



# INTERIM REPORT

GOOD INVESTMENT MADE EASY



**GOLDSTREAM INVESTMENT LIMITED**

[Incorporated in the Cayman Islands with limited liability]

[Stock Code : 1328]





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## HIGHLIGHTS

- The Group recorded net fair value gains on financial assets at fair value through profit or loss amounted approximately HK\$16,790,000 for the six months ended 30 June 2023, compared to net fair value losses on financial assets at fair value through profit or loss amounted approximately HK\$35,349,000 for the six months ended 30 June 2022.
- Services income from the Group's investment management business for the six months ended 30 June 2023 was approximately HK\$8,368,000, representing a drop of approximately HK\$6,434,000 as compared to that for the six months ended 30 June 2022.
- Profit attributable to owners of the Company for the six months ended 30 June 2023 was approximately HK\$36,421,000, as compared to a loss attributable to owners of the Company of approximately HK\$12,817,000 for the six months ended 30 June 2022. The profit attributable to owners of the Company for the six months ended 30 June 2023 was mainly due to the net fair value gains on financial assets at fair value through profit or loss and loan interest income from a fellow subsidiary recorded under the strategic direct investment segment during the Relevant Period.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS OVERVIEW

The board (the "Board") of directors (the "Directors") of Goldstream Investment Limited (the "Company") is pleased to present the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2023 (the "Relevant Period") together with the unaudited comparative figures for the corresponding period of 2022 (the "Last Corresponding Period").

In March 2022, the Group completed the disposal of 100% equity interest in Honor Crest Holdings Limited (previously a wholly owned subsidiary of the Company and the holding company of subsidiaries of the customers relationship management services business (together with its subsidiaries, the "Disposal Group")) to a former executive Director, Ms. Li Yin (the "Disposal").

For the six months ended 30 June 2023, the Company and its subsidiaries were engaged in investment management ("IM") business and strategic direct investment ("SDI") business (the "Continuing Operations").

The Board believes that the Group's business will continue to expand and generate greater value to its investors. The principal businesses of the Group during the six months ended 30 June 2023 are classified into the following segments:

### IM Business

IM business of the Group includes (i) the provision of advisory services on securities and asset management; (ii) securities trading; and (iii) provision of infrastructure of the investment management system.

### SDI Business

SDI business of the Group includes proprietary investments in the financial markets.

## FINANCIAL REVIEW

The Group's operating results from the Continuing Operations for the six months ended 30 June 2023 were primarily contributed by the Group's IM business and SDI business.

## MANAGEMENT DISCUSSION AND ANALYSIS

The table below sets forth the key financial highlights of the Continuing Operations for the periods or as at the dates indicated (as the case may be):

	For the six months ended 30 June		
	2023 HK\$'000	2022 HK\$'000	% Change
IM services income	8,368	14,802	-43.5%
Dividend income from investments	306	2,016	-84.8%
Net fair value gains/(losses) on financial assets at fair value through profit or loss	16,790	(35,349)	+147.5%
Other income	23,277	1,881	+1,137.5%
Total operating expenses	12,909	28,423	-54.6%
Profit/(loss) before income tax from continuing operations	36,485	(59,525)	+161.3%

  

	As at		
	30 June 2023 US\$ million	31 December 2022 US\$ million	% Change
Assets under management ("AUM")	477	515	-7.4%

### AUM

As at 30 June 2023, the Group's AUM stood at approximately US\$477 million, compared to approximately US\$515 million as 31 December 2022, representing a drop of approximately US\$38 million during the Relevant Period due to (i) redemptions or reduction in investment scale by existing clients as they revised business plans and investment targets; and (ii) more cautious and selective approach taken by the Group in deploying capital in strategic direct investments.

During the first half of 2023, the Group recorded gross subscriptions of approximately US\$55 million (Last Corresponding Period: approximately US\$7 million) and gross redemptions of approximately US\$159 million (Last Corresponding Period: approximately US\$287 million), as a result, the net redemptions was approximately US\$104 million (Last Corresponding Period: net redemption of approximately US\$280 million).

Building a good performance track record is vital to the success of the IM business in terms of retaining existing clients and attracting new clients. Based on unaudited financial information available to the Company, as at 30 June 2023, the funds/accounts managed by the Group achieved favourable performance and recorded an overall net gain.

### IM Services Income

The drop in total services income was caused by the decrease in both management fees and absent of performance fees. Management fee, which is charged as percentage of the AUM, decreased from approximately HK\$14,797,000 to approximately HK\$8,368,000 resulting from the decline in the Group's average AUM. Performance fees are recorded when eligible funds appreciate above their respective high watermarks at agreed performance fee crystallization date. All of the funds managed by the Group were still under their respective high watermarks carried forward from 2022. Although these funds recorded double-digit year-to-date percentage gains, they have yet to climb back to their respective high watermarks before performance fees can be received. As a result, IM services income was solely from management fee and hence the 43.5% reduction compared with the Last Corresponding Period.

### SDI gains/(losses)

Income from the Group's SDI business mainly comprised (i) net fair value gains/losses on financial assets at fair value through profit or loss; and (ii) share of net profits/losses of associates accounted for using the equity method. Such gains/losses included fair value changes and realized gains or losses on the Company's capital invested in funds managed by the Group and external investments. Despite of the market volatility experienced in the global financial markets in the first half of 2023, the Group was able to generate a gain in its SDI business. The Group recorded a change from loss making for the Last Corresponding Period to profit making for the Relevant Period.

### Other Income

The Group's other income during the Relevant Period mainly comprised interest income from term deposit with banks and other financial institutions. Other income increased by approximately 1,137.5% from approximately HK\$1,881,000 for the Last Corresponding Period to approximately HK\$23,277,000 for the Relevant Period, which was mainly due to the increase in interest income from (i) increase of deposit interest rate, (ii) the increase in cash deposited in bank as fixed term bank deposits or invested in money market funds for treasury management during the Relevant Period, and (iii) loan arrangement fee and loan interest income which amounted to approximately HK\$1,755,000 and approximately HK\$17,406,000 respectively (Last Corresponding Period: HK\$nil) were recognized in the Relevant Period for providing a USD30,000,000 loan facility to a fellow subsidiary.

### Expense management

Total expenses of the Group decreased by approximately 54.6% from approximately HK\$28,423,000 for the Last Corresponding Period to approximately HK\$12,909,000 for the Relevant Period, which was primarily attributable to the decrease in employee benefit expenses.

Employee benefit expenses represent core expenditure of the Group. It decreased from approximately HK\$13,049,000 to approximately HK\$6,437,000 for the six months ended 30 June 2023 because of reduction in headcount. Other non-staff related operating expenses include legal and professional fees, audit fee, market data and information system fees, rent and other administrative and office expenses. The Group continued to exercise stringent cost control to improve profitability.

The Group ceased to record amortisation expense for the six months ended 30 June 2023 since the customer contracts were fully impaired or amortised in 2022 (Last Corresponding Period: approximately HK\$3,353,000). These expense items had no impact on cash flows.

### Profit/(loss) before income tax from Continuing Operations

The Group recorded profit before income tax from Continuing Operations of approximately HK\$36,485,000 for the six months ended 30 June 2023, compared to loss before income tax from Continuing Operations of approximately HK\$59,525,000 for the Last Corresponding Period. The profit was mainly attributable to the net fair value gains on financial assets at fair value through profit or loss and loan interest income from a fellow subsidiary recorded under the SDI segment which amounted to approximately HK\$16,790,000 and approximately HK\$17,406,000 respectively in the Relevant Period, compared to a loss of approximately HK\$35,349,000 and HK\$nil respectively for the Last Corresponding Period respectively.

The Group also faced a decrease in services income during the Relevant Period driven by the net outflow of AUM. The Group implemented cost management measures proactively. The Group's IM business continued to record operating profit during the Relevant Period.

### Statement of Financial Position

The Group's financial position as at 30 June 2023 remained strong. The Company's total assets mainly comprised (i) goodwill and intangible assets; (ii) loan receivable from a fellow subsidiary; and (iii) other assets including trade and other receivables, investments, and amount due from brokers for future investments.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Loan receivable from a fellow subsidiary

On 18 November 2022, the Company and Expand Ocean Limited (“Expand Ocean”), a fellow subsidiary of the Company since 2022, entered into an agreement pursuant to which the Company agreed to grant a loan facility in the principal amount of up to US\$30,000,000 (“the Facility”) to Expand Ocean at an interest rate of 15% per annum for a term of two years.

The Facility was utilized in full by Expand Ocean on 30 December 2022. The Facility is interest bearing at 15% per annum for a term of 2 years from 30 December 2022 to 29 December 2024 and may be further extended to a date no later than 29 December 2026. Interest shall be payable on a half-yearly basis. The utilized loan and interest receivable amounted to approximately HK\$250,845,000 (31 December 2022: HK\$230,387,000) as at 30 June 2023.

The Group is experienced in fund management primarily investing in shares of public listed companies. During the last 24 months prior to setting up of the Facility, major equity markets suffered historical rate of decline and volatilities. Consequently, the Company had adopted a more cautious and selective approach in deploying its capital on new investment opportunities, and conducted exits in some of its investments in public listed companies to avoid potential losses. This further increased its cash position during 2022. While keeping abreast of market developments with a view to look for potential investment opportunities and considering the excess level of highly-liquid assets in terms of idle cash deposits and receivables from its securities brokers, the Company considered that the provision of the Facility to Expand Ocean would allow the Group to utilize its idle cash more efficiently and generate an additional income stream in the form of interest income since last quarter of 2022. The rate of return of the Facility was substantially better than as may be earned from fixed term deposits with banks and financial institutions. The Company assessed the credit quality of Expand Ocean by reviewing its financial statements and obtaining information regarding its credit history. The Company is of the opinion that the risk of default by the borrower is relatively low and manageable.

The Company on an on-going basis evaluated, among other factors, the securities market condition, returns from other investments and its available working capital and whether there were any alternative attractive investment opportunities during the first six months of 2023. The Company maintained that the Facility as one of its strategic investments, with a rate of return of the Facility, was substantially better than that as may be earned from fixed deposits with banks and financial institutions.

The Company recognised approximately HK\$1,755,000 (Last Corresponding Period: nil) in loan arrangement fee and HK\$17,406,000 (Last Corresponding Period: nil) in loan interest income during the first six months of 2023 as other income in the condensed consolidated interim income statement.

The Company closely reviews and monitors the interest payable repayment status subsequent to the drawdown of Facility on a regular basis to ensure the loan receivable are punctual and past due account (if any) is handled efficiently. Details of basis of impairment assessment of loan receivable is set out in Note 16 to the condensed consolidated interim financial information.

