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CAPITAL REALM FINANCIAL HOLDINGS GROUP LIMITED

資本界金控集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 204)

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

The board of directors (the “**Board**”) of Capital Realm Financial Holdings Group Limited (the “**Company**”) announces the unaudited interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 September 2024 (the “**Period**”) together with the comparative figures for the corresponding period in 2023. The unaudited interim results have been reviewed by the audit committee of the Company.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2024

	Notes	Six months ended 30 September	
		2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Revenue	5	–	–
Other income	5	7,629	4,715
Change in fair value of financial assets at fair value through profit or loss		(20,220)	29,288
Net realised gain/(loss) on financial assets at fair value through profit or loss		–	–
Impairment loss under the ECL model, net of reversal		10,770	–
Administrative expenses		(8,253)	(12,117)
Operating (loss)/profit		<u>(10,074)</u>	<u>21,886</u>
Finance costs	6	<u>(523)</u>	<u>(1,529)</u>
(Loss)/profit before income tax expense	7	(10,597)	20,357
Income tax expense	8	<u>–</u>	<u>–</u>
(Loss)/profit for the period attributable to owners of the Company		<u><u>(10,597)</u></u>	<u><u>20,357</u></u>

	Six months ended	
	30 September	
	2024	2023
<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Other comprehensive (expense)/income		
Item that will not be reclassified		
to profit or loss:		
– Change in fair value of financial assets at fair		
value through other comprehensive income	–	(11,778)
Item that may be reclassified subsequently to		
profit or loss:		
– Exchange difference on translation of financial		
statements of foreign operations	<u>2,594</u>	<u>3,208</u>
Other comprehensive income/(expense)		
for the period, net of tax	<u>2,594</u>	<u>(8,570)</u>
Total comprehensive (expense)/income		
for the period	<u><u>(8,003)</u></u>	<u><u>11,787</u></u>
(Loss)/earnings per share	<i>10</i>	
– Basic (<i>HK cent per share</i>)	<u><u>(1.23)</u></u>	<u><u>4.47</u></u>
– Diluted (<i>HK cent per share</i>)	<u><u>(1.23)</u></u>	<u><u>4.47</u></u>
Proceeds from disposal of financial assets		
at fair value through profit or loss	<u><u>–</u></u>	<u><u>–</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

	Notes	30 September 2024 HK\$'000 (unaudited)	31 March 2024 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment		1,185	1,369
Financial assets at fair value through profit or loss	11	<u>92,772</u>	<u>157,714</u>
		<u>93,957</u>	<u>159,083</u>
Current assets			
Financial assets at fair value through other comprehensive income	12	–	36,506
Financial assets at fair value through profit or loss	11	111,415	103,068
Other receivables, deposits and prepayments		78,230	122,531
Other financial assets at amortised cost	13	116,058	83,347
Cash and cash equivalents		<u>7,169</u>	<u>16,166</u>
		<u>312,872</u>	<u>361,618</u>
Current liabilities			
Other payables and accrued charges	14	<u>36,707</u>	<u>142,576</u>
		<u>36,707</u>	<u>142,576</u>
Net current assets		<u>276,165</u>	<u>219,042</u>
Net assets		<u>370,122</u>	<u>378,125</u>
EQUITY			
Equity attributable to owners of the Company			
Share capital	15	86,478	86,478
Reserves		<u>283,644</u>	<u>291,647</u>
Total equity		<u><u>370,122</u></u>	<u><u>378,125</u></u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Capital Realm Financial Holdings Group Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability on 25 March 1998 and was de-registered on 11 March 2011 and was registered by way of continuation as an exempted company in Bermuda on 2 March 2011. The Company’s shares have been listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with effect from 12 December 2000. Its registered office is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal office in Hong Kong is located at Suite No. 7, 17/F., Tower 1, China Hong Kong City, 33 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.

The Company is principally engaged in investment holding for short to long-term capital appreciation purposes, and investment in listed and unlisted securities.

2. BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 30 September 2024 have been prepared in accordance with Hong Kong Accounting Standard 34 Interim Financial Reporting (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”). They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income which has been measured at fair value. These condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”) and all values are rounded to the nearest dollar except when otherwise indicated.

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company’s annual financial statements as at 31 March 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”).

3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

In the Period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2024 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendment to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangement

The application of the amendments to HKFRSs has no material impact on the Group's financial position and financial performance for the current and/or prior periods and/or on the disclosure set out in the condensed consolidated financial statements.

The Group has not applied any new and amendments to HKFRSs that have been issued but not yet effective for the current accounting period.

4. SEGMENT INFORMATION

An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is identified on the basis of the internal management reporting information that is provided to and regularly reviewed by the Group's chief operating decision maker in order to allocate resources and assess performance of the segment. For the six months ended 30 September 2024 and 2023, the information reported to the executive directors, who are the chief operating decision makers for the purpose of resource allocation and assessment of performance, do not contain profit or loss information of each business line or geographical area and the executive directors reviewed the financial result of the Group as a whole reported under HKFRSs. Therefore, the executive directors have determined that the Group has only one single business component/reportable segment as the Group is only engaged in investment holding. The executive directors allocate resources and assess performance on an aggregated basis. Accordingly, no operating segment is presented.

The following table provides an analysis of the Group's revenue and non-current assets, property, plant and equipment (i.e. "specified non-current assets") by geographical locations, determined based on physical location of the assets or location of operations in case of interest in an associate, is as follows:

	Revenue from external customers		Specified non-current assets	
	Six months ended 30 September 2024	2023	30 September 2024	31 March 2024
	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (audited)
Hong Kong (place of domicile)	—	—	1,185	1,369

5. REVENUE AND OTHER INCOME

An analysis of revenue and other income is as follows:

	Six months ended 30 September	
	2024 <i>HK\$'000</i> (unaudited)	2023 <i>HK\$'000</i> (unaudited)
Revenue	<u>–</u>	<u>–</u>
Other income:		
Others	4	4
Dividend income from listed investments	–	–
Interest income from other financial assets at amortised cost	3,366	4,711
Exchange gain	<u>4,259</u>	<u>–</u>
	<u>7,629</u>	<u>4,715</u>
Total revenue and other income	<u><u>7,629</u></u>	<u><u>4,715</u></u>

6. FINANCE COSTS

	Six months ended 30 September	
	2024 <i>HK\$'000</i> (unaudited)	2023 <i>HK\$'000</i> (unaudited)
Interest expenses on lease liabilities	–	52
Interest expenses on bonds	<u>523</u>	<u>1,477</u>
	<u><u>523</u></u>	<u><u>1,529</u></u>

7. (LOSS)/PROFIT BEFORE INCOME TAX EXPENSE

(Loss)/profit before income tax expense was stated after charging the following:

	Six months ended	
	30 September	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Employee benefit expenses (including directors' remuneration)	2,258	3,010
Depreciation		
Property, plant and equipment	184	11
Rent & Rates	1,494	474
Exchange loss	–	7,062
	<u> </u>	<u> </u>

8. INCOME TAX EXPENSE

Hong Kong profits tax is calculated at 16.5% (2023: 16.5%) on the estimated assessable profits for the Period. Overseas tax is calculated at the rates applicable in the respective jurisdictions. No provision for income tax expense is required since the Group has no taxable profits either arising from Hong Kong or other jurisdictions during the Period (2023: Nil).

9. DIVIDEND

The directors do not recommend the payment of an interim dividend for the six months ended 30 September 2024 (2023: Nil).

10. (LOSS)/EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share amounts is based on the (loss)/earnings for the Period attributable to owners of the Company and the weighted average number of ordinary shares of 864,789,718 (2023: 454,924,658) in issue during the Period.

The computation of diluted (loss)/earnings per share for the Period did not assume the exercise of the Company's outstanding share options because the effect was anti-dilutive. Therefore, the diluted (loss)/earnings per share is the same as the basic (loss)/earnings per share for the Period.

