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GoFintech Innovation Limited 國富創新有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 290)

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

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2024

The board (the “**Board**”) of directors (the “**Directors**”) of GoFintech Innovation Limited (the “**Company**”) announces the consolidated annual results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 March 2024 together with the comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Revenue	3	49,456	26,943
Net losses on investments at fair value through profit or loss (“ FVTPL ”)		(3,481)	(4,630)
Cost of brokerage and other services		(20,719)	(6,012)
Other income, net	5	17,672	3,330
Expected credit losses (“ ECL ”) on loan and trade receivables		(6,034)	(16,717)
Impairment loss of right-of-use assets		(6,140)	(1,005)
Staff costs	7	(35,734)	(42,575)
Other operating expenses	7	(21,169)	(13,916)
Finance costs	6	(2,002)	(5,136)
Share of (losses)/profits of associates		(2,483)	855
Loss before tax	7	(30,634)	(58,863)
Income tax (expense)/credit	8	(45)	8
Loss for the year		(30,679)	(58,855)

	<i>Note</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Other comprehensive expense:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		(1,934)	(123)
Share of other comprehensive expense of associates		<u>(4,506)</u>	<u>(6,254)</u>
Other comprehensive expense for the year, net of tax		<u>(6,440)</u>	<u>(6,377)</u>
Total comprehensive expense for the year		<u>(37,119)</u>	<u>(65,232)</u>
		<i>HK cent</i>	<i>HK cents</i> (Restated)
Loss per share			
– Basic	<i>10</i>	<u>(0.91)</u>	<u>(2.84)</u>
– Diluted	<i>10</i>	<u>(0.91)</u>	<u>(2.84)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Non-current assets			
Property and equipment and right-of-use assets		14,630	–
Loan receivables	11	13,500	–
Other non-current assets		7,294	6,815
Investments at FVTPL		79,769	–
Interests in associates		112,898	99,647
		<u>228,091</u>	<u>106,462</u>
Current assets			
Investments at FVTPL		173,504	71,491
Loan and trade receivables	11	99,997	42,644
Contract assets		17	17
Other receivables, deposits and prepayments		24,436	6,346
Current tax assets		151	151
Bank balances and cash – trust		276,738	136,902
Bank balances and cash – general		289,257	111,748
		<u>864,100</u>	<u>369,299</u>
Current liabilities			
Trade payables	12	276,025	137,157
Other payables and accruals		4,505	4,525
Lease liabilities		7,217	5,468
Corporate bonds		2,062	29,185
Current tax liabilities		843	834
		<u>290,652</u>	<u>177,169</u>
Net current assets		<u>573,448</u>	<u>192,130</u>
Total assets less current liabilities		<u>801,539</u>	<u>298,592</u>

	<i>Note</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current liabilities			
Lease liabilities		14,696	106
Corporate bonds		–	2,017
		<u>14,696</u>	<u>2,123</u>
Net assets		<u>786,843</u>	<u>296,469</u>
Capital and reserves			
Share capital	<i>13</i>	632,625	131,797
Reserves		154,218	164,672
		<u>786,843</u>	<u>296,469</u>
Total equity		<u>786,843</u>	<u>296,469</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2024

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability. The address of its registered office is P.O. Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands. The address of its principal place of business is Units No. 4102-06, 41/F, COSCO Tower, 183 Queen's Road Central, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company is an investment holding company. The principal activities of the subsidiaries of the Company are securities and insurance brokerage, equity investment, asset management, corporate finance, margin financing and money lending services.

The consolidated financial statements are presented in Hong Kong dollars ("**HK\$**"), which is also the functional currency of the Company. Figures are rounded to the nearest thousand unless otherwise specified.

These consolidated financial statements for the year ended 31 March 2024 were approved by the Board on 26 June 2024.

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

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting year beginning on 1 April 2023. HKFRSs comprise Hong Kong Financial Reporting Standards ("**HKFRS**"); Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current year and prior years.

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

3. REVENUE

Disaggregation of revenue from contracts with customers:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Timing of recognition		
<i>Over time:</i>		
Service income from corporate finance	4,719	5,444
Income from asset management business	4,784	10,651
<i>At a point in time:</i>		
Income from securities brokerage business	33,385	2,913
Income from consultancy and insurance brokerage business	534	700
Income from asset management business	–	234
Income from equity investment business	–	119
	<hr/>	<hr/>
Revenue from contracts with customers	43,422	20,061
Margin interest revenue from securities brokerage business	1,492	4,071
Interest revenue from money lending business	4,542	2,788
Interest revenue from equity investment business	–	23
	<hr/>	<hr/>
Total revenue	<u>49,456</u>	<u>26,943</u>

4. SEGMENT INFORMATION

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

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

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

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

Information regarding the above segments is reported below.

Segment revenue and results

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

For the year ended 31 March 2024

	Securities brokerage and margin financing <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Consultancy and insurance brokerage <i>HK\$'000</i>	Asset management <i>HK\$'000</i>	Equity investment <i>HK\$'000</i>	Unallocated	Inter-segment elimination <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Revenue	34,877	4,719	4,542	534	4,784	-	-	-	49,456
Inter-segment revenue	2,202	-	-	77	-	-	-	(2,279)	-
Net losses on investments at FVTPL	(28)	-	-	-	-	(3,453)	-	-	(3,481)
Finance costs	(3)	-	-	-	(10)	-	(1,989)	-	(2,002)
Impairment loss of right-of-use assets	-	-	-	-	-	-	(6,140)	-	(6,140)
Others	(28,476)	(7,508)	(5,018)	(807)	(6,036)	(3,791)	(26,303)	2,279	(75,660)
Segment results	<u>8,572</u>	<u>(2,789)</u>	<u>(476)</u>	<u>(196)</u>	<u>(1,262)</u>	<u>(7,244)</u>	<u>(34,432)</u>	<u>-</u>	<u>(37,827)</u>
Gain on bargain purchase of an associate									9,676
Share of losses of associates									<u>(2,483)</u>
Loss before tax									(30,634)
Income tax expense									<u>(45)</u>
Loss for the year									<u><u>(30,679)</u></u>

For the year ended 31 March 2023

	Securities brokerage and margin financing <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Consultancy and insurance brokerage <i>HK\$'000</i>	Asset management <i>HK\$'000</i>	Equity investment <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Inter-segment elimination <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Revenue	6,984	5,444	2,788	700	10,885	142	-	-	26,943
Inter-segment revenue	303	22,950	-	113	-	-	-	(23,366)	-
Net gains/(losses) on investments at FVTPL	22	-	-	-	-	(4,642)	(10)	-	(4,630)
Finance costs	(1)	-	-	-	(11)	-	(5,124)	-	(5,136)
Impairment loss of right-of-use assets	-	-	-	-	(801)	-	(204)	-	(1,005)
Others	(19,736)	(13,948)	(5,793)	(880)	(10,164)	(649)	(48,086)	23,366	(75,890)
Segment results	<u>(12,428)</u>	<u>14,446</u>	<u>(3,005)</u>	<u>(67)</u>	<u>(91)</u>	<u>(5,149)</u>	<u>(53,424)</u>	<u>-</u>	<u>(59,718)</u>
Share of profits of associates									<u>855</u>
Loss before tax									<u>(58,863)</u>
Income tax credit									<u>8</u>
Loss for the year									<u><u>(58,855)</u></u>