For details of the Facility, please refer to the announcements of the Company dated 18 November 2022 and 30 December 2022 and the circular of the Company dated 13 December 2022.

### Goodwill and Intangible Assets

Goodwill and intangible assets arising from the acquisition of the entire issued share capital of Goldstream Capital Management Limited and Goldstream Securities Limited (collectively, the “Goldstream Companies”) in 2018 accounted for a significant portion of the Group’s total assets. As at 30 June 2023, under IFRS, the Group had goodwill of approximately HK\$197,965,000 and intangible assets of approximately HK\$10,520,000 (which were intangible assets with indefinite lives). Goodwill and intangible assets with indefinite lives are tested at the cash generating unit level (“CGU”) or group of CGUs level. A CGU comprises the smallest group of assets that are capable of generating largely independent cash flows and is either a business segment or a level below.

Out of the balance of goodwill, nearly 100% or approximately HK\$197,833,000 relating to those acquisitions carried out in 2018 was reconfirmed by a professional independent qualified valuer that no impairment was required as at 31 December 2022. Majority of the funds under management by the Group recorded profit and gradually rising up to their respective high watermarks above which performance fees will be chargeable. The Company's management has also implemented stringent cost control measures and revised its strategies for the long term business development plan and is beginning to see some positive results. Since the Group had met the financial budgets steadily within the first six months of 2023, the management concluded that there is no indication of a change of the economic conditions that would lead to an impairment loss as at 30 June 2023.

Going forward, the Group will continue to increase fund raising, marketing effort and identify other investment opportunities in respect of the SDI business to maximise returns for the shareholders of the Company. While exploring additional investments from existing clients in the future, the Group also aims at sustainable growth of client portfolio with the introduction of new institutional client(s) at the same time. Further details are set out in the paragraph headed "Prospects" under the section headed "Business Review" in this report.

### Amounts due from brokers

The amounts due from brokers are cash deposits with securities brokers of the Group which can be used to make investments by the Group or be returned into the bank accounts of the Group on demand. The amounts due from brokers are not classified as cash and cash equivalents in the statement of financial position of the Group, but are readily available and liquid assets of the Group that can be converted into cash and cash equivalents within one (1) business day upon request by the Company to the brokers.

## BUSINESS REVIEW

In the first half of 2023, rising interest rate, inflation, geopolitical tension and market volatility continued to hinder economic recovery, resulting in a challenging environment for both the Group's IM and SDI businesses.

Capital markets faced huge stress in liquidity crisis in the Western countries at the beginning of 2023. Major central banks around the world were focusing on fighting inflation. By end of June 2023, interest rate in the US hit the range of 5% to 5.25% and further rate hikes are expected before they start coming down in later part of 2023. Despite of rate hikes, recession concern and a series of US bank failure, US market rebounded strongly from 2022's losses, driven mostly by strong growth in leading technology stocks inspired by Artificial Intelligence (AI) which was an important driver of market sentiment. Overall growth of the US stock market in mega-cap technology stocks was underlined by the NASDAQ Composite, which increased by 31.73% during the first half of 2023.

In Asia, the markets were mixed in the first half of 2023. In Japan, TOPIX increased by 20.98% in the first half of 2023. However, for China and Hong Kong, the rebound from zero-COVID policy was short lived and disappointed investors. The Hang Seng Index rebounded in first quarter of 2023 due to market enthusiasm about China's reopening and recovery but gave back its gains since April 2023 to record a total drop of 4.37% by end of the first half of 2023. The decline was led by basic materials, energy, health care and technology stocks. The CSI 300 index followed a similar trend to the Hang Seng Index which recorded a drop of 0.75% from the beginning of 2023. Geopolitical tension and fierce market competition in the Greater China continued to create a negative sentiment to global investors' confidence in Chinese markets.

The Group continued to adopt a cautious and selective approach in making its investment decisions to steer through the uncertain market condition and economic environment to strike a balance between risks and return. In the first half 2023, the Group made a satisfactory mark-to-market returns which was mainly contributed through an investment meeting unaudited year-to-date return rate of approximately 9.9% during the first six months of 2023. While waiting for other appropriate investment opportunities, the Group made a loan facility to a fellow subsidiary at the end of 2022, utilising its idle cash more efficiently to generate an additional income stream in the form of interest income.

Furthermore, the funds managed by the Group also recorded strong performances to recover some of the losses from previous year, outperforming comparable benchmarks and stock indices.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Prospects

For the second half of 2023, the Group anticipates that the dominant themes for the first half of 2023 will remain relevant. In the US, inflation remains above the government's long-term targets and uncertainty about its policy is the key factor that would influence market direction.

For China and Hong Kong, the Central Government has vowed to spur growth of private economy by enhancing policy support and has clearly indicated its support for Hong Kong's role as international financial centre and financial hub of the Greater China. Favorable policies (including but not limited to interest rate Swap Connect scheme) were launched in May 2023. Leveraging on the Company's RQFII license and the PRC/Hong Kong connectivity schemes (such as the Shanghai and HK Stock Connect and Bond Connect), the Company is able to offer a range of products to its customers, and is capable of serving western investors hoping to access the vast China capital market and Chinese investors hoping to make cross-border investments in the west to diversify their investments.

The Group remains positive it is well positioned to take advantage of the economy recovery in China and confident that with its strategies and experiences gained in the past years under the competitive market situations, the Company's IM business will regain its growth momentum in the remaining part of 2023 as investors gradually return to the market in search for investment opportunities.

### EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the reporting period up to the date of this report.

### CAPITAL STRUCTURE

As at 30 June 2023, the Company's shareholders' equity was approximately HK\$766,148,000 and the total number of shares in issue was 11,495,494,321. As at 30 June 2023, the Company recorded net cash to total equity, the gearing ratio was therefore not applicable.

### LIQUIDITY AND FINANCIAL POSITION

	<b>As at 30 June 2023 (Unaudited) HK\$'000</b>	As at 31 December 2022 (Audited) HK\$'000
Cash at banks and on hand	<b>24,317</b>	46,439
Short-term bank deposits	<b>73,243</b>	–
Money market funds	<b>8,014</b>	204
<b>Total cash and deposits</b>	<b>105,574</b>	46,643

The Group adopts a prudent financial policy, with surplus cash deposited at banks or invested in money market funds with good liquidity in case it needs to facilitate extra operation expenditure or investment. Management makes financial forecast on a regular basis. As at 30 June 2023, the Group's balance of cash and deposits was approximately HK\$105,574,000, which was attributable to the cashflow from redemption of SDI investments.

The Group normally finances its operations with internally generated cash flows. Cash and cash equivalents increased by approximately HK\$58,931,000 during the six months ended 30 June 2023.

As at 30 June 2023, the current ratio and quick ratio was 8.40 (31 December 2022: 5.93).

## OTHER INFORMATION

### FOREIGN EXCHANGE RISK

The Group manages its exposures to foreign currency transactions by monitoring the level of foreign currency receipts and payments. The Group ensures that the net exposure to foreign exchange risk is kept to an acceptable level from time to time. The Group has not entered into any forward exchange contract to hedge its exposure to foreign exchange risk.

### ASSET MORTGAGE

The Group had no outstanding asset mortgage or charge on assets as at 30 June 2023 (31 December 2022: nil).

### CONTINGENT LIABILITIES

The Group had no significant contingent liabilities as at 30 June 2023 (31 December 2022: nil).

### MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have any material acquisition and disposal of subsidiaries, associates and joint ventures during the Relevant Period.

On 22 December 2021, the Group announced the disposal of its CRMS business at a consideration of HK\$219,464,000. The Disposal was completed on 22 March 2022. For details of the Disposal, please refer to the announcements of the Company dated 22 December 2021, 15 March 2022 and 22 March 2022 and the circular of the Company dated 22 February 2022.

### SIGNIFICANT INVESTMENTS

The Group provides investment management services to its clients and also make strategic direct investment on behalf of the Group. As at 30 June 2023, the Group recorded strategic direct investments of approximately HK\$89,289,000. Given that the Group is engaged in making strategic direct investments in various listed and unlisted financial instruments through investment funds, the Board considers investments with a carrying amount that accounted for more than 5% of the Group's total assets as at 30 June 2023 as significant investments.

To mitigate relevant risks, the Group will optimise its investment strategies in response to market conditions.

The Group had no significant investments held during the Relevant Period. Details of the Group's investment objective and strategies are set out in the section headed "Business Review" in this report.

### CHARGE ON ASSETS

As at 30 June 2023, there was no charge over assets of the Group (31 December 2022: nil).

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Relevant Period (31 December 2022: nil).

### FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 30 June 2023, the Group did not have any definite plan for material investments or capital assets (31 December 2022: nil).

### CAPITAL COMMITMENTS

There were approximately HK\$334,000 capital expenditure contracted for but not yet incurred as at 30 June 2023 (31 December 2022: Nil).

## OTHER INFORMATION

### SEGMENT REPORTING

In accordance with IFRS 8, Operating Segments, operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the key management team of the Company. CODM reviews the Group's internal reports in order to assess performance, allocate resources and determine the operating segments.

The Group has identified two reportable segments which are the IM business and the SDI business. Details of the segment information are set out in note 6 to the condensed consolidated interim financial information.

### STAFF AND REMUNERATION POLICY

As at 30 June 2023, the Group had 22 employees (31 December 2022: 30 employees). Among them, 3 employees worked in the PRC and 19 employees worked in Hong Kong.

Breakdown of the Group's staff by function as at 30 June 2023 is as follows:

Function	As at 30 June 2023	As at 31 December 2022
Management	7	7
Investment and operation	9	17
Financial, administration and human resources	2	2
Sales and marketing	1	1
Information technology and research and development	3	3
Total	22	30

The total staff remuneration from Continuing Operations including Directors' remuneration paid by the Group for the six months ended 30 June 2023 was approximately HK\$6,437,000 (Last Corresponding Period: approximately HK\$13,049,000).

The remuneration paid to the staff, including the Directors, is based on their qualification, experience, performance, and market rates, so as to maintain a competitive remuneration level. The Group also offers various staff welfare, including labour insurance and medical insurance. The Group believes that employees are its most valuable asset. To incentivize employees and promote the long-term growth of the Company, the Company had adopted a share option scheme and a share award scheme, further details of which are set out in the sections headed "Share Option Scheme" and "Share Award Scheme" in this report.

### DISCLOSURE UNDER CHAPTER 13 OF THE LISTING RULES

The Directors confirmed that they were not aware of any circumstances which would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") during the Relevant Period.

## DIVIDENDS

The Board did not recommend the payment of any interim dividend for the six months ended 30 June 2023 (for the six months ended 30 June 2022: nil).

