	137
Less: Allowance for expected credit loss	<u>(401)</u>	<u>(301)</u>
	<u>8,414</u>	<u>8,330</u>

## 11. SHARE CAPITAL

### Share capital of the Company

	Number of shares	Amount <i>HK\$'000</i>	Amount equivalent to <i>RMB'000</i>
<b>Authorised</b>			
As at 1 January 2022 (Audited), ordinary shares of HK\$0.0004 each	950,000,000	380	306
Share consolidation ( <i>Note a</i> )	(855,000,000)	—	—
Additional authorised share capital of HK\$0.004 ( <i>Note a</i> )	405,000,000	1,620	1,383
	<u>500,000,000</u>	<u>2,000</u>	<u>1,689</u>
<b>As at 31 December 2022, 1 January 2023 (Audited) and 30 June 2023 (Unaudited), ordinary shares of HK\$0.004 each</b>			
<b>Issued and fully paid</b>			
As at 1 January 2022 (Audited), ordinary shares of HK\$0.0004 each	681,975,442	273	230
Exercise of share option under share option scheme ( <i>Note b</i> )	19,120,800	7	6
Share consolidation ( <i>Note a</i> )	(630,986,618)	—	—
Placing of shares ( <i>Note c</i> )	28,000,000	112	96
	<u>98,109,624</u>	<u>392</u>	<u>332</u>
As at 31 December 2022 and 1 January 2023 (Audited), ordinary shares of HK\$0.004 each	98,109,624	392	332
Exercise of share option under share option scheme ( <i>Note d</i> )	1,402,192	6	5
	<u>99,511,816</u>	<u>398</u>	<u>337</u>
<b>As at 30 June 2023 (Unaudited), ordinary shares of HK\$0.004 each</b>			

#### Notes:

- (a) Pursuant to an ordinary resolution passed in the extraordinary general meeting of the Company on 28 June 2022, i) every ten issued and unissued shares of HK\$0.0004 each were consolidated into one consolidated share of the Company of HK\$0.004 each; and ii) increase in authorised share capital of the Company from HK\$380,000 divided into 95,000,000 consolidated shares to HK\$2,000,000 divided into 500,000,000 consolidated shares by the creation of an additional 405,000,000 new consolidated shares, the changes effect on 30 June 2022.

- (b) On 21 January 2022, 19,120,800 ordinary shares were issued in relation to exercise of share options under share option scheme approved and adopted by the Company on 2 June 2021 (the “**Share Option Scheme**”).
- (c) On 15 August 2022, the Company placed 28,000,000 new shares to not less than six places at the placing price of HK\$0.65 per placing share with total gross proceeds of HK\$18,200,000 (equivalent to RMB15,976,000) and the related issue expenses were approximately HK\$560,000 (equivalent to RMB491,000).
- (d) On 10 February 2023 and 20 February 2023, 701,096 and 701,096 ordinary shares were issued respectively, in relating to exercise of share options under the Share Option Scheme.

## 12. TRADE AND OTHER PAYABLES AND ACCRUALS

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
Trade payables	25,408	24,603
Other payables	77,558	71,813
Staff costs and welfare accruals	57,077	56,938
	<u>160,043</u>	<u>153,354</u>

As at 30 June 2023 and 31 December 2022, the aging analysis of the trade payables based on invoice date were as follows:

	As at 30 June 2023 <i>RMB'000</i> (Unaudited)	As at 31 December 2022 <i>RMB'000</i> (Audited)
0–30 days	1,825	1,797
31–90 days	4,022	4,745
91–180 days	7,379	6,336
181–360 days	8,637	5,992
Over 1 year	3,545	5,733
	<u>25,408</u>	<u>24,603</u>



### 13. EVENTS AFTER THE REPORTING PERIOD

On 4 July 2018, the Company issued convertible bonds, which were 5-year, zero coupon and in the aggregate principal amount of approximately HK\$129,470,000 (equivalent to approximately RMB109,388,000) to the vendors, including Mr. Hung Shui Chak, Ms. Hung Ying, Mr. Ho Roy Poon Kwong and Mr. So Kam Chuen, as part of the consideration of the Company's acquisition on 4 July 2018. The conversion period was five years from the date of issue of the convertible bonds and would be matured on 3 July 2023 (the "**Maturity Date**"). Any amount of the convertible bonds which remained outstanding on the Maturity Date should be redeemed by the Company at its then outstanding principal amount, and the Company should not be entitled to redeem any part of the convertible bonds prior to the Maturity Date.

