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**CAPITAL REALM FINANCIAL HOLDINGS GROUP LIMITED**  
**資本界金控集團有限公司**

(formerly known as China Investment Development Limited

中國投資開發有限公司)

*(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 2023**

The board of directors (the “**Board**”) of Capital Realm Financial Holdings Group Limited (formerly known as China Investment Development Limited) (the “**Company**”) announces the unaudited interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 September 2023 (the “**Period**”) together with the comparative figures for the corresponding period in 2022. 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 2023

		<b>Six months ended</b>	
		<b>30 September</b>	
		<b>2023</b>	2022
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		<b>(unaudited)</b>	<b>(unaudited)</b>
Revenue	5	–	–
Other income	5	<b>4,715</b>	6,135
Change in fair value of financial assets at fair value through profit or loss		<b>29,288</b>	140
Net realised loss on financial assets at fair value through profit or loss		–	(3,252)
Impairment loss under the ECL model, net of reversal		–	3,233
Administrative expenses		<b>(12,117)</b>	<b>(23,663)</b>
Operating profit/(loss)		<b>21,886</b>	<b>(17,407)</b>
Finance costs	6	<b>(1,529)</b>	<b>(1,171)</b>
Profit/(loss) before income tax expense	7	<b>20,357</b>	<b>(18,578)</b>
Income tax expense	8	–	–
Profit/(loss) for the period attributable to owners of the Company		<b>20,357</b>	<b>(18,578)</b>

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2023</b>	2022
<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<b>(unaudited)</b>	(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	<b>(11,778)</b>	(4,245)
Item that may be reclassified subsequently to profit		
or loss:		
– Exchange difference on translation of financial		
statements of foreign operations	<b>3,208</b>	(1,203)
– Release of reserves upon disposal of subsidiaries	<b>–</b>	90
	<hr/>	<hr/>
Other comprehensive expense		
for the period, net of tax	<b>(8,570)</b>	(5,358)
	<hr/>	<hr/>
Total comprehensive income/(expense)		
for the period	<b>11,787</b>	(23,936)
	<hr/> <hr/>	<hr/> <hr/>
		(Restated)
<b>Earnings/(loss) per share</b>	<i>10</i>	
– Basic ( <i>HK cent per share</i> )	<b>4.47</b>	(7.60)
	<hr/> <hr/>	<hr/> <hr/>
– Diluted ( <i>HK cent per share</i> )	<b>4.47</b>	(7.60)
	<hr/> <hr/>	<hr/> <hr/>
Proceeds from disposal of financial assets		
at fair value through profit or loss	<b>–</b>	12,176
	<hr/> <hr/>	<hr/> <hr/>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

		<b>30 September 2023</b>	31 March 2023
	<i>Notes</i>	<i>HK\$'000</i> <b>(unaudited)</b>	<i>HK\$'000</i> (audited)
<b>Non-current assets</b>			
Property, plant and equipment		70	26
Financial assets at fair value through other comprehensive income	11	<u>36,526</u>	<u>48,304</u>
		<u>36,596</u>	<u>48,330</u>
<b>Current assets</b>			
Financial assets at fair value through profit or loss	12	199,904	49,922
Other receivables, deposits and prepayments		1,050	121,640
Other financial assets at amortised cost	13	105,520	100,809
Amount due from the shareholder		949	949
Cash and cash equivalents		<u>8,018</u>	<u>3,997</u>
		<u>315,441</u>	<u>277,317</u>
<b>Current liabilities</b>			
Other payables and accrued charges	14	13,491	50,474
Lease liabilities		<u>383</u>	<u>1,497</u>
		<u>13,874</u>	<u>51,971</u>
Net current assets		<u>301,567</u>	<u>225,346</u>
Total assets less current liabilities		<u>338,163</u>	<u>273,676</u>
<b>Non-current liability</b>			
Lease liabilities		<u>–</u>	<u>–</u>
<b>Net assets</b>		<u><u>338,163</u></u>	<u><u>273,676</u></u>
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	15	72,078	36,039
Reserves		<u>266,085</u>	<u>237,637</u>
Total equity		<u><u>338,163</u></u>	<u><u>273,676</u></u>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

Capital Realm Financial Holdings Group Limited (formerly known as China Investment Development 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 2023 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 16 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 2023, 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 2023 for the preparation of the Group's condensed consolidated financial statements:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendment to HKAS 12	Deferred Tax relating to Assets and Liabilities arising from a Single Transaction