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2023, so far as known to the Directors, the Directors and the chief executive of the Company had the following interests and short positions in the shares, underlying shares or the debentures of Company or any of its associated corporation within the meaning of part XV of the Securities and Futures Ordinance (Chapter 571 of The Laws of Hong Kong) (the "SFO"), which would have to be notified to the Company and the Stock Exchange pursuant to the provision of Divisions 7 and 8 of Part XV of the SFO (including interests, and/or short positions of which they were taken or deemed to have under such provisions of the SFO) and/or required to be entered in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Model Code for Securities Transaction by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules:

### Interests in Shares and Underlying Shares of the Company – Long Position

Name of Director	Total interest in shares or underlying shares	Capacity	Approximate percentage of the Company's share capital
Mr. Zhao John Huan	7,802,539,321	Interest in controlled corporation (Note)	67.87%

Note: Hony Gold Holdings, L.P. is managed by Hony Gold GP Limited (as general partner). Hony Gold GP Limited is a wholly-owned subsidiary of Hony Group Management Limited, which is owned as to 80% by Hony Managing Partners Limited. Hony Managing Partners Limited is a wholly-owned subsidiary of Exponential Fortune Group Limited, which is owned by Mr. Zhao John Huan as to 49%. As such, Mr. Zhao John Huan, Exponential Fortune Group Limited, Hony Managing Partners Limited, Hony Group Management Limited and Hony Gold GP Limited are deemed to be interested in the shares in which Hony Gold Holdings, L.P. is interested under the SFO.

Save as disclosed above, as at 30 June 2023, none of the Directors nor the chief executive of the Company had any interests or short positions in any shares, underlying shares and/or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and/or short positions which were taken or deemed to have under such provisions of the SFO), or which were recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or which would have to be notified to the Company and the Stock Exchange pursuant to the Model Code.

## OTHER INFORMATION

### SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2023, so far as known to the Directors, the persons or corporations (other than the Directors or chief executive of the Company) with 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 would be recorded in the register of the Company required to be kept under section 336 of the SFO were as follows:

#### Interests in Ordinary Shares of the Company – Long Position

Name	Capacity	Number of Shares	Approx. percentage of interests
Hony Gold Holdings, L.P.	Beneficial owner	7,802,539,321 (Note 1)	67.87%
Hony Gold GP Limited	Interest in controlled corporation	7,802,539,321 (Note 1)	67.87%
Hony Group Management Limited	Interest in controlled corporation	7,802,539,321 (Note 1)	67.87%
Hony Managing Partners Limited	Interest in controlled corporation	7,802,539,321 (Note 1)	67.87%
Exponential Fortune Group Limited	Interest in controlled corporation	7,802,539,321 (Note 1)	67.87%
Glory Moment Investments Limited	Beneficial owner	840,000,000 (Note 2)	7.31%
Advanced Summit Ventures Limited	Interest in controlled corporation	840,000,000 (Note 2)	7.31%
Mr. Zhao Wen	Interest in controlled corporation	840,000,000 (Note 2)	7.31%
Ms. Kwok King Wa	Beneficial owner	684,900,000 (Note 3)	5.96%
Mr. Li Kin Shing	Interest of spouse	684,900,000 (Note 3)	5.96%

Notes:

1. Honoy Gold Holdings, L.P. is managed by Honoy Gold GP Limited (as general partner). Honoy Gold GP Limited is a wholly-owned subsidiary of Honoy Group Management Limited, which is owned as to 80% by Honoy Managing Partners Limited. Honoy Managing Partners Limited is a wholly-owned subsidiary of Exponential Fortune Group Limited, which is owned by Mr. Zhao John Huan as to 49%. As such, Mr. Zhao John Huan, Exponential Fortune Group Limited, Honoy Managing Partners Limited, Honoy Group Management Limited and Honoy Gold GP Limited are deemed to be interested in the shares in which Honoy Gold Holdings, L.P. is interested under the SFO.
2. Glory Moment Investments Limited is a wholly-owned subsidiary of Advanced Summit Ventures Limited, of which is wholly owned by Mr. Zhao Wen. As such, Mr. Zhao Wen and Advanced Summit Ventures Limited are deemed to be interested in the shares in which Glory Moment Investments Limited is interested under the SFO.
3. The 684,900,000 Shares are held by Ms. Kwok King Wa in person. Mr. Li Kin Shing is the spouse of Ms. Kwok King Wa and therefore is deemed to be interested in the 684,900,000 Shares held by Ms. Kwok King Wa under the SFO.

Save as disclosed above, as at 30 June 2023, so far as known to the Directors, there was no other person (other than the Directors or chief executive of the Company) with 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 would be recorded in the register of the Company required to be kept under section 336 of the SFO.

## DIRECTORS' AND CHIEF EXECUTIVE'S RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this report, during the Relevant Period, there was no right to acquire benefits by means of the acquisition of shares or debentures of the Company granted to any Director or the chief executive of the Company or their respective spouse or minor children, or were any such rights exercised by them, or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or the chief executive of the Company to acquire such rights in any other body corporate.

## SHARE OPTION SCHEME

The Company has adopted a share option scheme (the "Share Option Scheme") at the annual general meeting held on 4 June 2020, for the purposes of providing incentives or rewards to eligible participants (including employees, executives or officers, directors including non-executive directors and independent non-executive directors, advisers, consultants, suppliers, customers and agents of the Company or any of its subsidiaries) for their contribution or potential contribution to the Group. The Share Option Scheme will remain in force for 10 years from 4 June 2020. As at the date of this report, the remaining life of the Share Option Scheme is approximately 6 years and 9 months.

The maximum number of shares which may be issued upon exercise of all options granted and to be granted under the Share Option Scheme is 1,134,647,232 shares, representing 10% and approximately 9.87% of the shares of the Company in issue as at the date of adoption of the Share Option Scheme and as at the date of this report, respectively. The maximum number of shares issuable under share options granted to each eligible participant in the Share Option Scheme (including exercised, cancelled and outstanding options) within any 12-month period up to and including the date of grant is limited to 1% of the shares of the Company in issue as at the date of grant. Any grant or further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting. A grant of share options under the Share Option Scheme to a director, chief executive or substantial shareholder of the Company, or to any of their associates, is subject to approval in advance by the independent non-executive directors (excluding any independent non-executive director who is the grantee of the options). In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, which would result in the shares issued and to be issued, upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding), to such person in the 12-month period up to and including the date of the grant in excess of 0.1% of the shares of the Company in issue and with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5 million, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 30 days from the date of offer upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determined by the directors, save that such a period shall not be more than 10 years from the date of offer of the share options and subject to the provisions for early termination as set out in the Share Option Scheme. Under the provisions of the Share Option Scheme, the Board has the discretion to impose any minimum period for which an option has to be held and/or any performance target required to be achieved before such option may be exercised.

The exercise price of the share options shall be not less than the highest of (i) the closing price of the Company's shares as quoted on the Stock Exchange on the date of offer of the share options; (ii) the average closing price of the Company's shares as quoted on the Stock Exchange for the five trading days immediately preceding the date of offer; and (iii) the nominal value of a share of the Company on the date of offer.

As at 1 January 2023 and 30 June 2023, being the beginning and the end of the period under review, the number of options available for grant under the Share Option Scheme limit was approximately 1,021,187,000. No service provider sublimit was set under the Share Option Scheme.

## OTHER INFORMATION

### MOVEMENT OF THE SHARE OPTIONS GRANTED

Details of movement of the share options granted under the Share Option Scheme during the six months ended 30 June 2023 were as follows:

Grantees	Date of grant	Exercise price per option HK\$	Exercise period (Note a)	Outstanding at 1 January 2023 '000	Granted during the period '000	Exercised during the period '000	Lapsed during the period '000	Outstanding at 30 June 2023 '000	Closing price of the Company's shares immediately before grant of the options (HK\$)
Mr. Lam Tsan Fai Fergus (being a senior management)	21 September 2020	0.07	21/9/2020 – 20/9/2030	113,460	-	-	-	113,460	0.067

Notes:

- (a) These options are vested in 5 tranches as follows: 20% on each of 21 September 2020, 31 December 2020, 31 December 2021, 31 December 2022 and 31 December 2023 and are exercisable during a 10-year period commencing from the respective dates of vesting. Details of the share options granted are set out in the Company's announcement dated 21 September 2020. The closing price of the shares immediately before the date on which the options were granted (i.e. 18 September 2020) was HK\$0.067 per Share.
- (b) Save as disclosed above, no share options were granted, exercised, lapsed or cancelled during the six months ended 30 June 2023.

### SHARE AWARD SCHEME

The Company adopted a share award scheme (the "Share Award Scheme") on 21 September 2020, for the purposes of attracting new and motivating existing talents and retaining both in the Group. The Share Award Scheme shall be valid and effective for a term of 10 years from the adoption date and is administered by the Board and the trustee of the Share Award Scheme. As at the date of this report, the remaining life of the Share Award Scheme is approximately 6 years and 11 months. The total number of shares to be awarded under the Share Award Scheme shall not exceed 15% of the total number of issued shares of the Company from time to time, representing 1,724,324,148 shares as at the date of this report. The maximum number of share which may be awarded to a selected participant but unvested under the Share Award Scheme shall not exceed 1% of total number of issued shares of the Company from time to time.

Participants of the Share Award Scheme are any employee(s) (including without limitation any director) of any member of the Group, as selected by the Board pursuant to the scheme rules to participate in the scheme. The Board will also be entitled to determine the applicable vesting date, vesting period and conditions (including the amount, if any, payable on application or acceptance of the award, the period within which payments must or may be made or loans for such purposes must be repaid and the grant price) as it deems appropriate in its absolute discretion for vesting of the awarded shares.

## OTHER INFORMATION

During the six months ended 30 June 2023, the Company did not grant any awarded shares pursuant to the Share Award Scheme. Details of movement of shares awarded under the Share Award Scheme during the six months ended 30 June 2023 were as follows:

Grantee	Date of grant	Unvested awards as at 1 January 2023 '000	Number of shares cancelled during the period	Number of shares lapsed during the period	Number of shares issued and vested during the period	Unvested awards as at 30 June 2023	Vesting period	Grant price
Mr. Lam Tsan Fai Fergus (being a senior management)	21 September 2020	68,076	-	-	-	68,076	21/9/2020 – 31/12/2024	HK\$0.0345 per awarded share

Notes:

(a) The awarded shares will be vested in 5 tranches within the vesting period. The grant price of each awarded share was HK\$0.0345, being 50% of the average closing price of approximately HK\$0.069 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant. The closing price of the shares immediately before the date on which the awards were granted (i.e. 18 September 2020) was HK\$0.67 per Share.

(b) The weighted average closing price of the shares immediately before the dates on which the awards were vested was HK\$0.09.