On 17 July 2019 and 16 September 2019, Ms. Hung Ying and Mr. Hung Shui Chak had converted all of the convertible bonds issued in their names into ordinary shares of the Company, respectively. For the details, please refer the Company's announcement dated 17 July 2019 and 16 September 2019.

Subsequent to 30 June 2023, the Company received conversion notices from Mr. Ho Roy Poon Kwong and Mr. So Kam Chuen, exercising their rights to convert all of the convertible bonds issued in their names in the principal amounts of approximately HK\$2,887,000 (equivalent to approximately RMB2,662,000) and HK\$1,528,000 (equivalent to approximately RMB1,409,000), respectively, into ordinary shares of the Company. Allotment of shares in relation to the conversion of convertible bonds is in progress up to the issue date of these condensed consolidated financial statements.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL AND BUSINESS REVIEW

The Group is principally engaged in the hotpot restaurant business in the PRC with the brands of Faigo (“輝哥”) and Xiao Faigo Hotpot (“小輝哥火鍋”). The target customers of the restaurants operating under the brand of Faigo (“輝哥”) are mainly high-income group while those under the brand of Xiao Faigo Hotpot (“小輝哥火鍋”) are mainly middle-income group.

#### Revenue

For the six months ended 30 June 2023 (the “**Period**”), the Group’s revenue increased by approximately 42.6% to approximately RMB45.0 million from approximately RMB31.5 million in the last corresponding period. The increase was mainly due to the increase in customer flow and the improved operating performance as a result of the lifting of the novel coronavirus (the “**COVID-19**”) pandemic control measures.

#### Foods and beverage and other materials consumables used

The Group’s foods and beverage and other materials consumables costs mainly represent the costs of food ingredients for the hotpot business, and were one of the largest components of the Group’s operating expenses. The foods and beverage and other materials consumables costs increased by approximately 31.9% to approximately RMB15.3 million for the six months ended 30 June 2023 from approximately RMB11.6 million in the last corresponding period.

#### Employee benefit and related expenses

The Group’s employee benefit and related expenses, being one of the largest components of the operating expenses of the Group, consist of wages and salaries, labour outsourcing expenses, defined contribution plan, other social security costs and housing benefits and other employee benefits.

The employee benefit and related expenses increased by approximately 20.6% to approximately RMB18.7 million for the six months ended 30 June 2023 from approximately RMB15.5 million in the last corresponding period, mainly attributable to the increase in the number of restaurant operation days as compared to the corresponding period in 2022.

#### Property rentals and related expenses

Following the closure of those underperformed restaurants in 2022, the Group’s property rentals and related expenses decreased by approximately 43.5% to approximately RMB3.5 million for the six months ended 30 June 2023 from approximately RMB6.2 million in the last corresponding period.

## **Depreciation and written-off of property, plant and equipment and right-of-use assets**

Following the closure of those underperformed restaurants in 2022, the Group's depreciation and written-off of property, plant and equipment and right-of-use assets decreased by approximately 48.4% accordingly to approximately RMB3.3 million for the six months ended 30 June 2023 from approximately RMB6.4 million in the last corresponding period.

## **Other operating expenses**

The Group's other operating expenses, which mainly consist of professional services fees; repair and maintenance; and promotion and marketing expenses, decreased by approximately 29.6% to approximately RMB3.8 million for the six months ended 30 June 2023 approximately RMB5.4 million in the last corresponding period.