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 2023 and 2022, 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 2023	2022	30 September 2023	31 March 2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(audited)
Hong Kong (place of domicile)	—	—	<b>70</b>	<b>26</b>

## 5. REVENUE AND OTHER INCOME

An analysis of revenue and other income is as follows:

	Six months ended 30 September	
	2023 <i>HK\$'000</i> (unaudited)	2022 <i>HK\$'000</i> (unaudited)
Revenue	—	—
Other income:		
Others	4	660
Dividend income from listed investments	—	—
Interest income from other financial assets at amortised cost	4,711	5,367
Government subsidies ( <i>note</i> )	—	108
	<u>4,715</u>	<u>6,135</u>
Total revenue and other income	<u><u>4,715</u></u>	<u><u>6,135</u></u>

*Note:* It was no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

## 6. FINANCE COSTS

	Six months ended 30 September	
	2023 <i>HK\$'000</i> (unaudited)	2022 <i>HK\$'000</i> (unaudited)
Interest expenses on lease liabilities	52	157
Interest expenses on bonds	1,477	1,014
	<u>1,529</u>	<u>1,171</u>

## 7. PROFIT/(LOSS) BEFORE INCOME TAX EXPENSE

Profit/(loss) before income tax expense was stated after charging the following:

	Six months ended	
	30 September	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Employee benefit expenses (including directors' remuneration)	<b>3,010</b>	3,517
Depreciation		
Property, plant and equipment	<b>11</b>	37
Rent & Rates	<b>474</b>	258
Exchange loss	<b>7,062</b>	17,957

## 8. INCOME TAX EXPENSE

Hong Kong profits tax is calculated at 16.5% (2022: 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 (2022: Nil).

## 9. DIVIDEND

The directors do not recommend the payment of an interim dividend for the six months ended 30 September 2023 (2022: Nil).

## 10. EARNINGS/(LOSS) PER SHARE

The calculation of basic earnings/(loss) per share amounts is based on the earnings/(loss) for the Period attributable to owners of the Company and the weighted average number of ordinary shares of 454,924,658 (2022: Restated 244,524,594) in issue during the Period.

The computation of diluted earnings/(loss) 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 earnings/(loss) per share is the same as the basic earnings/(loss) per share for the Period.

For the restated, the weighted average number of ordinary shares for the six months period ended 30 September 2022 for the purposes of basic and diluted loss per share have also been retrospectively adjusted for the share consolidation for the six months period ended 30 September 2022 which was completed in February 2023.

## 11. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<b>30 September 2023 HK\$'000 (unaudited)</b>	31 March 2023 HK\$'000 (audited)
Unlisted equity securities in PRC, at cost	<b>53,225</b>	53,225
Fair value adjustment	<b>(16,699)</b>	(4,921)
	<b><u>36,526</u></b>	<b><u>48,304</u></b>

Name of investee companies	Place of incorporation	Percentage of effective interest held at	Accumulated fair value						Dividend receivable/ received	Percentage of total assets of the Group	Dividend received	Percentage of total asset of the Group
			30 September 2023	At cost 30 September 2023	31 March 2023	adjustment 30 September 2023	31 March 2023	Carrying value 30 September 2023				
			HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Qingzhou Jijiafu Modern Agricultural Group Co., Ltd.*	PRC	7%	29,825	29,825	(9,413)	(1,439)	20,412	28,386	-	5.80%	-	8.72%
Lanzhou Wole*	PRC	30%	23,400	23,400	(7,286)	(3,482)	16,114	19,918	-	4.58%	-	6.12%
			<b><u>53,225</u></b>	<b><u>53,225</u></b>	<b><u>(16,699)</u></b>	<b><u>(4,921)</u></b>	<b><u>36,526</u></b>	<b><u>48,304</u></b>				

\* for identification purpose only

## 12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<b>30 September 2023 HK\$'000 (unaudited)</b>	31 March 2023 HK\$'000 (audited)
Hong Kong listed equity securities, at market value (note a)	<b>77,016</b>	24,662
Investments in convertible bonds, at fair value (note b)	<b>3,552</b>	15,180
Equity interests in private equity funds (note c)	<b>10,348</b>	10,080
Investment in unlisted equity interests in PRC's Companies (note d)	<b>108,988</b>	-
	<b><u>199,904</u></b>	<b><u>49,922</u></b>

Notes:

- (a) Particulars of the major investments of listed equity securities held by the Group as at 30 September 2023 are as follows:

**30 September 2023**

Name of investee companies	Number of shares held	Percentage of interest held	Cost		Accumulated unrealised gain/(loss) arising on revaluation		Change in fair value	Dividend received/ receivable	Percentage of the total assets of the Group
			HK\$'000	HK\$'000	HK\$'000	HK\$'000			
Worldgate Global Logistics Ltd	7,500,000 ordinary shares	1.1800%	6,015	600	(5,415)	(1,013)	-	0.17%	
International Genius Company	9,564,000 ordinary shares	1.7802%	13,781	76,416	62,635	53,367	-	21.71%	
Target Insurance (Holdings) Limited	4,228,000 ordinary shares	0.8109%	4,298	-	(4,298)	-	-	-	
				<u>77,016</u>					

- (b) On 22 December 2014, the Company invested in the 3% unsecured convertible bonds issued by Guanwan Investments Limited (“**Guanwan**”) with principal amount of HK\$20,000,000, bearing coupon interest rate of 3% per annum. Guanwan is an investment holding company which indirectly holds 100% of the issued shares of its subsidiary, 深圳金特嬌服装有限公司 (“**金特嬌**”). 金特嬌 is established in the PRC and principally engaged in designing, manufacturing and retail of women’s dress in PRC. The convertible bonds held by the Group were originally due on 22 December 2017 and convertible into 24 fully paid ordinary shares of Guanwan with a par value of USD1.00 each, which represented 19.35% of the enlarged issued shares of Guanwan as at 22 December 2014, at a conversion price of HK\$833,333 per conversion share. The Company could exercise the conversion option at any time until the maturity date. On 23 December 2017, the maturity date of the convertible bonds were renewed and extended to 22 December 2020.

On 22 December 2020, the maturity date of the convertible bonds was further renewed and extended to 22 December 2023. All of the other terms of the convertible bonds remained unchanged for the above renewals.

The percentage of the total assets of the Group was 1.01% as at 30 September 2023.

- (c) The Group has subscribed Mount Peak Fund SPC — Mount Peak Currency Fund SP (the “**Currency Fund**”) for approximately HK\$10,012,000 at cost, bearing coupon interest rate of 7.5% per annum.

The Currency Fund is for investors with different needs and risks, match the corresponding fund products. It has asset management licenses in Hong Kong and Singapore, offshore investment manager qualifications in Cayman and the BVI, and its core fund products are hedge funds.

The investment in the Currency Fund is classified as a financial asset at fair value through profit or loss upon initial recognition and recognised at fair value, with changes in fair value recognised in consolidated profit or loss.

The percentage of the total assets of the Group was 2.94% as at 30 September 2023.

(d) Name of companies	Place of incorporation	Percentage of effective interest held at 30 September 2023	Accumulated fair		Carrying value 30 September 2023 HK\$'000	Dividend receivable/ received 30 September 2023 HK\$'000	Percentage of total assets of the Group 30 September 2023
			At cost	value adjustment			
			30 September	30 September			
			2023	2023			
Zhonghe Huinong (Beijing) Technology Development Co., Ltd*	PRC	27.54%	40,503	(8,019)	32,484	-	9.23%
Shenzhen Qianhai CIC Dingsheng Investment Consulting Co., Ltd*	PRC	30.00%	41,402	(5,047)	36,355	-	10.33%
Huanghao International Financial Leasing (Shenzhen) Co., Ltd*	PRC	22.85%	38,789	1,360	40,149	-	11.40%
			<u>120,694</u>	<u>(11,706)</u>	<u>108,988</u>		

\* for identification purpose only

### 13. OTHER FINANCIAL ASSETS AT AMORTISED COST

At 30 September 2023, the other financial assets at amortised cost included promissory notes/a secured bond held by the Group, amounted to approximately HK\$105,520,000 (2023: HK\$100,809,000) which are unsecured/secured respectively, interest bearing, non-transferrable, non trading related in nature and issued by private entities.

	<b>30 September 2023 HK\$'000 (unaudited)</b>	31 March 2023 HK\$'000 (audited)
At amortised cost	<b>116,754</b>	112,043
Less: ECL allowance	<b>(11,234)</b>	(11,234)
	<u><b>105,520</b></u>	<u>100,809</u>

#### Ageing analysis

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

	<b>30 September 2023 HK\$'000 (unaudited)</b>	31 March 2023 HK\$'000 (audited)
Within 1 year	<b>105,520</b>	100,809
1 to 2 years	-	-
	<u><b>105,520</b></u>	<u>100,809</u>

#### 14. OTHER PAYABLES AND ACCRUED CHARGES

	<b>30 September 2023 HK\$'000 (unaudited)</b>	31 March 2023 HK\$'000 (audited)
Bonds interest payables	1,150	1,915
Bonds payables ( <i>note</i> )	4,270	42,270
Accruals and other payables	8,071	6,289
	<u>13,491</u>	<u>50,474</u>

*Note:* The Company has entered into short-term unsecured bond agreements with independent parties, bearing interest rate range from 5%–15% per annum, and maturity dates of the bonds outstanding at 30 September 2023 is up to 29 March 2024.