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 September 2024 HK\$'000 (unaudited)	31 March 2024 HK\$'000 (audited)
Hong Kong listed equity securities, at market value (<i>note a</i>)	111,415	103,068
Investment in unlisted equity securities in PRC, at fair value (<i>note b</i>)	<u>92,772</u>	<u>157,714</u>
	<u>204,187</u>	<u>260,782</u>

Notes:

- (a) Particulars of the Group's major investment of listed equity security held by the Group as at 30 September 2024 are as follows:

30 September 2024

Name of investee companies	Notes	Number of shares held	Percentage of interest held	Cost HK\$'000	Market value HK\$'000	Accumulated unrealised gain arising on revaluation HK\$'000	Change in fair value during the Period gain/(loss) HK\$'000	Dividend received/ receivable HK\$'000	Percentage of the total assets of the Group
Icon Culture Global Company Limited ("Icon")	(i)	85,500,000 ordinary shares	19.7917%	39,758	47,025	7,267	10,260	-	11.56%
International Genius Company ("Intl Genius")	(ii)	12,878,000 ordinary shares	2.31%	28,283	64,390	36,107	(27,092)	-	15.83%
					<u>111,415</u>				

Notes:

- (i) Icon was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares were listed on the GEM of The Stock Exchange of Hong Kong Limited (stock code: 8500). The principal activities of the Company (together with its subsidiaries) are rendering of traditional offline media advertising, online media advertising, public relations, marketing campaigns and other services. For the year ended 31 December 2023, the audited consolidated loss attributable to equity shareholders of the Icon was approximately HK\$84,647,000 with basic and diluted loss per share of HK\$0.47 cents. As at 31 December 2023, its audited consolidated net liabilities attributable to owners of the company was approximately HK\$14,303,000. No dividend was received by the Group during the year ended 31 December 2023.

- (ii) Intl Genius was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 33). Its principal activities are (i) trading of party products and metals and minerals, (ii) securities brokerage and assets management, advancing business, credit guarantee and (iii) investment business and trading of commodities. For the year ended 30 June 2024, the audited consolidated loss attributable to equity shareholders of Intl Genius was approximately HK\$39,991,000 with basic and diluted loss per share of HK\$7.36 cents. As at 30 June 2024, its audited consolidated net assets attributable to owners of the company was approximately HK\$693,411,000. No dividend was received by the Group during the year ended 30 June 2024.

(b)

30 September 2024

Name of investee companies	Place of incorporation	Percentage of effective interest held at 30 September 2024	Accumulated fair value adjustment		Carrying value 30 September 2024	Dividend receivable/ received 30 September 2024	Percentage of total assets of the Group 30 September 2024
			At cost 30 September 2024	value adjustment 30 September 2024			
			HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Zhonghe Huinong (Beijing) Technology Development Co., Ltd* ("Zhonghe Huinong") (note i)	PRC	27.54	40,503	(19,927)	20,576	-	5.06
Shenzhen Qianhai CIC Dingsheng Investment Consulting Co., Ltd* ("Shenzhen Qianhai") (note ii)	PRC	30.00	41,402	(17,197)	24,205	-	5.95
Huanghao International Financial Leasing (Shenzhen) Co., Ltd* ("Huanghao") (note iii)	PRC	22.85	38,789	9,202	47,991	-	11.80
			120,694	(27,922)	92,772		

* for identification purpose only

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 September 2024 HK\$'000 (unaudited)	31 March 2024 HK\$'000 (audited)
Unlisted equity securities in PRC, at cost	–	53,225
Fair value adjustment	–	(16,719)
	–	36,506

Name of investee companies	Place of incorporation	Percentage of effective interest held at		Accumulated fair value				Dividend receivable/ assets of the Group		Percentage of total Dividend receivable/ asset of the Group	
		30 September 2024	31 March 2024	30 September 2024	31 March 2024	30 September 2024	31 March 2024	30 September 2024	31 March 2024	30 September 2024	31 March 2024
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Qingzhou Jiajiafu Modern Agricultural Group Co., Ltd.* ("Jiajiafu")	PRC	–	29,825	–	(9,413)	–	20,412	–	–	–	3.92%
Lanzhou Wole Aome Furnishing Service Co., Ltd.* ("Lanzhou Wole")	PRC	–	23,400	–	(7,306)	–	16,094	–	–	–	3.09%
		–	53,225	–	(16,719)	–	36,506				

13. OTHER FINANCIAL ASSETS AT AMORTISED COST

At 30 September 2024, the other financial assets at amortised cost included promissory notes held by the Group, amounted to approximately HK\$116,058,000 (2024: HK\$83,347,000) which are unsecured, interest bearing, non-transferrable, non trading related in nature and issued by private entities.