As at 1 January 2023 and 30 June 2023, being the beginning and the end of the period under review, the number of awards available for grant under the Share Award Scheme limit was approximately 1,507,226,000.

Since the adoption date, a total of 334,720,000 shares had been awarded under the Share Award Scheme, representing 2.91% of the total number of issued shares of the Company as at 30 June 2023.

### MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct which is not more lenient than the Model Code contained in Appendix 10 of the Listing Rules. Specific enquiry to all Directors has been made and the Directors confirmed that they have complied with the required standard set out in the code of conduct during the six months ended 30 June 2023.

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

During the six months ended 30 June 2023, neither the Company nor any of its subsidiaries redeemed, purchased, sold or cancelled any listed securities or redeemable securities of the Company.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the six months ended 30 June 2023 and up to the date of this report, none of the Directors nor their respective associates was considered to have interests in a business that competes or is likely to compete, either directly or indirectly, with the businesses of the Group other than those businesses where the Directors have been appointed or were appointed as directors to represent the interests of the Company and/or the Group.



## OTHER INFORMATION

### COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has committed to maintaining high standards of corporate governance to protect the interests of the shareholders of the Company. The Company has complied with the code provisions as set out in the Part 2 of Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules during the six months ended 30 June 2023.

### AUDIT COMMITTEE

The Company has established an audit committee ("Audit Committee") with written terms of reference in accordance with the requirements of the Listing Rules ("Terms of Reference"). The Terms of Reference were revised and adopted by the Board on 31 December 2018. The primary duties of the Audit Committee, are among others, to review and supervise the financial reporting processes and internal control procedures of the Group, and to provide advice and comments to the Board accordingly. The Audit Committee (on behalf of the Board) oversees management in the design, implementation and monitoring of the risk management and internal control systems, and the management has provided a confirmation to the Audit Committee (and the Board) on the effectiveness of these systems for the six months ended 30 June 2023. The Company has also conducted review of its risk management and internal control systems periodically and has convened meeting periodically to discuss the financial, operational and risk management control. The Audit Committee is of the view that the risk management and internal control systems implemented by the Group during the period under review had been valid and adequate. The Audit Committee consists of the three independent non-executive Directors, namely, Mr. Jin Qingjun, Mr. Lee Kin Ping Christophe and Mr. Shu Wa Tung Laurence. Mr. Shu Wa Tung Laurence is the chairman of the Audit Committee.

The Audit Committee has reviewed the Group's unaudited consolidated interim financial information and the Company's interim report for the six months ended 30 June 2023 and is of the opinion that the unaudited consolidated interim financial information complied with applicable accounting standards and the Listing Rules and that adequate disclosures have been made.

### CHANGES IN DIRECTOR'S AND CHIEF EXECUTIVE'S INFORMATION UNDER RULE 13.51B (1) OF THE LISTING RULES

Mr. Zhao John Huan resigned from his position as a non-executive director of Zoomlion Heavy Industry Science and Technology Co., Ltd. (stock code: 1157.HK, 000157.SZ) with effect from 29 June 2023.

Mr. Shu Wa Tung Laurence has been appointed as an independent non-executive director of Texhong International Group Limited (a company listed on the Hong Kong Stock Exchange, stock code: 2678) with effect from 25 May 2023.

Save as disclosed above, there was no change in the information of the Directors or chief executive of the Company required to be disclosed pursuant to Rule 13.51B (1) of the Listing Rules as at 30 June 2023.

By order of the Board  
**Goldstream Investment Limited**  
**ZHAO JOHN HUAN**  
Chairman of the board

Hong Kong, 31 August 2023

*As at the date of this report, the board comprises two executive Directors, namely Mr. Zhao John Huan (Chairman) and Mr. Geng Tao (Chief Executive Officer); one non-executive Director, namely Mr. Tam Terry Sze Ying; and three independent non-executive Directors, namely Mr. Jin Qingjun, Mr. Lee Kin Ping Christophe and Mr. Shu Wa Tung Laurence.*

# CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Note	For the six months ended 30 June	
		2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
<b>Continuing operations</b>			
<b>Income</b>			
Investment management ("IM") services income		8,368	14,802
Dividend income from investments		306	2,016
Net fair value gains/(losses) on financial assets at fair value through profit or loss		16,790	(35,349)
Share of net profits/(losses) of associates accounted for using the equity method		826	(12,810)
	6	26,290	(31,341)
Other income	6	23,277	1,881
<b>Expenses</b>			
Employee benefits expenses	8	(6,437)	(13,049)
Depreciation of right-of-use assets		(1,406)	(1,406)
Depreciation of property, plant and equipment		(73)	(149)
Amortisation of intangible assets		–	(3,353)
Legal and professional fees		(2,320)	(2,074)
Other expenses	7	(2,673)	(8,392)
<b>Total expenses</b>		<b>(12,909)</b>	<b>(28,423)</b>
<b>Operating profit/(loss) from continuing operations</b>		<b>36,658</b>	<b>(57,883)</b>
Finance costs		(173)	(1,642)
Finance costs		(173)	(1,642)
<b>Profit/(loss) before income tax from continuing operations</b>		<b>36,485</b>	<b>(59,525)</b>
Income tax expense	9	(64)	(934)
<b>Profit/(loss) for the period from continuing operations</b>		<b>36,421</b>	<b>(60,459)</b>
Profit for the period from discontinued operation		–	47,642
<b>Profit/(loss) for the period attributable to:</b>		<b>36,421</b>	<b>(12,817)</b>
Owners of the Company			
<b>Earnings/(loss) per share from continuing operations attributable to owners of the Company during the period (expressed in HK cent per share):</b>			
Basic	11	0.32	(0.53)
Diluted	11	0.32	(0.53)
<b>Earnings/(loss) per share attributable to owners of the Company during the period (expressed in HK cent per share):</b>			
Basic	11	0.32	(0.11)
Diluted	11	0.32	(0.11)

The above condensed consolidated interim income statement should be read in conjunction with accompanying notes.

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Note	For the six months ended 30 June	
		2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
<b>Profit/(loss) for the period</b>		<b>36,421</b>	(12,817)
<b>Other comprehensive income/(loss)</b>			
<i>Item that may be reclassified to profit or loss:</i>			
Continuing operations:			
– Currency translation differences		(126)	(505)
Discontinued operation:			
– Currency translation differences		–	1,233
– Exchange reserves released upon disposal of business		–	(15,757)
Other comprehensive loss for the period, net of tax		(126)	(15,029)
<b>Total comprehensive income/(loss) for the period attributable to owners of the Company, net of tax</b>		<b>36,295</b>	(27,846)
<b>Total comprehensive income/(loss) for the period attributable to owners of the Company arises from:</b>			
– Continuing operations		<b>36,295</b>	(60,964)
– Discontinued operation		–	33,118
		<b>36,295</b>	(27,846)

The above condensed consolidated interim statement of comprehensive income should be read in conjunction with accompanying notes.

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Note	As at 30 June 2023 HK\$'000 (Unaudited)	As at 31 December 2022 HK\$'000 (Audited)
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	211	255
Right-of-use assets		235	1,641
Goodwill	14	197,965	197,965
Intangible assets	13	10,520	10,520
Deferred tax assets		430	494
Loan receivable from a fellow subsidiary	16	233,356	230,387
Long term prepayment	15	334	–
Interests in associates	19	9,762	57,033
Financial assets at fair value through profit or loss	18	37,181	34,667
		<b>489,994</b>	532,962
<b>Current assets</b>			
Trade receivables	15	8,147	16,497
Amounts due from brokers	15	112,858	91,985
Prepaid tax		603	625
Loan receivable from a fellow subsidiary	16	17,489	–
Prepayments, deposits and other receivables	15	16,557	20,856
Financial assets at fair value through profit or loss	18	52,264	59,537
Cash and cash equivalents	17	105,574	46,643
		<b>313,492</b>	236,143
<b>Total assets</b>		<b>803,486</b>	769,105
<b>Equity</b>			
<b>Capital and reserves attributable to owners of the Company</b>			
Share capital	21	114,955	114,955
Reserves		651,193	614,327
<b>Total equity</b>		<b>766,148</b>	729,282
<b>Liabilities</b>			
<b>Current liabilities</b>			
Other payables	22	17,488	18,463
Amounts due to brokers	22	13,416	10,627
Lease liabilities		240	1,656
Financial liabilities at fair value through profit or loss	18	156	3,039
Income tax payable		6,038	6,038
<b>Total liabilities</b>		<b>37,338</b>	39,823
<b>Total equity and liabilities</b>		<b>803,486</b>	769,105

The above condensed consolidated interim statement of financial position should be read in conjunction with accompanying notes.

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	(Unaudited) Attributable to owners of the Company							
	Share capital HK\$'000	Share premium HK\$'000	Shares held for employee share scheme HK\$'000	Other reserves HK\$'000	Statutory reserve HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
As at 1 January 2022	113,465	1,709,869	(414)	1,474,594	7,156	14,641	(2,544,102)	775,209
<b>Comprehensive loss</b>								
Loss for the period	-	-	-	-	-	-	(12,817)	(12,817)
<b>Other comprehensive income/(loss)</b>								
Currency translation differences	-	-	-	-	-	728	-	728
Exchange reserve released upon disposal of business	-	-	-	-	-	(15,757)	-	(15,757)
<b>Total other comprehensive loss, net of tax</b>	-	-	-	-	-	(15,029)	-	(15,029)
<b>Total comprehensive loss</b>	-	-	-	-	-	(15,029)	(12,817)	(27,846)
<b>Transaction with owners in their capacity as owners</b>								
Issuance of share	1,490	4,475	(745)	(3,302)	-	-	-	1,918
Reserves released upon disposal of business	-	-	-	(6,913)	(7,156)	-	14,069	-
Reversal of a share award scheme (the "Share Award Scheme") and a share option scheme's (the "2020 Share Option Scheme") value of employee services, net	-	-	-	(1,769)	-	-	-	(1,769)
Deferred tax of Share Award Scheme and 2020 Share Option Scheme	-	-	-	(185)	-	-	-	(185)
<b>Total transaction with owners in their capacity as owners</b>	1,490	4,475	(745)	(12,169)	(7,156)	-	14,069	(36)
<b>As at 30 June 2022</b>	114,955	1,714,344	(1,159)	1,462,425	-	(388)	(2,542,850)	747,327
As at 1 January 2023	114,955	1,718,929	(414)	1,460,129	-	(887)	(2,563,430)	729,282
<b>Comprehensive income</b>								
Profit for the period	-	-	-	-	-	-	36,421	36,421
<b>Other comprehensive loss</b>								
Currency translation differences	-	-	-	-	-	(126)	-	(126)
<b>Total other comprehensive loss, net of tax</b>	-	-	-	-	-	(126)	-	(126)
<b>Total comprehensive income/(loss)</b>	-	-	-	-	-	(126)	36,421	36,295
<b>Transaction with owners in their capacity as owners</b>								
Share Award Scheme and 2020 Share Option scheme's value of employee services	-	-	-	571	-	-	-	571
<b>Total transaction with owners in their capacity as owners</b>	-	-	-	571	-	-	-	571
<b>As at 30 June 2023</b>	114,955	1,718,929	(414)	1,460,700	-	(1,013)	(2,527,009)	766,148

The above condensed consolidated interim statement of changes in equity should be read in conjunction with accompanying notes.