## **Other income, other gains and losses, net**

The Group's other income, other gains and losses, net decreased by approximately 88.9% to approximately RMB0.1 million for the six months ended 30 June 2023 from approximately RMB0.9 million in the last corresponding period, which was mainly attributable to the increase in allowance for expected credit loss on trade and other receivables.

## **Finance expenses, net**

The Group's finance expenses, net mainly represent interest expense on borrowings and lease liabilities and imputed interest on convertible bonds. The Group's net finance expenses increased by approximately 90.0% to approximately RMB1.9 million for the six months ended 30 June 2023 from approximately RMB1.0 million in the last corresponding period. The increase was mainly attributable to the increase in interest expenses on lease liabilities.

## **Loss for the period**

Loss for the period attributable to owners of the Company decreased by approximately 84.2% to approximately RMB2.3 million (six months ended 30 June 2022: approximately RMB14.6 million). Basic loss per share for the Period was approximately RMB0.02 (six months ended 30 June 2022: approximately RMB0.21). The decrease in loss for the Period was mainly attributable to the increase in customer flow and the improved operating performance as a result of the lifting of the COVID-19 pandemic control measures and the closure of 1 underperformed restaurant. The number of restaurants dropped to 11 during the Period (six months ended 30 June 2022: 15).

## **Earnings before interest, tax, depreciation and written-off (“Adjusted EBITDA”)**

The Company also assesses its operating performance based on the adjusted EBITDA as additional financial measures. The Adjusted EBITDA for the Period was approximately RMB2.9 million (six months ended 30 June 2022: Adjusted EBITDA loss of approximately RMB7.2 million), representing an increment of 139.5%.

## **PROSPECTS**

Alongside the ending of COVID-19 controls measures in the PRC, the Group expects the seat turnover rate and average customer spending will gradually return to normal and to the level similar to that before the period of pandemic. On the other hand, the Group will continue implement the cost-saving and productivity enhancement strategy in the coming years and expects to maximise the returns of the shareholders.

### **Targeting the High-End Segment**

Hotpot restaurants offering meat as their major food ingredient have a lower average customer spending compared with those serving seafood. Therefore, more hotpot restaurants are beginning to diversify their food options to target different customer segments. This includes introducing seafood in hotpot menus, which can attract more customers from the high-end segment. Besides, the Group will continue to priorities maintaining a comfortable environment, providing considerate services and offering high-quality fresh ingredients to retain and attract high income group customer which serves as a major drive for the growth of revenue of our restaurants.

### **Inclusive of New Food Ingredients and Flavors**

New food ingredients will be added to hotpot dining. As hotpot is more inclusive than other styles of cooking, new food ingredients can be easily introduced to hotpot dining. Hotpot restaurants are more willing to stay appealing to customers by offering new food ingredients in their menus rather than stick to their own understanding of hotpot stereotype.

## **INTERIM DIVIDEND**

The Directors do not recommend the payment of any interim dividend for the six months ended 30 June 2023 (six months ended 30 June 2022: Nil).

## LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 30 June 2023, the Group recorded cash and bank balances amounting to approximately RMB4.4 million (31 December 2022: approximately RMB1.7 million) and the net current liabilities value was approximately RMB195.4 million (31 December 2022: approximately RMB189.5 million).

The net liabilities value per share of the Company was approximately RMB1.92 as at 30 June 2023 (31 December 2022: approximately RMB2.32). The net liabilities value per share was computed based on 99,155,458 and 80,667,866 weighted average number of ordinary shares as at 30 June 2023 and 31 December 2022 respectively.

The Group's gearing ratio as at 30 June 2023 was approximately 0.20 (31 December 2022: approximately 0.20), being a ratio of total debts, including borrowing and convertible bonds, of approximately RMB8.5 million (31 December 2022: approximately RMB8.8 million) to the total assets of approximately RMB42.4 million (31 December 2022: approximately RMB43.9 million).

## USE OF PROCEEDS FROM PLACING OF SHARES

The Company completed a placing of shares on 15 August 2022, pursuant to which the Company has issued and allotted 28,000,000 shares of the Company (the "Shares") at a subscription price of HK\$0.65 per placing share. The gross proceeds from the placing of shares was HK\$18.20 million and the net proceeds after deducting relevant expenses was approximately HK\$17.64 million. The net issue price per placing share based on the net proceeds is HK\$0.63.

