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**GoFintech Innovation Limited**  
**國富創新有限公司**

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

**(Stock Code: 290)**

*Website: <https://290.com.hk>*

**INTERIM RESULTS ANNOUNCEMENT**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024**

The board (the “**Board**”) of directors (the “**Directors**”) of GoFintech Innovation Limited (the “**Company**”) announces the unaudited results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 September 2024 (the “**Period**”) together with the comparative figures for the corresponding period in 2023. The Group’s unaudited interim financial information for the Period have been reviewed by the audit committee of the Board (the “**Audit Committee**”) as well as the external auditor of the Company.

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

*For the six months ended 30 September 2024*

		<b>Six months ended</b>	
		<b>30 September</b>	
		<b>2024</b>	2023
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	3	22,016	18,349
Net gains/(losses) on investments at fair value through profit or loss		15,158	(9,661)
Cost of brokerage and other services		(5,569)	(2,020)
Other income, net	5	8,384	2,070
Provision for expected credit losses on loan and trade receivables		(343)	(2,491)
Staff costs	6	(34,225)	(16,839)
Other operating expenses	6	(14,372)	(7,130)
Finance costs		(377)	(1,299)
Share of (losses)/profits of associates		(1,584)	1,598
		<hr/>	<hr/>
Loss before tax	6	(10,912)	(17,423)
Income tax credit/(expense)	7	3	(2)
		<hr/>	<hr/>
<b>Loss for the period attributable to owners of the Company</b>		<b>(10,909)</b>	<b>(17,425)</b>
		<hr/>	<hr/>
<b>Other comprehensive income/(expense):</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		914	(2,050)
Share of other comprehensive income/(expense) of associates		2,303	(4,910)
		<hr/>	<hr/>
Other comprehensive income/(expense) for the period, net of tax		3,217	(6,960)
		<hr/>	<hr/>
<b>Total comprehensive expense for the period attributable to owners of the Company</b>		<b>(7,692)</b>	<b>(24,385)</b>
		<hr/> <hr/>	<hr/> <hr/>
		<b>HK cent</b>	<b>HK cents</b>
<b>Loss per share</b>			
– Basic	9	(0.2)	(1.3)
– Diluted	9	(0.2)	(1.3)
		<hr/> <hr/>	<hr/> <hr/>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*At 30 September 2024*

		At 30 September 2024	At 31 March 2024
	<i>Notes</i>	<i>HK\$'000</i> <b>(Unaudited)</b>	<i>HK\$'000</i> <b>(Audited)</b>
<b>Non-current assets</b>			
Property and equipment and right-of-use assets		<b>15,723</b>	14,630
Intangible assets	<i>10</i>	<b>36,072</b>	–
Investments in associates		<b>113,617</b>	112,898
Investments at fair value through profit or loss	<i>11</i>	<b>257,649</b>	79,769
Prepaid considerations for investments		<b>118,471</b>	–
Loan receivables	<i>12</i>	–	13,500
Other non-current assets		<b>7,566</b>	7,294
		<b>549,098</b>	228,091
<b>Current assets</b>			
Investments at fair value through profit or loss	<i>11</i>	<b>184,148</b>	173,504
Loan and trade receivables	<i>12</i>	<b>175,784</b>	99,997
Contract assets		<b>17</b>	17
Other receivables, deposits and prepayments		<b>34,999</b>	24,436
Current tax assets		–	151
Bank balances and cash – trust		<b>204,348</b>	276,738
Bank balances and cash – general		<b>121,241</b>	289,257
		<b>720,537</b>	864,100
<b>Current liabilities</b>			
Trade payables	<i>13</i>	<b>204,723</b>	276,025
Other payables and accruals		<b>3,209</b>	4,505
Lease liabilities		<b>8,118</b>	7,217
Corporate bonds		–	2,062
Current tax liabilities		<b>801</b>	843
		<b>216,851</b>	290,652

		At 30 September 2024 <i>HK\$'000</i> (Unaudited)	At 31 March 2024 <i>HK\$'000</i> (Audited)
<b>Net current assets</b>		<u>503,686</u>	<u>573,448</u>
<b>Total assets less current liabilities</b>		<u>1,052,784</u>	<u>801,539</u>
<b>Non-current liabilities</b>			
Lease liabilities		<u>10,897</u>	<u>14,696</u>
<b>Net assets</b>		<u><u>1,041,887</u></u>	<u><u>786,843</u></u>
<b>Capital and reserves</b>			
Share capital	<i>14</i>	<u>711,842</u>	<u>632,625</u>
Reserves		<u>330,045</u>	<u>154,218</u>
<b>Total equity</b>		<u><u>1,041,887</u></u>	<u><u>786,843</u></u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

### 1. GENERAL INFORMATION AND BASIS OF PREPARATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The addresses of the registered office and principal place of business of the Company are Suite 102, Cannon Place, P.O. Box 712, North Sound Rd., George Town, Grand Cayman, KY1-9006, Cayman Islands and Units No. 4102-06, 41/F., COSCO Tower, 183 Queen’s Road Central, Hong Kong respectively.

The Company is an investment holding company and its subsidiaries are principally engaged in securities brokerage, margin financing, corporate finance, money lending, insurance brokerage, asset management and equity investment.

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

These condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2024. The accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 March 2024 except as stated below.

#### Intangible assets

##### *Cryptocurrencies*

Cryptocurrencies purchased and held by the Group include Bitcoins, which are accounted for as intangible assets under the cost model. The Group has ownership of and control over the cryptocurrencies held. The cryptocurrencies held by the Group are considered to have an indefinite useful life. Accordingly, they are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

### 2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 April 2024. HKFRSs comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s consolidated financial statements and amounts reported for the period and prior years.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

### 3. REVENUE

Disaggregation of revenue from contracts with customers:

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Timing of revenue recognition		
<i>Overtime:</i>		
Service income from corporate finance	1,297	1,701
Income from asset management business	1,941	2,624
<i>At a point in time:</i>		
Income from equity investment business	1,534	–
Income from securities brokerage business	8,103	10,469
Income from consultancy and insurance brokerage business	344	306
Others	340	–
	<hr/>	<hr/>
Revenue from contracts with customers	13,559	15,100
Interest revenue from money lending business	8,439	1,837
Margin interest revenue from securities brokerage business	18	1,412
	<hr/>	<hr/>
Total revenue	<u>22,016</u>	<u>18,349</u>

### 4. SEGMENT INFORMATION

Information reported to the Board, being the chief operating decision maker, for the purpose of resource allocation and assessment of segment performance focuses on the type of services provided. No operating segment identified by the chief operating decision maker has been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments under HKFRS 8 "Operating Segments" are as follows:

- (1) The securities brokerage and margin financing segment engages in securities brokerage and margin financing in Hong Kong;
- (2) The corporate finance segment engages in the provision of corporate finance services;
- (3) The money lending segment engages in the provision of money lending in Hong Kong;
- (4) The consultancy and insurance brokerage segment engages in the provision of consultancy service and insurance brokerage in Hong Kong;
- (5) The asset management segment engages in the provision of asset management and advisory services to professional investors; and
- (6) The equity investment segment engages in the management of financial investments.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent the results from each segment without allocation of central operating expenses, office staff salaries, directors' emoluments, and other operating income. This is the measure reported to the chief operating decision maker for the purposes of resources allocation and performance assessment. Inter-segment revenue are charged at prevailing market prices.

