





# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Mr. Chen Long (*Chairman*)

Mr. Chen Shaojia (*Chief Executive*)

Mr. Tse Hoi Chau (resigned on 1 November 2024)

### Independent Non-executive Directors

Mr. Yuen Wai Kin

Ms. Ji Lingzi (appointed on 1 November 2024)

Mr. Ma Sai Yam

Mr. Lau Yiu Kit (resigned on 1 November 2024)

## AUDIT COMMITTEE

Mr. Yuen Wai Kin (*Chairman*)

Ms. Ji Lingzi (appointed on 1 November 2024)

Mr. Ma Sai Yam

Mr. Lau Yiu Kit (resigned on 1 November 2024)

## REMUNERATION COMMITTEE

Mr. Ma Sai Yam (*Chairman*)

Mr. Chen Long

Mr. Yuen Wai Kin

Ms. Ji Lingzi (appointed on 1 November 2024)

Mr. Lau Yiu Kit (resigned on 1 November 2024)

## NOMINATION COMMITTEE

Mr. Yuen Wai Kin (*Chairman*)

Mr. Chen Long

Ms. Ji Lingzi (appointed on 1 November 2024)

Mr. Ma Sai Yam

Mr. Lau Yiu Kit (resigned on 1 November 2024)

## COMPANY SECRETARY

Mr. Wong Yun Fai

## AUTHORISED REPRESENTATIVES

Mr. Chen Long

Mr. Wong Yun Fai

## REGISTERED OFFICE

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

## PRINCIPAL PLACE OF BUSINESS

Unit No.8502, Level 85,

International Commerce Centre

1 Austin Road West

Kowloon, Hong Kong

## PRINCIPAL BANKERS

CMB Wing Lung Bank Limited

China Construction Bank (Asia) Corporation Limited

The Hongkong and Shanghai Banking Corporation

Limited





## LEGAL ADVISERS

### As to Bermuda law

Conyers Dill & Pearman  
2901, One Exchange Square  
8 Connaught Place  
Central  
Hong Kong

### As to Hong Kong law

Fangda Partners  
26/F, One Exchange Square  
8 Connaught Place, Central  
Hong Kong

## AUDITOR

CL Partners CPA Limited  
3203A-5, Tower 2  
Lippo Centre  
89 Queensway  
Admiralty  
Hong Kong

## SHARE REGISTRARS

### Principal share registrar and transfer office

MUFG Fund Services (Bermuda) Limited  
4th floor North  
Cedar House  
41 Cedar Avenue  
Hamilton HM 12  
Bermuda

### Hong Kong branch share registrar and transfer office

Union Registrars Limited  
Suites 3301-04, 33/F  
Two Chinachem Exchange Square  
338 King's Road  
North Point  
Hong Kong

## LISTING EXCHANGE INFORMATION

### Place of Listing

The Stock Exchange of Hong Kong Limited

### Stock Code

789

## COMPANY'S WEBSITE

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

# Management Discussion and Analysis

The board (the “Board”) of directors (the “Directors”) of Artini Holdings Limited (the “Company”) is pleased to present this interim report, including the unaudited condensed consolidated financial statements of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 September 2024 (the “Period”).

## BUSINESS REVIEW

The Group is principally engaged in the fashion accessories business, and skincare and health products sales business during the Period.

The continuing high interest rate environment and geopolitical tensions had inevitably affected consumers’ spending behaviour and sentiment, particularly in the luxury goods sector and fashion accessories industry throughout the Period. The global consumer goods industry continues to face severe challenges. The Group has always been committed to ensuring stable operation and has consistently taken steps to sustain progress. In the face of many challenges and intensified competition in the industry, the Group has been making headway and actively exploring opportunities to join the new development landscape. Despite the unfavorable factors encountered, the revenue of the Group recorded a significant increase of 131.6% to approximately HK\$54,164,000 for the Period. Gross profit for the Period amounted to approximately HK\$11,482,000, and profit for the Period amounted to approximately HK\$1,071,000.

## FINANCIAL REVIEW

### Revenue

Revenue of the Group is mainly derived from (i) fashion accessories platform business, representing wholesale, retail and distribution of fashion accessories mainly through self-operated online platform and third-party sales online platforms, and (ii) skincare and health product sales platform business, representing wholesale, retail and distribution of skincare and health products mainly through self-operated online platform.

Revenue of the Group for the six months ended 30 September 2024 was approximately HK\$54,164,000 (six months ended 30 September 2023: approximately HK\$23,387,000), representing an increase by approximately 131.6% from that of the corresponding period of 2023.

The increase in the Group’s revenue during the Period was due to (i) the increase in the sales of fashion accessories platform business from approximately HK\$23,387,000 for the six months ended 30 September 2023 to approximately HK\$42,799,000 for the the six months ended 30 September 2024; and (ii) sales of skincare and health product sales platform business amounted to approximately HK\$11,365,000 which was the additional income stream of the Group for the Period comparing to the corresponding period of 2023.