Segment assets and liabilities

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Segment assets		
Securities brokerage and margin financing	312,616	220,225
Corporate finance	4,231	3,821
Money lending	123,212	25,574
Consultancy and insurance brokerage	1,378	1,337
Asset management	8,955	11,692
Equity investment	257,708	82,758
	<hr/>	<hr/>
Total segment assets	708,100	345,407
Interests in associates	112,898	99,647
Unallocated	271,193	30,707
	<hr/>	<hr/>
Consolidated total assets	1,092,191	475,761
	<hr/>	<hr/>
Segment liabilities		
Securities brokerage and margin financing	276,170	137,616
Corporate finance	84	167
Money lending	38	–
Consultancy and insurance brokerage	244	209
Asset management	2,186	3,000
Equity investment	146	114
	<hr/>	<hr/>
Total segment liabilities	278,868	141,106
Unallocated	26,480	38,186
	<hr/>	<hr/>
Consolidated total liabilities	305,348	179,292
	<hr/> <hr/>	<hr/> <hr/>

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

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

Other segment information

	Securities brokerage and margin financing				Corporate finance				Money lending				Consultancy and insurance				Asset management		Equity investment		Unallocated		Consolidated	
	2024		2023		2024		2023		2024		2023		2024		2023		2024		2023		2024		2023	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Amounts included in the measure of segment results or segment assets:																								
Additions to right-of-use assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	801	-	-	22,658	204	22,658	1,005			
Bad debt written-off on trade and other receivables	-	-	-	-	-	-	-	-	3	-	132	-	-	-	-	-	-	-	1	-	136			
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,888	-	1,888	-				
ECL on trade receivables	2,674	10,279	966	1,532	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,640	11,811			
ECL on loan receivables	-	-	-	-	2,394	4,906	-	-	-	-	-	-	-	-	-	-	-	-	-	2,394	4,906			

The amounts regularly provided to the chief operating decision maker but not included in the measure of segment results or segment assets are not material for both years ended 31 March 2024 and 2023.

Information about major customers

Revenue from customers which individually contributed over 10% of the Group's revenue during the years ended 31 March 2024 and 2023 is as follows:

	2024 HK\$'000	2023 HK\$'000
Customer 1	5,779	*
Customer 2	5,670	*
Customer 3	*	5,155
Customer 4	*	2,873

The revenue contributed from customers 1 and 2 are derived from the securities brokerage business, customers 3 and 4 are derived from the asset management business.

* The corresponding revenue did not individually contribute over 10% of the Group's revenue or did not have any transactions in the respective years.

Geographical information

The Group's operations are mainly located and carried out in Hong Kong. Accordingly, no geographical information related to revenue has been presented. The following table sets out information about the Group's property and equipment and right-of-use assets, other non-current assets (excluded regulatory deposits) and interests in associates ("specified non-current assets"). The geographical location of the specified non-current assets is based on the physical location of the asset (in the case of property and equipment and right-of-use assets), and the location of operations (in the case of other non-current assets and interests in associates).

	2024 HK\$'000	2023 HK\$'000
Hong Kong	123,135	84,946
The People's Republic of China ("PRC")	11,003	21,311
	<u>134,138</u>	<u>106,257</u>

5. OTHER INCOME, NET

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest revenue from financial institutions	7,259	1,359
Exchange (loss)/gain, net	(279)	128
Gain on bargain purchase of an associate	9,676	–
Sundry income (<i>note</i>)	1,016	1,843
	<u>17,672</u>	<u>3,330</u>

Note: During the year ended 31 March 2024, the Group recognised government grants of HK\$756,000 in respect of setting up of open-ended fund companies in Hong Kong. During the year ended 31 March 2023, the Group recognised government grants of HK\$1,260,000 in respect of COVID-19-related subsidies in relation to Employment Support Scheme provided by the Hong Kong government.

6. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interests on lease liabilities	269	194
Interests on loan payables and others	3	1,714
Interests on corporate bonds	1,730	3,228
	<u>2,002</u>	<u>5,136</u>

7. LOSS BEFORE TAX

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Other operating expenses:		
Auditor's remuneration		
– Audit services	800	980
– Non-audit services	240	270
Announcement and listing fee	1,134	592
Bad debt written-off on trade and other receivables	–	136
Bank charges	133	104
Computer expenses	1,207	1,226
Depreciation	1,888	–
Entertainment	707	1,084
Information and communication fee	1,373	1,429
Short-term lease expenses	100	234
Legal and professional fee	6,387	2,923
Membership fee	42	561
Rates and building management fee	808	831
Telecommunication fee	319	370
Transaction costs	3,016	42
Travelling expenses	413	660
Other expenses	2,602	2,474
	<hr/>	<hr/>
Total	21,169	13,916
	<hr/> <hr/>	<hr/> <hr/>
	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Staff costs:		
– Directors' emoluments	7,336	8,259
– Salaries and allowance (excluding Directors)	28,595	34,857
– Equity-settled share-based payments (excluding Directors)	292	–
– Retirement benefit scheme contributions (excluding Directors)	1,110	1,258
	<hr/>	<hr/>
	37,333	44,374
Less: Staff costs included in cost of brokerage and other services	(1,599)	(1,799)
	<hr/>	<hr/>
	35,734	42,575
	<hr/> <hr/>	<hr/> <hr/>

8. INCOME TAX EXPENSE/(CREDIT)

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax – Hong Kong Profits Tax		
– Under/(over) provision in prior year	38	(8)
Current tax – PRC Enterprise Income Tax		
– Provision for the year	<u>7</u>	<u>–</u>
Total income tax expense/(credit)	<u><u>45</u></u>	<u><u>(8)</u></u>

Hong Kong Profits Tax has been provided at 16.5% (2023: 16.5%) of the estimated assessable profits for the year ended 31 March 2024.

The income tax provision of the Group in respect of operations in the PRC was calculated at the tax rate of 25% on the estimated assessable profits for the year ended 31 March 2024, based on existing legislation, interpretation and practices in respect thereof. No income tax provision for the year ended 31 March 2023 as the Group did not generate any assessable profits arising in the PRC during that year.

9. DIVIDEND

No dividend was paid or proposed during the year ended 31 March 2024, nor has any dividend been proposed since the end of the reporting year (2023: nil).

10. LOSS PER SHARE

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss		
Loss for the purpose of calculating basic and diluted loss per share	<u><u>(30,679)</u></u>	<u><u>(58,855)</u></u>
	2024 <i>'000</i>	2023 <i>'000</i> (Restated)
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	<u><u>3,381,332</u></u>	<u><u>2,074,438</u></u>

The weighted average number of ordinary shares of 2,074,438,000 for the year ended 31 March 2023 was adjusted to reflect the rights issue completed on 8 February 2024. No adjustment has been made to the basic earnings per share amounts presented in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect and the Company did not have any dilutive potential ordinary share during the years ended 31 March 2024 and 2023.