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Note	For the six months ended 30 June	
		2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
<b>Cash flows from operating activities</b>			
Cash used in operations		(10,041)	(56,208)
Income tax refund/(paid)		22	(2,215)
Net cash used in operating activities from discontinued operation		–	(23,605)
<b>Net cash used in operating activities</b>		<b>(10,019)</b>	<b>(82,028)</b>
<b>Cash flows from investing activities</b>			
Payment for property, plant and equipment		(365)	(21)
Dividend income received from financial assets at fair value through profit or loss		306	2,016
Redemption/(payment) for investments in associates	19	48,097	(857)
Net receipt for financial assets at fair value through profit or loss, net		18,666	14,580
Interest received		3,981	1,743
Interest paid		(149)	(301)
Cash outflow on disposal of CRM business, net of cash disposed	20	–	(55,034)
Net cash used in investing activities from discontinued operation		–	(184)
<b>Net cash generated from/(used in) investing activities</b>		<b>70,536</b>	<b>(38,058)</b>
<b>Cash flows from financing activities</b>			
Proceeds received from share award		–	1,918
Interest element of lease payments		(24)	(22)
Principal elements of lease payments		(1,416)	(1,417)
Net cash used in financing activities from discontinued operation		–	(790)
<b>Net cash used in financing activities</b>		<b>(1,440)</b>	<b>(311)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>59,077</b>	<b>(120,397)</b>
Cash and cash equivalents at 1 January		46,643	159,409
Cash and cash equivalents of asset classified as held for sales at 1 January		–	84,565
Exchange loss on cash and cash equivalents		(146)	(4,956)
<b>Cash and cash equivalents at 30 June</b>	17	<b>105,574</b>	<b>118,621</b>

The above condensed consolidated interim statement of cash flows should be read in conjunction with accompanying notes.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 1 General information

Goldstream Investment Limited (the “Company”) and its subsidiaries (collectively, the “Group”) is principally engaged in provision of IM services business and SDI business.

The Company was incorporated in the Cayman Islands on 18 September 2000 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is the PO Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands. The Company has been listed on the Main Board of the Hong Kong Stock Exchange since 25 May 2009.

The condensed consolidated interim financial information is presented in Hong Kong dollars (“HK\$”), unless otherwise stated.

The condensed consolidated interim financial information was approved for issue by the Board on 31 August 2023.

## 2 Basis of preparation

The condensed consolidated interim financial information for the six months ended 30 June 2023 has been prepared in accordance with International Accounting Standard 34 (“IAS 34”), “Interim Financial Reporting”. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2022, which have been prepared in accordance with International Financial Reporting Standards (“IFRSs”).

On 22 December 2021, the Company entered into a sale and purchase agreement (the “Share Purchase Agreement”) with Ms. Li Yin (“Ms. Li”) to dispose of the Group’s 100% equity interest in Honor Crest Holdings Limited (together with its subsidiaries, the “Disposal Group”) to Ms. Li at a consideration of HK\$219,464,000. The transaction was completed on 22 March 2022. Accordingly, the financial results of the Disposal Group are presented in the condensed consolidated interim income statement and condensed consolidated interim statement of cash flows as “Discontinued Operation” in accordance with IFRS 5 “Non-current Assets Held for Sales and Discontinued Operations”.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2022, as described in those annual financial statements, except for the adoption of new and amended standards effective for the reporting period beginning on or after 1 January 2023 and the accounting policies stated in note 3. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

### (a) New, amended standards and interpretation adopted by the Group

New and amended standards and interpretations, which are mandatory for the first time for the financial period beginning 1 January 2023 to the Group, are as follows:

IFRS 17	Insurance Contracts
Amendments to IFRS 17	Insurance Contracts
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to IAS 12	International Tax Reform – Pillar Two Model Rules

The adoption of amended standards are mandatory for financial years commencing on or after 1 January 2023. The impact of the amended standards on the Group’s condensed consolidated interim financial information is not significant.

## 2 Basis of preparation (Continued)

### (b) New, amended standards and interpretation not yet applied by the Group

A number of new standards, amendments to standards and interpretation have been issued but are not effective for the financial year beginning 1 January 2023 and have not been early adopted by the Group in preparing the condensed consolidated interim financial information. None of these is expected to have a significant effect of the condensed consolidated interim financial information of the Group based on the preliminary assessment made by management.

## 3 Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2022, as described in those annual financial statements. Except for Note 2(a) set out above, the Group did not change its accounting policies or make retrospective adjustments as a result of adopting the amended standards.

## 4 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2022.

## 5 Financial risk management

### 5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, and interest rate risk), credit risk, liquidity risk and price risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's consolidated financial statements as at 31 December 2022.

There have been no changes in the risk management department or in any risk management department or in any risk management policies since year end.



## 5 Financial risk management (Continued)

### 5.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash outflows for financial liabilities.

### 5.3 Fair value estimation

#### (i) *Fair value hierarchy*

The carrying amounts of the Group's financial assets, including cash and cash equivalents, trade and other receivables, amounts due from brokers and loan receivable from a fellow subsidiary and financial liabilities including other payables and amounts due to brokers approximate to their fair values due to their short maturities.

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

## 5 Financial risk management (Continued)

### 5.3 Fair value estimation (Continued)

#### (i) Fair value hierarchy (Continued)

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the condensed consolidated interim financial information. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

<i>Recurring fair value measurements</i>	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
<b>At 30 June 2023</b>				
Financial assets at fair value through profit or loss ("FVPL")				
Listed equity securities				
– The United States (The "US")	29,443	–	–	29,443
– PRC	1,134	–	–	1,134
Exchange traded funds				
– Hong Kong	274	–	–	274
– The US	21,413	–	–	21,413
	52,264	–	–	52,264
Non-current assets				
Investment funds				
– The US	–	37,181	–	37,181
<b>Total financial assets</b>	<b>52,264</b>	<b>37,181</b>	<b>–</b>	<b>89,445</b>
<b>At 30 June 2023</b>				
Financial liabilities at FVPL				
Current Liabilities				
Listed equity securities				
– The US	156	–	–	156
<b>Total financial liabilities</b>	<b>156</b>	<b>–</b>	<b>–</b>	<b>156</b>

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 5 Financial risk management (Continued)

#### 5.3 Fair value estimation (Continued)

##### (i) Fair value hierarchy (Continued)

<i>Recurring fair value measurements</i>	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
<b>At 31 December 2022</b>				
Financial assets at FVPL				
Current assets				
Investment funds				
– Cayman Islands	–	5,404	–	5,404
– PRC	–	3,492	–	3,492
Depository receipt				
– The US	1,272	–	–	1,272
Listed equity securities				
– PRC	6,229	–	–	6,229
– The US	9,981	–	–	9,981
Exchange traded funds				
– Hong Kong	12,613	–	–	12,613
– The US	16,568	–	–	16,568
– PRC	1,627	–	–	1,627
Listed option				
– The US	1,440	–	–	1,440
– PRC	911	–	–	911
	50,641	8,896	–	59,537
Non-current assets				
Investment funds				
– The US	–	34,667	–	34,667
<b>Total financial assets</b>	50,641	43,563	–	94,204
<b>At 31 December 2022</b>				
Financial liabilities at FVPL				
Current Liabilities				
Listed equity securities				
– PRC	(2,206)	–	–	(2,206)
Listed options				
– The US	(531)	–	–	(531)
– PRC	(302)	–	–	(302)
<b>Total financial liabilities</b>	(3,039)	–	–	(3,039)

## 5 Financial risk management (Continued)

### 5.3 Fair value estimation (Continued)

#### (ii) Valuation of investments in other funds

The Group's investments in other funds ("Investee Funds") are subject to the terms and conditions of the respective Investee Fund's offering documentation. The investments in Investee Funds are valued based on the latest available redemption price of such units for each Investee Fund, as determined by the Investee Funds' administrators. The Group reviews the details of the reported information obtained from the Investee Funds and considers:

- the liquidity of the Investee Fund or its underlying investments;
- the value date of the net asset value ("NAV") provided;
- any restrictions on redemptions; and
- the basis of accounting and, in instances where the basis of accounting is other than fair value, fair valuation information provided by the Investee Fund's advisors.

If necessary, the Group makes adjustments to the NAV of various Investee Funds to obtain the best estimate of fair value. Other net changes in fair value on financial assets and financial liabilities at fair value through profit or loss in the consolidated statement of comprehensive income include the change in fair value of each Investee Fund.

#### (iii) Valuation inputs and relationships to fair value (level 3)

The financial instruments valued at fair value (level 3) represents collateralised mortgage obligation which is a highly complex and illiquid interest-only agency mortgage back security. Management took reference to the pricing data developed from a wealth of market observations of several reputable data analysis platforms. The higher the pricing date quoted in these data analysis platforms, the higher the fair value of these financial instruments.

Reconciliation of level 3 fair value measurements of financial assets

	As at 30 June 2023 HK\$'000 (Unaudited)	As at 31 December 2022 HK\$'000 (Audited)
At the beginning	–	11,543
Disposal	–	(11,543)
At the closing	–	–
Change in realised losses for the period/year included in profit or loss for asset held at the end of the reporting period/year	–	–

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 6 Segment information

Operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the key management team of the Group. The CODM reviews the Group's internal reports in order to assess performance, allocate resources and determine the operating segments.

The CODM assesses the performance of the operating segments based on the results and assets attributable to each operating segment. Interest expense are not allocated to segment, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

The CODM has determined the operating segments based on these reports. The Group is organised into the following operating segments:

- (i) IM business: this segment includes (a) advisory services on securities and asset management; (b) securities trading; and (c) provision of infrastructure of the investment management system.
- (ii) SDI business: this segment includes provision of making proprietary investments in the financial markets.
- (iii) CRM service ("CRMS") business: this segment includes (a) inbound services which include customer hotline services and built-in secretarial services, a personalised message taking service; and (b) outbound services which include telesales services and market research services. This segment was classified under the discontinued operation during the period ended 30 June 2022 and the disposal transaction was completed on 22 March 2022.