### Gross profit

The Group's gross profit for the Period was approximately HK\$11,482,000 (six months ended 30 September 2023: approximately HK\$4,830,000), representing an increase of approximately 137.7%. The Group's gross profit margin for the Period was approximately 21.2% which was comparable to the gross profit margin of 20.7% for the corresponding period of 2023.

### Other gains and losses

The Group's net other gains for the six months ended 30 September 2024 was approximately HK\$8,136,000 (six months ended 30 September 2023: approximately HK\$2,163,000). The fluctuation was mainly due to a one-off gain recognised upon the deregistration of a subsidiary amounted to approximately HK\$9,111,000. This was offset by the increase in impairment losses on trade receivables and other receivables of approximately HK\$784,000, as well as the recognition of a net exchange loss of approximately HK\$255,000 while there was net exchange gain of approximately HK\$2,076,000 for the six months ended 30 September 2023.

### Selling and distribution expenses

The Group's selling and distribution expenses for the Period was approximately HK\$9,880,000 (six months ended 30 September 2023: approximately HK\$5,922,000), representing an increase of approximately 66.8%. The increase in the Group's selling and distribution expenses during the Period was in line with the increasing trend of the revenue as more selling and distribution expenses were used in order to expand the market share of the Group.

### Administrative expenses

The Group's administrative expenses for the Period was approximately HK\$8,821,000 (six months ended 30 September 2023: approximately HK\$5,216,000), representing an increase of approximately 69.1%. The increase in the Group's administrative expenses was mainly attributable to the increase in staff cost and depreciation of right-of-use assets during the Period.

### Profit for the Period

As a result of the foregoing, the Group's profit for the Period was approximately HK\$1,071,000 (six months ended 30 September 2023: a loss of approximately HK\$4,147,000).

## PROSPECTS

Looking ahead to 2025, the Group expects that the prolonged high-interest rate and high inflation environment will continue to pose challenges to the consumer goods industry. Even if there are signs of recovery, we expect that consumers will remain cautious and tend to hold back on non-essential spending, and therefore, the recovery in global consumer demand will be gradual rather than sudden. The Group will follow through to review and reinforce its strengths, grasping the opportunities arising from the new era.

## Management Discussion and Analysis

The Group is committed to promoting its brands and strategically developing its sales platforms and social media marketing online platforms. The Group will persist in maintaining and enhancing its brand image, strengthen the integration of online and offline channels, and improve market penetration and customer stickiness. To optimise its product portfolio, the Group will leverage relevant online channels and platforms to launch a wider range of fashion accessories and life fashion products as well as new skincare and health products and services. The Group will continue to launch new series of fashion accessories with precious metal and Chinese cultural elements as well as new skincare and health products and services to meet the needs of consumers in order to increase market share by exploiting new customers and new markets. The Group will also continue to upgrade its brands to accelerate the pace of socialised marketing, and to zero in on product innovation, skills development and new product launch.

The Group strictly follows the 'Dual circulation' economic development plan proposed in the National '14th Five-Year Plan' and actively seizes the opportunities. It is expected that the trend of consumption upgrading in China will continue in the future, with consumers increasing their purchases of local high-end fashion accessories and life fashion products including skincare and health products. In this regard, the Group will further increase its investment in the PRC market and continue to expand its sales share in the PRC. Meanwhile, under the trend of rising demand for precious metals, the Group is making full use of the strengths of its brands to actively expand the market for precious metal products, with a view to promoting the overall development of its fashion accessories business.

In the face of the ever-changing market environment, the Group recognises that long-term success can only be ensured by a more prudent and effective allocation of capital and resources. The Group is actively exploring paths of development. The Group will actively promote the upgrade and construction of its online platform, and continue to push forward its digital transformation in order to enhance its operational efficiency and decision-making support capabilities, strengthening the Group's overall competitiveness. The Group will actively optimise its industrial layout, strengthen its supply chain management and control, and further explore the possibilities of industrial chain development on the basis of fully utilising its own strengths, so as to realise the Group's profitability and stability, and to focus on long-term and more sustainable business development. Meanwhile, the Group will persist in assessing the current business strategies and will seek for suitable business opportunities, so as to create and explore new profit engines. It will then bring more stable development to the Group and ensure the interest of the shareholders of the Company.



## LIQUIDITY AND FINANCIAL RESOURCES

During the Period, the Group generally financed its operations with internally generated resources and its own working capital. The Group's cash and cash equivalents as at 30 September 2024 in the amount of approximately HK\$27,153,000 (31 March 2024: approximately HK\$48,282,000) were principally denominated in Hong Kong Dollars and Renminbi and is placed with licensed banks as current deposits. As at 30 September 2024, the Group did not have any borrowings (31 March 2024: Nil). The Group monitors its capital structure on the basis of gearing ratio, which is calculated as total liabilities over total equity. The gearing ratio of the Group was approximately 15.6% as at 30 September 2024 (31 March 2024: approximately 32.8%).

## DIVIDENDS

The Board has resolved not to declare any interim dividend for the Period (six months ended 30 September 2023: Nil).