The intended and actual use of the net proceeds from the placing of shares is stated as below:

	Intended use of the net proceeds (HK\$ million)	Amount of the net proceeds utilised as at 30 June 2023 (HK\$ million)	Balance of the net proceeds unutilised as at 30 June 2023 (HK\$ million)
Repayment of the existing indebtedness of the Group from independent third parties	15.00	15.00	—
General working capital of the Group	2.64	2.64	—
	<u>17.64</u>	<u>17.64</u>	<u>—</u>

## PLEDGE OF ASSETS

As at 30 June 2023, the Company had no charges on its assets (31 December 2022: Nil).

## CAPITAL STRUCTURE

On 10 February 2023 and 20 February 2023, 701,096 shares and 701,096 shares were issued respectively in relation to exercise of share options under the Share Option Scheme.

Save as disclosed, the Company had no changes in capital structure during the six months ended 30 June 2023.

Subsequent to the period end, on 4 August 2023, 2,804,384 Shares were allotted and issued in relation to exercise of Share Options under the Share Option Scheme.

## CONVERTIBLE BONDS

Upon the share consolidation becoming effective and pursuant to the terms and conditions of the Convertible Bonds, the conversion price of the Convertible Bonds and the number of Shares falling to be allotted and issued upon conversion of the Convertible Bonds shall be adjusted with effective on 29 June 2022 (the “**Share Consolidation Adjustment 2022**”) as follows:

	Immediately before the Share Consolidation Adjustment 2022		Immediately after the Share Consolidation Adjustment 2022	
	Conversion price per Share	Number of Shares to be allotted and issued upon exercise of all the conversion rights under the Convertible Bonds	Adjusted conversion price per Share	Adjusted number of Shares to be allotted and issued upon exercise of all the conversion rights under the Convertible Bonds
Convertible Bonds				
Convertible Bonds in the amount of HK\$4,414,937	<u>HK\$1.75</u>	<u>2,522,821</u>	<u>HK\$17.50</u>	<u>252,282</u>

## INVESTMENT POSITION AND PLANNING

Save as disclosed, there was no material acquisition or disposal of subsidiary and associated company or significant investments for the six months ended 30 June 2023.

## **CONNECTED TRANSACTIONS**

Save as disclosed, for the six months ended 30 June 2023, the Company did not have any connected transactions which were subject to the reporting requirements under Chapter 14A of the Listing Rules.

## **EVENT AFTER THE REPORTING PERIOD**

### **Change of Auditor**

HLB Hodgson Impey Cheng Limited (“**HLB**”) resigned as the auditor of the Company with effect from 25 July 2023 and confirmed that there were no matters that need to be brought to the attention of the shareholders of the Company in relation to its resignation.

RSM Hong Kong has been appointed as the new auditor of the Company with effect from 26 July 2023 to fill the casual vacancy following the resignation of HLB. RSM Hong Kong shall hold office until the conclusion of the next annual general meeting of the Company.

Details were set out in the Company’s announcements dated 25 July 2023 and 26 July 2023.

### **Change of Company Secretary**

Mr. Wong Wing Kit was appointed the company secretary of the Company in place of Ms. Li Wing Wah with effect from 4 August 2023.

## **FOREIGN CURRENCY RISK**

Most of the Group’s business transactions, assets and liabilities are denominated in Renminbi and settled in Renminbi, which is the functional currency of respective group companies. The Group’s exposure to currency risk is minimal. The Group has not entered into any instruments on the foreign exchange exposure. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk.

## **EMPLOYEES AND REMUNERATION POLICIES**

The number of employees of the Group as at 30 June 2023 was 346 (31 December 2022: 350). Employees’ remuneration is commensurate with their job nature, qualifications and experience. Salaries and wages are normally reviewed annually based on performance appraisals and other relevant factors. The Group continues to offer competitive remuneration packages and bonus to eligible staff, based on the performance of the Group and the individual employee.