Information regarding the above segments is reported as below:

### Segment revenue and results

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

#### For the six months ended 30 September 2024 (Unaudited)

	Securities brokerage and margin financing HK\$'000	Corporate finance HK\$'000	Money lending HK\$'000	Consultancy and insurance brokerage HK\$'000	Asset management HK\$'000	Equity investment HK\$'000	Unallocated HK\$'000	Inter-segment elimination HK\$'000	Consolidated HK\$'000
Revenue	8,121	1,297	8,439	344	1,941	1,534	340	-	22,016
Inter-segment revenue	2,532	-	-	-	-	-	-	(2,532)	-
Net (losses)/gains on investments at fair value through profit or loss	(26)	-	-	-	-	12,571	2,613	-	15,158
Total	<u>10,627</u>	<u>1,297</u>	<u>8,439</u>	<u>344</u>	<u>1,941</u>	<u>14,105</u>	<u>2,953</u>	<u>(2,532)</u>	<u>37,174</u>
Finance costs	(2)	-	-	-	-	-	(375)	-	(377)
Others	(370)	(3,259)	(132)	(400)	(1,748)	532	(43,280)	2,532	(46,125)
Segment results	<u>10,255</u>	<u>(1,962)</u>	<u>8,307</u>	<u>(56)</u>	<u>193</u>	<u>14,637</u>	<u>(40,702)</u>	<u>-</u>	<u>(9,328)</u>
Share of losses of associates									<u>(1,584)</u>
Loss before tax									<u>(10,912)</u>
Income tax credit									<u>3</u>
Loss for the period									<u><u>(10,909)</u></u>

For the six months ended 30 September 2023 (Unaudited)

	Securities brokerage and margin financing <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Consultancy and insurance brokerage <i>HK\$'000</i>	Asset management <i>HK\$'000</i>	Equity investment <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Inter-segment elimination <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Revenue	11,881	1,701	1,837	306	2,624	-	-	-	18,349
Inter-segment revenue	-	-	-	68	-	-	-	(68)	-
Net losses on investments at fair value through profit or loss	-	-	-	-	-	(9,661)	-	-	(9,661)
<b>Total</b>	<b>11,881</b>	<b>1,701</b>	<b>1,837</b>	<b>374</b>	<b>2,624</b>	<b>(9,661)</b>	<b>-</b>	<b>(68)</b>	<b>8,688</b>
Finance costs	(3)	-	-	-	-	-	(1,296)	-	(1,299)
Others	(7,116)	(3,310)	(134)	(424)	(2,359)	(316)	(12,819)	68	(26,410)
<b>Segment results</b>	<b>4,762</b>	<b>(1,609)</b>	<b>1,703</b>	<b>(50)</b>	<b>265</b>	<b>(9,977)</b>	<b>(14,115)</b>	<b>-</b>	<b>(19,021)</b>
Share of profit of an associate									1,598
Loss before tax									(17,423)
Income tax expense									(2)
Loss for the period									(17,425)

**Segment assets and liabilities**

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

- all assets are allocated to operating segments other than certain property and equipment for general operations, intangible assets, certain other non-current assets, investments in associates, certain other receivables, deposits and prepayments and certain bank balances and cash – general; and
- all liabilities are allocated to operating segments other than certain other payables and accruals, certain lease liabilities, corporate bonds and current tax liabilities.



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

	At 30 September 2024 <i>HK\$'000</i> (Unaudited)	At 31 March 2024 <i>HK\$'000</i> (Audited)
<b>Segment assets</b>		
Securities brokerage and margin financing	242,151	312,616
Corporate finance	2,581	4,231
Money lending	176,081	123,212
Consultancy and insurance brokerage	1,310	1,378
Asset management	21,320	8,955
Equity investment	399,198	257,708
	<hr/>	<hr/>
Total segment assets	842,641	708,100
Investments in associates	113,617	112,898
Unallocated	313,377	271,193
	<hr/>	<hr/>
<b>Consolidated total assets</b>	<b>1,269,635</b>	<b>1,092,191</b>
	<hr/>	<hr/>
<b>Segment liabilities</b>		
Securities brokerage and margin financing	205,664	276,170
Corporate finance	–	84
Money lending	–	38
Consultancy and insurance brokerage	231	244
Asset management	1,209	2,186
Equity investment	478	146
	<hr/>	<hr/>
Total segment liabilities	207,582	278,868
Unallocated	20,166	26,480
	<hr/>	<hr/>
<b>Consolidated total liabilities</b>	<b>227,748</b>	<b>305,348</b>
	<hr/>	<hr/>

## 5. OTHER INCOME, NET

	Six months ended 30 September	
	2024 <i>HK\$'000</i> (Unaudited)	2023 <i>HK\$'000</i> (Unaudited)
Interest revenue from financial institutions	8,627	1,476
Exchange loss, net	(543)	(238)
Sundry income	300	832
	<hr/>	<hr/>
	<b>8,384</b>	<b>2,070</b>
	<hr/>	<hr/>

## 6. LOSS BEFORE TAX

The Group's loss before tax is stated at after charging the following:

	Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<b>Other operating expenses:</b>		
Auditor's remuneration	100	100
Announcement and listing fee	220	323
Bank charges	170	45
Computer expenses	684	612
Depreciation on:		
– right-of-use assets	3,777	–
– property and equipment	243	–
Donation	500	–
Entertainment	150	314
Expenses related to short term leases	50	50
Information and communication fee	679	813
Legal and professional fee	1,550	2,723
Membership fee	20	19
Rates and building management fee	463	398
Telecommunication fee	126	176
Transaction fee	814	–
Travelling expenses	3,147	195
Other expenses	1,679	1,362
	<hr/>	<hr/>
	14,372	7,130
	<hr/> <hr/>	<hr/> <hr/>
<b>Staff costs:</b>		
– Directors' remunerations		
– Salaries and allowance	1,277	3,946
– Retirement benefit scheme contributions	13	42
– Equity-settled share-based payments	971	–
– Salaries and allowance (excluding Directors)	16,001	12,309
– Retirement benefit scheme contributions (excluding Directors)	596	542
– Equity-settled share-based payments (excluding Directors)	15,367	–
	<hr/>	<hr/>
	34,225	16,839
	<hr/> <hr/>	<hr/> <hr/>



## 10. INTANGIBLE ASSETS

During the six months ended 30 September 2024, the Group acquired cryptocurrencies of HK\$36,001,000 (six months ended 30 September 2023: nil).