11. LOAN AND TRADE RECEIVABLES

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	<i>(a)</i>	2,921	30,397
Loan receivables – current	<i>(b)</i>	97,076	12,247
Loan receivables – non-current	<i>(b)</i>	13,500	–
		<u>113,497</u>	<u>42,644</u>

(a) Trade receivables

The followings are the balances of trade receivables, net of ECL:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables from securities brokerage business		
– Hong Kong Securities Clearing Company Limited (“HKSCC”)	–	908
– margin clients	572	40,749
Trade receivables from other businesses	5,530	3,344
	<u>6,102</u>	<u>45,001</u>
Less: ECL	(3,181)	(14,604)
	<u>2,921</u>	<u>30,397</u>

The settlement terms of trade receivables from HKSCC arising from securities brokerage business are two trading days after trade date. The Group allows an average credit period of 30 days to its customers from other businesses.

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

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Less than 30 days	392	1,307
31 to 60 days	337	315
61 to 90 days	–	3
Over 90 days	1,622	413
	<u>2,351</u>	<u>2,038</u>
Carrying amount of trade receivables (excluding margin clients)	<u>2,351</u>	<u>2,038</u>

(b) **Loan receivables**

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current portion		
Secured	<u>13,500</u>	<u>–</u>
Current portion		
Secured	5,063	14,139
Unsecured	<u>93,704</u>	<u>3,014</u>
	98,767	17,153
Less: ECL	<u>(1,691)</u>	<u>(4,906)</u>
Carrying amount	<u>110,576</u>	<u>12,247</u>

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Less than 30 days	90,767	153
Over 90 days	<u>19,809</u>	<u>12,094</u>
	<u>110,576</u>	<u>12,247</u>

12. TRADE PAYABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade payables from the securities brokerage business		
– margin and cash clients	266,924	137,157
– HKSCC	<u>9,101</u>	<u>–</u>
	<u>276,025</u>	<u>137,157</u>

The settlement terms of trade payables to HKSCC is two trading days after the trade dates.

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

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

	2024 HK\$'000	2023 <i>HK\$'000</i>
Less than 30 days	<u>9,101</u>	<u>–</u>

13. SHARE CAPITAL

Ordinary shares of HK\$0.10 each

	<i>Notes</i>	Number of shares '000	Amount HK\$'000
Authorised:			
At 1 April 2022		2,000,000	200,000
Increase in authorised share capital	<i>(A)</i>	<u>18,000,000</u>	<u>1,800,000</u>
At 31 March 2023, 1 April 2023 and 31 March 2024		<u>20,000,000</u>	<u>2,000,000</u>
Issued and fully paid:			
At 1 April 2022		915,308	91,531
Issue of shares	<i>(B)</i>	183,000	18,300
Issue of shares	<i>(C)</i>	<u>219,660</u>	<u>21,966</u>
At 31 March 2023 and 1 April 2023		1,317,968	131,797
Issue of shares	<i>(D)</i>	263,594	26,359
Issue of shares	<i>(E)</i>	<u>4,744,684</u>	<u>474,469</u>
At 31 March 2024		<u>6,326,246</u>	<u>632,625</u>

(A) Increase in authorised share capital

In March 2023, the Company passed a resolution to approve the increase in authorised share capital of the Company from HK\$200,000,000 divided into 2,000,000,000 shares of HK\$0.10 each to HK\$2,000,000,000 divided into 20,000,000,000 shares by the creation of additional 18,000,000,000 shares.

(B) Issue of shares

In September 2022, a total of 183,000,000 ordinary shares at a price of HK\$0.31 each were issued upon completion of the subscription of which 53,000,000 ordinary shares were subscribed by a close family member of one of the directors while remaining 130,000,000 ordinary shares to independent third parties. The total proceeds received by the Company from the subscription was HK\$56,730,000.

(C) Issue of shares

In January 2023, a total of 219,660,000 ordinary shares at a price of HK\$0.26 each were issued upon completion of the placing to independent third parties. The total proceeds received by the Company from the placing was approximately HK\$57,112,000.

(D) Issue of shares

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

(E) Issue of shares

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

14. COMPARATIVE FIGURES

Certain comparative figures have been re-presented to enhance comparability with the current year consolidated financial statements.

RESULTS

For the year ended 31 March 2024 (the “**Reporting Year**”), the Group recorded revenue and net losses on investments at fair value through profit or loss in the net amount of approximately HK\$45,975,000, representing an increase of approximately 106.05% from approximately HK\$22,313,000 for the year ended 31 March 2023. The increase was mainly attributable to the increase in income generated from securities brokerage business as well as interest revenue from money lending business.

The Group recorded a loss of approximately HK\$30,679,000 for the Reporting Year, as compared to the loss of approximately HK\$58,855,000 in 2023. The overall loss position of the Group has improved in the Reporting Year mainly due to (i) an increase in revenue generated from the licensed businesses of the Group; (ii) an increase in other income which was mainly consisted of gain on bargain purchase of an associate and interest revenue from financial institutions; (iii) a decrease in expected credit losses on loan and trade receivables; and (iv) a decrease in both staff costs and finance costs during the Reporting Year.

The basic and diluted loss per share of the Company for the Reporting Year was approximately HK0.91 cent as compared to the basic and diluted loss per share of approximately HK2.84 cents in 2023.

BUSINESS REVIEW

Securities brokerage and margin financing

The business of securities brokerage and margin financing is one of the main revenue streams of the Group. During the Reporting Year, the business of securities brokerage and margin financing recorded revenue (including inter-segment revenue) and net investment losses of net amount of approximately HK\$37,051,000, representing an increase of approximately 406.92% as compared to the revenue (including inter-segment revenue) and net investment gains of approximately HK\$7,309,000 in total in 2023.

The segment profit for the Reporting Year amounted to approximately HK\$8,572,000 (2023: segment loss of approximately HK\$12,428,000). The turnaround from segment loss to profit was mainly attributable to the increase of income from securities brokerage business.

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

Corporate finance

The corporate finance market was under a keen competition during the Reporting Year. Segment revenue (excluded inter-segment revenue) from corporate finance business decreased by approximately 13.32% from approximately HK\$5,444,000 to approximately HK\$4,719,000, while the segment loss for the Reporting Year amounted to approximately HK\$2,789,000 (2023: segment profit of approximately HK\$14,446,000). By excluding the inter-segment revenue, the segment loss was approximately HK\$8,504,000 in 2023.

Money lending

During the Reporting Year, the money lending market was under intensive competition locally. The Group recorded an interest revenue from money lending business of approximately HK\$4,542,000 (2023: approximately HK\$2,788,000), representing an increase of approximately 62.91% as compared to 2023. The segment loss for the Reporting Year amounted to approximately HK\$476,000 (2023: approximately HK\$3,005,000).

