

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



华科智能
WEALTHINK AI

WEALTHINK AI-INNOVATION CAPITAL LIMITED

華科智能投資有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1140)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

The board of directors (the “**Board**” or the “**Directors**”) of Wealthink AI-Innovation Capital Limited (formerly known as Wealthking Investments Limited, referred to as “**Wealthink AI**” or the “**Company**”) is pleased to announce the unaudited condensed results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 September 2023 (the “**Period**”) with comparative figures for the corresponding period in 2022 and selected explanatory notes as follows.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2023

	Notes	Six months ended 30 September	
		2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Turnover	3	<u>221,641</u>	<u>211,193</u>
Revenue	3	147,416	85,904
Other income and gains, net	5	84,570	7
Net change in unrealised (loss)/gain on investments at fair value through profit or loss arising from			
— listed investments		(21,692)	(244,664)
— unlisted investments		(90,456)	215,402
		(112,148)	(29,262)
Net realised (loss)/gain on disposal/ distribution of investments arising from			
— listed investments		(17,402)	27,244
— unlisted investments		(27,739)	(5,734)
		(45,141)	21,510

		Six months ended	
		30 September	
		2023	2022
		HK\$'000	HK\$'000
	<i>Notes</i>	(Unaudited)	(Unaudited)
Net change in unrealised gain on financial liabilities at fair value through profit or loss		195	276
Exchange difference		(8,560)	(1,825)
Reversal of provision for expected credit losses		11,208	103,530
Operating and administrative expenses		(32,025)	(41,299)
Operating profit		45,515	138,841
Finance costs		(42,561)	(29,888)
Share of profits of associates and joint ventures		20,192	104,257
Profit before tax		23,146	213,210
Income tax expense	6	—	—
Profit for the period attributable to owners of the Company	7	23,146	213,210
Other comprehensive income/(expense): <i>Items that may be reclassified to profit or loss:</i>			
Realisation of reserve from disposal of subsidiaries		31,939	—
Exchange differences on translating foreign operations		(195,581)	(172,236)
Share of associates' and joint venture's — Exchange differences on translating foreign operations		(122)	(15,956)
Other comprehensive expense for the period, net of income tax		(163,764)	(188,192)
Total comprehensive (expense)/income for the period attributable to owners of the Company		(140,618)	25,018
Earnings per share (HK cents)	8		
— Basic		0.22	3.25
— Diluted		0.22	3.25

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
ASSETS		
Non-current assets		
Equipment	3,117	4,178
Right-of-use assets	12,326	11,409
Intangible assets	782	782
Investments in associates and joint ventures	839,729	921,863
Investments at fair value through profit or loss	4,542,219	4,600,522
Debt investments	261,066	199,865
	5,659,239	5,738,619
Current assets		
Investments at fair value through profit or loss	1,832,905	2,057,701
Debt investments	3,330,434	3,167,597
Accounts and loan receivables	28,024	114,516
Interest receivables	172,180	121,854
Prepayments, deposits and other receivables	81,302	57,558
Bank and cash balances	34,382	108,360
	5,479,227	5,627,586
TOTAL ASSETS	11,138,466	11,366,205
EQUITY AND LIABILITIES		
Equity		
Share capital	1,052,032	1,052,032
Reserves	8,818,105	8,958,723
Total equity	9,870,137	10,010,755

		30 September	31 March
		2023	2023
		HK\$'000	HK\$'000
	<i>Notes</i>	(Unaudited)	(Audited)
Liabilities			
Current liabilities			
Accounts payables	10	50	50
Other payables		55,694	39,926
Financial liabilities at fair value through profit or loss		2,030	2,225
Borrowings		1,176,924	1,280,393
Lease liabilities		7,659	7,056
Current tax liabilities		17,818	17,818
		<u>1,260,175</u>	<u>1,347,468</u>
Net current assets		<u>4,219,052</u>	<u>4,280,118</u>
Non-current liabilities			
Financial liabilities at fair value through profit or loss		1,624	1,667
Lease liabilities		6,530	6,315
		<u>8,154</u>	<u>7,982</u>
Total liabilities		<u>1,268,329</u>	<u>1,355,450</u>
TOTAL EQUITY AND LIABILITIES		<u>11,138,466</u>	<u>11,366,205</u>
NET ASSETS		<u>9,870,137</u>	<u>10,010,755</u>
Net asset value per share	11	<u>HK\$0.94</u>	<u>HK\$0.95</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

1. BASIS OF PREPARATION

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

These condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2023. The accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 March 2023.

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

In the current period, the Company and its subsidiaries (collectively referred to as the “Group”) has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 April 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 period and prior years.

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

3. TURNOVER AND REVENUE

Turnover represents the aggregate of dividend income, interest revenue and gross sales proceeds from disposal/redemption of investments at fair value through profit or loss.

Turnover and revenue recognised during the periods are analysed as follows:

	Six months ended 30 September	
	2023	2022
	HK\$’000	HK\$’000
	(Unaudited)	(Unaudited)
Dividend income	–	1,038
Interest revenue	<u>147,416</u>	<u>84,866</u>
Total revenue	147,416	85,904
Gross sales proceeds from disposal/redemption of investments at fair value through profit or loss	<u>74,225</u>	<u>125,289</u>
Turnover	<u>221,641</u>	<u>211,193</u>

4. SEGMENT INFORMATION

The chief operating decision maker has been identified as the executive director, subject to requirements of the Listing Rules. The executive director assesses the operating segments using a measure of operating profit. The Group's measurement policies for segment reporting under HKFRS 8 are the same as those used in its HKFRS financial statements.

On adopting of HKFRS 8, based on the internal financial information reported to the executive director for decisions about resources allocation to the Group's business components and review of these components' performance, the Group has identified only one operating segment, being investment holding. Accordingly, segment disclosures are not presented.

Geographical information

	Six months ended 30 September	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<i>Revenue</i>		
— Hong Kong	111,875	57,292
— Mainland China	33,289	26,786
— United States of America	2,252	1,826
	<u>147,416</u>	<u>85,904</u>

In presenting the geographical information, revenue in relation to equity investments is based on the location of the investments and the revenue in relation to debt investments is based on location of provision of credit.

