



CHINA INNOVATION INVESTMENT LIMITED

中國創新投資有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 1217)

2025

INTERIM REPORT





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CORPORATE INFORMATION

Executive Directors

Mr. Xiang Jin

(Chairman and Chief Executive Officer)

Mr. Chan Cheong Yee

Independent Non-Executive Directors

Ms. An Jing

Ms. Zhou Zan

Ms. Qin Han

Alternate Director

Ms. Kung Ching, an alternate director to

Mr. Xiang Jin

Authorised Representatives

Mr. Xiang Xin

Ms. Choi Yan Ting

Company Secretary

Ms. Choi Yan Ting

Executive Committee

Mr. Xiang Xin *(Chairman)*

Mr. Chan Cheong Yee

Nomination Committee

Mr. Xiang Xin *(Chairman)*

Ms. An Jing

Ms. Zhou Zan

Audit Committee and Remuneration Committee

Ms. An Jing *(Chairman)*

Ms. Zhou Zan

Ms. Qin Han

Registered Office

Sinclair Group Centre

3rd Floor Genesis Building, Genesis Close

P.O. Box 498, George Town

Grand Cayman KY1-1106

Cayman Islands

Principal Place of Business

26/F, No. 9 Des Voeux Road West

Sheung Wan, Hong Kong

Principal Share Registrar and Transfer Office

Suntera (Cayman) Limited

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

P.O. Box 1586, Gardenia Court

Camana Bay

Grand Cayman, KY1-1100

Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

Union Registrars Limited

Suites 3301-04

33/F, Two Chinachem Exchange Square

338 King's Road

North Point

Hong Kong



Investment Manager

Sinolink Securities (Hong Kong) Company
Limited

Principal Bankers

Bank of China (Hong Kong) Limited

Custodians

China Everbright Securities (HK) Limited
KGI Asia Limited

Stock Code

1217

Website

www.1217.com.hk

FINANCIAL HIGHLIGHTS

The board (the “Board”) of directors (the “Directors”) of China Innovation Investment Limited (the “Company”) are pleased to announce the unaudited interim results of the Company for the six months ended 30 June 2025 with comparative figures for the corresponding period of 2024 as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Turnover	683,279	269,660
Revenue	30,825	11,843
Profit for the period and attributable to owners of the Company	23,072	8,109
Earning per share		
Basic	0.180 cents	0.063 cents
Diluted	N/A	N/A

Interim Dividend

To maintain the capital for operation and potential investment opportunities, the Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (2024: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

For the six months ended 30 June 2025, the Company recorded turnover was approximately HK\$683,279,000 (2024: HK\$269,660,000).

For the six months ended 30 June 2025, the Company's revenue was approximately HK\$30,825,000, mainly including:

- (i) The dividend income from Hong Kong listed securities was approximately HK\$217,000.
- (ii) The net realised gain on disposal of investments at fair value through profit or loss was approximately HK\$47,507,000.
- (iii) The net unrealised holding loss from investment at fair value through profit or loss was approximately HK\$18,188,000.

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

The net profit for the six months ended 30 June 2025 was approximately HK\$23,072,000 while the net profit for the corresponding period of 2024 was approximately HK\$8,109,000. The increase in net profit is due to the increase of the realised gains on disposal of investments at fair value through profit or loss.

Business Review

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

Investing in Unlisted Companies

As at 30 June 2025, the Company held investments in six unlisted companies namely Topsun Creation Limited*, Aesthetic Vision Limited*, United Crown Future Company Limited*, FengTian Capital Limited*, Grand Far Sky Limited* and Oasis Avenue Limited#, with carrying amount of approximately HK\$45,142,000, HK\$58,273,000, HK\$49,319,000, HK\$43,791,000, HK\$53,734,000 and HK\$11,276,000 respectively.