Overview

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

With funding supported by the Group, Fortune Finance provides money lending services including property mortgages, share mortgages and personal loans. The loan periods are normally around 2 to 60 months. The source of clients of Fortune Finance are mainly from referrals and such referrals are sourced from existing clients and the management of the Group. As of 31 March 2024, the clients of Fortune Finance comprises (i) companies engaged in retail and information technology; and (ii) individuals engaged in finance, trading and retail sectors (2023: (i) companies engaged in retail and information technology; and (ii) individuals engaged in finance sector).

Internal control procedures and credit risk assessment policy

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

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

Determination of loan terms

The loan terms are determined based on factors such as:

- purpose of fund usage claimed by the borrower;
- capital liquidity of the borrower;
- current loan terms offered by borrower's existing financing company;
- credibility and repayment history of borrower;
- loan size of the application versus the Group's internal capital resources allocation and planning; and
- other risk factors, if any.

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

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

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

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

Information on loans

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

As at 31 March 2023, there were a total of three outstanding loans with an aggregate outstanding principal amount of HK\$17,000,000 (before expected credit losses) and interest rates which ranged from 12% to 13% per annum.

Collection of loan receivables

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

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

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

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

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

- collateral ratio (if any);
- amount of actual shortfall;
- delay in repayment;
- responsive to the Group's request in repayment after maturity of loan;
- an actual or expected downgrade of the external or internal credit rating of the borrower;

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower’s ability to meet its debt obligation;
- significant changes in external market indicators of credit risk for a particular financial asset or similar financial assets with similar characteristics; and
- significant changes in the value of the collateral supporting the obligation or credit enhancement, if applicable.

Management classify loan receivables based on the following:

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

Stage 2: For exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired. Below are indicators of significant increase in credit risks: (a) if repayment of loan is delayed by borrower; (b) if Collateral Ratio (if any) is 60% or higher; and (c) responsive to the Group’s request for repayment.

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

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

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

Consultancy and insurance brokerage

During the Reporting Year, the Group recorded a segment revenue (including inter-segment revenue) from consultancy services and insurance brokerage services of approximately HK\$611,000 (2023: approximately HK\$813,000), representing a reduction of approximately 24.85% as compared to 2023. The segment loss for the Reporting Year was approximately HK\$196,000 (2023: approximately HK\$67,000).

Asset management

During the Reporting Year, the Group recorded a segment revenue from asset management of approximately HK\$4,784,000 (2023: approximately HK\$10,885,000), representing a decrease of approximately 56.05% as compared to 2023. The decrease in segment revenue was mainly attributable to decrease in management fee income generated during the Reporting Year. The segment loss for the Reporting Year was approximately HK\$1,262,000 (2023: approximately HK\$91,000).

Equity investment

During the Reporting Year, the Group recorded a segment revenue and net investment loss from equity investment of net amount of approximately HK\$3,453,000 (2023: approximately HK\$4,500,000). The segment loss for the Reporting Year amounted to approximately HK\$7,244,000 (2023: approximately HK\$5,149,000).

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

Reference is made to the announcements of the Company dated 7 August 2023 (the “**Subscription for New Shares Announcement**”) and 16 August 2023, in relation to the subscription for new Shares under General Mandate. Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Subscription for New Shares Announcement.

On 7 August 2023 (after trading hours of the Stock Exchange), the Company entered into the Subscription Agreement with Mr. Wang Tao, an individual who regularly resides in the PRC (the “**Subscriber**”), pursuant to which the Company has conditionally agreed to allot and issue to the Subscriber, and the Subscriber has conditionally agreed to subscribe for a total number of 263,593,577 Subscription Shares at the Subscription Price of HK\$0.20 per Subscription Share.

Subscription Shares

The Subscription Shares represented (a) approximately 20.00% of the existing issued share capital of the Company as at the date of the Subscription for New Shares Announcement; and (b) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

Ranking of the Subscription Shares

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

Subscription Price

The Subscription Price of HK\$0.20 per Subscription Share represented, among others, a premium of approximately 14.29% to the closing price of HK\$0.175 per Share as quoted on the Stock Exchange on 7 August 2023, being the date of the Subscription Agreement.

The net issue price per Subscription Share was approximately HK\$0.20. The aggregate nominal value of the Subscription Shares was approximately HK\$26,359,358.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, immediately before completion of the Subscription, the Subscriber was an independent third party who was independent of the Company and its connected persons (as defined in Chapter 14A of the Listing Rules) and the Subscriber was not acting in concert with one another or any connected person of the Company.

Reasons for the Subscription

The Directors are of the view that by the allotment and issue of the Subscription Shares, the Subscription represented an opportunity to raise additional funds for the Group and thereby providing a higher liquidity to increase the Group's operational flexibility and to sustain its capability for financing any of its potential business development opportunities upon the Group's existing businesses, as and when suitable opportunity arises, and for the use of general working capital of the Group. Therefore, the Subscription strengthened the financial position of the Group, enabling it to increase its working capital through the Subscription without increasing the interest burden on the Group and enhance its resistance to liquidity risk by means of equity fundraising.

Completion of the Subscription took place on 16 August 2023.

The gross proceeds from the Subscription amounted to HK\$52.72 million and the net proceeds (after deduction of relevant expenses) received by the Company under the Subscription was approximately HK\$52.64 million.

All of the proceeds raised from the Subscription have been utilised as at the date of this announcement in accordance with the intended uses as disclosed in the Subscription for New Shares Announcement, and the details of the use of proceeds of the Subscription are as follows:

Intended use of proceeds as disclosed in the Subscription for New Shares Announcement	Approximate amount of proceeds intended to be applied for each of the intended uses	Utilised proceeds on the intended use up to the date of this announcement
(a) Investment to be made on an entity in relation to blockchain technology and provision of relevant services of cryptocurrency exchange	US\$3.04 million (equivalent to approximately HK\$23.71 million)	HK\$23.71 million
(b) Investment to be made on a banking entity which provides cryptocurrency custodian services	US\$1.60 million (equivalent to approximately HK\$12.48 million)	HK\$12.48 million
(c) Repayment of the principal amount of the corporate bonds and the interest accrued therefrom, which are becoming due and payable during the period from September 2023 to October 2023	HK\$13.70 million	HK\$13.70 million
(d) General working capital of the Group, including staff cost, rental expenses and other office overhead of the Group	HK\$2.75 million	HK\$2.75 million
Total	HK\$52.64 million	HK\$52.64 million

RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) EXISTING SHARE HELD ON THE RECORD DATE

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

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

Rights Shares

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

Ranking of the Rights Shares

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

Price of the Rights Shares

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

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

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

Reasons for the Rights Issue

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

The Rights Issue became unconditional on 6 February 2024.