## 11. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	At 30 September 2024 <i>HK\$'000</i> (Unaudited)	At 31 March 2024 <i>HK\$'000</i> (Audited)
Equity securities listed in Hong Kong	209,691	86,908
Unlisted equity instruments	162,124	79,769
Fund investments	69,960	86,569
Derivative financial instruments	22	27
	<u>441,797</u>	<u>253,273</u>
Analysed as:		
– Non-current assets	257,649	79,769
– Current assets	184,148	173,504
	<u>441,797</u>	<u>253,273</u>

## 12. LOAN AND TRADE RECEIVABLES

	At 30 September 2024 <i>HK\$'000</i> (Unaudited)	At 31 March 2024 <i>HK\$'000</i> (Audited)
Trade receivables	4,079	2,921
Loan receivables – current	171,705	97,076
	<u>175,784</u>	99,997
Total loan and trade receivables – current	175,784	99,997
Loan receivables – non-current	–	13,500
	<u>175,784</u>	<u>113,497</u>

Notes:

**(A) Trade receivables**

The followings are the balances of trade receivables, net of expected credit losses (“ECL”):

	At <b>30 September</b> <b>2024</b> <i>HK\$’000</i> <b>(Unaudited)</b>	At 31 March 2024 <i>HK\$’000</i> (Audited)
Trade receivables from securities brokerage business:		
– Hong Kong Securities Clearing Company Limited (“HKSCC”)	<b>1,529</b>	–
– Margin and cash clients	<b>87</b>	572
Trade receivables from other businesses	<b>5,987</b>	5,530
	<b>7,603</b>	6,102
Less: ECL	<b>(3,524)</b>	(3,181)
	<b>4,079</b>	2,921

No ageing analysis is disclosed for the Group’s margin and cash clients as these margin and cash clients were carried on an open account basis, and only fall due on conditions or on demand by the Group. The Directors consider that the ageing analysis does not give additional value in the view of the nature of these receivables.

Ageing analysis of trade receivables (excluded margin and cash clients) based on the invoice date, and net of ECL is as follows:

	At <b>30 September</b> <b>2024</b> <i>HK\$’000</i> <b>(Unaudited)</b>	At 31 March 2024 <i>HK\$’000</i> (Audited)
Less than 30 days	<b>2,040</b>	392
31 to 60 days	<b>10</b>	337
61 to 90 days	<b>54</b>	–
Over 90 days	<b>1,890</b>	1,622
Carrying amount of trade receivables (excluded margin and cash clients)	<b>3,994</b>	2,351

**(B) Loan receivables**

	At 30 September 2024 <i>HK\$'000</i> (Unaudited)	At 31 March 2024 <i>HK\$'000</i> (Audited)
<b>Non-current portion</b>		
Secured	–	13,500
<b>Current portion</b>		
Secured	44,417	5,063
Unsecured	128,979	93,704
	<b>173,396</b>	98,767
Less: ECL	<b>(1,691)</b>	(1,691)
Total loan receivables – current	<b>171,705</b>	97,076
Total loan receivables	<b>171,705</b>	110,576

Ageing analysis of the loan receivables, based on the loan drawdown date, and net of ECL, is as follows:

	At 30 September 2024 <i>HK\$'000</i> (Unaudited)	At 31 March 2024 <i>HK\$'000</i> (Audited)
Less than 30 days	50,000	90,767
31 to 60 days	1,646	–
Over 90 days	120,059	19,809
	<b>171,705</b>	110,576

**13. TRADE PAYABLES**

	At 30 September 2024 <i>HK\$'000</i> (Unaudited)	At 31 March 2024 <i>HK\$'000</i> (Audited)
Trade payables from the securities brokerage business:		
– Margin and cash clients	204,723	266,924
– HKSCC	–	9,101
	<b>204,723</b>	276,025

No ageing analysis is disclosed for the Group's trade payables to margin and cash clients as these clients were carried on an open account basis. The Directors consider that the ageing analysis does not give additional value in the view of the nature of these payables.

The ageing analysis of trade payables to HKSCC, based on their recognition date, is as follows:

	At <b>30 September 2024</b> <i>HK\$'000</i> <b>(Unaudited)</b>	At 31 March 2024 <i>HK\$'000</i> <b>(Audited)</b>
Less than 30 days	—	9,101

#### 14. SHARE CAPITAL

##### Ordinary shares of HK\$0.10 each

	<i>Notes</i>	Number of shares '000	Amount <i>HK\$'000</i>
<b>Authorised:</b>			
At 1 April 2023, 31 March 2024, 1 April 2024 (audited) and 30 September 2024 (unaudited)		<b>20,000,000</b>	<b>2,000,000</b>
<b>Issued and fully paid:</b>			
At 1 April 2023 (audited)		1,317,968	131,797
Issue of shares	<i>(A)</i>	263,594	26,359
Issue of shares	<i>(B)</i>	4,744,684	474,469
At 31 March 2024 and 1 April 2024 (audited)		<b>6,326,246</b>	<b>632,625</b>
Issue of shares	<i>(C)</i>	273,776	27,377
Issue of shares	<i>(D)</i>	518,400	51,840
At 30 September 2024 (unaudited)		<b>7,118,422</b>	<b>711,842</b>

*Notes:*

##### (A) Issue of shares

In August 2023, a total of 263,593,577 ordinary shares at a price of HK\$0.20 each were issued upon completion of the subscription to independent third parties. The total proceeds received by the Group from the subscription was HK\$52,718,000.

##### (B) Issue of shares

In February 2024, a total of 4,744,684,386 ordinary shares at a price of HK\$0.10 each were issued upon completion of the rights issue. The total proceeds received by the Group from the rights issue was HK\$474,469,000.

**(C) Issue of shares**

In July 2024, a total of 273,776,000 ordinary shares at a price of HK\$0.90 each were issued upon completion of placing to independent third parties. The total proceeds received by the Group from the placing was HK\$246,398,000.

**(D) Issue of shares**

In July 2024, 518,400,000 ordinary shares were issued to a trustee under a share award scheme adopted by the Company on 3 June 2024.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Results

For the Period, revenue and net gains on investments at fair value through profit or loss of the Group amounted to HK\$37,174,000, representing an increase of 327.88% as compared to HK\$8,688,000 for the six months ended 30 September 2023.

The Group recorded a loss of HK\$10,909,000 for the Period, which amounts to a decrease of 37.39% in loss, as compared to a loss of HK\$17,425,000 for the corresponding period in 2023. The improvement in losses for the Period were mainly due to (i) an increase in revenue and net gains on investments at fair value through profit or loss; and (ii) an increase in net other income mainly consisted of interest revenue from financial institutions as compared to those for the same period in 2023.

The basic and diluted loss per share for the Period was HK0.2 cent as compared to the basic and diluted loss per share of HK1.3 cents for the corresponding period in 2023.