* classified as equity investment at fair value through other comprehensive income

classified as investment in an associate

MANAGEMENT DISCUSSION AND ANALYSIS

- (i) Topsun Creation Limited (“Topsun”) was incorporated in Hong Kong and principally engaged in investment holding. Topsun directly holds 100% interests in a company incorporated in the PRC, which the principal activity was in relation to production of solar cell products as its major products. During the period, the Company increased in its holding of “B” non-voting shares in Topsun from 2,710 to 5,023, representing 79.57% interests in the issued share capital of Topsun. No dividend was received during the period.
- (ii) Aesthetic Vision Limited (“Aesthetic”) was incorporated in Hong Kong and principally engaged in investment holding. The principal assets of Aesthetic include its wholly-owned subsidiary incorporated in the PRC. Aesthetic possesses LED ergonomics technology and the LED lighting products developed by it have remarkable characteristics such as energy saving, environmental protection, long life and small size. During the period, the Company increased in its holding of “B” non-voting shares in Aesthetic from 8,500 to 13,782, representing 90.18% interests in the issued share capital of Aesthetic. No dividend was received during the period.
- (iii) United Crown Future Company Limited (“United Overseas”) was incorporated in British Virgin Island and principally engaged in investment holding. United Overseas started its business from building decoration materials, as focusing on four core product concept of green, health, environmental protection and convenience, it has gradually expanded to all kind of essential home decoration products. During the period, the Company increased in its holding of “B” non-voting shares in United Overseas from 1,621 to 2,849, representing 66.18% interests in the issued share capital of United Overseas. No dividend was received during the period.
- (iv) FengTian Capital Limited (“FengTian”) was incorporated in Hong Kong and principally engaged in investment holding. The principal assets of FengTian include its 88% of equity shares of its subsidiary incorporated in the PRC with 100% equity interests. FengTian principally engaged in development and sale of health communication products. During the period, the Company increased in its holding of non-voting shares in FengTian from 3,470 to 6,550, representing 55.13% interest in the issued share capital of FengTian. No dividend was received during the period.
- (v) Grand Far Sky Limited (“Grand Far Sky”) was incorporated in Hong Kong and principally engaged in investment holding. Grand Far Sky holds 100% interests in a subsidiary incorporated in the PRC, of which the principle activity is asset management. During the period, the Company increased in its holding of “B” non-voting shares in Grand Far Sky from 5,400 to 9,104, which represented 68.95% interests in the issued share capital of Grand Far Sky. Grand Far Sky holds a full-storey office property at the central area of Shanghai, PRC. No dividend was received during the period.

Note: The Company was committed to further contribute approximately HK\$19,993,000, HK\$19,998,000, HK\$19,787,000, HK\$19,994,000 and HK\$19,999,000 to Topsun, Aesthetic, United Overseas, FengTian and Grand Far Sky, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

- (vi) Oasis Avenue Limited (“Oasis”) was incorporated in Hong Kong and principally engaged in hotel services. The Company holds 7,200,000 ordinary A shares and 5,400,000 “B” non-voting shares in Oasis, which represented 42% interest in the issued share capital of Oasis. No dividend was received during the period.

Investing in Listed Companies

The Company also invest in listed companies in Hong Kong. For the half year ended 30 June 2025, the gross sales proceeds of investments is HK\$683,279,000 (2024: HK\$269,660,000).

As at 30 June 2025 and 31 December 2024, the Company holds the following listed investments and derivatives:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Investments at fair value through profit or loss		
Equity securities listed in Hong Kong	128,157	86,251

Particulars of the Company's principal equity security listed in Hong Kong as at 30 June 2025 is as follows:

Listed equity security	Number of shares held	Proportion of investee's capital owned	Market value as at 30 June 2025 HK\$'000	Target company net assets attributable to the investments HK\$'000
Alibaba Group Holding Ltd (09988.hk)	729,000	Less than 0.01%	80,044	44,268

Note: Alibaba Group Holding Ltd was incorporated in the Cayman Islands and its shares are listed on the Stock Exchange (stock code: 9988). Its principal activities are to provide the technology infrastructure and marketing reach to help merchants, brands, retailers and other businesses to leverage the power of new technology to engage with their users and customers and operate in a more efficient way. At 31 March 2025, the audited consolidated net assets was approximately of USD148,607 million (equivalent to HK\$1,159,135 million).

MANAGEMENT DISCUSSION AND ANALYSIS

On 25 September 2024, the Company completed the subscription of 226,000,000 new shares of Elife Holdings Limited (“Elife”), which was incorporated in the Cayman Islands and its shares are listed on the Stock Exchange (stock code: 223), representing approximately 16.66% of its issued share capital, at HK\$0.123 per share. Elife is principally engaged in the business of brand services. The Company has subsequently issued announcements regarding its investment in Elife. For details, please refer to the Company’s announcements dated 4 November 2024 and 11 December 2024.