Non-current assets other than financial instruments

	30 September 2023	31 March 2023
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Hong Kong	365,314	330,451
Mainland China	489,858	606,999
United States of America	782	782
	<u>855,954</u>	<u>938,232</u>

Revenue from major debt investments

Revenue of the Group which individually accounted for 10% or more of the Group's total revenue is shown below:

	Six months ended	
	30 September	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Debt investment A	24,389	–
Debt investment B	20,305	12,058
Debt investment C	19,403	9,092
Debt investment D	#	16,362
Debt investment E	#	9,212

The amount of revenue was less than 10% of the total revenue for the relevant period.

5. OTHER INCOME AND GAINS, NET

	Six months ended	
	30 September	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Net gain on disposal of subsidiaries	84,308	–
Others	262	7
	<u>84,570</u>	<u>7</u>

6. INCOME TAX EXPENSE

	Six months ended	
	30 September	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current tax	–	–

No income tax provision for the six months ended 30 September 2023 and 2022 as the Group did not generate any assessable profits during those periods.

	Six months ended	
	30 September	
	2023	2022
	<i>HK cents</i>	<i>HK cents</i>
	(Unaudited)	(Unaudited)
Basic and diluted earnings per share	<u>0.22</u>	<u>3.25</u>

The effects of all potential ordinary shares are anti-dilutive for the six months ended 30 September 2023.

9. ACCOUNTS AND LOANS RECEIVABLES

	30 September	31 March
	2023	2023
<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Audited)
Unsecured loan	(a) –	45,102
Accounts receivables	(b) 1,089	1,089
Amounts due from associates, joint ventures and related companies	(c) 26,935	26,789
Dividend receivables	(d) –	41,536
	<u>28,024</u>	<u>114,516</u>

Notes:

(a)

	30 September	31 March
	2023	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Audited)
Unsecured loan to a third party	–	47,344
Less: provision for ECL	–	(2,242)
	<u>–</u>	<u>45,102</u>

Unsecured loan of RMB41,457,000, equivalent to HK\$47,344,000 was provided to a third party established in the People's Republic of China ("PRC") with interest rate of 8.00% p.a. as at 31 March 2023. ECL of RMB1,963,000, equivalent to HK\$2,242,000 was recognised against the unsecured loan as at 31 March 2023 based on estimated recoverable amount determined by reference to an analysis of the counterparty's current operation.

The unsecured loan was disposed along with the disposal of a subsidiary during the six months ended 30 September 2023.

The Group does not hold any collateral or other credit enhancement over the balance.

- (b) The Group does not hold any collateral or other credit enhancements over the accounts receivables from co-investment partners. The ageing analysis of accounts receivables, based on invoice date of accounts receivables, and net of allowance, is as follows:

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Unbilled	<u>1,089</u>	<u>1,089</u>

- (c) Amounts due from associates, joint ventures and related companies mainly arise from advance money provided for potential investment projects and administrative expenses paid by the Group on behalf of its associates, joint ventures and related companies. The amounts are unsecured, interest-free and repayable on demand.

During the six months ended 30 September 2023, in view of the uncertainty on the recoverability of the amount due from one of the associates, provision for ECL of HK\$7,000 (six months ended 30 September 2022: HK\$2,541,000) was recognised in profit or loss.

- (d) As at 31 March 2023, dividend receivables represents dividend declared by CSOP Asset Management Limited. The amounts was settled during the six months ended 30 September 2023.

10. ACCOUNTS PAYABLES

The ageing analysis of accounts payables, based on the recognition date of accounts payables, is as follows:

	30 September 2023	31 March 2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Audited)
Over 1 year	<u>50</u>	<u>50</u>

11. NET ASSET VALUE PER SHARE

The net asset value per share is calculated by dividing the net asset value of the Group as at 30 September 2023 of HK\$9,870,137,000 (31 March 2023: HK\$10,010,755,000) by the number of ordinary shares in issue at that date, being 10,520,324,505 (31 March 2023: 10,520,324,505).

12. DIVIDEND

No dividends was paid or proposed for ordinary shareholders of the Company during the six months ended 30 September 2023, nor has any dividend been proposed at the end of the reporting period (six months ended 30 September 2022: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

WEALTHINK AI OVERVIEW

Wealthink AI is a cross-border investor with a focus on China's fast-growing industries and the best investment opportunities. We believe that a long-term investment perspective is a critical enabler of value creation. The integration of industry, technology and financial capital has become an irresistible trend, which is propelling new industrial revolutions. Our mission is to identify great companies and enhance their performance through providing patient capital and strong support to the excellent management teams.

We leverage our capital strength to invest in targeted companies. Our investment strategy is comprised of three pillars, namely core-holding- centered private equity, portfolio management as well as trading and others, with returns generated from interests, dividends and capital appreciation.

INVESTMENT REVIEW

Investment Activities

From the beginning of this year, downward pressure on China's economy still exists. The continued decline in the RMB exchange rate and the weak performance of the capital markets in mainland China and Hong Kong have brought certain challenges to our investment business and post-investment management. Confronted by the complex macro environment, Wealthink AI has relied on its flexibility to make adjustment on its investment strategy by increasing the fixed-income investments and interest investment in portfolio management category to create more stable returns for the Group. In addition, under the complex and ever-changing economic situation, we are also striving to identify certain industrial trends and fix our attention to the emerging technology fields while continuing to strengthen strategic execution in the technology field.