### Business Review

#### *Securities brokerage and margin financing*

During the Period, the business of securities brokerage and margin financing recorded revenue (including inter-segment revenue) and net losses on investments at fair value through profit or loss in a net amount of HK\$10,627,000, representing a decrease of 10.55% as compared to revenue and net investment gains of HK\$11,881,000 for the corresponding period in 2023.

The segment profit for the Period amounted to HK\$10,255,000, representing an increase of 115.35% as compared to a segment profit amounted to HK\$4,762,000 for the corresponding period in 2023. The increase in segment profit was mainly contributed from the increase in interest revenue from financial institutions.

The Group's strategy is to focus and strengthen existing securities operation and work in close collaboration with our corporate finance business as well as wealth management business, in order to provide a one-stop integrated financial services to better serve our institutional and high net worth individual clients.

#### *Corporate finance*

The corporate finance market was under keen competition during the Period. Segment revenue from corporate finance business decreased by 23.75% from HK\$1,701,000 to HK\$1,297,000 while the segment loss for the Period amounted to HK\$1,962,000, representing an increase of 21.94% as compared to a segment loss of HK\$1,609,000 for the corresponding period in 2023. The increase in segment loss was mainly due to the decrease in service income from corporate finance.

## ***Money lending***

During the Period, there was intense competition in the money lending market. The Group recorded an interest revenue from money lending of HK\$8,439,000 (six months ended 30 September 2023: HK\$1,837,000), representing an increase of 359.39% as compared to the corresponding period in 2023. The segment profit for the Period amounted to HK\$8,307,000 (six months ended 30 September 2023: HK\$1,703,000).

### **Overview**

The Group's money lending business is conducted through Fortune Finance Limited (“**Fortune Finance**”), a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and a wholly-owned subsidiary of the Company.

With funding supported by the Group, Fortune Finance provides money lending services including property mortgages, share mortgages and personal loans. The loan periods are normally around 6 to 60 months. The source of clients of Fortune Finance are mainly from referrals and such referrals are sourced from existing clients and the management of the Group. As of 30 September 2024, the clients of Fortune Finance comprises (i) companies engaged in retail and information technology; and (ii) individuals engaged in retail and finance sector (as of 31 March 2024: (i) companies engaged in retail and information technology; and (ii) individuals engaged in finance, trading and retail sectors).

### **Internal control procedures and credit risk assessment policy**

Fortune Finance always takes measures to assess and to control risks according to Fortune Finance's credit and operation policy. The credit policy applies to all types of lending businesses, including secured-based lending and unsecured lending. Assessment will be conducted from several aspects including market value of the pledged assets, due diligence of collateral ownership, the loan-to-value ratio, legal background checking on the borrowers, creditability and repayment ability of the borrower (including income sources and existing outstanding debts), and the feasibility of legal execution on the charged assets and/or legal action against the borrower in case there is default.

All loan applications submitted to Fortune Finance are required to go through the assessment and approval procedures by three levels of personnel. A loan application will firstly be assessed and approved by a director of Fortune Finance before being passed to the Risk and Compliance Committee's representative(s) from the Group for comments (if any). Finally, the loan application is subject to final approval from a designated director of the Group.

### **Determination of loan terms**

The loan terms are determined based on the factors below:

- purpose of fund usage claimed by the borrower;
- capital liquidity of the borrower;
- current loan terms offered by borrower's existing financing company;

- credibility and repayment history of borrower;
- loan size of the application versus the Group’s internal capital resources allocation and planning; and
- other risk factors, if any.

Before granting unsecured loans to borrowers, the management of Fortune Finance will primarily consider the asset level of the borrower prior to commencement of internal assessment and approval procedures. Where the borrower is able to demonstrate that its assets are of a sufficient level, the management of Fortune Finance will consider recommending that an unsecured loan be granted. In order to determine whether the assets of a borrower are of a sufficient level, Fortune Finance will primarily take into account, among others, (i) the value of all the assets of the borrower reported by the borrower to Fortune Finance; and (ii) the intended size of the relevant loan. In general, the reported value of the borrower’s assets must be sufficient to cover the intended loan. The borrower’s ability to repay the loan is also taken into account after considering factors such as the borrower’s income source and cash flow. The management of Fortune Finance will consider the assets of the borrower to be at a sufficient level once such requirements are deemed to be satisfied.

The terms of unsecured loans are determined on the same basis as those of secured loans, the factors of which are set out above. Although the terms of unsecured loans are determined on the same basis as those of secured loans, due to the higher risks associated with granting unsecured loans as compared to secured loans (even after taking into account that the borrower of the unsecured loan must have sufficient level of assets), the interest rates of unsecured loans will accordingly be higher than that of secured loans, assuming all other factors being equal. The management of Fortune Finance considers that it is reasonable to determine the terms of unsecured loans and secured loans on the same basis provided that, assuming all other factors being equal, unsecured loans (with the relevant borrower’s assets at a sufficient level) are subject to higher interest rates commensurate with their level of risk.

Depending on the asset level of the borrower, a personal guarantee may also be required before an unsecured loan may be granted.

The renewal of loans are subject to the same internal control and assessment procedures (including the provision of relevant documents and assessment and approval by a director of Fortune Finance, the representatives of the Risk and Compliance Committee and a designated director of the Group) as for the grant of new loans.

### **Information on loans**

As at 30 September 2024, there were a total of seven outstanding loans with an aggregate outstanding principal amount of HK\$171,750,000 (before expected credit losses) and interest rates which ranged from 8% to 15% per annum.

As at 31 March 2024, there were a total of five outstanding loans with an aggregate outstanding principal amount of HK\$111,500,000 (before expected credit losses) and interest rates which ranged from 8% to 15% per annum.

## Collection of loan receivables

Fortune Finance regularly submits status update reports to the Group's management on a weekly basis for the review of Fortune Finance's total outstanding loan balance, loan due, and collection status of the repayments.

Fortune Finance also has a collection guideline which applies to delinquent accounts. If there is bank transfer failure or an uncleared cheque, Fortune Finance's representative will contact the borrower as soon as possible. If the repayment is in default for 30 days, Fortune Finance will check and confirm the latest outstanding amount of the borrower and appoint legal advisors to issue an official demand letter to the borrower. A copy of the demand letter will also be sent to the guarantor, if applicable. Should the repayment be in default for 90 days, Fortune Finance will further issue a final warning where Fortune Finance will take legal action against the borrower if such defaulted repayment could not be settled within 14 days. All records will be documented and the most updated status will be reported regularly to the director(s) of the Group. Any arrangements deviating from the collection guideline are required to be reviewed and approved by the directors of Fortune Finance.

The Group applies general approach in measuring loss allowance for expected credit losses on loans receivable.

The Group granted loans to borrowers with different period of time. As the term loans are normally repaid monthly by instalments, they would be past due during the loan period and thus, past due day information is meaningful in assessing if there is significant increase in credit risk during the loan period.