On 2 December 2024, the trading in the shares of Elife on the Stock Exchange was suspended. On 14 May 2025, the Company (being the offeror under the Partial Offer) announced that it has firm intention to make the Partial Offer (in compliance with the Takeovers Code) to acquire 180,000,000 Offer Shares (representing approximately 13.27% of Elife’s issued share capital) not already owned or agreed to be acquired by the Company and parties acting in concert with it at HK\$0.056 per Offer Share. For details, please refer to the Company’s announcements dated 14 May 2025, 4 June 2025, 3 July 2025, 1 August 2025 and 20 August 2025.

Prospect

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

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

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

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

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

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

For “New Services”, the Company invests in Elife and Oasis. Elife mainly engaged in brand services, while Oasis mainly engaged in hotel services.

During the period, the Company continued to identify potential investment opportunities and made the strategic decision to invest in businesses with innovative models that align with the Company's objective of delivering medium to long-term appreciation. The Company explored opportunities to invest in free economic models, such as investing in photovoltaic buildings, which does not charge rent from users, but collects power generation revenue from power companies; investing in debt notes and charge customers no interest, but receive index-linked growth returns and so on. The Company endeavoured to invest in such innovative projects and has become a unique highlight in the market. All the subsidiary companies of Topsun, Aesthetic, United Overseas, FengTian and Grand Far Sky have actively responded to the new PRC's national policy of “Common Prosperity” and participated in the “Common Prosperity Plan” initiated by China Technology Education Trust Association which is a Charitable Society registered in Hong Kong. For more details, please refer to the website at www.19988.com. It promises to provide enterprises with one-stop solution relating to clothing, food, housing and transportation belong to 16 major categories of daily necessities products, in order to help our business customers to increase sales and end-users' consumption. Therefore, it has created a new paradigm of free economic business model. Elife and Oasis are also expected to participate in the above plan, demonstrating the Company's focus on investing in innovative projects and that it will continue to explore suitable and appropriate business opportunities.

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

MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity and Financial Position

As at 30 June 2025, the Company had cash and cash equivalents of approximately HK\$195,188,000. All the cash and cash equivalents were mainly denominated in Hong Kong dollars.

For the period under review, the Company financed its operations with its own available funding and did not have any banking facilities. In this regard, the Company had a net cash position and its gearing ratio was zero (net debt to shareholders' funds) as at 30 June 2025. Taking into consideration the existing financial resources of the Company, it is anticipated that the Company should have adequate financial resources to meet its ongoing operating and development requirements.

Capital Structure

Details of the changes of the capital structure of the Company during the six months ended 30 June 2025 are set out in note 11 to the condensed financial statements of the interim report. The capital of the Company comprises only ordinary shares as at 30 June 2025.

Foreign Currency Fluctuation

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

Charge on Company Asset and Contingent Liabilities

As at 30 June 2025, the Company has not pledged its assets and the Company did not have any significant contingent liabilities.

Employee Information

As at 30 June 2025, the Company had 15 (2024: 19) staff, including full time and part-time. The total remuneration paid to staff (including Directors' remuneration) was approximately of HK\$1,690,000 (2024: HK\$1,325,000). The total amount comprised salaries, wages and allowance, medical and insurance coverage, pension scheme contributions, and discretionary bonus. The Company ensured that its employees were remunerated according to the prevailing manpower market condition, and individual performance with its remuneration policies reviewed on a regular basis.

MANAGEMENT DISCUSSION AND ANALYSIS

Appreciation

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

On behalf of the Board

CHINA INNOVATION INVESTMENT LIMITED

Xiang Xin

Chairman and Chief Executive Officer

Hong Kong, 25 August 2025

DISCLOSURE OF INTEREST

Disclosure of Interest by Directors

As at 30 June 2025, the following Directors and the chief executive of the Company or any of their respective associates had the following interests and short positions in the ordinary shares of HK\$0.01 each in the capital of the Company (the “Share”), underlying shares, and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers under the Listing Rules (the “Model Code”).

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

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

Share Option Scheme

Details of the share option scheme are set out in note 12 to the condensed financial statements of the interim report.