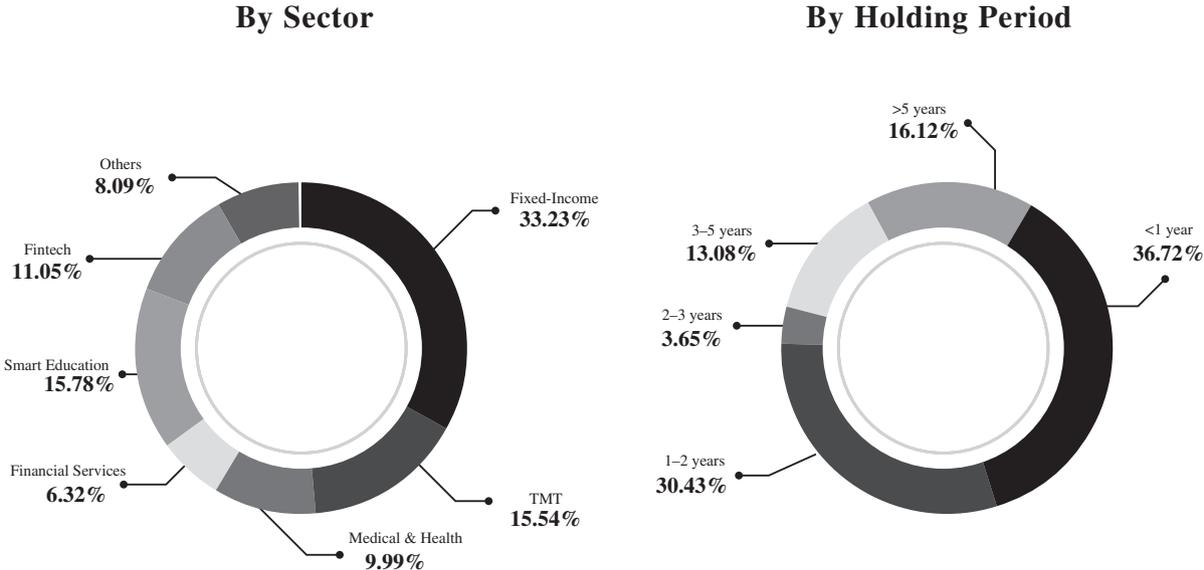
During the Period, we exercised extra prudence on new equity investments and strove for the maximum value of our capital and the financing capability as a public company. Our investment and divestment decisions are made based on comprehensive considerations and assessments of return, risk and opportunity cost. We invested HK3,498.46 million during the Period, mainly through private equity, debt investments, funds as well as listed securities, and our divestment amounted to HK\$3,299.32 million, mainly derived from listed securities, funds, private equity investments and debt investments.

Portfolio Breakdown

To quickly adapt to the changes and seize the opportunities, in the FY2020/2021, we underwent a business transformation and strategic upgrade. During the Period, our investment strategy is comprised of three pillars, namely core-holding-centered private equity, portfolio management as well as trading and others.

Private equity strategy aims to leverage our capital to directly invest in and empower exceptional companies, and long-term core holding is our primary focus. We identify and invest in companies with high growth potential and hold them as core-holding portfolio supporting their long-term development with patient capital. Portfolio management strategy represents our medium- to long-term investment in the secondary market, fixed-income investment and others which are expected to contribute medium-term returns to the Group. The strategy of trading and others stress to balance liquidity and rate of return of the asset by capturing short-term investment opportunities and other opportunistic transactions in the secondary market in and outside China.

As of 30 September 2023, the four main sectors of our existing portfolio were Fixed-Income, Smart Education, Technology, Media and Telecom (“TMT”) and Fintech, which represented 75.60% of our total investments holdings. In terms of valuation, in the Fixed-Income sector, Hong Kong Nanshan Development Ltd 7.5% 23-05-2024 (the “Nanshan Bond”) was the largest investment. In Smart Education Sector, 四川鴻鵠志遠教育管理集團有限公司 (“鴻鵠教育”) was the largest investment while our major investment in the TMT sector included 青島萬峰時代領航股權投資中心 (“時代領航基金”). Our major investment in the Fintech sector was Jiedaibao Limited (“Jiedaibao”).



MAJOR INVESTMENT PORTFOLIO

Private Equity

Private equity represents equity investment in private companies through our own capital to support its long-term development. We mainly divide private equity into two categories, namely long-term core holding and other private equity. As of 30 September 2023, Wealththink AI's holdings in private equity category amounted to HK\$3,727.87 million.

Long-Term Core Holding

As of 30 September 2023, three companies were categorized as our long-term core holding portfolio, namely iCarbonX, CSOP and OPIM Holdings Limited (“**OPIM**”). iCarbonX primarily focuses on digital health management, CSOP is the largest Qualified Foreign Institutional Investor (“**RQFII**”) manager globally, and OPIM is Asia's leading hedge fund platform. Wealththink AI's holdings in the core holding companies amounted to HK\$1,082.29 million as at 30 September 2023. Given the growth potential of the core holding companies, Wealththink AI will continue to hold them and support their development in the long run while pursuing long-term investment return correspondingly.

iCarbonX Group Limited

Date of initial investment: 2018
Type of deal: Core Holding
Equity ownership: 7.73%
Cost: HK\$1,098.79 million
Carrying value: HK\$911.34 million
Location: China
Sector: Medical & Health

In 2018, Wealththink AI invested in iCarbonX as one of its core holding companies and established a joint venture with iCarbonX named iCarbonX OP Investment Limited to capture potential investment opportunities within the healthcare industry. As at 30 September 2023, the Group owned 7.73% of equity interests in iCarbonX and the carrying value of the position stood at HK\$911.34 million.

iCarbonX is a global pioneer in artificial intelligence (“**AI**”) and precision health management and aims to build an ecosystem of digital life based on a combination of individuals' life data, the internet and AI. Its main founding team comprises the world's top biologists with extensive experience in multi-omics technology, medical service, biological data analysis, AI and data mining.

In 2022, under the vision of continuing the construction of Digital Life ecosystem, iCarbonX continues to focus on business direction. Focusing on the unique peptide chip, which is a bias-free protein binding technology, iCarbonX will focus on the development of peptide drugs, in vitro diagnostics, smart chip manufacturing, medical and technology services in the future.

Wealthink AI believes iCarbonX's expertise in life science and AI equips the Group with unparalleled competitive advantages, particularly in an era of post-COVID-19, when AI-enabled healthcare research & development (R&D) is given significant prominence and people's awareness of health management improves. Going forward, the Group will continue to take an active role in bridging opportunities between iCarbonX and industry leaders to foster its development within the healthcare industry and attain capital appreciation. The investment in iCarbonX is believed to benefit Wealthink AI over the long run, therefore iCarbonX is held as a long-term core holding company within Wealthink AI's portfolio.

CSOP Asset Management Limited

Date of initial investment: 2008
Type of deal: Core Holding
Equity ownership: 22.5%
Cost: HK\$60 million
Carrying value: HK\$139.95 million
Location: Hong Kong
Sector: Financial Services

CSOP was jointly established by Wealthink AI and China Southern Asset Management Co., Ltd in 2008. As at 30 September 2023, Wealthink AI owned 22.5% of the issued capital of CSOP, of which the carrying value stood at HK\$139.95 million, increasing 26.86% or HK\$29.63 million, as compared to HK\$110.32 million as at 31 March 2023, such change is due to robust business performance during the period.

CSOP is a well-known asset management company based in Hong Kong, which manages private and public funds, and provides investment advisory services to Asian and global investors with a dedicated focus on China investing. As a leading cross-border asset management expert in respect of Asset Under Management (“AUM”), CSOP is committed to providing investors with a flexible and efficient asset allocation tool through simple, transparent, and innovative products. As of December 2022, the scale of asset management of CSOP exceeded US\$12.6 billion.