In assessing default risk of loan receivables, management considered the following factors:

- collateral ratio (if any);
- amount of actual shortfall;
- delay in repayment;
- responsiveness to the Group's request for repayment after maturity of loan;
- an actual or expected downgrade of the external or internal credit rating of the borrower;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligation;
- significant changes in external market indicators of credit risk for a particular financial asset or similar financial assets with similar characteristics; and
- significant changes in the value of the collateral supporting the obligation or credit enhancement, if applicable.

Management classifies loan receivables based on the following:

Stage 1: For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination.

Stage 2: For exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired. Below are indicators of significant increase in credit risks:

- (a) if repayment of loan is delayed by borrower;
- (b) if collateral Ratio (if any) is 60% or higher; and
- (c) responsive to the Group's request for repayment.

Stage 3: Exposures are assessed as credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. Below are the events indicating that the balance is credit-impaired:

- (a) the Group makes liquidation call to borrowers to liquidate their securities collateral (if any) to settle the outstanding balances;
- (b) the borrower is not responsive to the Group's request; and
- (c) the Group loses contact with the borrowers.

In assessing default risk of loan receivables, management would make reference to the default rates studies conducted by certain external credit rating agencies. In addition, management would incorporate forward looking economic information through the use of industry trend and experienced credit judgment to reflect qualitative factors.

### ***Consultancy and insurance brokerage***

During the Period, the Group recorded a segment revenue (including inter-segment revenue) from consultancy and insurance brokerage services of HK\$344,000 (six months ended 30 September 2023: HK\$374,000), representing a decrease of 8.02% as compared to the corresponding period in 2023. The segment loss for the Period amounted to HK\$56,000 (six months ended 30 September 2023: HK\$50,000).

### ***Asset management***

During the Period, the Group recorded a segment revenue from asset management of HK\$1,941,000 (six months ended 30 September 2023: HK\$2,624,000), representing a decrease of 26.03% as compared to the corresponding period in 2023. The segment profit for the Period amounted to HK\$193,000 (six months ended 30 September 2023: HK\$265,000).

## ***Equity investment***

During the Period, the Group recorded a segment revenue and net gains on investments at fair value through profit or loss from equity investment of HK\$14,105,000 (six months ended 30 September 2023: segment revenue and net losses on investments at fair value through profit or loss HK\$9,661,000), representing an increase of 46.00% as compared to the corresponding period in 2023. The segment profit for the Period amounted to HK\$14,637,000 (six months ended 30 September 2023: segment loss HK\$9,977,000).

## **MATERIAL EVENTS**

### **Rights Issue on the Basis of Three (3) Rights Shares for Every One (1) Existing Share Held on the Record Date**

References are made to (i) the announcements of the Company dated 17 October 2023, 23 November 2023, 18 December 2023, 28 December 2023, 31 January 2024, 7 February 2024 (collectively, the “**Rights Issue Announcements**”); (ii) the announcement of the Company dated 27 March 2024 (the “**New UOP Announcement**”); (iii) the circular of the Company dated 1 December 2023 (the “**Rights Issue Circular**”); and (iv) the prospectus of the Company dated 12 January 2024 (the “**Rights Issue Prospectus**”) in relation to, among other things, the Rights Issue on the basis of three (3) Rights Shares for every one (1) existing Share held on the Record Date and the Placing. Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Rights Issue Announcements, the Rights Issue Circular, the New UOP Announcement and the Rights Issue Prospectus.

On 17 October 2023, the Company (a) announced the proposed Rights Issue on the basis of three (3) Rights Shares for every one (1) existing Share held by the Qualifying Shareholders on the Record Date, by issuing up to 4,744,684,386 Rights Shares at the Subscription Price of HK\$0.10 per Rights Share; and (b) entered into the Placing Agreement with Fortune (HK) Securities Limited, a licensed corporation to carry on Type 1 (dealing in securities) regulated activity under the SFO (the “**Placing Agent**”), pursuant to which the Placing Agent has conditionally agreed as agent of the Company (either by itself or through its sub-placing agents) to procure independent Placees, on a best effort basis, to subscribe for the Unsubscribed Rights Shares and the ES Unsold Rights Shares.

### ***Rights shares***

The number of Rights Shares represented (i) 300.00% of the existing issued share capital of the Company as at the date of the Rights Issue Announcements; and (ii) 75.00% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

### ***Ranking of the rights shares***

The Rights Shares, being allotted, issued and fully paid, rank *pari passu* in all aspects among themselves and with the existing Shares in issue at the time of allotment and issue of the Right Shares.

### ***Price of the rights shares***

The Subscription Price of HK\$0.10 per Rights Share represented, among others, a discount of approximately 9.09% over the closing price of HK\$0.110 per Share as quoted on the Stock Exchange on 17 October 2023, being the date of entering into of the Placing Agreement.

The net price per Rights Share was approximately HK\$0.0997. The aggregate nominal value of the Rights Shares was approximately HK\$474,468,438.60.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, with respect to the placing of the Unsubscribed Rights Shares, (i) each of the Placees under the Placing and where appropriate, their respective ultimate beneficial owner(s), is independent of and not connected with the Company and its connected persons and not a connected person of the Company; and (ii) none of the Placees has become a substantial shareholder of the Company (as defined under the Listing Rules) upon completion of the Placing.

### ***Reasons for the rights issue***

The Directors consider that fundraising activities by the Company are strategically significant for the Group's growth and development at all material times and the Rights Issue, being pre-emptive in nature, allowed the Qualifying Shareholders to participate in the future growth and development of the Group and at the same time offered them to maintain their respective proportional shareholdings in the Company. Furthermore, the Directors are of the view that the Rights Issue, as a fundraising method, is in the best interests of the Company and the Shareholders as a whole for the purposes of strengthening the capital base of the Company, increasing the Group's operational flexibility and in turn supporting the Company's continuing development and business growth.

The Rights Issue became unconditional on 6 February 2024.

The gross proceeds from the Rights Issue received by the Group amounted to HK\$474.47 million and the net proceeds (after deduction of relevant costs and expenses) received by the Company were approximately HK\$470.82 million.