## CONTINGENT LIABILITIES

The Company acquired the entire equity interest in the Longhui International Catering Management Holdings Limited (the “**Accounting Acquirer**”) on 4 July 2018 (the “**Acquisition Date**”) was accounted for in the consolidated financial statements as reverse acquisition of the Company by the Accounting Acquirer (the “**Reverse Acquisition**”). The Group recognised deemed listing expenses of approximately RMB399,670,000 upon the application of the Reverse Acquisition on the Acquisition Date.

On the Acquisition Date, the Group applied the Reverse Acquisition method of accounting and recognised the identifiable assets and liabilities of the Company as at that date, including the recorded accrued expenses and other payables of approximately RMB37,578,000 as disclosed in Note 32 to the consolidated financial statements in the annual report of the Company for the year ended 31 December 2019.

These recorded accrued expenses and other payables do not include any of the unknown liabilities of the Company brought forward from 1 January 2018, which included the amount due to a deconsolidated subsidiary of approximately RMB882,000 (equivalent to approximately HK\$1,028,000) and unknown other payables of approximately RMB15,182,000 (equivalent to approximately HK\$17,694,000) (collectively, the “**Unknown Liabilities**”).

The Company had used its best effort to identify the nature of the Unknown Liabilities including publishing a public notice which invited any potential creditors to inform the Company of any debts or claims.

With the legal advice provided to the Company, according to Section 4(1)(a) of the Limitation Ordinance (Laws of Hong Kong Chapter 347) (“**LO Cap. 347**”), which provides that actions founded on simple contract shall not be brought after the expiration of 6 years from the date on which the course of action accrued, whereas section 4(3) of LO Cap. 347 states that an action upon a specialty shall not be brought after the expiration of 12 years from the date on which the cause of action accrued.

The Directors considered that the origin of the Unknown Liabilities is unlikely to be created under a deed and among other reasons, given actions founded on simple contract shall not be brought after six years from the date on which the cause of actions accrued pursuant to LO Cap. 347, any potential creditors would be statutorily barred from taking action against another person six years after the date when the liabilities were due, unless such liabilities was created under deed, in which case, the limitation period shall be 12 years from the date of the liabilities were due. As the Unknown Liabilities were incurred during the year ended 31 December 2012 and 2013, if the amount was created under simple contract, the payment obligation is expired as at 31 December 2019, if the liabilities was created under deed, the payment obligations will be expire as at 31 December 2025.



Besides, the Company had entered into a debt assignment agreement with Global Courage Limited (“**Global Courage**”), pursuant to which Global Courage agrees to undertake all outstanding Unknown Liabilities.

Subject to the above matters, the possibility of outflow of economic resources in the settlement of Unknown Liabilities by the Group is not probable.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

### DIRECTORS’ AND CHIEF EXECUTIVES’ INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2023, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”)) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provision of the SFO) or which were required to be recorded in the register required to be kept 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**”) as follows:

Name of Director	Capacity	Number of shares held	Number of underlying shares held	Total number of shares and underlying shares held	Approximate percentage of the issued share capital of the Company (Note 2)
Mr. Hung Shui Chak	Interest of controlled corporation	51,470,462 (L) (Note 1)	—	51,470,462 (L)	51.72%
Mr. So Kam Chuen	Beneficial owner	860,934 (L)	87,299 (L)	948,233 (L)	0.95%
Mr. Yuan Mingjie	Beneficial owner	751,360 (L)	—	751,360 (L)	0.76%

(L): Long position

Notes:

- These 51,470,462 shares were held by Shui Chak Group Limited. Shui Chak Group Limited was wholly-owned by Mr. Hung. Thus, Mr. Hung was deemed to be interested in the 51,470,462 shares held by Shui Chak Group Limited pursuant to the SFO.
- The percentage is calculated on the basis of 99,511,816 shares of the Company in issue as at 30 June 2023.

Save as disclosed above and so far is known to the Directors, as at 30 June 2023, none of the Directors or chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be 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.