No other operating segments have been aggregated to form the reportable segments.

#### (a) Segment results and assets

The CODM assesses the performance of the operating segments based on the income and reportable segment profit/(loss) (i.e. earnings before interest expenses, tax and amortisation of intangible assets).

Income and expenses are allocated to the reportable segments with reference to income generated by those segments and the expenses incurred by those segments including depreciation and amortisation of assets attributable to those segments.

Segment assets include all tangible, intangible assets and current assets with the exception of deferred tax assets and other corporate assets.

Information relating to segment liabilities is not disclosed as such information is not regular reported to the CODM.

The following tables present income/(loss), reportable segment profit/(loss) and certain assets, and expenditure information for the Group's business segments for the six months ended 30 June 2023 and 2022, and as at 30 June 2023 and 31 December 2022.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

**6 Segment information (Continued)**  
**(a) Segment results and assets (Continued)**

	(Unaudited)		Total HK\$'000		
	Continuing operations IM business HK\$'000	SDI business HK\$'000			
<b>For the six months ended 30 June 2023</b>					
IM services income	8,369	–	8,369		
Inter-IM segment services income	(1)	–	(1)		
Dividend income from investments	–	306	306		
Net fair value (losses)/gains on financial assets at FVPL	(5)	16,795	16,790		
Share of net profits of associates accounted for using the equity method	–	826	826		
<b>Total segment income</b>	<b>8,363</b>	<b>17,927</b>	<b>26,290</b>		
Reportable segment profit	695	35,963	36,658		
Depreciation and amortisation	1,218	261	1,479		
<b>As at 30 June 2023</b>					
Reportable segment assets	233,580	463,902	697,482		
Additions to non-current segment assets during the period	365	–	365		
	(Unaudited)				
	Continuing operations		Discontinued operation		
	IM business HK\$'000	SDI business HK\$'000	Total HK\$'000	CRMS business HK\$'000	Group HK\$'000
<b>For the six months ended 30 June 2022</b>					
CRM services income	–	–	–	47,271	47,271
IM services income	15,584	–	15,584	–	15,584
Inter-IM segment services income	(782)	–	(782)	–	(782)
Dividend income from investments	–	2,016	2,016	–	2,016
Net fair value losses on financial assets at FVPL	–	(35,349)	(35,349)	–	(35,349)
Share of net losses of associates accounted for using the equity method	–	(12,810)	(12,810)	–	(12,810)
<b>Total segment income/(loss)</b>	<b>14,802</b>	<b>(46,143)</b>	<b>(31,341)</b>	<b>47,271</b>	<b>15,930</b>
Reportable segment loss	(3,608)	(50,922)	(54,530)	(2,440)	(56,970)
Depreciation and amortisation	3,485	1,423	4,908	–	4,908
<b>As at 31 December 2022</b>					
Reportable segment assets	245,930	476,038	721,968	–	721,968
Additions to non-current segment assets during the year	21	858	879	1,255	2,134

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

6 Segment information (Continued)

(b) Reconciliations of reportable segment income, profit or loss and assets

	For the six months ended 30 June	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
<b>Continuing operations</b>		
<b>Income</b>		
Reportable segment income/(loss)	26,290	(31,341)
Income/(loss)	26,290	(31,341)
<b>Profit/(loss)</b>		
Reportable segment profit/(loss)	36,658	(54,530)
Finance costs	(173)	(1,642)
Amortisation of intangible assets	–	(3,353)
Profit/(loss) before income tax	36,485	(59,525)
	As at 30 June 2023 HK\$'000 (Unaudited)	As at 31 December 2022 HK\$'000 (Audited)
<b>Assets</b>		
Reportable segment assets	697,482	721,968
Cash and cash equivalents	105,574	46,643
Deferred tax assets	430	494
Total assets	803,486	769,105
	For the six months ended 30 June	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
<b>Discontinued operation</b>		
<b>Income</b>		
Reportable segment income	–	47,271
Income	–	47,271
<b>Loss</b>		
Reportable segment loss	–	(2,440)
Finance costs	–	(75)
Loss from discontinued operation	–	(2,515)

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 6 Segment information (Continued)

#### (c) Geographic information

The following tables set out the information about the geographical location of (i) the Group's CRM services income and IM services income ("Services income") and (ii) the Group's property, plant and equipment, intangible assets, goodwill, right-of-use assets, long term prepayment and non-current financial assets at FVPL ("specified non-current assets"). The geographical location of customers is based on the location of services were provided. The geographical location of the specified non-current assets is based on the location of the operations to which they are allocated.

	Continuing operations (Unaudited)			Discontinued operation (Unaudited)				Group HK\$'000
	Hong Kong HK\$'000	The PRC HK\$'000	Total HK\$'000	Hong Kong HK\$'000	The PRC HK\$'000	Macao and others HK\$'000	Total HK\$'000	
<b>For the six months ended 30 June 2023</b>								
Services income	8,002	366	8,368	-	-	-	-	8,368
<b>For the six months ended 30 June 2022</b>								
Services income	12,481	2,321	14,802	28,243	18,007	1,021	47,271	62,073

	Continuing operations The United States of America					Total HK\$'000
	Hong Kong HK\$'000	The PRC HK\$'000	States of America HK\$'000	Cayman Island and others HK\$'000		
<b>As at 30 June 2023 (Unaudited)</b>						
Specified non-current assets	208,534	731	37,181	9,762		256,208
<b>As at 31 December 2022 (Audited)</b>						
Specified non-current assets	209,610	771	34,667	57,033		302,081



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 6 Segment information (Continued)

#### (d) Disaggregation of revenue from contracts with customers

The Group derives income from provision of services over-time and at point in time for the following services types.

	Continuing operations IM business HK\$'000	(Unaudited) Discontinued operation CRMS business HK\$'000	Total HK\$'000
<b>For the six months ended 30 June 2023</b>			
At point in time	–	–	–
Over-time	<b>8,368</b>	–	<b>8,368</b>
	<b>8,368</b>	–	<b>8,368</b>
<b>For the six months ended 30 June 2022</b>			
At point in time	5	31,215	31,220
Over-time	14,797	16,056	30,853
	14,802	47,271	62,073

The Group has three customers whose transactions accounted for 10% or more of the Group's aggregate revenue for 2023's continuing operations (for the six months ended 30 June 2022: one customer). The amounts of revenue from the customers are as follows:

	<b>For the six months ended 30 June</b>	
	<b>2023 HK\$'000 (Unaudited)</b>	2022 HK\$'000 (Unaudited)
Customer 1	<b>4,465</b>	8,459
Customer 2	<b>963</b>	N/A
Customer 3	<b>867</b>	N/A

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

6 Segment information (Continued)  
(e) Other income

	For the six months ended 30 June	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
<b>Continuing operations</b>		
Loan arrangement fee (Note 16)	1,755	–
Loan interest income (Note 16)	17,406	–
Bank interest income	3,981	633
Interest income from financial asset at FVPL	–	1,110
Others	135	138
	<b>23,277</b>	<b>1,881</b>

7 Other expenses

	For the six months ended 30 June	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
<b>Continuing operations</b>		
Auditors' remuneration	1,157	1,653
Travelling and entertainment expense	22	38
Other staff welfare benefit expense	66	329
Telecommunication expense	140	179
Insurance	342	339
Fund operation expenses	551	976
Information system expenses	1,605	2,141
Exchanges differences, net	(1,722)	2,144
Other expenses	512	593
	<b>2,673</b>	<b>8,392</b>

8 Employee benefits expenses, including directors' emoluments

	For the six months ended 30 June	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
<b>Continuing operations</b>		
Salaries, wages and other benefits	6,051	13,694
Contribution to retirement benefit schemes	(185)	1,124
Share based compensation expense/(reversal) (note)	571	(1,769)
	<b>6,437</b>	<b>13,049</b>

Note: Approximately of HK\$2,336,000 of accrued share based compensation was reversed due to resignation of Dr. Lin Tun during the period ended 30 June 2022.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 9 Income tax expense

	Note	For the six months ended 30 June	
		2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Current income tax			
– Hong Kong		–	–
– PRC	20	–	6,000
Total current tax expense		–	6,000
Deferred tax		64	934
Income tax expense		64	6,934
Income tax expense is attributable to:			
Continuing operations		64	934
Discontinued operation		–	6,000
		64	6,934

#### (i) Hong Kong corporate income tax

Hong Kong profits tax of other Hong Kong incorporated entities in the Group has been provided for at the rate of 16.5% (for the six months ended 30 June 2022: 16.5%) on the estimated assessable profits.

#### (ii) PRC corporate income tax

The subsidiaries located in the PRC are subject to the PRC Corporate Income tax rate of 25% (for the six months ended 30 June 2022: 25%) on their assessable profits.

#### (iii) Cayman Islands tax

Under the current laws of Cayman Islands, the Company is not subject to tax on income or capital gain. In addition, upon payments of dividends by the Company to its shareholders, no Cayman Islands withholding tax will be imposed.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 10 Dividends

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2023 (for the six months ended 30 June 2022: nil).

### 11 Earnings/(loss) per share

#### (a) Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the profit/loss attributable to equity owners of the Company by the weighted average number of ordinary shares outstanding during the period, excluding shares held for employee share scheme.

	For the six months ended 30 June	
	2023 (Unaudited)	2022 (Unaudited)
Profit/(loss) attributable to owners of the Company (HK\$'000)		
– Continuing operations	36,421	(60,459)
– Discontinued operation	–	47,642
	36,421	(12,817)
Weighted average number of ordinary shares outstanding (thousand)	11,495,494	11,381,658
Basic earnings/(loss) per share (HK cents)		
– Continuing operations	0.32	(0.53)
– Discontinued operation	–	0.42
	0.32	(0.11)
Total basic earnings/(loss) per share attributable to the ordinary equity holders of the Company (HK cents)	0.32	(0.11)

#### (b) Diluted earnings/(loss) per share

For diluted earnings/(loss) per share, the weighted average of ordinary shares in issue is adjusted to assume conversion of all potentially dilutive ordinary shares.

For the six months ended 30 June 2023, the diluted earnings per share was calculated by considering the impact of the 2020 Share Option Scheme and the Share Award Scheme, in which certain portion of the Company's share awards was vested and is in the money and has dilutive impact on the earnings per share calculation. The diluted earnings per share would not consider those portion of the Company's share options which are expected to be vested and has anti-dilutive impact on the earnings per share calculation.