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

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

	Intended revised use of proceeds as disclosed in the New UOP Announcement	Approximate amount of proceeds intended to be applied for each of the revised use of proceeds <i>HK\$ million (approximately)</i>	Utilised proceeds on the intended use up to the date of this announcement <i>HK\$ million (approximately)</i>	Unutilised proceeds up to the date of this announcement <i>HK\$ million (approximately)</i>	Expected timeline for the use of unutilised proceeds
(A)	Working capital for the Group's principally engaged businesses	194.00	192.97	1.03	
(i)	In respect of money lending business	100.00	100.00	0.00	Not applicable
(ii)	In respect of margin financing business	0.00	0.00	0.00	Not applicable
(iii)	In respect of asset management business	50.00	50.00	0.00	Not applicable
(iv)	In respect of corporate finance business	44.00	42.97	1.03	Expected to be utilised by August 2024

	Intended revised use of proceeds as disclosed in the New UOP Announcement	Approximate amount of proceeds intended to be applied for each of the revised use of proceeds <i>HK\$ million</i> <i>(approximately)</i>	Utilised proceeds on the intended use up to the date of this announcement <i>HK\$ million</i> <i>(approximately)</i>	Unutilised proceeds up to the date of this announcement <i>HK\$ million</i> <i>(approximately)</i>	Expected timeline for the use of unutilised proceeds
(B)	Reserved as seed money for the investment funds to be established and operated under the Group's asset management business	140.00	140.00	0.00	
(i)	seed money for an investment fund to be established with focus primarily on major secondary equity markets in Hong Kong, PRC and the USA	90.00	90.00	0.00	Not applicable
(ii)	seed money for an investment fund to be established with focus primarily on private equity targets seeking initial public offerings in the securities markets of Hong Kong and the USA	50.00	50.00	0.00	Not applicable
(C)	General working capital of the Group, including staff cost, rental expenses and other office overhead of the Group	56.82	24.94	31.88	
(i)	paying staff costs	32.82	14.64	18.18	Expected to be utilised by February 2025
(ii)	paying rental expenses and other office overhead of the Group	19.00	8.30	10.70	Expected to be utilised by February 2025
(iii)	paying cost of upgrading IT system	5.00	2.00	3.00	Expected to be utilised by August 2024
(D)	Investment into and operation of companies within the financial technology sector	24.00	24.00	0.00	Not applicable
(E)	Repayment of the principal amount of the corporate bonds and the interest accrued therefrom (in the aggregate amount outstanding being approximately HK\$14.46 million), which are becoming due and payable during the period from December 2023 to April 2024	10.00	10.00	0.00	Not applicable
(F)	New purpose: Investment Immigration	16.00	16.00	0.00	Not applicable
(G)	New purpose: Clean Energy Investment	25.00	25.00	0.00	Not applicable
(H)	New purpose: Cryptocurrency Investment	5.00	5.00	0.00	Not applicable
Total:		470.82	437.91	32.91	

ISSUE OF CONVERTIBLE BONDS

On 22 November 2016, the Company (as the issuer) entered into each of the Cinda Subscription Agreement, the PAL Subscription Agreement and the Riverhead Capital Subscription Agreement (each as defined below) in relation to the issue of convertible bonds in an aggregate principal amount of HK\$570,000,000.

- (i) The Company entered into a subscription agreement (the “**Cinda Subscription Agreement**”) with Mankind Investment Limited (“**Mankind**”), pursuant to which, Mankind agreed to subscribe to the convertible bonds in the principal amount of HK\$110,754,000 (the “**Convertible Bonds to Mankind**”).
- (ii) On 21 September 2016, the Company entered in to a subscription agreement with Pacific Alliance Limited (“**PAL**”), and subsequently a supplemental agreement on 22 November 2016 (the “**PAL Subscription Agreement**”), pursuant to which, PAL agreed to subscribe to the convertible bonds in the principal amount of HK\$153,585,000 (the “**Convertible Bonds to PAL**”). On 8 January 2018, PAL sold the Convertible Bonds to PAL to Value Convergence Holdings Limited.
- (iii) The Company entered into a subscription agreement (the “**Riverhead Capital Subscription Agreement**”) with Riverhead Capital (International) Management Co., Limited (“**Riverhead Capital**”), pursuant to which, Riverhead Capital agreed to subscribe to the convertible bonds in the aggregate principal amount of HK\$305,661,000 (the “**Convertible Bonds to Riverhead Capital**”) in 4 tranches.

Completion of subscriptions (i), (ii) and tranche 1 of subscription (iii) above (altogether, the “**Tranche 1 Convertible Bonds**”) took place on 30 March 2017. The convertible bonds to Mankind, PAL and Riverhead Capital all bear an interest rate of 2% and mature on the third (3rd) anniversary of the date of issue of the convertible bonds with both dates inclusive at the conversion price of HK\$0.06 per conversion share. Upon full conversion of the Tranche 1 Convertible Bonds by all subscribers at the conversion price of HK\$0.06, a total number of 6,500,000,000 conversion shares would be issued, subject to adjustments to the conversion price of HK\$0.06.

The net proceeds raised through the issue of the Tranche 1 Convertible Bonds were approximately HK\$385,000,000, in which (i) approximately HK\$180,000,000 was used for the injection of capital to a joint venture of the Company and expanding its margin financing and underwriting business; (ii) approximately HK\$150,000,000 for expanding its money lending business; (iii) approximately HK\$12,000,000 for engaging in private equity investments; (iv) approximately HK\$9,000,000 for strengthening the capital base of its subsidiaries and (v) the remaining balance of approximately HK\$34,000,000 for the general working capital of the Group.

The Convertible Bonds to Mankind was exercised in approximately 51.74% of original principal amount, which was equivalent to the amount of HK\$57,300,000 at the conversion price of HK\$0.06 on 27 April 2017. After completion of conversion, 955,000,000 shares of the Company were issued on 28 April 2017. Furthermore, tranche 1 of the Convertible Bonds to Riverhead Capital was also exercised in full in the principal amount of HK\$125,661,000 at the conversion price of HK\$0.06 on 27 April 2017. After the completion of conversion, 2,094,350,000 shares of the Company were issued on 28 April 2017.

Following the exercise of tranche 1 of the Convertible Bonds to Riverhead Capital, completion of subscription of tranche 2 took place on 28 June 2017. The net proceeds raised through the issue of tranche 2 of the Convertible Bonds to Riverhead Capital were HK\$60,000,000, in which approximately HK\$50,000,000 was used for further expanding its margin financing business and approximately HK\$10,000,000 for its underwriting business.

Following the completion of tranche 2 of the Convertible Bonds to Riverhead Capital, completion of subscription of tranche 3 took place on 5 July 2018. The net proceeds raised through the issue of tranche 3 of the Convertible Bonds to Riverhead Capital were HK\$60,000,000, in which approximately HK\$36,000,000 was used for further strengthening the proprietary trading business, approximately HK\$12,000,000 was used for engagement in private equity investments such as pre-IPO investment, and approximately HK\$12,000,000 was used for the asset management business as seed money to the existing funds and/or new funds.

The tranche 3 of the Convertible Bonds to Riverhead Capital was exercised in 65% of original principal amount, which was equivalent to the amount of HK\$39,000,000 at the conversion price of HK\$0.06 on 11 January 2019. After the completion of conversion, the number of 650,000,000 shares of the Company were issued on 14 January 2019.