## CAPITAL STRUCTURE

There has been no change in the capital structure of the Group during the Period. The capital of the Company only comprises ordinary shares. As at 30 September 2024, the number of issued ordinary shares was 1,103,968,128 of HK\$0.05 each.

On 4 October 2024, a total of 220,000,000 new ordinary shares (the "Placing Shares") were successfully placed by KGI Asia Limited (the "Placing Agent") to not less than six independent placees at the placing price of HK\$0.270 per Placing Share (the "Placing") pursuant to the terms and conditions of the placing agreement dated 9 September 2024 (the "Placing Agreement"). Details of which were disclosed in the announcements of the Company dated 9 September 2024 and 4 October 2024.

Upon completion of the Placing, the total number of issued shares of the Company increased from 1,103,968,128 shares of HK\$0.05 each to 1,323,968,128 shares of HK\$0.05 each.

## FOREIGN EXCHANGE EXPOSURE

The main business activities of the Group take place in the PRC and Hong Kong. Accordingly, the potential foreign exchange exposure of the Group is mainly attributable to fluctuations of the Renminbi. The Group has not used any forward contracts or hedging products to hedge its interest rate or exchange rate risks during the Period. The management will, nonetheless, continue to monitor foreign currency risks exposures and consider adopting prudent measures as appropriate.

## CHARGES ON ASSETS

As at 30 September 2024 and 31 March 2024, the Group did not have any charges on its assets.

## FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group currently does not have any firm intention or specific plans for material investments or capital assets.

## SIGNIFICANT INVESTMENTS

There was no significant investment held by the Group during the Period.



## Management Discussion and Analysis

### MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group had no material acquisitions and disposals of subsidiaries, associates or joint ventures during the Period.

### CONTINGENT LIABILITIES

As at 30 September 2024 and 31 March 2024, the Group had no significant contingent liabilities.

### EMPLOYEES AND EMOLUMENTS

As at 30 September 2024, the Group had 32 employees. During the Period, the total staff cost including directors' emoluments amounted to approximately HK\$6,446,000. To enhance the expertise, product knowledge, marketing skills and overall operational management skills of its employees, the Group organised regular training and development courses for its employees, and provided them with a competitive remuneration package, including salary, allowance, insurance, commission and bonus. Meanwhile, in order to create a harmonious and family-like working atmosphere, the Group emphasises on communication with employees and continually developing paths for staff promotion. Share options would be granted to respective employees with outstanding performance and contributions to the Group.

### DIRECTORS' REMUNERATION POLICY

A directors' remuneration policy has been adopted. It aims to set out the Company's policy in respect of remuneration paid to executive Directors and non-executive Directors. The Directors' remuneration policy sets out the remuneration structure that allows the Company to attract, motivate and retain qualified Directors who can manage and lead the Company in achieving its strategic objective and contribute to the Company's performance and sustainable growth, and to provide Directors with a balanced and competitive remuneration. The remuneration policy is, therefore, aiming at being competitive but not excessive. To achieve this, remuneration package is determined with reference to a matrix of factors, including the individual performance, qualification and experience of Directors concerned and prevailing industry practice. It will be reviewed and, if necessary, updated from time to time to ensure its continued effectiveness.

During the Period, the Group has not experienced any significant problems with its employees due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff.

### EVENT AFTER THE PERIOD

Save as disclosed in this report, no material events happened subsequent to the Period and up to the date of this report.



## PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 9 September 2024, the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Company has conditionally agreed to place, through the Placing Agent on a best effort basis, a maximum of 220,000,000 Placing Shares at the placing price of HK\$0.270 per Placing Share, to not less than six placees who and whose ultimate beneficial owner(s) are Independent Third Parties.

The Placing was completed on 4 October 2024. A total of 220,000,000 Placing Shares at an aggregate nominal value of HK\$11,000,000 were successfully placed by the Placing Agent to not less than six placees at the placing price of HK\$0.270 per Placing Share pursuant to the terms and conditions of the Placing Agreement. The placing price represents a discount of approximately 14.29% to the closing price of HK\$0.315

per share as quoted on the Stock Exchange on the date of the Placing Agreement. The gross proceeds from the Placing and net proceeds from the Placing, after deduction of the placing commission and other related expenses, amounted to HK\$59.4 million and approximately HK\$58.9 million, respectively, and the net price per Placing Share was approximately HK\$0.268.

In view of the market conditions, the Directors are of the view that the Placing will enlarge the shareholder base and the capital base of the Company and to raise capital for the Group's replenishment of working capital and future business developments. The Directors consider that the terms of the Placing Agreement are fair and reasonable and the Placing is in the interests of the Company and the Shareholders as a whole.