#### 15. SHARE CAPITAL

	<b>Number of ordinary shares of HK\$0.1 each '000</b>	<i>HK\$'000</i>
Authorised:		
At 31 March 2023 (audited) and 1 April 2023	1,000,000	100,000
Increase in Authorised Share Capital ( <i>note 1</i> )	2,000,000	200,000
	<u>3,000,000</u>	<u>300,000</u>
At 30 September 2023	<u>3,000,000</u>	<u>300,000</u>
Issued and fully paid:		
At 31 March 2023 (audited) and 1 April 2023	360,394	36,039
Rights issue ( <i>note 2</i> )	360,394	36,039
	<u>720,788</u>	<u>72,078</u>
At 30 September 2023 (unaudited)	<u>720,788</u>	<u>72,078</u>

*Notes:*

- (1) Pursuant to the ordinary resolution passed at the annual general meeting of the Company held on 30 August 2023, the authorised share capital of the Company was increased from HK\$100,000,000 divided into 1,000,000,000 ordinary shares of HK\$0.10 each to HK\$300,000,000 divided into 3,000,000,000 ordinary shares by the creation of an additional 2,000,000,000 unissued ordinary shares (“**Increase in Authorised Share Capital**”). Details of which are set out in the circular of the Company dated 31 July 2023.

- (2) The Company has implemented the Rights Issue on the basis of one (1) Rights Share for every one (1) existing Share held on the Record Date at the Subscription Price of HK\$0.15 per Rights Share, to raise gross proceeds of approximately HK\$54.1 million and the net proceeds (after deducting all relevant expenses) from the Rights Issue were approximately HK\$52.7 million.

As disclosed in the Announcement, as at 4:00 p.m. on Friday, 28 July 2023, being the Latest Time for Acceptance, a total of 18 valid applications and acceptances under the PAL in respect of a total of 229,830,914 Rights Shares had been received, representing approximately 63.77% of the total number of Rights Shares offered under the Rights Issue.

As disclosed in the Announcement, as at 6:00 p.m. on Wednesday, 9 August 2023, being the latest time of placing of the Unsubscribed Rights Shares by the Placing Agents, all the 130,563,945 Unsubscribed Rights Shares were successfully placed at the price of HK\$0.150 per Share, which is equal to the Subscription Price, under the Placing.

As all the conditions with respect to the Rights Issue and the Placing as set out in the Prospectus have been fulfilled, the Rights Issue and the Placing became unconditional at 4:00 p.m. on Thursday, 10 August 2023.

Details are made to the Prospectus of the Company dated 14 July 2023 and the announcement of the Company dated 2 August 2023 and dated 11 August 2023.

Save as stated above, there were no transactions involving the Increased in Authorised Share Capital and the issued and fully paid ordinary share capital of the Company during the six months ended 30 September 2023.

## **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\$338,163,000 (31 March 2023: HK\$273,676,000) and the number of ordinary shares in issue as at 30 September 2023, being 720,789,718 (31 March 2023: 360,394,859). The net asset value per share was HK\$0.469 as at 30 September 2023 (31 March 2023: HK\$0.759).

## **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.

Due to the uncertain investment environment, the Group adopted a prudent approach for its investment. In respect of investment in unlisted companies, the Group have invested in unlisted equity interests of companies in mainland China in various sectors with development potential during the Period.

As mention above, during the Period, the external environment was uncertain, severe and complex under the impact of the epidemic of the century. Although it was not a principal business of investment, the Company has invested in other financial assets at amortised cost 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 (2022: HK\$ nil), which remain unchanged when compared with the corresponding period of last year. Profit for the Period attributable to owners of the Company was approximately HK\$20,357,000, as compared to a loss for the corresponding period ended 30 September 2022. It was mainly attributable to fair value gain on financial assets at fair value through profit or loss.

Earnings per share for the Period was HK4.47 cents (2022: loss per share HK7.60 cents after restated). As at 30 September 2023, the net asset value per share of the Group was HK\$0.469 (31 March 2023: HK\$0.759).