DISCLOSURE OF INTEREST

Disclosure of Interests by Substantial Shareholders

As at 30 June 2025, the persons/companies, other than a Director or chief executive of the Company, who had interests or short positions in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long positions of substantial shareholders in the shares of the Company

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

Note:

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

Save as disclosed above, as at 30 June 2025, the Company has not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Corporate Governance Practice

The Board is committed to establish and maintain high standards of corporate governance so as to enhance corporate transparency and protect the interests of the Company's shareholders. The Company devotes to best practice on corporate governance, and to comply with the extent practicable, comply with the relevant requirements under the Hong Kong Companies Ordinance, the Hong Kong Securities and Futures Ordinance, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Code on Corporate Governance Practices (the "Code") as set out in Appendix C1 of the Listing Rules.

During the six months ended 30 June 2025, the Company has complied with the code provisions in the Code, save for deviation from relevant Codes as follows.

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

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

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

Audit Committee

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

The Company's unaudited condensed financial statements for the six months ended 30 June 2025 has been reviewed by the Audit Committee.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Event after the Reporting Period

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

Purchase, Sale or Redemption of Listed Securities of the Company

During the six months ended 30 June 2025, the Company had not purchased, sold or redeemed any of the Company's listed securities.

Model Code for Securities Transactions

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix C3 of the Listing Rules as the code of conduct regarding securities transactions by Directors.

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

Sufficiency of Public Float

The Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the Directors, throughout the six months ended 30 June 2025.

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Six months ended 30 June	
		2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Turnover	3	683,279	269,660
Revenue	3	30,825	11,843
Other income	3	1,829	66
Administrative and other operating expenses		(8,938)	(3,741)
Share of result of an associate		(611)	–
Finance cost		(33)	(59)
Profit before taxation	4	23,072	8,109
Income tax expense	5	–	–
Profit for the period and attributable to owners of the Company		23,072	8,109
Total comprehensive income for the period and attributable to owners of the Company		23,072	8,109
Earnings per share			
Basic	6	0.180 cents	0.063 cents
Diluted	6	N/A	N/A

CONDENSED STATEMENT OF FINANCIAL POSITION

		30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
	Notes		
NON-CURRENT ASSETS			
Right-of-use asset		881	1,321
Property, plant and equipment		217	265
Investment in an associate		11,276	11,887
Equity investments at fair value through other comprehensive income	7	250,259	200,259
		262,633	213,732
CURRENT ASSETS			
Investments at fair value through profit or loss	8	128,157	86,251
Prepayment, deposits and other receivables		30,752	35,006
Cash and bank balances	9	195,188	213,589
		354,097	334,846
CURRENT LIABILITIES			
Other payables and accruals		50,013	4,486
Lease liabilities	10	934	907
		50,947	5,393
NET CURRENT ASSETS			
		303,150	329,453
TOTAL ASSETS LESS CURRENT LIABILITIES			
		565,783	543,185
NON-CURRENT LIABILITY			
Lease liabilities	10	–	474
NET ASSETS			
		565,783	542,711
EQUITY			
Share capital	11	128,016	128,016
Reserves		437,767	414,695
TOTAL EQUITY			
		565,783	542,711

CONDENSED STATEMENT OF CHANGES IN EQUITY

	Issued share capital HK\$'000	Share premium HK\$'000	Equity investment revaluation reserve HK\$'000	Share option reserve HK\$'000	Accumulated losses HK\$'000	Total equity HK\$'000
At 1 January 2025 (Audited)	128,016	655,342	(137,766)	708	(103,589)	542,711
Total comprehensive income for the period	-	-	-	-	23,072	23,072
At 30 June 2025 (Unaudited)	128,016	655,342	(137,766)	708	(80,517)	565,783
At 1 January 2024 (Audited)	128,016	655,342	(127,804)	8,822	(116,708)	547,668
Total comprehensive income for the period	-	-	-	-	8,109	8,109
At 30 June 2024 (Unaudited)	128,016	655,342	(127,804)	8,822	(108,599)	555,777

CONDENSED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Net cash (used in) generated from operating activities	(19,460)	150,250
Net cash flows generated from investing activities	1,506	5,092
Net cash used in financing activities	(447)	(421)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(18,401)	154,921
Cash and cash equivalents at the beginning of the period	213,589	40,578
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	195,188	195,499
BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	195,188	195,499

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

1 Corporate Information

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

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

2 Basis of Preparation

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

The unaudited condensed financial statements are presented in Hong Kong dollars (“HK\$”), which is the functional currency of the Company.