	30 September 2024 HK\$'000 (unaudited)	31 March 2024 HK\$'000 (audited)
At amortised cost	128,504	95,793
Less: ECL allowance	(12,446)	(12,446)
	116,058	83,347

Ageing analysis

As of the end of the Period, the ageing analysis of promissory notes, net of allowance for credit losses, based on the maturity date is as follows:

	30 September 2024 HK\$'000 (unaudited)	31 March 2024 HK\$'000 (audited)
Within 1 year	116,058	83,347
1 to 2 years	—	—
	<u>116,058</u>	<u>83,347</u>

14. OTHER PAYABLES AND ACCRUED CHARGES

	30 September 2024 HK\$'000 (unaudited)	31 March 2024 HK\$'000 (audited)
Bonds interest payables	917	755
Bonds payables (<i>note (i)</i>)	28,126	58,870
Deposit received	—	73,617
Accruals and other payables	7,664	9,334
	<u>36,707</u>	<u>142,576</u>

Note:

(i) As at 30 September 2024:

The Company has had short-term unsecured bonds with independent parties, bearing interest rate at 5% per annum, and maturity dates of the bonds outstanding at 30 September 2024 is up to 29 July 2025.

15. SHARE CAPITAL

	Number of ordinary shares of HK\$0.1 each '000	HK\$'000
Authorised:		
At 31 March 2024 (audited), 1 April 2024 and 30 September 2024 (unaudited)	<u>3,000,000</u>	<u>300,000</u>
Issued and fully paid:		
At 31 March 2024 (audited), 1 April 2024 and 30 September 2024 (unaudited)	<u>864,788</u>	<u>86,478</u>

16. NET ASSET VALUE PER SHARE

Net asset value per share is calculated by dividing the net assets included in the condensed consolidated statement of financial position of approximately HK\$370,122,000 (31 March 2024: HK\$378,125,000) and the number of ordinary shares in issue as at 30 September 2024, being 864,789,718 (31 March 2024: 864,789,718). The net asset value per share was HK\$0.428 as at 30 September 2024 (31 March 2024: HK\$0.437).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the Period, the principal business of the Company remained investment holding for short to long-term capital appreciation purposes, and investment in listed and unlisted securities.

The Group adopted a prudent approach for its investment. In respect of investment in unlisted companies, the Group have investments in unlisted equity interests of companies in mainland China in various sectors with development potential during the Period (details are set up in note 11(b) to the condensed consolidated financial statements).

During the Period, although it was not a principal business of investment, the Company has invested in other financial assets at amortised cost (details are set up in note 13 to the condensed consolidated financial statements) which allow earning stable income of interest and bring favourable return to our Shareholders. The Group has adopted cautious, proactive attitude and strategy in seeking low-risk and reputable for interest earning investment as other financial assets at amortised cost.

FINANCIAL REVIEW

For the Period, the Group's revenue was HK\$nil (2023: HK\$nil), which remain unchanged when compared with the corresponding period of last year. Loss for the Period attributable to owners of the Company was approximately HK\$10,597,000, as compared to profit for the corresponding period ended 30 September 2023. It was mainly attributable to fair value loss on financial assets at fair value through profit or loss.

Loss per share for the Period was HK1.23 cents (2023: earnings per share HK4.47 cents). As at 30 September 2024, the net asset value per share of the Group was HK\$0.428 (31 March 2024: HK\$0.437).