The below table sets out the use of net proceeds from Placing:

Use of proceeds from Placing	Intended use of net proceeds from Placing (HK\$ million) (Approximate)	Percentage % (Approximate)	Utilised net proceeds from Placing for the Period (HK\$ million) (Approximate)	Unutilised net proceeds from Placing as at 30 September 2024 (HK\$ million) (Approximate)	Expected time period
Operation and enhancement of fashion accessories business	15.80	26.80	–	15.80	December 2025
Conducting marketing activities	19.50	33.10	–	19.50	December 2025
Enhancement of online platform in relation to both fashion accessories business and skincare and health products sales business	12.00	20.40	–	12.00	December 2025
General working capital and general corporate purposes of the Group	11.60	19.70	–	11.60	December 2025
<b>Total</b>	<b>58.90</b>	<b>100.00</b>	<b>–</b>	<b>58.90</b>	

Details of the Placing has been set out in the announcements of the Company dated 9 September 2024 and 4 October 2024.

# Corporate Governance and Other Information

## CORPORATE GOVERNANCE

### Corporate Governance Practice

The Company has adopted the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 of the Listing Rules. The Company has complied with all code provisions in the CG Code during the Period.

### Model Code for Directors’ Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 of the Listing Rules as its code of conduct for securities transactions by the Directors. The Company has made specific enquiries of all Directors and all Directors confirmed that they have complied with the required standards set out in the Model Code for the Period.

### Audit Committee

The audit committee of the Company (the “Audit Committee”) was established on 23 April 2008 with written terms of reference in compliance with the CG Code. The Audit Committee comprises three members, all being independent non-executive Directors, namely Mr. Yuen Wai Kin (Chairman), Ms. Ji Lingzi and Mr. Ma Sai Yam, who together have sufficient accounting and financial management expertise, legal and business experience to discharge their duties and none of them is a former partner of the external auditors of the Company. The Audit Committee has reviewed the unaudited condensed consolidated financial statement and the unaudited interim results of the Group for the Period.





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

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

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2024, the interest or short position of the Directors and chief executive 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 of interests 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 as follows:

### Long positions in shares of the Company

Name of Directors	Capacity	Number of issued ordinary shares/ underlying Shares held	Approximate percentage of the issued Shares as at 30 September 2024
Chen Long	Interest of a controlled corporation	708,591,525 <i>(Note)</i>	64.19%

*Note:* Mr. Chen Long and Ms. Lin Chenjie (wife of Mr. Chen Long) ultimately own 70% and 29% shareholding of Rapid Development Limited respectively, which held 708,591,525 Shares or approximately 64.19% of the issued share capital of the Company as at 31 March 2024, and is deemed to be interested in these shares.

Save as disclosed above, none of the Directors or chief executives 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 of interests 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.



## Corporate Governance and Other Information

### DIRECTORS' RIGHT TO ACQUIRE SHARES

Save as disclosed in this report, at no time during the Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouses or minor children, or were such rights exercised by them, or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company or any other body corporate.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2024, the following persons (other than Directors or chief executive of the Company) who had interests or short positions in the shares and underlying shares 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:

#### Long positions in shares of the Company

Name of shareholders	Capacity	Number of issued ordinary shares/ underlying Shares held	Approximate percentage of the issued Shares as at 30 September 2024
Rapid Development Limited ( <i>Note 1</i> )	Beneficial owner	708,591,525	64.19%
Rapid Investment Development (Shenzhen) Limited* (迅發投資發展(深圳)有限公司) ("Rapid Investment Development") ( <i>Note 1</i> )	Interest of a controlled corporation	708,591,525	64.19%
Fuxing Investment Development (Shenzhen) Co., Ltd.* (賦興投資發展(深圳)有限公司) ("Fuxing Investment Development") ( <i>Note 1</i> )	Interest of a controlled corporation	708,591,525	64.19%
Lin Chenjie ( <i>Note 2</i> )	Interest of spouse	708,591,525	64.19%

#### Notes:

1. Rapid Development Limited is wholly owned by Rapid Investment Development, which is in turn wholly owned by Fuxing Investment Development. As such, each of Rapid Investment Development and Fuxing Investment Development is deemed to be interested in the Shares owned by Rapid Development Limited.
2. Fuxing Investment Development is owned as to 70% by Mr. Chen Long, 29% by Ms. Lin Chenjie (wife of Mr. Chen Long) and 1% by Mr. Chen Naien (brother of Mr. Chen Long). As such, Mr. Chen Long is deemed to be interested in the Shares in which Fuxing Investment Development is interested in. Lin Chenjie is the spouse of Mr. Chen Long and is deemed to be interested in the Shares in which Mr. Chen Long is interested in.

\* for identification purpose only



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

### 2008 SHARE OPTION SCHEME

The Company adopted a share option scheme on 23 April 2008 (the “2008 Share Option Scheme”). The purpose of the 2008 Share Option Scheme is to reward participants who have contributed to the Group and to encourage participants to work towards enhancing value of the Company and its shares for the benefits of the Company and the shareholders of the Company as a whole. The 2008 Share Option Scheme was adopted for a period of 10 years commencing from 23 April 2008. The 2008 Share Option Scheme has become expiry on 22 April 2018. Share options granted prior to such expiration shall continue to be valid and exercisable in accordance with the provisions of the 2008 Share Option Scheme. As at the date of this report, there are no outstanding share options and no shares are available for issue under the 2008 Share Option Scheme.