The unaudited condensed financial statements do not include all the information and disclosures required under the annual financial statements, and should be read in conjunction with the Company’s annual financial statements for the year ended 31 December 2024 (the “2024 Financial Statements”). The accounting policies and methods of computation used in the preparation of the unaudited condensed financial statements are consistent with those used in the 2024 Financial Statements, except for those new and revised HKFRSs and interpretation issued by the HKICPA that are effective for the financial year beginning from 1 January 2025.

The Company has not early applied the new and revised HKFRSs that have been issued by the HKICPA but are not yet effective. The adoption of these new and revised HKFRSs had no significant effects on the results and financial position of the Company for the current and prior periods.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

3 Turnover, Revenue and Other income

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

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Turnover		
Gross sales proceeds from disposal/redemption of investments at fair value through profit or loss	683,279	269,660
Revenue		
Bank interest income	1,289	1,681
Dividend income from equity securities listed in Hong Kong	217	3,411
Net realised gains on disposal of investments at fair value through profit or loss	47,507	24,522
Net unrealised holding (losses) gains from investment at fair value through profit or loss	(18,188)	(17,771)
	30,825	11,843
Other income		
Gain on exchange difference	1,829	66

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

4 Profit Before Taxation

	Six months ended 30 June	
	2025	2024
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
The Company's profit before taxation is arrived at after charging:		
Depreciation of right-of-use asset	440	440
Depreciation of property, plant and equipment	48	48
Employee benefits expenses, (including Directors' remuneration):		
— Salaries, allowances and benefits in kind	1,629	1,282
— Pension scheme contributions	61	43
Interest expense on lease liabilities	33	59
Investment management fee	160	240

5 Income Tax Expense

No provision for Hong Kong profits tax has been made for the six months ended 30 June 2025 and 30 June 2024 as the Company has sufficient tax losses brought forward available to offset the estimated assessable profits.

6 Earnings Per Share

The calculation of basic earnings per share is based on the earning attributable to owners of the Company of approximately HK\$23,072,000 (2024: HK\$8,109,000) and the weighted average number of 12,801,578,629 (2024: 12,801,578,629) shares in issue during the period.

No diluted earnings per share are presented as the Company did not have any dilutive potential ordinary shares during the six months ended 30 June 2025 and 2024.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

7 Equity Investments at Fair Value Through Other Comprehensive Income

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

8 Investments at Fair Value Through Profit or Loss

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Equity securities listed in Hong Kong	128,157	86,251

The fair values of the equity securities listed in Hong Kong are based on quoted market prices.

The above balance includes the holding of 729,000 shares of Alibaba Group Holding Limited with a market value of approximately HK\$80,044,000, accounting for approximately 13.0% of the Company's total assets.

9 Cash and Bank Balances

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

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

10 Lease Liabilities

	Present value of minimum lease payments	
	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Lease liabilities payable:		
Within one year	934	907
After 1 year but within 2 years	–	474
After 2 years but within 5 years	–	–
	934	1,381
Less: Amount due for settlement within 12 months shown under current liabilities	–	(907)
Amount due for settlement after 12 months shown under non-current liabilities	934	474

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

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

The total cash outflows for leases including payments of principal and interest portion of lease liabilities for the period ended 30 June 2025 was HK\$480,000 (For the period ended 30 June 2024: HK\$480,000).

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

11 Share Capital

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Authorised:		
100,000,000,000 ordinary shares of HK\$0.01 each (31 December 2024: 100,000,000,000)	1,000,000	1,000,000
Issued and fully paid:		
12,801,578,629 ordinary shares of HK\$0.01 each (31 December 2024: 12,801,578,629)	128,016	128,016

12 Share Options

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

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

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

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

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

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

The Scheme was expired on 3 June 2024. Upon the expiry of the Scheme and up to the date of this interim report, there is no other share option scheme adopted by the Company.

Movement of the options granted under the Scheme for the period ended 30 June 2025 and 30 June 2024 are as follows:

			Number of share options						
			Outstanding	Granted	Lapsed	Exercised	Reclassified	Outstanding	Exercise
			as at					as at	
Grantee	Date of grant	Exercise period	1 January 2025	during the period	during the period	during the year	during the year	30 June 2025	price per share option HK\$
Directors									
Zhou Zan	4 April 2018	4 April 2018 to 3 April 2028	30,000,000	–	–	–	–	30,000,000	0.0497
An Jing	14 April 2020	14 April 2020 to 13 April 2030	30,000,000	–	–	–	–	30,000,000	0.0497
Qin Han	29 September 2023	29 September 2023 to 28 September 2033	30,000,000	–	–	–	–	30,000,000	0.0497
			90,000,000	–	–	–	–	90,000,000	