#### **Other income**

The Group's other income decreased by approximately 23.2% from approximately HK\$6,135,000 for the six months ended 30 September 2022 to approximately HK\$4,715,000 for the six months ended 30 September 2023. Such decrease was mainly due to the decrease in interest income of approximately HK\$656,000.

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

The fair value of financial assets through profit or loss increased by approximately HK\$29,288,000 for the six months ended 30 September 2023, which represented a 208.2 times jump from approximately HK\$140,000 for the six months ended 30 September 2022.

### **Net realised loss on financial assets at fair value through profit or loss**

The Group's net realised profit/loss on financial assets at fair value through profit or loss was nil for the Period and loss of approximately HK\$3,252,000 for the six months ended 30 September 2022.

### **Impairment loss under the ECL model, net of reversal**

The Group's impairment loss under the ECL model, net of reversal, was nil for the Period and loss of approximately HK\$3,233,000 for the six months ended 30 September 2022.

### **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 2022.

### **Administrative expenses**

The Group's administrative expenses decreased by approximately 48.8% from approximately HK\$23,663,000 for the six months ended 30 September 2022 to approximately HK\$12,117,000 for the six months ended 30 September 2023. Such decrease was mainly due to the decrease in exchange loss of approximately HK\$10,895,000.

### **Finance costs**

The Group's finance costs increased by approximately 30.6% from approximately HK\$1,171,000 for the six months ended 30 September 2022 to approximately HK\$1,529,000 for the six months ended 30 September 2023. Such increase was mainly due to increase in interest expenses on bonds.

### **FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

As at 30 September 2023, the Group's other financial assets at fair value through other comprehensive income was HK\$36,526,000 (31 March 2023: HK\$48,304,000), due to the fair value loss on financial assets at fair value through other comprehensive income.

## **OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS**

As at 30 September 2023, the Group's other receivables and deposits paid were mainly refundable deposits paid. The decreased was mainly due to decrease in deposits paid for investment in unlisted equity interests in PRC's companies.

## **OTHER FINANCIAL ASSETS AT AMORTISED COST**

As at 30 September 2023, the Group's other financial assets at amortised cost was HK\$105,520,000 (31 March 2023: HK\$100,809,000). The increased was mainly due to the interest earning for the Period.

## **FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

As at 30 September 2023, the Group's financial assets at fair value through profit or loss was HK\$199,904,000 (31 March 2023: HK\$49,922,000), mainly due to the Group have invested in unlisted equity interests in PRC's companies in various sectors with development potential during the Period.

## **CAPITAL STRUCTURE, FINANCIAL RESOURCES AND LIQUIDITY**

As at 30 September 2023, the total number of ordinary shares of HK\$0.1 each in the Company in issue were 720,789,718.

As at 30 September 2023, the Group had cash and cash equivalents of approximately HK\$8,018,000 (31 March 2023: approximately HK\$3,997,000). The Group had net current assets and net assets of approximately HK\$301,567,000 (31 March 2023: HK\$225,346,000) and approximately HK\$338,163,000 (31 March 2023: HK\$273,676,000) respectively as at 30 September 2023. The Group had bonds payable of approximately HK\$4,270,000 as at 30 September 2023.

The current ratio, calculated on the basis of total current assets over total current liabilities, was approximately 22.7 as at 30 September 2023 (31 March 2023: 5.3).

## **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 2023, 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 2023, 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 2023.

## **STAFF COST AND REMUNERATION POLICY**

As at 30 September 2023, the Group had a total of 14 employees (2022: 17 employees). The Group's total staff costs (including directors' remuneration) amounted to approximately HK\$3,010,000 (2022: HK\$3,517,000) for the Period. The Company adopted the model set out in Code Provision B.1.2(c)(ii) of Appendix 14 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.

## **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 2023, "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**

There was no significant events after the Period end.

## **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

During the Period, the Company has complied with the code provisions in the Code of Corporate Governance Practice (the “**CG Code**”) contained in Appendix 14 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 10 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 2023. 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](http://www.hkexnews.hk) and the Company at [www.00204.com.hk](http://www.00204.com.hk). The interim report of the Company for the six months ended 30 September 2023 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**  
*Chairman*

Hong Kong, 30 November 2023

*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 (Chairman), Mr. Deng Dongping, Mr. Zhu Zhikun, Mr. Lyu Ping, Ms. Mo Xiuping and Mr. Lie Zhifu as non-executive Directors; and Ms. Mo Li, Mr. Shi Zhu, Ms. Chen Shunqing and Mr. Ding Jiasheng as independent non-executive Directors.*