

JADE ROAD INVESTMENTS LIMITED

INTERIM CONSOLIDATED RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2024

Jade Road Investments Limited (AIM: JADE), the London quoted company focused on seeking the best risk-adjusted returns globally, is pleased to announce its interim results for the six months ended 30 June 2024.

Financial Highlights:

- Total interest income decreased to US 0.01 million (H1 2023: US 0.59 million).
- Net loss of 0.4 million (H1 2023: US 1.4 million loss).
- Consolidated basic / diluted loss per share of US 0.11 cents (H1 2023: loss per share US 0.75 cents).
- Consolidated NAV at 30 June 2024 decreased to a deficit of US(0.35) million/GBP (0.28) million (31 December 2023: US 0.05 million/GBP 0.04 million).
- NAV per share at 30 June 2024 (0.10) cents ((0.08) pence) (31 December 2023: 0.02 cents / 0.01 pence).
- Period end cash position of US 0.06 million (31 December 2023 : US 0.08 million).
- Post period issue of Convertible loan note raising £80,000

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About Jade Road Investments

Jade Road Investments Limited is quoted on the AIM Market of the London Stock Exchange and is committed to providing shareholders with attractive uncorrelated, risk-adjusted long-term returns from a combination of realising sustainable capital growth and delivering dividend income.

Chairman's Statement

The Company's Results for the period to 30 June 2024 fully reflect the status of the Company following the disposal of its legacy assets described in our 2023 Annual Report. At this juncture the Company effectively became a shell company seeking an acquisition via a Reverse Take Over (RTO) and/or strategic partnerships to deliver future growth.

Since the end of this period the Company announced a strategic partnership with MBM Ltd. It is envisaged that the partnership will deliver investment opportunities for Jade in conjunction with its Investment Manager Heirloom Investment Management LLC. The partnership was announced on 16 August 2024 which can be viewed via the link below:

As part of the agreement, MBM Ltd. will provide up to £300,000 in new capital to Jade via a Convertible Loan Note (CLN). The first tranche of £80,000 under the CLN has been received by the Company.

The Company's working capital remains constrained, however management is managing creditors and seeking further finance to deliver its strategy.

Whilst the relationship with MBM Ltd. is embryonic, I am encouraged by the cooperation and support experienced to date and expect to be able to announce more details in the coming months.

The principal assets as of 30 June 2024 are detailed below:

Principal assets	Valuation at 31 December 2023 US million	Transfer US million	Equity investment/ other movement US million	Valuation at 30 June 2024 US million
Heirloom Investment Fund and Heirloom Litigation Funding	0.5	-	(0.5)	-
Investments available for sale	4.3	(4.3)	-	-
Corporate debt	(3.8)	3.8	-	-
Other liabilities	(1.0)	0.5	0.1	(0.4)
Cash	0.1	-	-	0.1
Total Net Asset Value	0.1	-	(0.3)	(0.3)

John Croft

Chairman

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Note	Six months ended		Year ended	
	30 June 2024		31 December 2023	
	Unaudited US 000	Unaudited US 000	Unaudited US 000	Audited US 000
Income from unquoted financial assets	-	588	1,090	
Finance income from loans	7	-	-	545
Loss on disposal on disposal	-	-	-	(1)
Gross portfolio income	4	7	588	1,634
Fair value changes on financial assets at fair value through profit or (loss)		-	(101)	(17,295)
Foreign exchange on unquoted financial assets at fair value through profit or (loss)		-	-	-
Investment provisions	4	(2)	(588)	-
Net portfolio income/(loss)	4	5	(101)	(15,661)

Management fees	14	-	(376)	(350)
Incentive fees		-	-	43
Administrative expenses	5	<u>(401)</u>	<u>(639)</u>	<u>(1,171)</u>
Operating loss		(396)	(1,116)	(17,139)
Finance expense		<u>(5)</u>	<u>(273)</u>	<u>(577)</u>
Loss before taxation		<u>(401)</u>	<u>(1,389)</u>	<u>(17,716)</u>
Taxation	6	-	-	-
Loss and total comprehensive loss for the period		<u>(401)</u>	<u>(1,389)</u>	<u>(17,716)</u>
Loss per share	8			
Basic		<u>(0.11) cents</u>	<u>(0.75) cents</u>	<u>(5.94) cents</u>
Diluted		<u>(0.11) cents</u>	<u>(0.75) cents</u>	<u>(5.94) cents</u>