The tranche 4 of the Convertible Bonds to Riverhead Capital were not issued due to the non-satisfaction of the conditions precedent set out in the Riverhead Capital Subscription Agreement.

The Convertible Bonds to Mankind matured on 30 March 2020. Pursuant to the terms and conditions of the Convertible Bonds to Mankind, the outstanding principal amount of HK\$53,454,000 together with all accrued and unpaid interests was subsequently repaid on 3 April 2020.

The Convertible Bonds to PAL matured on 30 March 2020. Pursuant to the terms and conditions of the Convertible Bonds to PAL, the outstanding principal amount of HK\$153,585,000 together with all accrued and unpaid interests shall be paid by the Company to the current bondholders of the Convertible Bonds to PAL. As disclosed in the voluntary announcement of the Company dated 10 July 2020, the Company fully settled and repaid the balance of the outstanding principal and interest in relation to the Convertible Bonds to PAL.

The tranche 2 of the Convertible Bonds to Riverhead Capital was due on 28 June 2020. As disclosed in the announcement of the Company dated 8 July 2020 (the “**Amendment Deed Announcement**”), the Company and Riverhead Capital entered into an amendment deed (the “**Amendment Deed**”) on 8 July 2020 (after trading hours), pursuant to which, Riverhead Capital conditionally agreed to extend the maturity date of the tranche 2 of the Convertible Bonds to Riverhead Capital from the date falling on the third anniversary of the issue date of the tranche 2 of the Convertible Bonds to Riverhead Capital (i.e. 28 June 2020) to the fifth anniversary of the issue date of the tranche 2 of the Convertible Bonds to Riverhead Capital (i.e. 28 June 2022) (the “**CB Extension**”). Subject to fulfilment of the conditions precedent as disclosed in Amendment Deed Announcement, the Company shall execute a supplemental deed poll to effect the CB Extension. A circular containing, among others, further details of CB Extension and a notice for the extraordinary general meeting (“**EGM**”) was despatched to the shareholders of the Company (“**Shareholders**”) on 29 July 2020.

At the EGM held on 27 August 2020, the ordinary resolution approving the CB Extension contemplated under the Amendment Deed and the proposed grant of the specific mandate as set out in the EGM notice dated 29 July 2020 was not passed by the independent Shareholders by way of poll at the EGM. Pursuant to the terms and conditions of the Convertible Bonds to Riverhead Capital, the outstanding principal amount of HK\$60,000,000 together with all accrued and unpaid interests of the tranche 2 of the Convertible Bonds to Riverhead Capital were repaid on 4 September 2020.

The tranche 3 of the Convertible Bonds to Riverhead Capital matured on 5 July 2021. Pursuant to the terms and conditions of the Convertible Bonds to Riverhead Capital, the outstanding principal amount of HK\$21,000,000 together with all accrued and unpaid interests was repaid on 5 July 2021.

For details of the Cinda Subscription Agreement, PAL Subscription Agreement and Riverhead Capital Subscription Agreement and the relevant transactions, please refer to the circulars of the Company dated 13 December 2016 and 29 July 2020, and announcements of the Company dated 21 September 2016, 22 November 2016, 5 January 2017, 30 March 2017, 28 April 2017, 5 July 2018, 14 January 2019, 30 March 2020, 14 April 2020, 8 July 2020, 10 July 2020 and 27 August 2020.

With reference made to the mentioned circulars and announcements, Tranche 1 Convertible Bonds, tranche 2 of the Convertible Bonds to Riverhead Capital and tranche 3 of the Convertible Bonds to Riverhead Capital were issued pursuant to the resolutions passed at the EGM held on 5 January 2017. The total funds raised from and the details of the use of proceeds of the said tranches are as follows:

Tranche 1 Convertible Bonds

	Intended use of the proceeds as previously disclosed	Approximate amount of proceeds intended to be applied for each use of proceeds as previously disclosed	utilised proceeds on the intended use during the year ended 31 March 2024	Unutilised proceeds as at 31 March 2024	Expected timeline for the use of unutilised proceeds and reasons for delay
a.	Expanding the margin financing and underwriting businesses	HK\$60,000,000	HK\$60,000,000	HK\$0	Not applicable
b.	Establishment of a joint venture company to be formed in the PRC (the “JV Company”) under the Closer Economic Partnership Arrangement	HK\$120,000,000	HK\$0	HK\$120,000,000	The proceeds is planned to be applied in accordance with the intended use as disclosed in the circular dated 13 December 2016. Documents to supplement the application made to China Securities Regulatory Commission (the “CSRC”) for establishment of the JV Company was last made on 27 July 2018 while the timeframe is subject to the said regulator’s approval (<i>note a</i>)

	Intended use of the proceeds as previously disclosed	Approximate amount of proceeds intended to be applied for each of the intended use of proceeds as previously disclosed	utilised proceeds on the intended use during the year ended 31 March 2024	Unutilised proceeds as at 31 March 2024	Expected timeline for the use of unutilised proceeds and reasons for delay
c.	Expanding its money lending business	HK\$150,000,000	HK\$150,000,000	HK\$0	Not applicable
d.	Engaging in private equity investments	HK\$12,000,000	HK\$12,000,000	HK\$0	Not applicable
e.	Proprietary trading	HK\$5,000,000	HK\$5,000,000	HK\$0	Not applicable
f.	Strengthening the capital base of wealth management business	HK\$2,000,000	HK\$2,000,000	HK\$0	Not applicable
g.	Strengthening the capital base of corporate financing business	HK\$2,000,000	HK\$2,000,000	HK\$0	Not applicable
h.	General working capital	HK\$34,000,000	HK\$34,000,000	HK\$0	Not applicable

Note a: As at the date of this announcement, due to the delay caused by CSRC without providing timetable regarding its approval in connection with the application to establish the JV company in the PRC, the Company has liaised with the other parties to the JV company to withdraw the aforesaid application and is pending to receive the official confirmation letter for withdrawn from the CSRC. Accordingly, such unutilised sum in the amount of HK\$120,000,000 (the “**Unutilised Sum**”) would no longer be used for the said purpose and for the avoidance of doubt, the Tranche 1 Convertible Bonds were fully redeemed/repayed and the Unutilised Sum was repaid as at the date of this announcement.