## **DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES**

Save as disclosed above, at no time during the six months ended 30 June 2023 was the Company, or any of its holding companies, its subsidiaries or its fellow subsidiaries a party to any arrangement to enable the Directors and chief executives of the Company (including their spouses and children under 18 years of age) to hold any interest or short positions in the shares, or underlying shares, or debentures, of the Company or its associated corporations (with the meaning of Part XV of the SFO).

## **SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES**

As at 30 June 2023, the following persons or corporations (other than Directors or chief executives of the Company) were interested in 5% or more of the issued share capital of the Company which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the Listing Rules:

<b>Name of shareholder</b>	<b>Capacity</b>	<b>Number of shares held</b>	<b>Number of underlying shares held</b>	<b>Total number of shares and underlying shares held</b>	<b>Approximate percentage of the issued share capital of the Company</b> <i>(Note 2)</i>
Shui Chak Group Limited	Beneficial owner	51,470,462 (L) <i>(Note 1)</i>	—	51,470,462 (L)	51.72%

(L): Long position

*Notes:*

- These 51,470,462 shares were held by Shui Chak Group Limited. Shui Chak Group Limited was wholly-owned by Mr. Hung. Thus, Mr. Hung was deemed to be interested in the 51,470,462 shares held by Shui Chak Group Limited pursuant to the SFO.
- The percentage is calculated on the basis of 99,511,816 shares of the Company in issue as at 30 June 2023.

Save as disclosed above, as at 30 June 2023, no other person (other than the Directors and the chief executive of the Company) held any interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO or according to the information available to the Company.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

## SHARE OPTION SCHEME

The Company operates the Share Option Scheme approved and adopted by the shareholders of the Company (the "Shareholders") at an annual general meeting held on 2 June 2021. Unless otherwise cancelled or amended, the Share Option Scheme will remain in force for a period of 10 years from the date of its adoption. Apart from the Share Option Scheme, the Company has no other share option scheme currently in force.

During the Period, a total of 1,402,192 share options were exercised. Save and except for the aforesaid, no share option was granted, exercised, cancelled, expired or lapsed during the period. There are no share available for issue by the Company under the Share Option Scheme as at 30 June 2023.

Details of the movements of the share options under the Share Option Scheme during the period were as follows:

Date of grant	Grantees/ Capacity	Number of Share Options					Exercise period	Price of the shares before the date of grant (Note 2) Per share	Exercise price (Note 1) Per share
		Outstanding as at 1 January 2023	Granted during the period	Exercised during the period	Cancelled/ Lapsed during the period	Outstanding as at 30 June 2023			
30 December 2022	Employees of the Group	6,309,864	—	1,402,192	—	4,907,672	30 December 2022 to 29 December 2032	HK\$0.760	HK\$0.814
30 December 2022	Consultant (Note 4)	701,098	—	—	—	701,098	30 December 2022 to 29 December 2032	HK\$0.760	HK\$0.814
		<u>7,010,962</u>	<u>—</u>	<u>1,402,192</u>	<u>—</u>	<u>5,608,770</u>			

Notes:

- The exercise price of the share options is subject to adjustment in the case of capitalisation issue, rights issue, subdivision or consolidation of the shares of the Company, or other similar changes in the Company's share capital.

2. The price of the shares of the Company before the date of the grant of the share options is the closing price of the shares of the Company as quoted on the Stock Exchange on the trading day immediately before the date on which the share options were granted.
3. The weighted average closing price of the Shares immediately before the share options were exercised is HK\$0.855 per share.
4. The consultant possess extensive experience in, including but not limited to, strategic planning and implementation for information technology applied in food and beverage business. The grant of share options to the consultant is to provide them an incentive to share of their respective relevant experience, knowledge and network to improve the business operation system of the Group.
5. The number of options available for grant under the scheme mandate of the Share Option Scheme at the beginning and the end of the Period were nil Shares and nil Shares respectively and the number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during the Period (i.e. nil Shares under the Share Option Scheme) divided by the weighted average number of Shares in issue for the Period (i.e. 99,155,458 Shares) is nil.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

The Directors recognise the importance of incorporating the elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability to the shareholders of the Company (the “**Shareholder(s)**”) as a whole.