The results above relate to continuing operations.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 June 2024 Unaudited US 000	30 June 2023 Unaudited US 000	31 December 2023 Audited US 000
Assets				
Unquoted financial assets at fair value through profit or loss	9	-	18,708	500
Loans and other receivables	10	<u>26</u>	<u>1,721</u>	<u>19</u>
Investments held for sale		-	-	4,290
Cash and cash equivalents		<u>59</u>	<u>100</u>	<u>77</u>
Total assets		<u>85</u>	<u>20,529</u>	<u>4,886</u>
Liabilities				
Other payables and accruals		<u>434</u>	<u>1,209</u>	<u>991</u>
Current liabilities		<u>434</u>	<u>1,209</u>	<u>991</u>
Loans & borrowings	11	-	3,873	3,843
Total liabilities		<u>434</u>	<u>5,082</u>	<u>4,834</u>
Net assets		<u>(349)</u>	<u>15,447</u>	<u>52</u>
Equity and reserves				
Share capital	12	151,686	150,615	151,686
Treasury share reserve		<u>(754)</u>	<u>(615)</u>	<u>(754)</u>
Share based payment reserve		<u>2,936</u>	<u>2,936</u>	<u>2,936</u>
Accumulated losses		<u>(154,217)</u>	<u>(137,489)</u>	<u>(153,816)</u>
Total equity and reserves attributable to owners of the parent		<u>(349)</u>	<u>15,447</u>	<u>52</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital US '000	Treasury share reserve US '000	Share based payment reserve US '000	Accumulated losses US '000	Total US '000
Group balance at 1 January 2023					
2023	148,903	(615)	2,936	(136,100)	15,124
Loss for the period	-	-	-	(1,389)	(1,389)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(1,389)	(1,389)
Issue of shares net of issue costs	1,712	-	-		1,712
Group balance at 30 June 2023					
	150,615	(615)	2,936	(137,489)	15,447
Loss for the period	-	-	-	(16,327)	(16,327)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(16,327)	(16,327)
Issue of shares net of issue costs	1,071	-	-	-	1,071
Repurchase of shares	-	(139)	-	-	(139)
Group balance at 31 December 2023 and 1 January 2024					
	151,686	(754)	2,936	(153,816)	52
Loss for the period	-	-	-	(401)	(401)
Total comprehensive loss for the period	-	-	-	(401)	(401)
Group balance at 30 June 2024					
	151,686	(754)	2,936	(154,217)	(349)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30-Jun 2024 Unaudited US '000	Six months ended 30-Jun 2023 Unaudited US '000	Year ended 31 December 2023 Audited US '000
<i>Cash flow from operating activities</i>			
(Loss) / Profit before taxation	(401)	(1,389)	(17,716)
Adjustments for:			
Finance income	(7)	-	(545)
Finance expense	7	273	577
Exchange loss	-	84	47
Fair value changes on unquoted financial assets at fair value through profit or loss	-	19	13,938
Fair value changes on loans and receivables at fair value through profit or loss	-	-	2,236
Realised (gain) on disposal of investments	-	-	-
Increase/(Decrease) in other receivables	(7)	(35)	13
Increase/(Decrease) in other payables and accruals	(110)	(127)	(323)
Net cash used in operating activities	(518)	(1,175)	(1,773)
<i>Cash flow from investing activities</i>			