CSOP has performed particularly well in issuing and innovating ETFs, and has demonstrated its competitiveness in the market. Among the top 10 most actively traded ETPs listed on the Hong Kong Stock Exchange, CSOP’s products account for six of them. In addition, among all Hong Kong Leveraged and Inverse Products, CSOP’s Leveraged and Inverse Products have a market share of over 96.6% in terms of size and 99.3% in terms of average daily turnover.

CSOP have launched a total of seven new products in Hong Kong in 2022, including the first Metaverse Concept ETF in Hong Kong, the first Bitcoin Futures ETF in Asia and the first Ether Futures ETF in the world, which help investors capture multiple market opportunities. Meanwhile, CSOP became one of the first companies to participate in the mutualisation of ETF products between the Singapore Exchange (SGX) and the Shenzhen Stock Exchange (SZSE). Under the Shenzhen- Singapore ETF Product Interoperability Programme, the CSOP CSI STAR AND CHINEXT 50 INDEX ETF was listed on the Singapore Exchange on 30 December 2022.

Thanks to its excellent product design and strong performance, CSOP has won many awards in total from various parties at both corporate and product levels, including but not limited to the “Asia Fund House of the Year” and “Fund House of the Year” by AsianInvestor, which is a authoritative asset management magazine in Asia, this is also the first time that a Chinese asset manager has won “Asia Fund House of the Year” since the establishment of the awards.

China has been accelerating the reforms and opening-up of its financial market in recent years and it is one of the most attractive investment destinations for international investors. CSOP will continue to bridge investment opportunities in China for overseas investors with its innovative fund products and expertise, achieving decent returns for investors and at the same time enhancing its leading position in the RQFII product management sector. Wealthink AI believes that CSOP will continue to bring solid returns and therefore will hold it as a long-term core holding company.

OPIM Holdings Limited

Date of initial investment: 2008
Type of deal: Core Holding
Equity ownership: 30%
Cost: HK\$59.47 million
Carrying value: HK\$31.00 million
Location: Hong Kong
Sector: Financial Services

As at 30 September 2023, Wealthink AI owned 30% of the issued ordinary shares and 100% of the non-voting preference shares of OPIM, the position of the Group in OPIM stood at HK\$31.00 million. OPIM managed over 35 funds as at the end of 2022, and the scale of fund managed was over US\$1.5 billion.

OPIM is a leading hedge fund platform in Asia serving both global and Asia based managers to develop funds across diversified strategies for institutional and professional investors. It has built a whole ecosystem linking up fund managers, service providers and capital allocators, which enables the managers to launch offshore funds with efficient and affordable structures. With the ecosystem, managers are able to focus on fund performance and build a proven track record for future expansion. OPIM has also built strategic partnerships in Singapore, Europe and Mainland China to continue to increase its customer base and expand the scope of its service offerings to customers.

With the increasing scale of China's private funds in the overseas market, OPIM is expected to maintain the momentum of steady growth in terms of both the number of funds and the overall asset scale. At the same time, China has been accelerating the opening-up of its financial markets, which improves foreign managers' access to the Chinese market and as a result, OPIM is expected to benefit from it. Wealththink AI believes that OPIM has great potential to continue to grow its business, and therefore will hold it as a long-term core holding company.

Other Private Equity

Apart from long-term core holding, Wealththink AI's holdings in the Other Private Equity category amounted to HK\$2,645.58 million as at 30 September 2023. The Group made no new investment and divested HK\$156.79 million during the Period. In making decisions on either to maintain the holdings for future divestment to benefit from growth of business, or to exit and harvest returns for potential new investments, the Group based on prudent and extensive analysis of market condition and investment projects' prospect.

The major investments are listed as below:

Jiedaibao Limited

Date of initial investment: 2020
Type of deal: Private Equity
Equity ownership: 2.49%
Cost: HK\$900.39 million
Carrying value: HK\$971.42 million
Location: China
Sector: Fintech

In 2020, Wealthink AI entered into a share purchase agreement with an existing shareholder of Jiedaibao to purchase 1.97% of the shares issued by Jiedaibao at a consideration of HK\$700 million. Wealthink AI subsequently increased its capital by HK\$200.39 million in November 2021. As at 30 September 2023, the Group's position in Jiedaibao stood at HK\$971.42 million, representing 2.49% of the shares issued by Jiedaibao.

Founded in 2014, Jiedaibao is an internet fintech company providing services of contract signing, registration and post-loan management for borrowing and lending money between individual users and supply chain finance of corporate users, aiming to solve the financing difficulty problem for individuals as well as micro-, small and medium- sized enterprises (“SME”). Jiedaibao strives to be the largest service platform for individual borrowings and corporate supply chain finance in China. The mobile App 借貸寶 (“借貸寶”), which is operated by Jiedaibao, mainly provides registration tools for online I Owe You (“IOU”) issuance and supplementing and relevant value-added services. Adopting AI visual technology, a sound cloud storage system and online payment system, 借貸寶 empowers online borrowing and lending transactions and micro-SME's supply chain finance. The sources of revenue are mainly coming from registration service fee, collection service fee, marketing fee, certification service fee, software development fee and loan interests, etc.

By right of the universality of its function and the business model, 借貸寶 has gained significant market share in Mainland China since its launch several years ago. With licenses of online payment, commercial banking and internet microloans, Jiedaibao is building a complete Fintech ecosystem. Wealthink AI expects the continuously growing business of Jiedaibao would generate considerable medium- term return for the Group.

上海恒嘉美聯發展有限公司(“恒嘉美聯”)

Date of initial investment: 2022	Metaqi Capital Limited, a wholly-owned subsidiary of Wealthink AI, entered into a capital injection agreement with 恒嘉美聯, with a commitment to a capital contribution of HK\$600 million to acquire 19.9% of equity interest in 恒嘉美聯. As at 30 September 2023, the capital injection has reached HK\$450 million, representing 14.9% of equity interest in 恒嘉美聯.
Type of deal: Private Equity	
Equity ownership: 14.9%	
Cost: HK\$450 million	
Carrying value: HK\$420.50 million	
Location: China	
Sector: Others	

恒嘉美聯 established in 1999, is a comprehensive group mainly engaged in equity investment, property investment and commodity trading. 恒嘉美聯 focuses on equity investment in financial services and currently holds equity interest in more than ten companies, including 長安基金管理公司 and Yingkou Coastal Bank, all of which have achieved different degrees of increase in value. 恒嘉美聯 also further improves its asset allocation through property investment and international commodity trading business, which are operating well and continue to generate stable income.