There are no options granted, exercised, cancelled and lapsed for the six months ended 30 September 2024 under the 2008 Share Option Scheme.

As at 1 April 2024 and 30 September 2024, there no option available for grant under the share option scheme mandate; and the number of shares that may be issued in respect of options granted under the Share Option Scheme during the six months ended 30 September 2024 is 0, representing 0% of the weighted average number of shares of the relevant class in issue of the Company for the six months ended 30 September 2024 under the 2008 Share Option Scheme.

### 2019 SHARE OPTION SCHEME

The Company adopted a new share option scheme on 26 August 2019 (the “2019 Share Option Scheme”). The purpose of the 2019 Share Option Scheme is to reward participants who have contributed to the Group and to encourage participants to work towards enhancing value of the Company and its shares for the benefits of the Company and the shareholders of the Company as a whole. The 2019 Share Option Scheme was adopted for a period of 10 years commencing from 26 August 2019.

## Corporate Governance and Other Information

As at the date of this report, there are no outstanding share options and no share are available for issue under the 2019 Share Option Scheme.

There are no options granted, exercised, cancelled and lapsed for the six months ended 30 September 2024 under the 2019 Share Option Scheme.

As at 1 April 2024 and 30 September 2024, there is 196,812 and no option available for grant under the share option scheme mandate respectively; and the number of shares that may be issued in respect of options granted under the Share Option Scheme during the six months ended 30 September 2024 is 0, representing 0% of the weighted average number of shares of the relevant class in issue of the Company for the six months ended 30 September 2024 under the 2019 Share Option Scheme.

### 2024 SHARE OPTION SCHEME

The Company adopted a new share option scheme on 30 September 2024 (the “2024 Share Option Scheme”). The purpose of the 2024 Share Option Scheme is to reward participants who have contributed to the Group and to encourage participants to work towards enhancing value of the Company and its shares for the benefits of the Company and the shareholders of the Company as a whole. The 2024 Share Option Scheme was adopted for a period of 10 years commencing from 30 September 2024.

As at the date of this report, there are no outstanding share options and 110,396,812 shares are available for issue under the 2024 Share Option Scheme.

Saved as disclosed herein, there are no options granted, exercised, cancelled and lapsed for the six months ended 30 September 2024 under the 2024 Share Option Scheme.

As at 30 September 2024, there is 110,396,812 option available for grant under the share option scheme mandate; and the number of shares that may be issued in respect of options granted under the Share Option Scheme during the six months ended 30 September 2024 is 0, representing 0% of the weighted average number of shares of the relevant class in issue of the Company for the six months ended 30 September 2024 under the 2024 Share Option Scheme.

By order of the Board

**Artini Holdings Limited**

**Chen Long**

*Chairman and executive Director*

Hong Kong, 28 November 2024



# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2024

	Notes	For the six months ended 30 September	
		2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
<b>Revenue</b>	3	<b>54,164</b>	23,387
Cost of sales		<b>(42,682)</b>	(18,557)
<b>Gross profit</b>		<b>11,482</b>	4,830
Other income	4	<b>444</b>	2
Other gains and losses, net	5	<b>8,136</b>	2,163
Selling and distribution expenses		<b>(9,880)</b>	(5,922)
Administrative expenses		<b>(8,821)</b>	(5,216)
Finance costs	6	<b>(211)</b>	(4)
<b>Profit/(loss) before income tax</b>	7	<b>1,150</b>	(4,147)
Income tax expense	8	<b>(79)</b>	–
<b>Profit/(loss) for the period</b>		<b>1,071</b>	(4,147)
<b>Other comprehensive expense for the period, net of income tax</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		<b>1,509</b>	(6,847)
<b>Total comprehensive income/(expense) for the period</b>		<b>2,580</b>	(10,994)
<b>Profit/(loss) per share</b>			
Basic and diluted (HK\$)	10	<b>0.001</b>	(0.004)



# Condensed Consolidated Statement of Financial Position

As at 30 September 2024

		As at 30 September 2024 (unaudited) HK\$'000	As at 31 March 2024 (audited) HK\$'000
	<i>Notes</i>		
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		2,713	139
Right-of-use assets		5,522	8,404
Intangible assets		25,169	25,167
Deferred tax assets		24	464
		<b>33,428</b>	34,174
<b>CURRENT ASSETS</b>			
Inventories		22,166	23,552
Trade receivables and other receivables	11	51,042	44,201
Cash and bank balances		27,153	48,282
		<b>100,361</b>	116,035
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	2,755	8,955
Contract liabilities		3,779	5,946
Lease liabilities		2,499	3,093
Amount due to a director		–	1,299
Amount due to immediate holding company		–	676
Income tax payable		5,659	10,782
		<b>14,692</b>	30,751
<b>NET CURRENT ASSETS</b>		<b>85,669</b>	85,284
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>119,097</b>	119,458
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		3,360	5,894
Deferred tax liabilities		27	434
		<b>3,387</b>	6,328
<b>NET ASSETS</b>		<b>115,710</b>	113,130
<b>CAPITAL AND RESERVES</b>			
Share capital	13	55,198	55,198
Reserves		60,512	57,932
<b>TOTAL EQUITY</b>		<b>115,710</b>	113,130

# Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2024

	Share capital	Share premium	Other reserves	Translation reserve	PRC statutory reserves	Share- based payment capital reserve	Accumulated losses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 1 April 2024 (audited)	<b>55,198</b>	<b>913,906</b>	<b>(20,286)</b>	<b>(3,814)</b>	-	-	<b>(831,874)</b>	<b>113,130</b>
Profit for the period	-	-	-	-	-	-	<b>1,071</b>	<b>1,071</b>
Other comprehensive income	-	-	-	<b>1,509</b>	-	-	-	<b>1,509</b>
Total comprehensive income for the period	-	-	-	<b>1,509</b>	-	-	<b>1,071</b>	<b>2,580</b>
As at 30 September 2024 (unaudited)	<b>55,198</b>	<b>913,906</b>	<b>(20,286)</b>	<b>(2,305)</b>	-	-	<b>(830,803)</b>	<b>115,710</b>
As at 1 April 2023 (audited)	55,198	913,906	(16,415)	20,277	9,436	8,976	(860,982)	130,396
Loss for the period	-	-	-	-	-	-	(4,147)	(4,147)
Other comprehensive expense	-	-	-	(6,847)	-	-	-	(6,847)
Total comprehensive expense for the period	-	-	-	(6,847)	-	-	(4,147)	(10,994)
Reversal upon deregistration of a subsidiary	-	-	-	(18,866)	(9,436)	-	28,302	-
Lapse of share options	-	-	-	-	-	(8,976)	8,976	-
As at 30 September 2023 (unaudited)	55,198	913,906	(16,415)	(5,436)	-	-	(827,851)	119,402

# Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2024

	For the six months ended	
	30 September	
	2024	2023
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
<b>Net cash used in operating activities</b>	<b>(15,077)</b>	<b>(1,039)</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(2,681)	(7)
Other investing cash flows	439	–
<b>Net cash used in investing activities</b>	<b>(2,242)</b>	<b>(7)</b>
<b>Financing activities</b>		
Principle elements of lease payments	(1,779)	(82)
Decrease in amount due to a director	(1,299)	–
Decrease in amount due to immediate holding company	(676)	–
Other financing cash flows	(211)	(4)
<b>Net cash used in financing activities</b>	<b>(3,965)</b>	<b>(86)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(21,284)</b>	<b>(1,132)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>48,282</b>	<b>18,886</b>
<b>Effect of foreign exchange rate changes</b>	<b>155</b>	<b>(918)</b>
<b>Cash and cash equivalents at end of the period,</b> represented by cash and bank balances	<b>27,153</b>	<b>16,836</b>



# Notes to the Condensed Consolidated Financial Statements

## 1 BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix D2 to the Listing Rules on the Stock Exchange.

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

The condensed consolidated financial statements have been presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Company, and all values are rounded to the nearest thousand except when otherwise indicated.

## 2 PRINCIPAL ACCOUNTING POLICIES

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) and an interpretation, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months period ended 30 September 2024 are the same as those presented in the Group’s annual financial statements for the year ended 31 March 2024.

### Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 April 2024 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and the related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

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

# Notes to the Condensed Consolidated Financial Statements

## 3 REVENUE AND SEGMENT INFORMATION

### a. Revenue

Revenue represents the net amounts received and receivables that are derived from the sales of fashion accessories products and sales of skincare and health products during the six months ended 30 September 2024 and 30 September 2023.

### b. Segment information

The Group's reportable and operating segments for the six months ended 30 September 2024 and 30 September 2023, based on the information reported to the Group's chief operating decision maker for the purpose of resources allocation and assessment of performance, are as follows:

Integrated Fashion Accessories Platform Business	Wholesale, retail and distribution of fashion accessories mainly through self-operated online platform and third-party sales online platforms.
Skincare and Health Product Sales Platform Business	Wholesale, retail and distribution of skincare and health products mainly through self-operated online platform.



3 REVENUE AND SEGMENT INFORMATION *(continued)*b. Segment information *(continued)*

The following is an analysis of the Group's revenue and results, assets and liabilities by reportable and operating segments:

	<b>Integrated Fashion Accessories Platform Business</b> HK\$'000	<b>Skincare and Health Product Sales Platform Business</b> HK\$'000	<b>Total</b> HK\$'000
Six months ended 30 September 2024 – unaudited			
<b>Revenue</b>			
Segment revenue – external sales	42,799	11,365	54,164
<b>Results</b>			
Segment results	(2,126)	(517)	(2,643)
Other unallocated gains and income			8,305
Unallocated expenses			(4,512)
<b>Profit before income tax</b>			<b>1,150</b>
<b>Segment assets</b>	<b>83,087</b>	<b>41,569</b>	<b>124,656</b>
<b>Segment liabilities</b>	<b>(7,224)</b>	<b>(4,687)</b>	<b>(11,911)</b>
Six months ended 30 September 2023 – unaudited			
<b>Revenue</b>			
Segment revenue – external sales	23,387	–	23,387
<b>Results</b>			
Segment results	(236)	–	(236)
Other unallocated gains and income			87
Unallocated expenses			(3,998)
<b>Loss before income tax</b>			<b>(4,147)</b>
<b>Segment assets</b>	<b>110,589</b>	<b>–</b>	<b>110,589</b>
<b>Segment liabilities</b>	<b>(9,324)</b>	<b>–</b>	<b>(9,324)</b>

For the purposes of monitoring segment performance and allocating resources between segments:

- Segment results represent the profit earned or loss incurred by each segment without allocation of items not related to the relevant segments.
- All assets are allocated to reportable and operating segments other than intangible assets, certain right-of-use assets, deferred tax assets, certain property, plant and equipment, certain other receivables, prepayments and deposits; and certain cash and bank balances.
- All liabilities are allocated to reportable and operating segments other than certain tax liabilities, accruals and lease liabilities.

## Notes to the Condensed Consolidated Financial Statements

### 4 OTHER INCOME

	For the six months ended 30 September	
	2024 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
Interest income	444	–
Others	–	2
	<b>444</b>	<b>2</b>

### 5 OTHER GAINS AND LOSSES, NET

	For the six months ended 30 September	
	2024 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
Sundry gains	64	87
Net exchange (loss)/gain	(255)	2,076
Impairment loss recognised in respect of trade receivables and contract assets	(767)	–
Impairment loss recognised in respect of other receivables	(17)	–
Gain upon the deregistration of a subsidiary	9,111	–
	<b>8,136</b>	<b>2,163</b>

### 6 FINANCE COSTS

	For the six months ended 30 September	
	2024 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
Interest on lease liabilities	211	4
	<b>211</b>	<b>4</b>



## 7 PROFIT/(LOSS) BEFORE INCOME TAX

Profit/(loss) before income tax has been arrived at after charging:

	For the six months ended 30 September	
	2024 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
Cost of inventories recognised as an expense	42,652	18,557
Depreciation of property, plant and equipment	116	104
Depreciation of right-of-use assets	1,557	80
Amortisation of intangible assets	3	–

## 8 INCOME TAX EXPENSE

	For the six months ended 30 September	
	2024 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
<b>Hong Kong Profits tax</b>		
– Current period	46	–
<b>Deferred tax</b>		
– Current period	33	–
Income tax expense	79	–

According to the Inland Revenue (Amendment) Bill 2017 which was substantively enacted after passing its Third Reading in the Legislative Council on 28 March 2018, the two-tiered profits tax regime (the “Regime”) is first effective for the year of assessment 2018/19. Profits tax rate for the first HK\$2 million of assessable profits of corporations is lowered to 8.25% with the excess assessable profits continue to be taxed at 16.5%. The Hong Kong profits tax for the six months ended 30 September 2024 and 30 September 2023 is provided based on the Regime.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25% for the six months ended 30 September 2024 and 30 September 2023.



# Notes to the Condensed Consolidated Financial Statements

## 9 DIVIDENDS

The Board does not declare interim dividends for the six months ended 30 September 2024 (2023: Nil).

## 10 PROFIT/(LOSS) PER SHARE

The calculation of basic earnings per share is based on the profit for the period of approximately HK\$1,071,000 (30 September 2023: loss of HK\$4,147,000) and the weighted average of approximately 1,103,968,000 (30 September 2023: 1,103,968,000) ordinary shares of the Company in issue during the period. The basic and diluted earnings per share for the six months ended 30 September 2024 and 30 September 2023 are the same as there were no potential dilutive shares.

## 11 TRADE RECEIVABLES AND OTHER RECEIVABLES

	<b>As at 30 September 2024 (unaudited) HK\$'000</b>	<b>As at 31 March 2024 (audited) HK\$'000</b>
Trade receivables ( <i>note (a)</i> )	<b>38,794</b>	43,004
Less: Allowances ( <i>note (b)</i> )	<b>(5,420)</b>	(4,653)
Trade receivables, net	<b>33,374</b>	38,351
Other receivables ( <i>note (c)</i> )	<b>1,448</b>	1,334
Less: Allowances	<b>(33)</b>	(16)
Other receivables, net	<b>1,415</b>	1,318
Trade deposits paid	<b>9,970</b>	2,448
Prepayments	<b>4,237</b>	2,084
Value-added tax receivables	<b>2,046</b>	–
	<b>51,042</b>	44,201

### Notes:

Trade receivables comprise amounts receivable from the sales of goods. No interest is charged on the trade receivables.