On 27 March 2024, the Board has resolved to change the use of proceeds from the Rights Issue upon re-assessing the allocation of resources into the Group's existing business segments so as to deploy its financial resources more effectively, seize other business opportunities and contribute to a further diversified business base of the Group. For further details, including the reasons for the change of use of proceeds, please refer to the New UOP Announcement. The proceeds raised from and the details of the use of proceeds of the Rights Issue in respect of the revised use of proceeds are set out below:

	<b>Intended revised use of proceeds as disclosed in the New UOP Announcement</b>	<b>Proceeds intended to be applied for each use of proceeds</b> <i>HK\$ million (approximately)</i>	<b>Utilised proceeds on the intended use up to the date of this announcement</b> <i>HK\$ million (approximately)</i>	<b>Unutilised proceeds up to the date of this announcement</b> <i>HK\$ million (approximately)</i>	<b>Expected timeline for the use of unutilised proceeds</b>
(A)	Working capital for the Group's principally engaged businesses	194.00	194.00	0.00	
(i)	In respect of money lending business	100.00	100.00	0.00	Not applicable
(ii)	In respect of margin financing business	0.00	0.00	0.00	Not applicable
(iii)	In respect of asset management business	50.00	50.00	0.00	Not applicable
(iv)	In respect of corporate finance business	44.00	44.00	0.00	Not applicable
(B)	Reserved as seed money for the investment funds to be established and operated under the Group's asset management business	140.00	140.00	0.00	
(i)	seed money for an investment fund to be established with focus primarily on major secondary equity markets in Hong Kong, PRC and the USA	90.00	90.00	0.00	Not applicable
(ii)	seed money for an investment fund to be established with focus primarily on private equity targets seeking initial public offerings in the securities markets of Hong Kong and the USA	50.00	50.00	0.00	Not applicable
(C)	General working capital of the Group, including staff cost, rental expenses and other office overhead of the Group	56.82	50.11	6.71	
(i)	paying staff costs	32.82	27.44	5.38	Expected to be utilised by February 2025
(ii)	paying rental expenses and other office overhead of the Group	19.00	18.84	0.16	Expected to be utilised by February 2025
(iii)	paying cost of upgrading IT system	5.00	3.83	1.17	Expected to be utilised by December 2024



	Intended revised use of proceeds as disclosed in the New UOP Announcement	Proceeds intended to be applied for each of the revised use of proceeds <i>HK\$ million</i> (approximately)	Utilised proceeds on the intended use up to the date of this announcement <i>HK\$ million</i> (approximately)	Unutilised proceeds up to the date of this announcement <i>HK\$ million</i> (approximately)	Expected timeline for the use of unutilised proceeds
(D)	Investment into and operation of companies within the financial technology sector	24.00	24.00	0.00	Not applicable
(E)	Repayment of the principal amount of the corporate bonds and the interest accrued therefrom (in the aggregate amount outstanding being approximately HK\$14.46 million), which are becoming due and payable during the period from December 2023 to April 2024	10.00	10.00	0.00	Not applicable
(F)	New purpose: Investment Immigration	16.00	16.00	0.00	Not applicable
(G)	New purpose: Clean Energy Investment	25.00	25.00	0.00	Not applicable
(H)	New purpose: Cryptocurrency Investment	5.00	5.00	0.00	Not applicable
<b>Total:</b>		<b>470.82</b>	<b>464.11</b>	<b>6.71</b>	

### Placing of New Shares under General Mandate

Reference is made to the announcements of the Company dated 28 June 2024 and 24 July 2024 (collectively, the “**Placing of New Shares Announcements**”) in relation to the placing of new Shares under General Mandate. Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Placing of New Shares Announcements.

On 28 June 2024 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed, as the Company’s placing agent, to procure, on a best effort basis, no fewer than six placees (the “**Placees**”), who and whose ultimate beneficial owners (where applicable) will be independent third parties, to subscribe (the “**June Placing**”) for up to a maximum of 316,312,292 placing shares (the “**Placing Shares**”) at the placing price of HK\$0.90 per Placing Share.

### Placing Shares

On 24 July 2024, the Company announced that a total of 273,776,000 Placing Shares have been successfully placed by the Placing Agent to no less than six Placees at the placing price of HK\$0.90 per Placing Share, representing approximately 4.15% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares immediately upon the completion of the June Placing on 24 July 2024.

### ***Ranking of the Placing Shares***

The Placing Shares rank, upon issue, *pari passu* in all aspects among themselves and with the other shares in issue at the completion date.

### ***Placing Price***

The placing price of HK\$0.90 per Placing Share represented a discount of 10% over the closing price of HK\$1.00 per share as quoted on the Stock Exchange on 28 June 2024, being the date of the Placing Agreement.

The net issue price per Placing Share was approximately HK\$0.89. The aggregate nominal value of the Placing Shares was HK\$27,377,600.

### ***Reasons for the June Placing***

The Directors are of the view that the June Placing will strengthen the financial position of the Group by raising additional funds for the Group and thereby providing a higher liquidity and operational flexibility to the Group by increasing its working capital through the June Placing without (i) increasing the interest burden on the Group; and (ii) affecting the financial position and the liquidity risk of the Group by means of equity fundraising. The June Placing also represents good opportunities to broaden the Shareholders' base.

The gross proceeds from the June Placing received by the Group amounted to HK\$246.40 million and the net proceeds (after deduction of relevant expenses) received by the Company under the June Placing was approximately HK\$243.90 million.

The proceeds raised from and the details of the use of proceeds of the June Placing up to the date of this announcement are as follows:

<b>Intended use of proceeds as disclosed in the Placing for New Shares Announcements</b>	<b>Proceeds to be applied HK\$ million (approximately)</b>	<b>Utilised proceeds up to the date of this announcement HK\$ million (approximately)</b>	<b>Unutilised proceeds up to the date of this announcement HK\$ million (approximately)</b>	<b>Expected timeline for the use of unutilised proceeds</b>
Operation and enhancement of the Group's existing businesses	142.00	142.00	0.00	Not applicable
Investments to be made under the Group's equity investment business	50.00	50.00	0.00	Not applicable
Continuous development and expansion into financial technology businesses	25.00	25.00	0.00	Not applicable
General working capital of the Group	26.90	0.00	26.90	Expected to be utilised by December 2025
<b>Total</b>	<b>243.90</b>	<b>217.00</b>	<b>26.90</b>	

Completion of the June Placing took place on 24 July 2024.

## **Very Substantial Acquisition and Connected Transaction – Acquisition of Shares in Wealthink AI-Innovation Capital Limited listed on the Stock Exchange involving the Issue of Consideration Shares under Specific Mandate**

On 23 August 2024, the Company, Marvel Champion Investment Limited, a wholly-owned subsidiary of the Company, as purchaser entered into a sale and purchase agreement with Dr. Liu Zhiwei, Trendera Capital Pte. Ltd. and Caitex Technology Holdings Limited as vendors, pursuant to which, the said purchaser has conditionally agreed to acquire and the said vendors have conditionally agreed to sell 2,751,339,130 shares (the “**Target Wealthink Shares**”) of Wealthink AI-Innovation Capital Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 1140), at the consideration in the amount of HK\$302,647,304.00. The said consideration was satisfied by the allotment of 340,053,151 shares of the Company (the “**Consideration Shares**”) at the issue price of approximately HK\$0.89 per share under the specific mandate sought by the Company at the extraordinary general meeting held on 4 October 2024. The aggregate nominal value of share capital for the Consideration Shares is HK\$34,005,315.10.