Over the past 20 years since its establishment, 恒嘉美聯 has accumulated substantial investment experience and industrial layout capabilities in the fields of finance, property and commodities. With the rapid development of the Chinese economy driven by economic globalization, the Group believes that under the background of further liberalization of the financial market, 恒嘉美聯 will usher in new development opportunities, which is expected to bring medium-term returns to the Group.

Portfolio Management

As at 30 September 2023, Wealththink AI's holdings in the portfolio management category amounted to approximately HK\$7,029.28 million. Wealththink AI holds listed securities included in this category amounted to HK\$11.58 million, debt investments amounted to HK\$3,591.50 million, fund investments amounted to HK\$1,721.34 million and economic interest investment amounted to HK\$1,704.86 million. The Group added investments of HK\$3,482.05 million and exited from listed securities, fund investments, and debt investments amounting to HK\$3,139.09 million in total in this category during the Period. At the same time, our portfolio of debt instruments recorded provision for expected credit losses under HKFRS 9, while some listed securities recorded market price changes during the Period.

The Group invests in instruments with the consideration of return, risk and liquidity. For the Period, the interest rate we charged for the instruments, of which the borrowers were mainly investment companies, ranged from 7% to 10% as compared to 6% to 10% for the same period last year. The total interest income generated from instruments was HK\$147.09 million with loan tenures ranging from 6 months to 2 years, while the corresponding amount and range for the same period last year were HK\$84.61 million and 1 year to 5 years, respectively.

Wealththink AI maintains regular communication with bond issuers and loan borrowers. As at the end of the Period, management have assessed the repayment ability of the issuers/borrowers for the determination of expected credit loss provisions.

The major investments are listed as below:

四川鴻鵠志遠教育管理集團有限公司

Date of initial investment: 2023

Type of deal: Economic interest

Cost: HK\$1,704.86 million

Carrying value: HK\$1,704.86 million

Location: China

Sector: Smart Education

Wealththink AI acquired an economic interest in 29.99% of the equity of 四川鴻鵠志遠教育管理集團有限公司 (“鴻鵠教育”). Such economic interest comprises entitlement to dividend and a call option to acquire up to 29.99% of the equity of 鴻鵠教育. 鴻鵠教育 focuses on the operation of private high schools, aiming to provide inclusive and high-quality high school education services for students through technology. The first school, 鴻鵠高級中學 in Dazhou City, Sichuan Province, has officially opened in early June 2021. Currently there are three campuses in Dazhou, Ziyang and Chengdu. 鴻鵠教育 adopts the “RAIC (Ruike) model”, which includes dual-classes with video lessons and guidance from famous teachers, the artificial intelligence feedback training system, and the innovative model of customised teaching by precise division of disciplines, to provide students with highly personalised and high-quality education experience. As at 30 September 2023, the Group’s holdings in 鴻鵠教育 amounted to HK\$ 1,704.86 million.

鴻鵠教育 has a sound and efficient organisational system supported by its core research and development department, including 鴻鵠教育科學研究院 and 鴻鵠教育智能資訊中心, and has set up various functional departments such as the Group’s operation centre, course service centre and teaching quality monitoring centre. 鴻鵠教育科學研究院 is committed to the research and development of teaching content. With a team of highly educated and experienced teaching and research personnel, it produces high-quality teaching courseware and designs teaching plans. 鴻鵠教育智能信息中心 is responsible for the implementation of technology empowerment, accurately matching teaching resources through big data and multi-dimensional analysis of data, and using artificial intelligence system to conduct accurate analysis of wrong questions and push personalised review plans.

The business model of 鴻鵠教育 has grasped the future trend, closely integrated technology with teaching, and has a mature smart classroom model, which provides a competitive advantage for future development. With its excellent technology and R&D team, its business model has passed a small-scale test and will soon enter the stage of large-scale commercial implementation, showing high development potential. The Group believes that with the combination of technological strengths and excellent management capabilities, 鴻鵠教育 can expand its campus to different regions in an efficient manner, which is expected to bring medium-term returns to the Group.

Hong Kong Nanshan Development Ltd 7.5% 23-05-2024

Date of initial investment: 2023	On 25 May 2023, 30 May 2023, 5 June 2023 and 8
Type of deal: Bond	June 2023, Wealthink AI, through its wholly-
Cost: HK\$975 million	owned subsidiary, subscribed the Nanshan Bonds
Carrying value: HK\$973.79 million	in the respective principal amounts are
Location: Hong Kong	HK\$197,000,000, HK\$197,000,000,
Sector: Fixed-Income	HK\$330,000,000 and HK\$251,000,000. The
	Nanshan Bonds bear interest at the rate of 7.5%
	per annum and will mature on 24 May 2024. The
	issuer is Hong Kong Nanshan Development
	Limited (“ Nanshan Development ”) and the
	guarantor is Nanshan Group Co., Ltd (“ Nanshan
	Group ”).

The long-term credit rating of Nanshan Group was granted an “AAA” by China Lianhe Credit Rating Co., Ltd in 2022. As at 30 September 2023, the Group’s position in Nanshan Bonds amounted to HK\$973.79 million.

Founded in 1979, Nanshan Group has formed a multi-industry development pattern led by Nanshan Aluminum, 南山智尚, Yulong Petrochemical, logistics, finance, education, tourism, technology, and healthcare after years of development. As a large-scale integrated group enterprise focusing on aluminum further fabrication in China, Nanshan Group has significant advantages in terms of industry status, completeness of the industrial chain, research and development strength and capacity utilisation level. Nanshan Group is the controlling shareholder of three listed companies, including Shandong Nanshan Aluminum Co., Ltd. (600219.SH), Shandong Nanshan Fashion Sci-tech Co., Ltd (300918.SZ) and Hengtong Logistics Co., Ltd. (603223.AS). The Group believes that the interest rate of Nanshan Bonds is generally higher than the time deposit interest rate offered by well-known financial institutions in Hong Kong, which will enable the Group to obtain stable returns in the current turbulent economic environment.