Tranche 2 of the Convertible Bonds to Riverhead Capital

	Intended use of the proceeds as previously disclosed	Approximate amount of proceeds intended to be applied for each of the intended use of proceeds as previously disclosed	utilised proceeds on the intended use during the year ended 31 March 2024	Unutilised proceeds as at 31 March 2024	Expected timeline for the use of unutilised proceeds
a.	Further expanding the margin financing business	HK\$50,000,000	HK\$50,000,000	HK\$0	Not applicable
b.	Further strengthening the underwriting business	HK\$10,000,000	HK\$10,000,000	HK\$0	Not applicable

Tranche 3 of the Convertible Bonds to Riverhead Capital

Intended use of the proceeds as previously disclosed	Approximate amount of proceeds intended to be applied for each use of proceeds as previously	disclosed utilised proceeds on the intended use during the year ended 31 March 2024	Unutilised proceeds as at 31 March 2024	Expected timeline for the use of unutilised proceeds
a. Further strengthening the proprietary trading business	HK\$36,000,000	HK\$36,000,000	HK\$0	Not applicable
b. Further engagement in private equity investments	HK\$12,000,000	HK\$12,000,000	HK\$0	Not applicable
c. For the asset management business to be used as seed money to the existing funds and/or new funds	HK\$12,000,000	HK\$12,000,000	HK\$0	Not applicable

Adjustment to the convertible bonds

As at 16 October 2020, which is the date for convening the EGM for the Shareholders' approval for the share consolidation of the Company (the "**Share Consolidation**"), the outstanding convertible bonds of the Company were the tranche 3 of the Convertible Bonds to Riverhead Capital (the "**Outstanding Convertible Bonds**"), with an aggregate principal amount of HK\$21,000,000, which were convertible into 350,000,000 shares of par value of HK\$0.01 each in the share capital of the Company (the "**Existing Shares**") at the conversion price of HK\$0.06 per Existing Share. As a result of the Share Consolidation and in accordance with the terms and conditions of the convertible bonds of the Company, effective from the close of business on Monday, 19 October 2020, the following adjustment (the "**CB Adjustment**") was made to the conversion price of the Outstanding Convertible Bonds and the number of consolidated shares falling to be issued upon the exercise of the conversion rights attaching to the Outstanding Convertible Bonds:

Immediately before the CB Adjustment becoming effective	Conversion price per Existing Share	Immediately after the CB Adjustment becoming effective	Conversion price per consolidated share
Number of Existing Shares to be issued upon full conversion of the Outstanding Convertible Bonds		Number of consolidated shares to be issued upon full conversion of the Outstanding Convertible Bonds	
350,000,000	HK\$0.06	35,000,000	HK\$0.60

Grant Thornton Hong Kong Limited, Certified Public Accountants, reviewed the above adjustments and confirmed that the calculation of the CB Adjustment was made in accordance with terms and conditions of the convertible bonds of the Company.

Save for the CB Adjustment, all the other terms and conditions of the convertible bonds of the Company remain unchanged.

CAPITAL STRUCTURE

As at 31 March 2024, the nominal value of the total issued share capital of the Company was approximately HK\$632,624,585 comprising 6,326,245,848 shares of the Company of HK\$0.10 each (the “**Shares**”).

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

CAPITAL RISK MANAGEMENT

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

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

The Directors review the capital structure regularly. As part of the review, the Directors consider the cost of capital and the risks associated with each class of capital, and take appropriate actions to adjust the Group’s capital structure. The overall strategy of the Group remains unchanged during the years ended 31 March 2024 and 2023.

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

One of the subsidiaries of the Company is a licensed insurance intermediary under the Insurance Ordinance (Cap. 41 of the Laws of Hong Kong) and is required to maintain a minimum net asset value of HK\$300,000 for the period from 1 April 2023 to 31 December 2023 and HK\$500,000 for the period from 1 January 2024 to 31 March 2024.

There is no non-compliance of the capital requirements of the Group members imposed by the respective regulators during the years ended 31 March 2024 and 2023.

LIQUIDITY AND FINANCIAL RESOURCES AND GEARING RATIO

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

As at 31 March 2024, the Group's current assets and current liabilities were approximately HK\$864,100,000 (as at 31 March 2023: approximately HK\$369,299,000) and approximately HK\$290,652,000 (as at 31 March 2023: approximately HK\$177,169,000) respectively, while the current ratio was about 2.97 times (as at 31 March 2023: 2.08 times).

As at 31 March 2024, the Group's aggregate cash and cash equivalents amounted to approximately HK\$289,257,000 (as at 31 March 2023: approximately HK\$111,748,000), of which approximately 98.22% was denominated in Hong Kong dollars ("HK\$") (as at 31 March 2023: approximately 82.48%), approximately 1.47% was denominated in United States dollars ("USD") (as at 31 March 2023: approximately 11.88%), approximately 0.27% was denominated in Renminbi ("RMB") (as at 31 March 2023: 5.52%), and approximately 0.04% was denominated in SGD (as at 31 March 2023: approximately 0.12%), representing 33.47% (as at 31 March 2023: approximately 30.26%) of total current assets. As at 31 March 2024, the Group had no bank borrowing (as at 31 March 2023: nil).

During the Reporting Year, no financial instruments were used for hedging purposes. As at 31 March 2024, the gearing ratio, measured on the basis of total borrowings (including lease liabilities and corporate bonds) as a percentage of equity attributable to owners of the Company, was approximately 3.05% (as at 31 March 2023: approximately 12.40%). The decrease in ratio was mainly due to repayment of corporate bonds. The debt ratio, defined as total debts over total assets, was approximately 27.96% (as at 31 March 2023: 37.71%).

During the year ended 31 March 2024 and 2023, no additional corporate bond was issued.

SIGNIFICANT INVESTMENT

As at 31 March 2024, the Group held investments at fair value through profit or loss of approximately HK\$253,273,000 (as at 31 March 2023: approximately HK\$71,491,000), with net losses on investments at fair value through profit or loss of approximately HK\$3,481,000 (2023: approximately HK\$4,630,000).

As at 31 March 2024, none of each individual underlying investment of the above mentioned investments constitutes 5% or above of the total assets of the Group.

INVESTMENT IN ASSOCIATES

The Group has a significant investment in Starlight Financial Holdings Limited ("Starlight"), an associate of the Group.

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

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

The carrying amount of the investment as at 31 March 2024 was approximately HK\$94,410,000, representing approximately 8.64% of the Group's total assets as at 31 March 2024.

During the year ended 31 March 2024, the revenue and total comprehensive expense attributable to owners of Starlight Group was approximately HK\$41,227,000 (for the year ended 31 March 2023: approximately HK\$49,483,000) and approximately HK\$20,947,000 (for the year ended 31 March 2023: approximately HK\$21,597,000). No dividend was received during the Reporting Year.

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

OUTLOOK

Looking forward to 2024, the Company will continue to focus on the core business of sustainable growth, deeply explore and manage customer needs, focus on improving customer value, practise technology-driven financial innovation, improve the comprehensive service level and capabilities of the financial business, and promote the Company's fully-licensed financial business to enter into a new stage of high-quality development.

At the same time, the Company will continue to focus on technological innovation, accelerate the conversion of new and existing development drivers, implement strategic adjustments, and focus on core directions of business development. The Company will actively embrace the opportunities brought by innovative technologies such as Web 3.0 and quantum computing, continue to explore technology scenario applications in emerging fields, and observe investment opportunities in emerging fields. We believe that the Company is standing at a new starting point and will return to the track of growth and profitability, and we look forward to continuing to create value for our stakeholders in the years to come.

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

MATERIAL ACQUISITION AND DISPOSAL

There was no material acquisition or disposal of the Group during the Reporting Year.

CONTINGENT LIABILITIES

As at 31 March 2024, the Group had no material contingent liabilities (as at 31 March 2023: nil).