As Dr. Liu Zhiwei is a substantial shareholder of the Company and beneficially interested in the entire issued share capital of the other two vendors, Dr. Liu Zhiwei is a connected person of the Company and the other two vendors being the associates of Dr. Liu Zhiwei, are also connected persons of the Company, and therefore the said acquisition of Target Wealthink Shares constituted a connected transaction under Chapter 14A of the Listing Rules.

The completion of the said transactions under the sale and purchase agreement took place after the Period on 18 October 2024, and upon which, (i) the Company has been beneficially interested in 3,064,454,515 Target Wealthink Shares via the said purchaser, representing approximately 29.13% equity interest in Wealthink AI-Innovation Capital Limited as at the date of completion; (ii) Wealthink AI-Innovation Capital Limited has become an associate of the Group; (iii) the financial results of Wealthink AI-Innovation Capital Limited and its subsidiaries has been accounted for in the consolidated financial statements of the Group as investment in an associate using the equity method of accounting; and (iv) the Company has become a substantial shareholder of Wealthink AI-Innovation Capital Limited.

For details, please refer to the Company’s announcements dated 23 August 2024, 13 September 2024, 4 October 2024 and 18 October 2024, and the circular of the Company dated 17 September 2024.

## **OUTLOOK**

Looking forward to the rest of 2024, the Company will continue to proactively deploy various businesses based on its keen insight into policy guidance and capital market developments. The Company will actively respond to the government’s policy focus on supporting the M&A and reorganization of innovative technology companies and the development of new quality productive forces. With its mature international layout and professional service capabilities in cross-border business, the Company will facilitate cross-border capital exchanges and continue to maintain its sound position and development momentum in fields such as cross-border M&A, cross-border transactions, interconnection and overseas financing.

At the same time, the Company will continue to implement strategic adjustments around technological innovation, focus on core directions, and accelerate the conversion of new and old development drivers. The Company will continue to deepen its investment in technological innovation, explore investment opportunities in emerging industries such as Web 3.0 and quantum computing, and leverage the synergy advantages of “investment + investment banking + management” to actively empower invested companies and achieve capital appreciation.

In addition, the Company will adhere to the action philosophy of “promoting investment banking with investment, nurturing tradition with innovation”, unswervingly increase investment, continue to expand capital scale, enhance the Company’s influence and reputation in the capital market, and continue to strive for the best interests of the Company’s shareholders, customers and partners and achieve healthy and sustainable business development.

## **CAPITAL STRUCTURE**

As at 30 September 2024, the nominal value of the total issued share capital of the Company was HK\$711,842,184.80, comprising 7,118,421,848 shares of the Company of HK\$0.10 each (the “Shares”).

The Group actively and regularly reviews and manages its capital structure and makes adjustments to the capital structure in light of changes in economic conditions. For the licensed subsidiaries of the Group, the Group ensures each of them maintains a liquid capital level that is adequate to support the level of activities with a sufficient buffer to accommodate increases in liquidity requirements arising from potential increases in the level of business activities. During the Period, all the licensed subsidiaries of the Group complied with the liquid capital requirements under the Securities and Futures (Financial Resources) Rules (Cap. 571 sub. leg. N of the Laws of Hong Kong) (“**Securities and Futures (Financial Resources) Rules**”).

## **CAPITAL RISK MANAGEMENT**

The Group manages its capital to ensure that entities of the Group will be able to continue as a going concern while maximising the return to the Shareholders through the optimisation of the debt and equity balances.

The capital structure of the Group consists of debt, which includes corporate bonds, lease liabilities, cash and cash equivalents and equity attributable to owners of the Company, which comprises share capital and reserves.

The Directors review the capital structure regularly. As part of the review, the Directors consider the cost of capital and the risks associated with each class of capital, and take appropriate actions to adjust the Group’s capital structure. The overall strategy of the Group remains unchanged during the Period and the year ended 31 March 2024.

For certain subsidiaries of the Company, they are regulated by the Securities and Futures Commission of Hong Kong (“**SFC**”) and are required to comply with certain minimum capital requirements according to the rules of SFC. Our management monitors, on a daily basis, the subsidiaries’ liquid capital level to ensure they meet the minimum liquid capital requirements in accordance with the Securities and Futures (Financial Resources) Rules. The range of minimum liquid capital is from HK\$100,000 to HK\$3,000,000 or 5% of their total adjusted liabilities, whichever is higher.

One of the subsidiaries of the Company is a licensed insurance intermediary under the Insurance Ordinance (Cap. 41 of the Laws of Hong Kong) and is required to maintain a minimum net asset value of HK\$500,000 at all times.

There is no non-compliance of the capital requirements of the Group's members imposed by the respective regulators during the Period and the year ended 31 March 2024.

## **LIQUIDITY AND FINANCIAL RESOURCES AND GEARING RATIO**

During the Period, the Group mainly financed its operations by cash generated from operating activities and proceeds from fund raising activities.

As at 30 September 2024, the Group's current assets and current liabilities were HK\$720,537,000 (as at 31 March 2024: HK\$864,100,000) and HK\$216,851,000 (as at 31 March 2024: HK\$290,652,000) respectively, while the current ratio was 3.32 times (as at 31 March 2024: 2.97 times).

As at 30 September 2024, the Group's aggregate cash and cash equivalents amounted to HK\$121,241,000 (as at 31 March 2024: HK\$289,257,000), of which 94.27% was denominated in Hong Kong dollars (as at 31 March 2024: 98.22%), 2.76% was denominated in USD (as at 31 March 2024: 1.47%), 2.88% was denominated in RMB (as at 31 March 2024: 0.27%), and 0.09% was denominated in SGD (as at 31 March 2024: 0.04%), representing 16.83% (as at 31 March 2024: 33.47%) of total current assets. As at 30 September 2024, no bank loan was borrowed by the Group (as at 31 March 2024: nil).

During the Period, no financial instruments were used for hedging purposes. As at 30 September 2024, the gearing ratio, measured on the basis of total borrowings, which include lease liabilities and corporate bonds, as a percentage of equity attributable to owners of the Company, was 1.83% (as at 31 March 2024: 3.05%). The decrease of gearing ratio was mainly due to repayment of corporate bonds. As at 30 September 2024, the debt ratio, defined as total liabilities over total assets, was 17.94% (as at 31 March 2024: 27.96%).

No corporate bond was issued during the Period and the year ended 31 March 2024.

## **SIGNIFICANT INVESTMENT**

As at 30 September 2024, the Group held investments at fair value through profit or loss of HK\$441,797,000 (as at 31 March 2024: HK\$253,273,000), with net gains on investments at fair value through profit or loss of approximately HK\$15,158,000 (six months ended 30 September 2023: net losses of HK\$9,661,000).

Save as disclosed below, as at 31 March 2024 and as at 30 September 2024, none of each individual underlying investment of the above mentioned investments constitutes 5% or above of the total assets of the Group.