青島萬峰時代領航股權投資中心

Date of initial investment: 2022
Type of deal: Fund
Cost: HK\$803.08 million
Carrying value: HK\$758.87 million
Location: China
Sector: TMT

In September 2022, Wealthink AI entered into a partnership agreement with 北京泰合萬峰投資管理有限公司 through its wholly-owned subsidiary, in order to subscribe for the interest in the limited partnership of 時代領航基金. 時代領航基金 mainly invests in the equity of non-listed companies in related industries such as cybersecurity software, the internet, artificial intelligence, integrated circuit, etc.. The scope of investment includes products such as primary equity, treasury bond, central bank bills, money market funds. The scale of 時代領航基金 is RMB1.539 billion, with a total of 6 investment projects covering software development, semiconductor, computer and other industries, and the position of the Group in 時代領航基金 was HK\$758.87 million as at 30 September 2023.

北京泰合萬峰投資管理有限公司, the General Partner of 時代領航基金, has extensive experience, deep industry understanding and comprehensive professional technology in private equity investments and capital market. It is able to aggregate quality projects for the fund and facilitate the construction of a broader ecosystem for the invested projects. The “14th Five-Year Plan” has elevated technology and innovation to a crucial position in the whole field of China’s modernization, and comprehensively supporting the development of new generation information technology, new materials, high-end equipment, and other emerging industries at the policy level. The Group believes that the subscription of the 時代領航基金 will allow the Group to participate indirectly in the emerging technology industry investment in China and reduce the risk of direct investment through the professional management of the investment manager, which is expected to bring substantial medium-term returns to the Group.

青島泰合專精特新股權投資中心(“專精特新基金”)

Date of initial investment: 2022

Type of deal: Fund

Cost: HK\$450.23 million

Carrying value: HK\$416.42 million

Location: China

Sector: TMT

In July 2022, Wealththink AI entered into a partnership agreement with 北京泰合萬峰投資管理有限公司 through its wholly-owned subsidiary, in order to subscribe for the interest in the limited partnership of 專精特新基金. 專精特新基金 mainly invests in innovative non-listed companies with distinctive expertise that focus on niche markets, including energy conservation and environmental protection, fintech, new energy, Internet of Things, and other related industries. The scope of investment includes products such as primary equity, bank deposits and money market funds. The scale of 專精特新基金 is 801 million, with a total of 5 investment projects covering new energy, internet, media, culture, and entertainment and other industries, and the position of the Group in 專精特新基金 was HK\$416.42 million as at 30 September 2023.

As the fund manager of 專精特新基金, 北京泰合萬峰投資管理有限公司 has obtained the registration of management institutions of privately offered investment funds from Asset Management Association of China in 2015. It has solid experiences and track records in private equity investments, as well as execution experience in business development and management across various industries. Currently, China has been continuously increasing its efforts in nurturing Specialized and Sophisticated SME, which have become an important support for China's manufacture and an essential force for stimulating innovation and optimising ecological industries. Given that 專精特新基金 will invest in Specialized and Sophisticated SME in PRC, the Group considered that subscribing 專精特新基金 will provide diversified investment opportunities and potential investment returns from different high growth industries to the Group.

青島東英領航股權投資中心(“東英領航基金”)

Date of initial investment: 2023
Type of deal: Fund
Cost: HK\$489.00 million
Carrying value: HK\$484.15 million
Location: China
Sector: TMT

In 2023, Wealthink AI, through its wholly-owned subsidiary, invested RMB450 million in 東英領航基金 and became a limited partner of the fund. 東英領航基金, with a size of RMB990 million, focuses on investment opportunities in advanced manufacturing sectors in China. Key investment areas include unlisted companies in related industries such as new materials, terminal equipment, biotechnology and new-generation information technology. The investment scope includes products such as primary equity and bonds (including convertible bonds).

南方東英股權投資基金管理(深圳)有限公司 is the general partner of 東英領航基金 and has a team with extensive investment experience and industry resources in advanced manufacturing industry. As at 30 September 2023, the Group's holdings in 東英領航基金 amounted to HK\$484.15 million.

China's advanced manufacturing sector is experiencing rapid technological innovation and market expansion. The research and development and application of new materials are growing, and the high-end equipment manufacturing industry is in a stage of rapid development. The biotechnology industry has a broad market prospect in the medical and life sciences sectors, and the new generation of information technology has had a profound impact on various industries. 東英領航基金 covers these industries with significant growth potential and the Group believes that the subscription will provide the Group with an opportunity to participate in the future economic growth and benefit from the rapid development of China's advanced manufacturing sector, which is expected to inject new growth momentum into our investment portfolio.

Trading and Others

As at 30 September 2023, Wealthink AI's holdings in the trading and others category amounted to HK\$49.20 million. Wealthink AI's holdings in listed securities that fell into this category amounted to HK\$48.75 million, while the holdings in the other equity investment amounted to HK\$0.45 million. During the Period, Wealthink AI made new investments in and divestments from some listed securities to enhance the capital liquidity and generated returns from capital gains.

Save as disclosed herein, there had been no material change in the development or future development of the Group's business and financial position, and no important event affecting the Group had occurred since the publication of the Company's annual report for the year ended 31 March 2023.

FINANCIAL REVIEW

Financial position

Net asset value: As at 30 September 2023, the Group's net asset value was HK\$9,870.14 million, or HK\$0.94 per share, as compared to HK\$10,010.76 million and HK\$0.95 per share respectively as at 31 March 2023.

Gearing: The gearing ratio, which was calculated on the basis of total liabilities over total equity as at 30 September 2023, was 0.13 (31 March 2023: 0.14).

Investments in associates and joint ventures: It represents our interests in companies accounted for using equity method such as core holding company CSOP and Treasure Up, etc. Assets value stood at HK\$839.73 million as at 30 September 2023, representing an decrease of 8.91% as compared to HK\$921.86 million as at 31 March 2023, mainly due to share of loss of Treasure Up and disposal of an associate along with disposal of a subsidiary during the Period.

Investments at fair value through profit and loss: It stood at HK\$6,375.12 million as at 30 September 2023, representing an decrease of 4.25% as compared to HK\$6,658.22 million as at 31 March 2023, mainly attributable to the depreciation of RMB.

Debt investments: It represents the investments in debt instruments as at 30 September 2023, which amounted to HK\$3,591.50 million. The increase of 6.65% as compared to HK\$3,367.46 million as at 31 March 2023 due to new investments during the Period.

Bank and cash balances: As at 30 September 2023, the Group's bank and cash balances stood at HK\$34.38 million (31 March 2023: HK\$108.36 million). We manage our bank and cash balances principally on the basis of making good use of capital to achieve returns for shareholders and ensuring sufficient liquidity for our working capital requirements.