Throughout the Period, to the best knowledge of the Board, the Company has applied the principles and complied with all the applicable code provisions as out in the Corporate Governance Code to the Appendix 14 of the Listing Rules in force during the Period (the “**CG Code**”) except for the deviation as mentioned below.

### **Code Provision C.2.1**

Pursuant to the code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

The role of the chairman of the Board is performed by Mr. Hung Shui Chak who possesses essential leadership skills and has extensive knowledge in the business of the Group. The Board believes that vesting the role of the chairman in Mr. Hung provides the Company with strong and consistent leadership, facilitates effective and efficient planning, implementation of business decisions and strategies, and ensures the generation of benefits to the Shareholders.

Although the appointment of the chief executive officer of the Company remains outstanding, the overall management of the Company is performed by the executive Directors and the senior management of the Group whom have extensive experience in the business of the Group. Their respective areas of profession spearhead the Group’s overall development and business strategies.

## UPDATE ON DIRECTOR(S)' INFORMATION

The following change in the information of the director(s) occurred on or after the date of the 2022 Annual Report which is required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules.

On 15 May 2023, Mr. Cheung Ting Pong, an independent non-executive Director, has been appointed as an executive director of Future Data Group Limited (stock code: 8229), a company listed on the GEM of the Stock Exchange.

## MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding directors' securities transactions with terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") in Appendix 10 of the Listing Rules.

All Directors have confirmed, following the specific enquiry by the Company, that they complied with the required standard set out in the Model Code during the six months ended 30 June 2023 and up to the date of this announcement.

## AUDIT COMMITTEE

The Company has established the audit committee of the Company (the "**Audit Committee**") with written terms of reference in accordance with the CG Code as set out in Appendix 14 to the Listing Rules. The main duties of the Audit Committee are, inter alia, (i) to review half-yearly and annual results of the Group; (ii) to review the risk management and internal control systems, the effectiveness of the internal audit function of the Group; (iii) to review the effectiveness of the internal audit function of the Company; (iv) to ensure the objectivity and credibility of the Company's financial reporting and internal control procedures as well as to maintain an appropriate relationship with the external auditor of the Company; and (v) to review the coverage and effectiveness of the whistleblowing policy of the Company (the "**Whistleblowing Policy**") and to investigate the reports submitted through the channels described in the Whistleblowing Policy.

As at the date of this announcement, the Audit Committee comprises all three independent non-executive Directors, namely Mr. Cheung Ting Pong (Chairman of the Audit Committee), Mr. Tam Bing Chung Benson and Mr. Shum Kei Yiu Daniel. The Audit Committee consists of three members comprising three independent non-executive Directors, at least one of whom with appropriate professional qualifications or accounting or related financial management expertise as required in the Listing Rules.

The Audit Committee has reviewed the interim results of the Group for the six months ended 30 June 2023 with the management of the Company, and confirmed that the preparation of such complied with applicable accounting standards and practices adopted by the Company and the requirements under the Listing Rules and other applicable statutory and regulatory requirements, and adequate disclosures had been made.

## **PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT**

This interim results announcement is published on the Stock Exchange's website ([www.hkex.com.hk](http://www.hkex.com.hk)) and the Company's website (<http://www.cre8ir.com/longhui/>). The interim report of the Company will be despatched to the Shareholders and will be available on websites of the Stock Exchange and the Company in due course.

By order of the Board  
**Longhui International Holdings Limited**  
**Hung Shui Chak**  
*Chairman and Executive Director*

Hong Kong, 30 August 2023

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Hung Shui Chak, Mr. So Kam Chuen and Mr. Yuan Mingjie; and three independent non-executive Directors, namely Mr. Tam Bing Chung Benson, Mr. Cheung Ting Pong and Mr. Shum Kei Yiu Daniel.*