For the six months ended 30 June 2022, the diluted loss per share equals the basic loss per share since the vesting of the share options and share awards under the Company's Scheme (the "2020 Share Option Scheme and the Share Award Scheme") would not have a dilutive effect on the loss per share.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

**11 Earnings/(loss) per share (Continued)**  
**(b) Diluted earnings/(loss) per share (Continued)**

	For the six months ended 30 June	
	2023 (Unaudited)	2022 (Unaudited)
Profit/(loss) attributable to owners of the Company (HK\$'000)		
– Continuing operations	36,421	(60,459)
– Discontinued operation	–	47,642
	36,421	(12,817)
Weighted average number of ordinary shares outstanding (thousand)	11,501,494	11,381,658
Diluted earnings/(loss) per share (HK cents)		
– Continuing operations	0.32	(0.53)
– Discontinued operation	–	0.42
	0.32	(0.11)
Total diluted earnings/(loss) per share attributable to the ordinary equity holders of the Company (HK cents)	0.32	(0.11)

**(c) Weighted average number of shares used as the denominator**

	For the six months ended 30 June	
	2023 '000 (Unaudited)	2022 '000 (Unaudited)
Weighted average number of ordinary shares used as the denominator in calculating basic earnings/(loss) per share	11,495,494	11,381,658
Adjustments for calculation of diluted earnings/(loss) per share:		
Share option	–	–
Share awards	6,000	–
	11,501,494	11,381,658
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings/(loss) per share	11,501,494	11,381,658

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 12 Property, plant and equipment

During the six months ended 30 June 2023, the Group acquired property, plant and equipment with an aggregate cost of approximately HK\$31,000 (as at 31 December 2022: approximately HK\$46,000). There is no disposal of property, plant and equipment during the six months ended 30 June 2023 (as at 31 December 2022: HK\$Nil).

### 13 Intangible assets

The intangible assets held by the Group generated mainly as a result of the acquisition of Goldstream Capital Management Limited and Goldstream Securities Limited (Collectively, the "Goldstream Companies") since 2018.

	Customer contracts HK\$'000	Licenses HK\$'000	Total HK\$'000
<b>At 31 December 2022</b>			
Cost	72,095	10,520	82,615
Accumulated amortisation	(48,844)	–	(48,844)
Accumulated impairment	(23,251)	–	(23,251)
Net book amount	–	10,520	10,520
<b>At 30 June 2022</b>			
Opening net book amount	6,147	10,520	16,667
Amortisation charge	(3,353)	–	(3,353)
Closing net book amount	2,794	10,520	13,314
Cost	72,095	10,520	82,615
Accumulated amortisation	(46,050)	–	(46,050)
Accumulated impairment	(23,251)	–	(23,251)
Net book amount	2,794	10,520	13,314
<b>At 30 June 2023</b>			
Opening net book amount	–	10,520	10,520
Amortisation charge	–	–	–
Closing net book amount	–	10,520	10,520
Cost	72,095	10,520	82,615
Accumulated amortisation	(48,844)	–	(48,844)
Accumulated impairment	(23,251)	–	(23,251)
Net book amount	–	10,520	10,520

#### Impairment charges on intangible assets

In accordance with the Group's accounting policy on asset impairment, the carrying value of intangible assets were tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 14 Goodwill

	As at 30 June 2023 HK\$'000 (Unaudited)	As at 31 December 2022 HK\$'000 (Audited)
At the beginning and at the closing	<b>197,965</b>	197,965

The goodwill of HK\$197,965,000 arising from the acquisition of Goldstream Companies and Shenzhen JinCheng Enterprise Management Limited (深圳金晟企業管理有限公司) ("Shenzhen JinCheng") are attributable to the synergies expected to arise from the business combination and future growth of IM businesses in Hong Kong and the PRC. None of the goodwill recognised is expected to be deductible for income tax purposes.

In accordance with the Group's accounting policy on asset impairment, the carrying value of goodwill were tested for impairment annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Since the Group had met the financial budgets steadily within the first six months of 2023, the management concluded that there is no indication of a change of the economic conditions that would lead to an impairment loss as at 30 June 2023.

### 15 Trade and other receivables, prepayments, deposits and amounts due from brokers

	As at 30 June 2023 HK\$'000 (Unaudited)	As at 31 December 2022 HK\$'000 (Audited)
Trade receivables		
– related parties	<b>2,174</b>	13,188
– third parties	<b>9,534</b>	6,870
Loss allowances	<b>11,708</b> <b>(3,561)</b>	20,058 (3,561)
Trade receivables, net	<b>8,147</b>	16,497
Amounts due from brokers	<b>112,858</b>	91,985
Deposits and other receivables		
– related parties	<b>14,035</b>	14,000
– third parties	<b>672</b>	4,865
Prepayments and other receivables	<b>2,184</b>	1,991
Less: Non-current prepayment	<b>(334)</b>	–
Current prepayments and other receivables	<b>16,557</b>	20,856
Total current portions	<b>137,562</b>	129,338

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 15 Trade and other receivables, prepayments, deposits and amounts due from brokers (Continued)

According to the contracts entered into between the Group and its customers, payments in respect of the Group's provision of services are made on an open account with credit terms ranging from 15 to 30 days. Its customers are granted with credit terms of maximum of 30 days for the provision of services. Subject to negotiation, credit terms could be further extended to three to six months for certain customers with well-established trading and payment records on a case-by-case basis. The Group generally gives credit terms to its customers based on certain criteria, such as the length of business relationship with the customers and their payment history, background and financial strength. The Group reviews the settlement records of its customers on a regular basis to determine their credit terms.

At 30 June 2023, the Group had a concentration of credit risk as 87% (at 31 December 2022: 93%) of the total trade receivables were due from the Group's five largest customers and 55% (at 31 December 2022: 69%) of the total trade receivables was due from the Group's largest customer.

#### (a) Ageing analysis

Included in trade receivables are trade debtors (net of loss allowance) with the following ageing analysis based on the date on which the relevant services income were recognised:

	As at 30 June 2023 HK\$'000 (Unaudited)	As at 31 December 2022 HK\$'000 (Audited)
Aged within 1 month	2,806	13,428
Aged between 1 to 3 months	1,329	2,525
Aged between 3 to 6 months	3,034	67
Aged between 6 months to 1 year	500	175
Aged over 1 year	478	302
	<b>8,147</b>	16,497

### 16 Loan receivable from a fellow subsidiary

		As at 30 June 2023 HK\$'000 (Unaudited)	As at 31 December 2022 HK\$'000 (Audited)
Principal		235,119	233,894
Loan arrangement service fee receipt in advance		(1,763)	(3,507)
Total non-current loan receivable, net	(i)	<b>233,356</b>	230,387
Loan interest receivable within 12 months	(ii)	<b>17,489</b>	–
Total loan receivable, net		<b>250,845</b>	230,387



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 16 Loan receivable from a fellow subsidiary (Continued)

- (i) On 18 November 2022, the Company and Expand Ocean Limited ("Expand Ocean"), a fellow subsidiary of the Company, entered into a facility agreement, pursuant to which, the Company agreed to grant the unsecured facility to Expand Ocean in the principal amount of up to USD30,000,000 (equivalent to approximately HK\$233,897,000) (the "Facility") at an interest rate of 15% per annum for a term of two years from the date of utilisation of the Facility (the "Utilisation Date") subject to further extension to a date falling no later than four years from the Utilisation Date. An arrangement fee of USD900,000 (equivalent to approximately HK\$7,017,000) was payable to the Company on the Utilisation Date.

On 30 December 2022, Expand Ocean had fully utilised the Facility of USD30,000,000 in whole and the amount of USD29,100,000 (equivalent to approximately HK\$226,877,000) was paid out by the Group after offsetting by the arrangement fee.

- (ii) The Group has applied the general approach to provide for expected credit losses for non-trade receivables under IFRS 9. The Group considered the historical loss rate and adjusted it for forward-looking macroeconomic data in calculating the expected credit loss rate. The accrued interest receivable is repaid in full subsequently up to the date of this report. As at 30 June 2023, management concluded that the expected credit loss on the loan receivable and interest receivable to be immaterial.
- (iii) The Company recognised approximately HK\$1,755,000 (Last Corresponding Period: nil) loan arrangement fee and HK\$17,406,000 (Last Corresponding Period: nil) loan interest income during the first six months of 2023 as other income in the condensed consolidated interim income statement.

### 17 Cash and cash equivalents

	As at 30 June 2023 HK\$'000 (Unaudited)	As at 31 December 2022 HK\$'000 (Audited)
Cash at banks and on hand	24,317	46,439
Short-term bank deposits	73,243	–
Money market funds (Note a)	8,014	204
Cash and cash equivalents	<b>105,574</b>	46,643

Note a: Money market funds represent the investment in highly liquid money instruments, which are readily convertible to cash and has insignificant risk of changes in value.

**18 Financial assets/(liabilities) at fair value through profit or loss**

**(i) Classification of financial assets/(liabilities) at fair value through profit or loss**

The Group classifies the following financial assets at FVPL:

- debt investments that do not qualify for measurement at either amortised cost or fair value through other comprehensive income
- equity investments that are held for trading, and
- equity investments for which the entity has not elected to recognise fair value gains and losses through other comprehensive income.

Financial assets/(liabilities) measured at FVPL include the following:

	<b>As at 30 June 2023 HK\$'000 (Unaudited)</b>	As at 31 December 2022 HK\$'000 (Audited)
<b>Non-current assets</b>		
Investment funds		
– US investment funds	<b>37,181</b>	34,667
<b>Current assets</b>		
Investment funds		
– Cayman Islands investment funds	–	5,404
– PRC investment funds	–	3,492
Listed equity securities		
– US listed equity securities	<b>29,443</b>	9,981
– PRC listed equity securities	<b>1,134</b>	6,229
Listed options		
– US options	–	1,440
– PRC options	–	911
Exchange traded funds		
– US exchange traded funds	<b>21,413</b>	16,568
– Hong Kong exchange traded funds	<b>274</b>	12,613
– PRC exchange traded funds	–	1,627
Depository receipts		
– US depository receipts	–	1,272
	<b>52,264</b>	59,537
	<b>89,445</b>	94,204
<b>Current liabilities</b>		
Listed equity securities		
– PRC listed equity securities	–	(2,206)
Listed options		
– US listed options	<b>(156)</b>	(531)
– PRC listed options	–	(302)
	<b>(156)</b>	(3,039)

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 18 Financial assets/(liabilities) at fair value through profit or loss (Continued)

#### (ii) Amounts recognised in the condensed consolidated interim income statement

During the period, the following income/(loss) was recognised in the condensed consolidated interim income statement:

	For the six months ended 30 June	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Net fair value gains/(losses) on financial assets at FVPL	16,790	(35,349)
Dividend income from investments	306	2,016

### 19 Interests in associates

The Group invested in Goldstream Healthcare Focus Fund SP and Goldstream Macro Fund SP. In January 2023, the Group redeemed its entire equity interest in Goldstream Macro Fund SP (31 December 2022: 19.2%). As at 30 June 2023, the Group held 7.5% (31 December 2022: 21.6%) equity interest in Goldstream Healthcare Focus SP and has the power to participate in the financial and operating policy decision. Accordingly, the Group had significant influence over two funds during the period.