Other income

The Group's other income increased by approximately 61.8% from approximately HK\$4,715,000 for the six months ended 30 September 2023 to approximately HK\$7,629,000 for the six months ended 30 September 2024. Such increase was mainly due to the increase in exchange gain of approximately HK\$4,259,000.

Change in fair value of financial assets at fair value through profit or loss

The fair value loss of financial assets through profit or loss was approximately HK\$20,220,000 for the six months ended 30 September 2024, which represented an 169.04 times from approximately gain HK\$29,288,000 for the six months ended 30 September 2023.

Net realised gain/(loss) on financial assets at fair value through profit or loss

The Group's net realised gain/(loss) on financial assets at fair value through profit or loss was HK\$nil for the Period and for the six months ended 30 September 2023.

Impairment loss under the ECL model, net of reversal

The Group's impairment loss under the ECL model, net of reversal, was HK\$10,770,000 for the Period and was nil for the six months ended 30 September 2023.

Share-based payment expenses

The Group's share-based payment expenses was HK\$nil for the Period and for the six months ended 30 September 2023.

Administrative expenses

The Group's administrative expenses decreased by approximately 31.89% from approximately HK\$12,117,000 for the six months ended 30 September 2023 to approximately HK\$8,253,000 for the six months ended 30 September 2024. Such decrease was mainly due to the decrease in exchange loss.

Finance costs

The Group's finance costs decreased by approximately 65.79% from approximately HK\$1,529,000 for the six months ended 30 September 2023 to approximately HK\$523,000 for the six months ended 30 September 2024. Such decrease was mainly due to the decrease in interest expenses on bonds.

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

As at 30 September 2024, the Group's other financial assets at fair value through other comprehensive income was HK\$nil (31 March 2024: HK\$36,506,000), due to the disposal for the Period.

OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

As at 30 September 2024, the Group's other receivables and deposits paid were mainly refundable deposits paid. The decrease was mainly due to the decrease in deposits paid for investment in unlisted equity interests in PRC companies.

OTHER FINANCIAL ASSETS AT AMORTISED COST

As at 30 September 2024, the Group's other financial assets at amortised cost was HK\$116,058,000 (31 March 2024: HK\$83,347,000). The increased was mainly due to the increase in such assets for the Period.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

As at 30 September 2024, the Group's financial assets at fair value through profit or loss was HK\$204,187,000 (31 March 2024: HK\$260,782,000), mainly due to the Group's decrease in investments in unlisted equity interests in PRC's companies.

CAPITAL STRUCTURE, FINANCIAL RESOURCES AND LIQUIDITY

As at 30 September 2024, the total number of ordinary shares of HK\$0.1 each in the Company in issue were 864,789,718.

As at 30 September 2024, the Group had cash and cash equivalents of approximately HK\$7,169,000 (31 March 2024: approximately HK\$16,166,000). The Group had net current assets and net assets of approximately HK\$276,165,000 (31 March 2024: HK\$219,042,000) and approximately HK\$370,122,000 (31 March 2024: HK\$378,125,000) respectively as at 30 September 2024. The Group had bonds payable of approximately HK\$28,126,000 as at 30 September 2024.

The current ratio, calculated on the basis of total current assets over total current liabilities, was approximately 8.5 as at 30 September 2024 (31 March 2024: 2.54).

FOREIGN EXCHANGE EXPOSURE

Most of the business transactions of the Group are denominated in Hong Kong dollars and Renminbi. The management of the Group will closely monitor the fluctuation in these currencies and take appropriate actions when needed. As at 30 September 2024, the Group did not engage in currency hedging nor did it adopt any formal hedging activities.

PLEDGE OF ASSETS AND CONTINGENT LIABILITIES

As at 30 September 2024, there were no charges on the Group's assets and the Group had no material contingent liabilities.

COMMITMENTS

The Group did not have material capital commitments as at 30 September 2024.