Cash flow from investing activities

Sale proceeds or unquoted financial assets at fair value through profit or loss	500	-	250
Purchase of unquoted financial assets at fair value through profit and loss	-	(500)	(750)
Net cash generated from investing activities	500	(500)	(500)
Issue of Shares	-	1,712	2,763
Purchase of treasury shares	-	(259)	(139)
Payment of interest on loans and borrowings	-		(594)
Net cash generated used in financing activities	-	1,453	2,030
Net outflow in cash & cash equivalents during the period	(18)	(222)	(243)
Cash and cash equivalents and net debt at the beginning of the period	77	321	321
Foreign exchange on cash balances	-	1	(1)
Cash & cash equivalents and net debt at the end of the period	59	100	77

NOTES TO THE FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company is a limited company incorporated in the British Virgin Islands ("BVI") under the BVI Business Companies Act 2004 on 18 January 2008. The address of the registered office is Commerce House, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola, British Virgin Islands VG 1110 and its principal place of business is 19/F, CMA Building, 64 Connaught Road Central, Central, Hong Kong.

The Company is quoted on the AIM Market of the London Stock Exchange (code: JADE) and the Quotation Board of the Open Market of the Frankfurt Stock Exchange (code: 1CP1).

The principal activity of the Company is investment holding. The Company is principally engaged in investing primarily in unlisted assets in the areas of mining, power generation, health technology, telecommunications, media and technology ("TMT"), and financial services or listed assets driven by corporate events such as mergers and acquisitions, pre-IPO, or re-structuring of state-owned assets.

The condensed consolidated interim financial information was approved for issue on 29 September 2023.

2. BASIS OF PREPARATION

The condensed consolidated interim financial information has been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" and is presented in US Dollars.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated interim financial information has been prepared on the historical cost convention, as modified by the revaluation of certain financial assets and financial liabilities at fair value through the statement of comprehensive income.

The accounting policies and methods of computation used in the condensed consolidated financial information for the six months ended 30 June 2024 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2023 and are those the Group expects to apply into financial statements for the year ending 31 December 2024. There was no impact on the Company's accounting policies as a result of any new or amended standards which became applicable for the current accounting period.

The seasonality or cyclical nature of operations does not impact the interim financial information.

4. SEGMENT INFORMATION

The operating segment has been determined and reviewed by the Board to be used to make strategic decisions. The Board considers there to be a single business segment, being that of investing activity.

The reportable operating segment derives its revenue primarily from debt investment in several companies and unquoted investments.

The Board assesses the performance of the operating segments based on a measure of adjusted Earnings Before Interest, Taxes, Depreciation and Amortisation ("EBITDA"). This measurement basis excludes the effects of non-recurring expenditure from the operating segments such as restructuring costs. The measure also excludes the effects of equity-settled share-based payments and unrealised gains/losses on financial instruments.

The segment information provided to the Board for the reportable segment for the periods are as follows:

	Six months ended	Year ended	
	30 June	30 June	31 December
	2024	2023	2023
	US 000	US 000	US 000
Income on unquoted financial assets	-	588	1,090
Financial income on loans & receivables	7	-	545
Gain on disposal	-	-	(1)
Gross portfolio income	<u>7</u>	<u>588</u>	<u>1,634</u>
Expected credit loss provision	-	(588)	-
Foreign exchange	(2)	(101)	(43)
Equity fair value adjustments	-	-	(15,029)
Portfolio income through profit or loss	5	(101)	(13,438)
Net assets:			
FMHL	-	5,252	-
Meize	-	8,800	-
DocDoc	-	2,806	-
ICG	-	1,335	-
Infinity TNP	-	-	-
Heirloom Investment Fund	-	500	500
Other	<u>-</u>	<u>15</u>	<u>-</u>
Unquoted assets at fair value through profit or loss	-	18,708	500
Loans and other receivables at fair value through the profit or loss (third party)	26	1,721	19
Investments held for sale	-	-	4,290
Cash	59	100	77
Liabilities	(434)	(5,082)	(4,834)
Net assets	(349)	15,447	52

On 1 May 2024 the transfer of the 'Legacy Assets' consisting of the holdings in DocDoc Pte Limited, Future Metal Holdings Limited, Meize Energy Industrial Holdings Limited, Infinity Capital Group Infinity TNP, Project Nicklaus and Fook Lam Moon Holdings was approved by the shareholders at the annual general meeting. The corporate bond issued by the Group was also transferred. All assets and liabilities have been transferred to an independent third-party company which is not owned or controlled by the Group. The Group received no consideration in return for the transfer. These assets had been included as held for sale in the financial statements dated 31 December 2023.