Place of incorporation	Interest held		Measurement method	Carrying amount	
	As at 30 June 2023 %	As at 31 December 2022 %		As at 30 June 2023 (Unaudited) HK\$'000	As at 31 December 2022 (Audited) HK\$'000
Goldstream Healthcare Focus Fund SP	7.5	21.6	Equity method	9,762	32,336
Goldstream Macro Fund SP	-	19.2	Equity method	-	24,697
				9,762	57,033
				As at 30 June 2023 HK\$'000 (Unaudited)	As at 31 December 2022 HK\$'000 (Unaudited)
				57,033	74,456
				(48,097)	857
				826	(18,280)
				9,762	57,033

## 20 Discontinued Operation

On 22 December 2021, the Company and Ms. Li entered into the Share Purchase Agreement, pursuant to which the Company conditionally agreed to sell, and Ms. Li conditionally agreed to purchase the entire issued share capital of Honor Crest Holdings Limited, at the Consideration of HK\$219,464,000. Pursuant to the Share Purchase Agreement, the consideration is satisfied in the following manner:

- (i) The amount of HK\$215,000,000 will be satisfied by setting off against the equivalent amount of the outstanding loan amount owing by the Company to a former director with principal amount of HK\$215,000,000. Fair value of the borrowing from a former director on 22 March 2022 was approximately HK\$213,879,000;
- (ii) Ms. Li shall pay the sum of HK\$4,464,000 in cash to the Company.

In connection with the disposal of the Disposal Group, on 22 December 2021, the Group and Honor Crest Holdings Limited executed the deed of waiver (the "Deed of Waiver"), pursuant to which, the Company agreed to waive amount due from a subsidiary of the Disposal Group amounting to approximately HK\$4,139,000 on the date of disposal.

The disposal transaction was completed on 22 March 2022 and the Disposal Group is reported in the current period as a discontinued operation. Financial information relating to the discontinued operation for the period is set out below.

Details of the profit/(loss) from discontinued operation was as follows:

	<b>For the six months ended 30 June</b>	
	<b>2023 HK\$'000 (Unaudited)</b>	<b>2022 HK\$'000 (Unaudited)</b>
Loss after tax from discontinued operation	–	(2,515)
Gain on disposal	–	50,157
	–	47,642

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 20 Discontinued Operation (Continued)

#### (i) Financial performance and cash flow information

The financial performance presented are for the six months ended 30 June 2022.

	For the period from 1 January 2022 to 22 March 2022 HK\$'000 (Unaudited)
Revenue	47,271
Other income	4,528
Expenses	
– Employee benefit expenses	(46,707)
– Operating lease charges	(1,464)
– Utilities	(844)
– Sub-contracting charges	(1,622)
– Advertising expenses for customers' projects	(23)
– Other expenses	(3,579)
Operating loss from discontinued operation	(2,440)
Finance cost	
– Interest expense	(75)
Loss before income tax	(2,515)
Income tax expense	–
Loss after income tax of discontinued operation	(2,515)
Gain on disposal of equity interest in discontinued operation	50,157
Profit from discontinued operation	47,642
Exchange differences on translation of discontinued operation	1,233
Exchange reserves released upon disposal of business	(15,757)
<b>Other comprehensive loss from discontinued operation</b>	<b>(14,524)</b>
<b>Total comprehensive income from discontinued operation</b>	<b>33,118</b>

**20 Discontinued Operation (Continued)**

**(i) Financial performance and cash flow information (Continued)**

Cash outflow of the discontinued operations presented are for the period from 1 January 2022 to 22 March 2022:

	For the period from 1 January 2022 to 22 March 2022 HK\$'000 (Unaudited)
Net cash outflow from operating activities	(23,605)
Net cash outflow from investing activities	(184)
Net cash outflow from financing activities	(790)
<b>Net cash used in Disposal Group</b>	<b>(24,579)</b>

**(ii) An analysis of gain on the disposal is as follow**

	As at 22 March 2022 HK\$'000
Consideration	
– Cash consideration	4,464
– Set off borrowing to a former director at fair value	213,879
Waiver of respective payable owing by the Disposal Group	(4,139)
Less: direct expense	(1,509)
Less: net assets disposed of:	
– Property, plant and equipment	(42,645)
– Right-of-use assets	(7,745)
– Trade receivables and contract assets	(85,790)
– Prepayment, deposits and other receivables	(27,067)
– Cash and cash equivalents	(57,989)
– Other payables and accruals and contract liabilities	41,467
– Lease liabilities	7,474
Net assets disposed	(172,295)
Reclassification of foreign currency translation reserve on discontinued operation upon disposal	15,757
Less: tax expense	(6,000)
Gain on disposal	50,157
Net cash outflow on the disposal:	HK\$'000
Cash consideration received	4,464
Less: Cash and cash equivalent balances disposed	(57,989)
Less: Cost of disposal of CRM business	(1,509)
<b>Net cash outflow</b>	<b>(55,034)</b>

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 21 Share capital and share premium

#### (i) Share capital

	(Unaudited) As at 30 June 2023		(Audited) As at 31 December 2022	
	Number of shares '000	Nominal value HK'000	Number of shares '000	Nominal value HK'000
<b>Ordinary shares of HK\$0.01 each</b>				
Authorised:				
At beginning and end of the period/year	<b>20,000,000</b>	<b>200,000</b>	20,000,000	200,000
Issued and fully paid:				
At beginning of the period/year	<b>11,495,494</b>	<b>114,955</b>	11,346,472	113,465
Issuance of shares (Note a)	–	–	149,022	1,490
End of the period/year	<b>11,495,494</b>	<b>114,955</b>	11,495,494	114,955

#### (ii) Share premium

	As at 30 June 2023 HK\$'000	As at 31 December 2022 HK\$'000
At beginning of the period/year	<b>1,718,929</b>	1,709,869
Issuance of shares (Note a)	–	9,060
End of the period/year	<b>1,718,929</b>	1,718,929

Note:

- (a) On 21 September 2020, the Share Award Scheme was approved and adopted by the Board of Directors of the Company. The Company has appointed Bank of Communications Trustee Limited as the trustee (the "Trustee") and a consolidated structured entity ("Share Scheme Trust") was set up for the benefits of eligible persons of the scheme and to administer and hold the Company's shares acquired or issued for the Share Award Scheme. On 28 January 2022 and 12 April 2022, the Board of the Company approved a new issuance of 74,511,000 and 74,511,000 ordinary shares to the Share Scheme Trust respectively. Share-based payment reserve decreased by HK\$6,716,000 and share premium increase by HK\$9,060,000 after the issuance of new shares.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

**22 Other payables and amounts due to brokers**

	<b>As at 30 June 2023 HK\$'000 (Unaudited)</b>	As at 31 December 2022 HK\$'000 (Audited)
Other payables		
– related parties	<b>1,446</b>	–
– third parties	<b>10,470</b>	10,318
Accruals		
– Accrued salaries	<b>1,680</b>	2,732
– Accrued audit fee	<b>1,467</b>	2,585
– Others	<b>2,425</b>	2,828
	<b>17,488</b>	18,463
Amounts due to brokers	<b>13,416</b>	10,627

**23 Commitments**

**Capital commitments**

There were approximately HK\$334,000 capital expenditure contracted for but not yet incurred as at 30 June 2023 (31 December 2022: Nil).



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 24 Related party transactions

#### (a) Relationship between the Group and related parties

##### (i) *Ultimate shareholder of the Group*

Zhao John Huan

##### (ii) *Ultimate parent*

Name	Place of incorporation	Principal place of business	Ownership interest	
			As at 30 June 2023	As at 31 December 2022
Hony Capital Group, L.P.	Cayman Islands	Cayman Islands	67.87%	67.87%

##### (iii) *Subject to common control of ultimate shareholders*

Colour Wish Limited  
 United Strength Honor Limited  
 Expand Ocean Limited  
 Exponential Fortune Group Limited  
 Goldstream Segregated Portfolio Company  
 Honi Capital Limited  
 Honi Capital Management (Cayman) Limited  
 Honi Group Management Limited  
 Honi Gold Holdings, L.P.  
 Honi Gold GP Limited  
 Honi Gold Management Limited  
 Honi Managing Partners Limited

##### (iv) *Associates*

Goldstream Healthcare Focus Fund SP

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 24 Related party transactions (Continued)

#### (b) Transactions with related parties

The following transactions were carried out with related parties:

		For the six months ended 30 June	
		2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Services income	(i)		
– Associate		589	2,075
– Other related parties		1,486	1,170
		<b>2,075</b>	3,245
Loan interest income from a fellow subsidiary	(ii)	17,406	–
Loan arrangement fee from a fellow subsidiary	(ii)	1,755	–
Rental expenses of property	(iii)		
– Other related party		1,440	1,440

Notes:

- (i) Services income from related parties mainly represent the provision of IM services, at a price mutually agreed.
- (ii) Loan interest income and loan arrangement fee from a fellow subsidiary for provision a facility of US\$30,000,000.
- (iii) The Group rented property from related party, Hony Capital Limited, at a price mutually agreed.

#### (c) Balances with related parties

The outstanding balances arising from the above transactions at the end of the reporting period are as follows:

		As at 30 June 2023 HK\$'000 (Unaudited)	As at 31 December 2022 HK\$'000 (Audited)
Loan receivables from a fellow subsidiary (Note 16)		250,845	230,387
Trade receivables			
– Associates		292	532
– Other related parties		1,882	12,656
		<b>2,174</b>	13,188
Deposits and other receivables			
– Ultimate holding company		14,000	14,000
– Associates		35	–
Other payables			
– Other related parties		1,446	–

Except loan receivable from a fellow subsidiary, remaining balances with related parties are unsecured, interest-free, repayable on demand and denominated in HK\$, USD and RMB.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 24 Related party transactions (Continued)

#### (d) Key management compensation

Key management includes directors and senior management. The compensation paid or payable to key management for employee services is shown below:

	For the six months ended 30 June	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Wages, salaries and other benefits	2,125	2,066
Contribution to retirement benefit schemes	100	260
	<b>2,225</b>	2,326

The remuneration is included in "employee benefits expenses" (see Note 8).

### 25 Contingent liabilities

The Group had no significant contingent liabilities as at 30 June 2023 and 31 December 2022.

### 26 Events after the reporting period

There were no significant events after the reporting period and up to the date of this report.