STAFF COST AND REMUNERATION POLICY

As at 30 September 2024, the Group's total staff costs (including directors' remuneration) amounted to approximately HK\$2,258,000 (2023: HK\$3,010,000) for the Period. The Company adopted the model set out in Code Provision B.1.2(c)(ii) of Appendix C1 to the Listing Rules as its remuneration model for determining the emoluments of the directors. This model stipulates that the remuneration committee shall make recommendations to the Board on the remuneration packages of individual executive directors and senior management. The remuneration committee of the Company would take into consideration, among other things, the duties and responsibilities of the directors and senior management and prevailing market conditions when determining their remuneration.

The Company has adopted a share option scheme to provide incentives to eligible persons, including directors, employees, consultants, suppliers and customers of the Group.

PROSPECT

The Group continue to implement a proactive fiscal policy and a prudent monetary policy. Proactive fiscal policy should improve efficiency and pay more attention to precision and sustainability. It is necessary to ensure the intensity of fiscal expenditure and accelerate the progress of expenditure. The external environment has become more complex, severe and uncertain. Therefore, it is required that in 2024, "focus on stabilizing the macroeconomic market and keep the economy operating within a reasonable range", "all regions and departments should shoulder the responsibility of stabilizing the macro economy, and all parties should actively introduce policies that are conducive to economic stability". The Group has adopted more cautious and proactive attitude in seeking potential business opportunities in the market. In addition, the Group's investment strategy will explore more diversified investment opportunities with various industries. The Group is aiming at implementing an efficient and compliant internal control, pragmatically deploying its investment strategy, and strengthen its financial situation in order to bring favourable return to our Shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

There was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the Period.

SIGNIFICANT EVENTS AFTER PERIOD END

The Company issued 172,940,000 ordinary shares (“**Shares**”) under general mandate on 14 November 2024 (representing approximately 16.67% of the issued Shares as enlarged by such allotment) to not less than six places at the price of HK\$0.237 per Share, pursuant to a placing agreement between the Company and the placing agents, Pinestone Securities Limited and Ruisen Port Securities, dated 23 October 2024. The Company received net proceeds of approximately HK\$39.8 million. Further information, including the intended use of proceeds, is set out in the Company's announcements dated 14 November 2024.

Save for the above-mentioned matter and up to the date of this announcement, there was no significant event relevant to the business or financial performance of the Group that had come into the attention of the Directors since the end of the interim period for the six months ended 30 September 2024.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

During the Period, the Company has complied with the code provisions in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Listing Rules, except the following deviation:

Code Provision C.2.1 stipulates that the roles of chairman and chief executive officer (“**CEO**”) should be separated and should not be performed by the same person. The Company has no CEO since Ms. Lin Yudan has resigned as CEO of the Company with effect from 12 July 2021. Decisions of the Company are made collectively by the directors. The Board believes that the present arrangement enables the Company to make and implement decisions effectively in response to the changing environment.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the directors. Having made specific enquiry by the Company, all the directors have confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended 30 September 2024. During the Period, the Company was not aware of any non-compliance with the required standards as set out in the Model Code.

AUDIT COMMITTEE

The Audit Committee comprises three members, all being independent non-executive directors and is responsible for review of the Group's financial information and oversight of the Group's financial reporting system and internal control procedures. The Committee is also responsible for reviewing the interim and final results of the Group prior to recommending them to the Board for approval.

In performing its duties, it has unrestricted access to personnel, records and external auditors and senior management.

The unaudited interim results for the Period have been reviewed by the Audit Committee before recommendation to the Board for approval.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.00204.com.hk. The interim report of the Company for the six months ended 30 September 2024 will be dispatched to the shareholders of the Company and published on the above websites in due course.

By Order of the Board
Capital Realm Financial Holdings Group Limited
Han Zhenghai
Joint Chairman

Hong Kong, 29 November 2024

As at the date of this announcement, the Board comprises Mr. Chan Cheong Yee and Mr. Chan Yiu Pun Clement as executive Directors; Mr. Han Zhenghai (Joint Chairman), Mr. Deng Dongping (Joint Chairman), Mr. Zhu Zhikun, Ms. Mo Xiuping and Mr. Ge Zhifu as non-executive Directors; and Ms. Mo Li, Mr. Shi Zhu, Ms. Chen Shunqing and Mr. Ding Jiasheng as independent non-executive Directors.