As at 30 September 2024, the Group held significant investment in Jinhai Medical Technology Limited (“**Jinhai**”), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 2225) recognised as investment at fair value through profit or loss. The fair value of the investment in Jinhai amounted to approximately HK\$155,210,000, which represented approximately 12.22% of the Group’s total assets as at 30 September 2024. The number of shares in Jinhai held by the Group is 25,570,000 shares, representing approximately 1.98% of the entire issued shares of Jinhai. The investment cost of such shares was HK\$108,730,000.

Jinhai is mainly engaged in (i) the provision of manpower outsourcing and ancillary services to building and construction contractors in Singapore; (ii) the provision of dormitory services, IT services and construction ancillary services (which comprise warehousing services, cleaning services and building maintenance works) in Singapore; and (iii) sales of medical equipment in China. During the Period, the Group recognised gain on investments at fair value through profit or loss in the amount of HK\$42,805,000 from Jinhai. As the Group has been expanding its investment portfolio, it is considered that being a passive financial investor in Jinhai, the Group will be able to enjoy the future potential profit through distribution to be made by Jinhai as well as benefit from the capital appreciation of the Jinhai shares from a long-term perspective.

#### **INVESTMENT IN AN ASSOCIATE**

The Group has a significant investment in Starlight, an associate of the Group.

Starlight and its subsidiaries (collectively, the “**Starlight Group**”) are principally engaged in the provision of loan financing and advisory services in Hong Kong and Mainland China. In particular, the Starlight Group is able to operate business relating to small and micro enterprise loans and personal consumption loans in Chongqing.

On 22 August 2012, Gold Kingdom Holdings Limited, a wholly-owned subsidiary of the Company, acquired 25% equity interests in Starlight at a consideration of approximately HK\$64,131,000.

The carrying amount of the investment as at 30 September 2024 was HK\$98,551,000, representing 7.76% of the Group’s total assets as at 30 September 2024.

The Company’s investment in the Starlight Group represents a passive and low to medium risk level investment for the Company. As at the date of this announcement, the Company has no plans to alter the level of its investment in the Starlight Group.

Save as disclosed above in the section headed “Significant Investment” and “Investment In An Associate”, as at 30 September 2024, the Group had no significant investments accounting for more than 5% of the Group’s total assets.

## **MATERIAL ACQUISITION AND DISPOSAL**

Save as disclosed in this announcement, there was no other material acquisition or disposal of the Group during the Period.

## **CONTINGENT LIABILITIES**

As at 30 September 2024, the Group had no material contingent liabilities (as at 31 March 2024: nil).

## **CHARGE ON THE GROUP'S ASSET**

No asset of the Group was subject to any charge as at 30 September 2023 (as at 31 March 2024: nil).

## **RISK MANAGEMENT**

The Group has properly put in place credit management policies which cover the examination of the approval of client's trading and credit limits, regular review of facilities granted, monitoring of credit exposures and the follow up of credit risks associated with overdue debts. The policies are reviewed and updated regularly.

## **FOREIGN CURRENCY FLUCTUATION**

During the Period, the Group mainly used Hong Kong dollars to carry out its business transactions. The Board considers that the Group's foreign currency exposure is insignificant.

## **HUMAN RESOURCES**

As at 30 September 2024, the Group had 60 employees in total (as at 31 March 2024: 67 employees). The related employees' costs for the Period (excluding Directors' remunerations) amounted to HK\$31,964,000 (six months ended 30 September 2023: HK\$12,851,000). The Group remunerated employees based on the industry practice and individual's performance. Staff benefits include contributions to retirement benefit scheme, medical allowance and other fringe benefits. In addition, the Group maintained the share option scheme until its termination on 3 June 2024 and maintains the share award scheme for the purpose of providing incentives and rewards to eligible participants based on their contributions.

## **EVENTS AFTER THE REPORTING PERIOD**

References are made to the announcements of the Company dated 23 August 2024, 13 September 2024, 4 October 2024 and 18 October 2024 (collectively, the "**Announcements**"), and the circular of the Company dated 17 September 2024 (the "**Circular**"), in relation to, among other things, the Acquisition, the Sale and Purchase Agreement and the transactions contemplated thereunder. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Circular.

On 18 October 2024, the Board has announced that all the Conditions Precedent have been fulfilled and Completion took place on 18 October 2024 in accordance with the terms of the Sale and Purchase Agreement. Upon Completion, the Company is beneficially interested in 3,064,454,515 Target Shares via the Purchaser (a wholly-owned subsidiary of the Company), representing approximately 29.13% equity interest in the Target Company as at the date of this announcement. Moreover, upon Completion, (i) the Target Company becomes an associate of the Group; (ii) the financial results of the Target Group is accounted for in the consolidated financial statements of the Group as investment in an associate using the equity method of accounting; and (iii) the Company becomes a substantial shareholder of the Target Company.

The Consideration has been satisfied by the allotment and issuance of the Consideration Shares (i.e. 340,053,151 Shares) at the Issue Price (i.e. approximately HK\$0.89 per Share) under the Specific Mandate sought by the Company at the EGM. The aggregate nominal value of share capital for the Consideration Shares is HK\$34,005,315.10.

## **CORPORATE GOVERNANCE AND OTHER INFORMATION**

### **Corporate Governance**

The Company's commitment to the highest standards of corporate governance is driven by the Board which, led by the chairman of the Company, assumes overall responsibility for the governance of the Company, taking into account of the interests of the Shareholders, the development of its business and the changing external environment.

The Company believes that good corporate governance is fundamental in ensuring that the Company is well managed in the interests of all of its Shareholders.

The Company has adopted the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the Listing Rules.

### **Corporate Governance Code Compliance**

During the Period, the Company has complied with all code provisions and, where appropriate, met the recommended best practices of the CG Code.

### **Directors' Securities Transactions**

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standards set out in the Model Code throughout the Period.

### **Purchase, Sale or Redemption of Listed Securities**

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



## **Interim Dividend**

The Directors resolved not to declare the payment of an interim dividend for the Period.

## **Review of Interim Financial Information**

The unaudited interim financial information of the Group for the Period has been reviewed by ZHONGHUI ANDA CPA Limited, the Company's external auditor.

The Audit Committee comprises three independent non-executive Directors, namely, Mr. CHIU Kung Chik (chairman of the Audit Committee), Mr. CHAN Kin Sang and Ms. LUI Mei Ka.

The Audit Committee has reviewed, together with the management, the accounting principles and practices adopted by the Group and discussed the internal controls and financial reporting matters including the review of the unaudited interim financial information of the Group for the Period.

By order of the Board of  
**GoFintech Innovation Limited**  
**CHAN Kin Sang**

*Chairman and Independent Non-executive Director*

Hong Kong, 28 November 2024

*As at the date of this announcement, the Board consists of one executive Director, namely Ms. SUN Qing; three non-executive Directors, namely Dr. NIE Riming, Mr. LI Chunguang and Mr. HUA Yang; and three independent non-executive Directors, namely Mr. CHAN Kin Sang (Chairman), Mr. CHIU Kung Chik and Ms. LUI Mei Ka.*