CHARGE ON THE GROUP'S ASSET

As at 31 March 2024, no asset of the Group was subject to any charge (as at 31 March 2023: Nil).

RISK MANAGEMENT

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

FOREIGN CURRENCY FLUCTUATION

During the Reporting Year, the Group mainly used Hong Kong dollars in its business transactions. The Board considers that the Group's foreign currency exposure is insignificant.

HUMAN RESOURCES

As at 31 March 2024, the Group had 67 employees in total (2023: 55 employees). The related employees' costs for the Reporting Year (excluding Directors' remunerations) amounted to approximately HK\$29,997,000 (2023: approximately HK\$36,115,000). The Group remunerated employees based on the industry practice and individual's performance. Staff benefits include contributions to retirement benefit scheme, medical allowance and other fringe benefits. In addition, the Group maintains the share option scheme for the purpose of providing incentives and rewards to eligible participants based on their contributions.

EVENTS AFTER THE REPORTING PERIOD

Adoption of the Share Award Scheme

References are made to (i) the announcements of the Company dated 11 April 2024, 29 May 2024 and 3 June 2024 (collectively, the "**Share Award Scheme Announcements**"); and (ii) the circular of the Company dated 13 May 2024 (the "**Share Award Scheme Circular**") in relation to the Share Award Scheme. Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Share Award Scheme Announcements and the Share Award Scheme Circular.

On 11 April 2024, the Company announced the proposed adoption of the Share Award Scheme, which will be valid for a period of ten (10) years from the Adoption Date and the Awarded Shares will be satisfied by (i) new Shares to be allotted and issued to the Trustee(s); and/or (ii) existing Shares to be acquired by the Trustee(s) on the market. The purpose of the Share Award Scheme is to recognise and acknowledge the contributions which the Eligible Participants have made or may make to the Group.

The total number of Shares which may be issued pursuant to all Share Awards to be granted under the Share Award Scheme amounts to 541,093,796 Shares, being approximately 8.55%, and thus not more than 10% of the entire issued share capital as at the Adoption Date (the “**Scheme Mandate Limit**”). The Scheme Mandate Limit has taken into account such Shares issued or to be issued pursuant to any granted and unexercised options made under the share option scheme of the Company adopted in September 2021 (the “**2021 Share Option Scheme**”), which shall be subject to the Scheme Mandate Limit. Therefore, the 91,500,000 outstanding share options of the Company granted on 27 March 2024 pursuant to the 2021 Share Option Scheme and the 30,788 share options of the Company which have not been granted have been included under the Scheme Mandate Limit.

The Share Award Scheme was approved and adopted by the Shareholders at the extraordinary general meeting of the Company (the “**EGM**”) convened on 29 May 2024. The listing committee of the Stock Exchange has granted the approval for the listing of, and permission to deal in the Shares which may be issued and allotted pursuant to the Share Award Scheme. All conditions of the Share Award Scheme have been fulfilled and the Share Award Scheme has become effective on 3 June 2024.

Termination of the 2021 Share Option Scheme

During the EGM, the Shareholders has also resolved to terminate the 2021 Share Option Scheme, upon which no further share options may be granted but the provisions of the 2021 Share Option Scheme will remain in force and effect to the extent necessary to give effect to the exercise of any share option granted prior to its termination or otherwise as may be required in accordance with the provisions of the 2021 Share Option Scheme. Thus the share options granted under the 2021 Share Option Scheme prior to the termination shall continue to be valid and exercisable in accordance with the rules of the 2021 Share Option Scheme.

Discloseable Transaction in relation to the Provision of Financial Assistance

References is made to the announcement of the Company dated 13 May 2024 (the “**Provision of Financial Assistance Announcement**”) in relation to the provision of financial assistance to Ms. Xue Jingyi, an individual who is an Independent Third Party (“**Borrower A**”) and Ms. Ma Zhanlei, an individual who is an Independent Third Party (“**Borrower B**”). Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Provision of Financial Assistance Announcement.

On 13 March 2024, Fortune Finance Limited (the “**Lender**”) entered into Loan Agreement A with Borrower A for a loan in the principal amount of HK\$45,000,000. On 13 May 2024, the Lender entered into Supplemental Agreement A with Borrower A to extend the repayment date of Loan Agreement A for two (2) months in the principal amount of HK\$37,125,000.

On 13 March 2024, the Lender entered into Loan Agreement B with Borrower B for a loan in the principal amount of HK\$45,000,000. On 13 May 2024, the Lender entered into Supplemental Agreement B with Borrower B to extend the repayment date of Loan Agreement B for two (2) months in the principal amount of HK\$38,125,000.

For details of the provision of financial assistance to Borrower A and Borrower B, please refer to the Provision of Financial Assistance Announcement.

Connected Transaction in relation to the Acquisition of Equity Interest in the Target Company

References is made to the announcement of the Company dated 12 June 2024 (the “**Acquisition Announcement**”) in relation to the Acquisition of Target Equity. Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Acquisition Announcement.

On 12 June 2024, Chuangqi International Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company (the “**Purchaser**”) and Dr. LIU Zhiwei, a substantial shareholder of the Company and the former chairman of the Board and executive Director (the “**Vendor**”) entered into the Equity Transfer Agreement, pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Target Equity at the Consideration in the amount of HK\$39.50 million.

For details of the Acquisition, please refer to the Acquisition Announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company’s listed securities throughout the year ended 31 March 2024.

FINAL DIVIDEND

The Directors do not recommend the payment of a final dividend for the Reporting Year.

CORPORATE GOVERNANCE

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

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

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

CORPORATE GOVERNANCE CODE COMPLIANCE

Throughout the year ended 31 March 2024, the Company has complied with all code provisions and, where appropriate, met the recommended best practices of the CG Code.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors’ securities transaction. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standards set out in the Model Code throughout the year ended 31 March 2024.

REVIEW OF FINANCIAL INFORMATION

The audit committee of the Company (the “**Audit Committee**”) comprises four independent non-executive Directors, namely Mr. CHIU Kung Chik (chairman of the Audit Committee), Mr. CHAN Kin Sang, Mr. LI Gaofeng and Ms. LUI Mei Ka. The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal controls and financial reporting matters including the review of the audited consolidated financial statements and annual results of the Group for the Reporting Year.

SCOPE OF WORK OF ZHONGHUI ANDA CPA LIMITED

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 31 March 2024 as set out in the preliminary announcement have been agreed by the Group’s auditors, ZHONGHUI ANDA CPA Limited, to the amounts set out in the Group’s audited consolidated financial statements for the year ended 31 March 2024. The work performed by ZHONGHUI ANDA CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by ZHONGHUI ANDA CPA Limited on the preliminary announcement.

PUBLICATION OF 2024 ANNUAL REPORT

The 2024 annual report of the Company will be dispatched to the Shareholders and published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.290.com.hk in July 2024.

By order of the Board
GoFintech Innovation Limited
CHAN Kin Sang

Chairman and Independent Non-executive Director

Hong Kong, 26 June 2024

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