The Group recorded a total revenue of HK\$147.42 million during the Period, representing an increase of 71.62% as compared to HK\$85.90 million same period of last year. The Group recorded profit for the Period of HK\$23.15 million as compared to HK\$213.21 million for the same period last year. Current period's results comprised of HK\$147.09 million of revenue generated on debt investments, HK\$20.19 million of share of profit of associates and joint ventures and HK\$11.21 million of reversal of provision for ECL, but offset by HK\$112.15 million of unrealised loss and HK\$45.14 million of realised loss on investments at fair value through profit or loss.

Condensed consolidated statement of profit or loss and other comprehensive income

Revenue mainly represents the income received and receivable on investments during the Period as follows:

	Six months ended	
	30 September	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Dividend income	–	1,038
Interest revenue ⁽¹⁾	147,416	84,866
	147,416	85,904

(1) Interest revenue was primarily generated from the Group's debt instruments as well as term deposit in banks.

Other income and gains, net: The other income and gains, net mainly represents the net gain on disposal of subsidiaries of HK\$84.81 million (1H FY2022/2023: nil) during the Period. Unlisted investment funds, unlisted debt investment and listed securities included in investments at fair value through profit or loss, and private equity investment included in investments in associates were divested along with the disposal of subsidiaries.

Net change in unrealised loss on investments at fair value through profit or loss: The net change in unrealised loss of HK\$112.15 million (1H FY2022/2023: HK\$29.26 million) mainly represents the net results of unlisted investment funds, private equity investments and listed securities with unrealised loss of HK\$132.47 million, but offset by unrealised gain of HK\$20.32 million.

Net change in unrealised gain on financial liabilities at fair value through profit or loss: The net change in unrealised gain of HK\$0.20 million (1H FY2022/2023: HK\$0.28 million) mainly represents the share of unrealised loss on co-investments by our co-investment partners.

Net realised (loss)/gain on disposal/distribution of investments: The realised loss of HK\$45.14 million (1H FY2022/2023: gain of HK\$21.51 million) during the Period mainly represents loss from disposal of listed securities and an unlisted equity investment.

Reversal of provision for ECL: The reversal of provision for ECL of HK\$11.21 million for the Period (1H FY2022/2023: HK\$103.53 million) mainly due to change of provision rate of ECL during the Period.

Operating and administrative expenses: The total amount of HK\$32.03 million operating and administrative expenses (1H FY2022/2023: HK\$41.30 million) was mainly the result of staff costs, asset management fee, as well as legal and professional fees. The decrease in operating and administrative expenses was primarily driven by decrease of depreciation of right-of-use assets as a result of office relocation.

Share of profits of associates and joint venture: a net profit of approximately HK\$20.19 million (1H FY2022/2023: net profit of HK\$104.26 million) mainly accounted for share of results of CSOP and Treasure Up. The significant decrease was due to share of loss of Treasure Up during the Period.

Other comprehensive expense: Changes in the Group's NAV, which are not accounted for in "profit for the Period", are recorded under "other comprehensive expense". The net loss of HK\$163.76 million (1H FY2022/2023: HK\$188.19 million) represented the exchange differences primarily due to depreciation of RMB.

DIVIDEND POLICY AND PROPOSED INTERIM DIVIDEND

In considering whether to declare and/or recommend the payment of dividends to the Shareholders, the Board will take into account factors including but not limited to the Group's overall financial position; cash flow; future operating and administrative expenses; future investment plans; the regional and global economic conditions and other factors that may have an impact on the investment market. The Board has resolved not to pay any interim dividend in respect of the Period (1H FY2022/2023: nil).

LIQUIDITY AND FINANCIAL RESOURCES

The Group's major sources of revenue currently are dividend income from investments held, interest revenue from bank deposits and financial instruments held.

As at 30 September 2023, the Group had bank and cash balances of HK\$34.38 million (31 March 2023: HK\$108.36 million). The Group had an aggregate of HK\$1,176.92 million loans primarily comprised of bank loans from our principal bankers and unsecured other interest-bearing borrowings as at 30 September 2023 (31 March 2023: HK\$1,280.39 million). The debt-to-equity ratio (interest-bearing external borrowings divided by shareholders' equity) stood at 11.92% (31 March 2023: 12.09%) while the debt ratio (total borrowings divided by total assets) was 10.57% (31 March 2023: 11.26%). The current ratio (current assets divided by current liabilities) was 4.35 times (31 March 2023: 4.18 times). For further analysis of the Group's cash position, current assets and gearing, please refer to paragraphs under subsections headed "Financial Position".

The Board believes that our operations and borrowing resources are sufficient to provide funding to satisfy our ongoing investment and working capital requirements for the foreseeable future.

CAPITAL STRUCTURE

As at 30 September 2023, Shareholders' Equity and the total number of shares in issue of the Company stood at HK\$9,870,137,000 (31 March 2023: HK\$10,010,755,000) and 10,520,324,505 (31 March 2023: 10,520,324,505), respectively.

MATERIAL ACQUISITIONS AND DISPOSALS OF INVESTMENTS

The Group had the following material acquisitions as well as disposals of investments during the Period.

	New/ Additional Investments <i>(HK\$ million)</i> (Unaudited)	Divestment/ Disposal <i>(HK\$ million)</i> (Unaudited)
Private Equity	–	(156.79)
Portfolio Management	3,482.05	(3,139.09)
— Listed security	0.01	(425.15)
— Debt instrument	1,288.18	(1,039.07)
— Economic interest	1,704.86	–
— Others	489.00	(1,674.87)
Trading and others	<u>16.41</u>	<u>(3.44)</u>
Total	<u><u>3,498.46</u></u>	<u><u>(3,299.32)</u></u>

SEGMENT INFORMATION

Segment information of the Group is set out in note 4 on pages 6 to 7 of this announcement.

ADVANCE TO ENTITY

On 25 May 2023, 30 May 2023, 5 June 2023 and 8 June 2023, the Company through its wholly-owned subsidiary subscribed for the Nanshan Bonds issued by Nanshan Development in the respective principal amount of HK\$197,000,000, HK\$197,000,000, HK\$330,000,000, and HK\$251,000,000. As at 30 September 2023, the balances due from Nanshan Development in respect of the subscription of the Nanshan Bonds (excluding any accrued interest) amounted to HK\$975,000,000. The Nanshan Bonds bear interest at the rate of 7.5% per annum and will mature on 24 May 2024. Nanshan Group will unconditionally and irrevocably guarantee the due payment of all sums expressed to be payable by Nanshan Development under the Nanshan Bonds and the trust deed(s) constituting the Nanshan Bonds.