11 TRADE RECEIVABLES AND OTHER RECEIVABLES *(continued)***(a) Trade receivables**

The Group generally allows an average credit period of 30 to 90 days (31 March 2024: 30 to 90 days) to its customers. The ageing analysis of the Group's trade receivables presented (net of allowances) based on invoice date as at the end of the period/year, which approximated the respective revenue recognition dates, is as follows:

	<b>As at 30 September 2024 (unaudited) HK\$'000</b>	<b>As at 31 March 2024 (audited) HK\$'000</b>
0 – 30 days	<b>5,022</b>	441
31 – 60 days	<b>4,572</b>	1,615
61 – 90 days	<b>2,433</b>	6,110
91 – 180 days	<b>10,126</b>	18,209
181 – 365 days	<b>11,221</b>	7,568
Over 365 days	–	4,408
	<b>33,374</b>	38,351

Included in trade receivables are the following amounts denominated in a currency other than the functional currency of each individual group entity:

	<b>As at 30 September 2024 (unaudited) HK\$'000</b>	<b>As at 31 March 2024 (audited) HK\$'000</b>
Renminbi	<b>12,027</b>	313
United States Dollars	<b>21,347</b>	38,038
	<b>33,374</b>	38,351

## Notes to the Condensed Consolidated Financial Statements

### 11 TRADE RECEIVABLES AND OTHER RECEIVABLES *(continued)*

- (b) Movements in loss allowance account in respect of trade receivables and contract assets during the period/year are as follows:

	<b>As at 30 September 2024 (unaudited) HK\$'000</b>	As at 31 March 2024 (audited) HK\$'000
As at 1 April	4,653	5,785
Impairment loss recognised/(reversed) during the period/year	767	(1,132)
As at period/year end	<b>5,420</b>	4,653

Other than the above allowances, the Group did not provide any allowances on the remaining past due receivables as, in the opinion of the Directors, there has not been a significant change in credit quality and the amounts are still considered recoverable based on the historical experience. The Group does not hold any collateral over these balances.

(c) **Other receivables**

Movements in loss allowance account in respect of other receivables during the period/year are as follows:

	<b>As at 30 September 2024 (unaudited) HK\$'000</b>	As at 31 March 2024 (audited) HK\$'000
As at 1 April	16	174
Impairment loss recognised/(reversed)	17	(158)
As at period/year end	<b>33</b>	16

Other than the above allowances, the Group did not provide any allowances on the remaining past due receivables as, in the opinion of the Directors, there has not been a significant change in credit quality and the amounts are still considered recoverable based on the historical experience. The Group does not hold any collateral over these balances.

Furthermore, in the opinion of the Directors, there has not been a significant change in credit quality of the Group's other receivables which are neither past due nor impaired and the amounts are still considered recoverable.

## 12 TRADE AND OTHER PAYABLES

	<b>As at 30 September 2024 (unaudited) HK\$'000</b>	<b>As at 31 March 2024 (audited) HK\$'000</b>
Trade payables	<b>1,296</b>	1,636
Other tax payables	<b>23</b>	3,138
Payrolls and staff cost payables	<b>1,332</b>	1,422
Other payables and accruals	<b>104</b>	2,759
	<b>2,755</b>	8,955

The Group's trade payables principally comprise amounts outstanding for trade purchases. Payment terms with suppliers are mainly on credit term of 30 to 90 days (31 March 2024: 30 to 90 days).

The ageing analysis of the Group's trade payables presented based on invoice date as at the end of the period/year is as follows:

	<b>As at 30 September 2024 (unaudited) HK\$'000</b>	<b>As at 31 March 2024 (audited) HK\$'000</b>
Within 3 months	<b>693</b>	1,627
More than 3 months less than 1 year	<b>603</b>	–
Over 1 year	–	9
	<b>1,296</b>	1,636

## Notes to the Condensed Consolidated Financial Statements

### 13 SHARE CAPITAL

	As at 30 September 2024		As at 31 March 2024	
	Number of shares '000	Amount HK\$'000	Number of shares '000	Amount HK\$'000
Ordinary shares of par value HK\$0.05 each				
<b>Authorised:</b>				
As at beginning and end of the period/year	<b>6,000,000</b>	<b>300,000</b>	6,000,000	300,000
<b>Issued and fully paid:</b>				
As at beginning and end of the period/year	<b>1,103,968</b>	<b>55,198</b>	1,103,968	55,198

### 14 MATERIAL RELATED PARTY TRANSACTIONS AND BALANCES

#### a. Balances with related parties

Saved as disclosed in these condensed consolidated financial statements, in the opinion of the Directors, the Group did not have any other significant balances with the related parties as at the end of the reporting period.

#### b. Key management personnel remuneration

During the six months ended 30 September 2024 and 30 September 2023, the Group had remuneration paid to the Directors and other members of key management of the Group as follows:

	For the six months ended 30 September	
	2024 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
Short-term employee benefits	<b>2,186</b>	1,140
Post-employment benefits	<b>105</b>	21
	<b>2,291</b>	1,161

### 15 APPROVAL OF INTERIM FINANCIAL STATEMENTS

These condensed consolidated financial statements were approved by the Board on 28 November 2024.