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

Grantee	Date of grant	Exercise period	Number of share options					Exercise price per share option HK\$	
			Outstanding as at 1 January 2024	Granted during the period	Lapsed during the period	Exercised during the year	Reclassified during the year		Outstanding as at 30 June 2024
Directors									
Xiang Xin	6 July 2014	6 July 2014 to 5 July 2024	60,394,737	–	–	–	–	60,394,737	0.0497
Zhou Zan	4 April 2018	4 April 2018 to 3 April 2028	30,000,000	–	–	–	–	30,000,000	0.0497
An Jing	14 April 2020	14 April 2020 to 13 April 2030	30,000,000	–	–	–	–	30,000,000	0.0497
Qin Han	29 September 2023	29 September 2023 to 28 September 2033	30,000,000	–	–	–	–	30,000,000	0.0497
			150,394,737	–	–	–	–	150,394,737	
Other eligible participants									
Former directors	6 July 2014	6 July 2014 to 5 July 2024	60,394,736	–	–	–	–	60,394,736	0.0497
Consultants	6 July 2014	6 July 2014 to 5 July 2024	318,078,949	–	–	–	–	318,078,949	0.0497
			378,473,685	–	–	–	–	378,473,685	
			528,868,422	–	–	–	–	528,868,422	

The options granted under the Scheme are vested immediately, except for the options granted to Ms. Qin Han on 29 September 2023 and shall be vested at one time commencing on 29 September 2024.

No share options were granted, exercised, cancelled or lapsed during the period ended 30 June 2025 and 2024.

Due to expiration of the Scheme, no options were available for grant at the beginning and the end of the financial period ended 30 June 2025.

As at 30 June 2025, the number of shares that may be issued in respect of share options granted under all share schemes of the Company was 90,000,000, representing approximately 0.7% of the weighted average number of issued ordinary shares of the Company.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

13 Related Party Transactions

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Investment management fee paid to Sinolink Securities (Hong Kong) Company Limited ("SSHK") (note a)	160	–
Evergrande Securities (Hong Kong) Limited ("ESHK") (note b)	–	240
Rent paid to New Era Group (China) Limited ("NEG") (note c)	480	480

Compensation of key management personnel

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Short term employee benefits	300	300

Notes:

- (a) The Company entered into an investment management agreement with SSHK on 1 March 2025. For details, please refer to the Company's announcement dated 2 March 2025.
- (b) The Company entered into an investment management agreement with ESHK since 2020 which was terminated on 3 October 2024. ESHK is regarded as a related party of the Company as the Directors are of the view that ESHK is providing key management personnel services to the Company through its investment management services.
- (c) NEG, is a company over which Mr. Xiang Xin, a director of the Company, has control.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

14 Fair Value Measurement

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

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

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

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

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

- (a) During the period, there were no transfer between Level 1 and Level 2, or transfers into or out of Level 3 (2024: Nil). The Company's policy is to recognise transfer between levels of fair value hierarchy as at the end of the reporting period in which they occur.
- (b) The total gains or losses recognised in other comprehensive income are presented in fair value changes of equity investments at fair value through other comprehensive income in the statement of profit or loss and other comprehensive income.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

(c) Level 3 fair value measurements as at 30 June 2025

Description	Valuation technique	Unobservable inputs	Range	Effect on fair value for increase of input	Fair value HK\$'000
Unlisted equity securities classified as equity investments at fair value through other comprehensive income	Market approach	Price-to-book multiple	1.88-3.00 (2024: 2.48-4.08)	Increase	206,468 (2024: 166,468)
		Discount of lack of marketability	16% (2024: 16%)	Decrease	
	Cost approach	Net asset value	Net asset value with reference to management accounts of the investee company	Increase	43,791 (2024: 33,791)

In estimating the fair value, the Company uses market-observable data to the extent it is available. For instruments with significant unobservable inputs under Level 3, the Company engages third party qualified valuers to perform the valuation. The Company works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

15 Contingent Liabilities

The Company did not have any significant contingent liabilities at 30 June 2025 and 31 December 2024.

16 Capital Commitments

Saved as disclosed in this interim report, the Company did not have other significant capital commitments as at 30 June 2025 and 31 December 2024.

17 Interim Dividends

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2025 (2024: Nil).