EMPLOYEES

As of 30 September 2023, the Group had 31 employees (31 March 2023: 33), inclusive of all Directors of the Company and its subsidiaries. Total staff costs for the Period amounted to HK\$8.71 million (1H FY 2022/23: HK\$8.34 million). The Group's remuneration policies are in line with market practices and are determined on the basis of the performance and experience of individual employees.

SHARE OPTION SCHEME

During the Period, the Board did not grant any share option under the Company's share option scheme to any Directors or eligible employees of the Group and there were no granted share options exercised (1H FY2022/23: nil). As at 30 September 2023 there were nil (31 March 2023: nil) share options that remained outstanding under the share option scheme.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group was exposed to foreign exchange risk arising from financial instruments that are monetary items including investments at fair value through profit or loss, debt investment, interest receivables, loans and other receivables, bank balances, borrowings and lease liabilities and other payables. As at 30 September 2023, these assets were denominated in RMB and the maximum exposure to foreign exchange risk was RMB3,019.06 million, equivalent to HK\$3,240.20 million (31 March 2023: RMB2,039.41 million, equivalent to HK\$2,329.01 million).

As at 30 September 2023, the Group held certain financial assets which were denominated in USD. The Board is of the opinion that the Group's exposure to USD foreign exchange risk is minimal as HKD is pegged to USD based on the Linked Exchange Rate System in Hong Kong.

CHARGES ON THE GROUP'S ASSETS AND CONTINGENT LIABILITIES

As at 30 September 2023, save as certain interests in an associate and debt investment are pledged for the Group's bank loans, these were no charge on Group's assets.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS AND THEIR EXPECTED SOURCES OF FUNDING

As at 30 September 2023, there were no plans for material investments or capital assets, but the Group may, at any point, be negotiating potential investments. The Company considers new investments as part of its daily business, and therefore management may publically announce these plans as they become necessarily disclosable to shareholders during the course of the financial year.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

The Group or any of its subsidiaries has not purchased, sold or redeemed any of the Group's securities during the Period.

CHANGE OF COMPANY NAME

Following the passing of the relevant resolution by way of special resolution at the extraordinary general meeting of the Company held on 25 August 2023, the Shareholders approved the change of the English name of the Company from “Wealthking Investments Limited” to “Wealthink AI-Innovation Capital Limited”, and the Chinese name of the Company from “華科資本有限公司” to “華科智能投資有限公司”. The Board took the view that the change of Company names could provide the Company with a new corporate image and identity of the Company's innovation-driven investment strategy with a focus on premium investment opportunities in artificial intelligence and high-tech industries.

On 28 August 2023, the Registrar of Companies in Cayman Islands issued the certificate of incorporation on change of name of the Company. Accordingly, the English name of the Company has been changed from “Wealthking Investments Limited” to “Wealthink AI-Innovation Capital Limited” and the dual foreign name in Chinese of the Company has been adopted and registered as “華科智能投資有限公司” in place of its former Chinese name of “華科資本有限公司” effective from 28 August 2023.

EVENTS AFTER THE REPORTING PERIOD

Change of Stock Short Names and Company Logo

The stock short names of the Company for trading in the Shares on the Stock Exchange has been changed from “WEALTHKING INV” to “WEALTHINK AI” in English and from “華科資本” to “華科智能投資” in Chinese with effect from 9 October 2023. The stock code of the Company on the Stock Exchange remains unchanged as “1140”. The new logo of the Company, bearing the new Company names, was adopted on 3 October 2023.

CORPORATE GOVERNANCE CODE

Except otherwise stated herein, none of the Directors is aware of any information that would reasonably indicate that the Company is not, or was not, at any time during the Period, in compliance with the Corporate Governance Code set out in Appendix 14 to the Listing Rules.

Code Provision D.1.2 provided that the management should provide all members of the board with monthly updates on the issues, performance, position, and prospects, which may include monthly management accounts and materials between projections and actual results. During the Period, although management accounts were not circulated to board members on a monthly basis, regular reports were given by management to the Directors from time to time, which the Directors consider to be sufficient and appropriate in the circumstances in giving a balanced and understandable assessment of the Company's performance and enable Directors to discharge their duties.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted a "Policy for Director and Employee Dealings in the Company's Securities" which supplements the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") set out in Appendix 10 of the Listing Rules. Following a specific enquiry by the Company, all Directors have confirmed that they have fully complied with the Model Code and the aforesaid internal policy regarding directors' securities transactions throughout the Period.

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

At no time during the Period was the Company or its associated corporation(s) a party to any arrangements to enable the Directors or chief executive of the Company to acquire any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporation(s).

AUDIT COMMITTEE

The Company's audit committee, comprising three independent non-executive Directors, has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing and financial reporting matters including a review of the condensed consolidated interim financial information for the Period before recommending them to the Board for approval.

REVIEW OF INTERIM FINANCIAL INFORMATION

The external auditor has reviewed the unaudited interim financial information for the Period in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

FORWARD-LOOKING STATEMENTS

This interim results announcement contains certain statements that are forward-looking or which use certain forward-looking terminologies. These forward-looking statements are based on the current beliefs, assumptions and expectations of the Board of directors of the Company regarding the industry and markets in which it invests. These forward-looking statements are subject to risks, uncertainties and other factors beyond the Company’s control which may cause actual results or performance to differ materially from those expressed or implied in such forward-looking statements.

PUBLICATION OF INTERIM RESULTS AND INTERIM RESULTS ANNOUNCEMENT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

The interim results announcement is published on the website of the Stock Exchange and that of the Company (www.1140.com.hk). The interim results announcement will be dispatched to the shareholders of the Company and will be available on the websites of the Stock Exchange and that of the Company in due course.

By Order of the Board
Wealthink AI-Innovation Capital Limited
Wang Qin
Chairman

Hong Kong SAR, 29 November 2023

As at the date of this announcement, the Board comprises one executive Director, namely, Dr. Liu Zhiwei; three non-executive Directors, namely Dr. Wang Qin, Dr. Fu Weigang and Dr. Wang Shibin; and three independent non-executive Directors, namely, Mr. Chen Yuming, Mr. Yan Xiaotian and Mr. Zhao Kai.