The impact of fair value changes on the investments in the portfolio are as follows:

	Six months ended 30 June 2024 US 000	30 June 2023 US 000	Year ended 31 December 2023 US 000
Income on unquoted financial assets through profit or loss	-	588	1,090
Equity fair value adjustments:			
- FMHL	-	-	(1,538)
- Meize	-	-	(8,801)
- DocDoc	-	-	(3,016)
- Infinity Capital Group	-	-	(1,659)
- Other	-	-	(15)
	-	-	(15,029)
Expected credit loss provision:			
- ICG	-	(112)	-
- FMHL	-	(300)	-
- DocDoc	-	(176)	-
Foreign exchange on unquoted financial assets at fair value through profit or loss	-	(19)	2
Total fair value changes on financial assets at fair value through profit or loss	-	(19)	(13,937)

5. ADMINISTRATIVE EXPENSES

	Six months ended 30 June 2024 US 000	30 June 2023 US 000	Year ended 31 December 2023 US 000
Staff costs	183	183	321
Professional fees	171	417	752
Travel expenses	7	14	19
Insurance	11	11	22
Loss on redemption of assets	26	-	15
Foreign exchange	-	6	8
IT costs	-	1	1
Marketing	-	-	3
Bank charges	3	6	11
Other costs	-	3	20
	401	639	1,171

6. TAXATION

The Company is incorporated in the BVI and Hong Kong. The Company is not subject to any income tax in the BVI.

The Company does not engage in any business activities or generate income in Hong Kong; therefore it is not subject to taxation in Hong Kong.

7. DIVIDEND

The Board does not recommend the payment of an interim dividend in respect of the six months ended 30 June 2024 (30 June 2023: Nil).

8. LOSS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Group is based on the following:

Numerator	Six months ended		Year ended
	30 June	30 June	31 December
	2024	2023	2023
Basic/Diluted: Net loss	US 000	US 000	US 000
	(401)	(1,389)	(17,716)
		Number of shares	
	'000	'000	'000

Denominator		30 June 2024 US 000	30 June 2023 US 000	31 December 2023 US 000
Basic:	Number of / Weighted average shares	350,713	185,008	298,477
	Dilutive effect of warrants	-	-	-
 Diluted:	Adjusted weighted average shares	350,713	185,008	298,477
 Loss per share				
Basic (cents)		(0.11)	(0.75)	(5.94)
Diluted (cents)		(0.11)	(0.75)	(5.94)

Warrants issued to the Investment Manager were anti-dilutive and therefore there is no impact on the weighted average shares in issue. No warrants were issued during the current period ending 30 June 2024 (2023: 1,002,333).

9. UNQUOTED FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2024 US 000	30 June 2023 US 000	31 December 2023 US 000
At the beginning of the period	500	18,227	18,227
Fair value changes through profit and loss	-	569	(13,937)
Transferred to held for sale	-	-	(4,290)
Expected credit loss provision through profit and loss	-	(588)	-
Realised gain	-	-	-
Disposals	(500)	-	(250)
Additional investment	-	500	750
 At the end of the period	 -	 18,708	 500

10. LOANS AND OTHER RECEIVABLES AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2024 US 000	30 June 2023 US 000	31 December 2023 US 000
At the beginning of the period	19	1,769	-
Other receivables	7	-	19
Fair value changes through profit and loss	-	(48)	-
 At the end of the period	 26	 1,721	 19
Note	30 June 2024 US 000	30 June 2023 US 000	31 December 2023 US 000
Other receivables	26	1,721	19
Total loans and borrowings	26	1,721	19

The breakdown of Loans is as follows:

	30 June 2024 US 000	30 June 2023 US 000	31 December 2023 US 000
Loan principal	-	26,500	-
Accrued PIK interest	-	2,248	532

Accrued interest payable in cash	-	3,000	-
Fair Value Adjustments - Principal	-	(26,500)	-
Fair Value Adjustments - Accrued Interest	-	(5,318)	(532)

Net loans receivable	-	-	-
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11. LOANS AND BORROWINGS

	30 June 2024 US '000	30 June 2023 US '000	31 December 2023 US '000
Corporate debt	-	3,873	3,843
Total loans and borrowings	-	3,873	3,843

The movement in loans and borrowings is as follows:

	30 June 2024 US '000	30 June 2023 US '000	31 December 2023 US '000
Opening balance	3,843	3,859	3,859
Borrowing costs amortised	-	-	-
Interest expense accrued	-	273	577
Payment of interest liability	-	(259)	(594)
Transferred out	(3,843)	-	-
Closing balance	-	3,873	3,843

12. SHARE CAPITAL

	Number of Shares	Amount US '000
Issued share capital excluding treasure shares at 31 December 2023	350,713,130	150,932
Shares issued in the period	-	-
Issued share capital excluding treasure shares at 30 June 2024	350,713,130	150,932
Consisting of:		
Authorised, called-up and fully paid ordinary shares of no-par value each at 30 June 2024	358,193,134	151,686
Authorised, called-up and fully paid ordinary shares of no-par value held as treasury shares by the Company at 30 June 2024	(7,480,004)	(754)

(i) Under the BVI corporate laws and regulations, there is no concept of "share premium," and all proceeds from the sale of no-par value equity shares are deemed to be share capital of the Company.

13. FINANCIAL INSTRUMENTS

Financial assets

	As at 30 June 2024 US '000	As at 30 June 2023 US '000	As at 31 December 2023 US '000
Unquoted financial assets at fair value	-	18,708	500
Other receivables at fair value	-	1,659	-
Cash and cash equivalents at amortised cost	59	100	77
Financial assets	59	20,467	577

Financial liabilities

	As at 30 June 2024	As at 30 June 2023	As at 31 December 2023
	US '000	US '000	US '000
Other payables and accruals at amortised cost	434	1,209	991
Corporate debt at amortised cost	-	3,873	3,843
Financial liabilities	434	5,082	4,834

Financial assets at fair value through profit or loss

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1, 2 or 3 based on the degree to which the fair value is observable:

Note	As at 30 June 2024	As at 30 June 2023	As at 31 December 2023
	US '000	US '000	US '000
Level 3			
Unquoted financial assets at fair value	9	-	18,708
Other receivables at fair value	10	26	1,721
		26	20,429
			500

There is no transfer between levels in the current period. Carrying values of all financial assets and liabilities are approximate to fair values. The value of level 3 investments has been determined using the yield capitalisation (discounted cash flow) method.

14. RELATED PARTY TRANSACTIONS

During the period under review, the Group entered into the following transactions with related parties and connected parties:

Notes	30 June 2024	30 June 2023	31 December 2023
	US '000	US '000	US '000
Remuneration payable to Directors	183	183	321
Re-imbursement of expenses to directors	-	-	26
Heirloom Investment Management LLC			
Administration Fee	-	-	47
Harmony Capital			
Management fee	-	376	350
Incentive fee	-	-	(43)
Amount due to			
Harmony Capital at period end	745	910	745
Heirloom Investment Management LLC	-	-	16
Directors	68	-	75

15. EVENTS AFTER THE REPORTING PERIOD

On 11 July 2024 Dr Lee George Lam resigned from his role as non-executive director.

On 16 August 2024 Jade announced a strategic partnership with MBM Limited. MBM Limited will provide new capital in the form of convertible loan notes (CLN) of up to £300,000 and will introduce potential new investments to Jade. The first tranche of the CLN, amounting to £80,000 has been received.

16. COPIES OF THE INTERIM REPORT

The interim report is available for download from www.jaderoadinvestments.com.

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