

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)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2024

RESULTS

The board of directors (the “Board” or the “Directors”) of Wealthink AI-Innovation Capital Limited (formerly known as Wealthking Investments Limited) (“Wealthink AI” or the “Company”) and its subsidiaries (collectively referred to as the “Group”) hereby presents the audited consolidated results of the Group for the financial year ended 31 March 2024 (the “Year”) together with comparative figures for the last financial year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Turnover	3	<u>522,006</u>	<u>469,589</u>
Revenue	3, 4	308,329	192,741
Other income and gains/(losses), net	5	77,664	(1,285)
Net change in unrealised gain/(loss) on investments at fair value through profit or loss arising from			
– listed investments		3,771	(220,907)
– unlisted investments		(42,572)	142,300
		(38,801)	(78,607)
Net realised loss on disposal of investments arising from			
– listed investments		(14,247)	(2,451)
– unlisted investments		(27,671)	(5,734)
		(41,918)	(8,185)

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000
Net change in unrealised gain on financial liabilities at fair value through profit or loss		692	611
(Provision)/reversal of provision for expected credit losses ("ECL")		(3,956)	108,967
Operating and administrative expenses		(61,939)	(77,229)
Operating profit		240,071	137,013
Finance costs		(86,366)	(75,031)
Share of (losses)/profits of associates and joint ventures		(99,097)	87,541
Profit before tax		54,608	149,523
Income tax expense	6	(955)	(3,140)
Profit for the year attributable to owners of the Company	7	53,653	146,383
Other comprehensive (expense)/income: <i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		(183,677)	(117,719)
Realisation of foreign currency translation reserve from disposal of subsidiaries		31,939	–
Share of associate's – Exchange differences on translating foreign operations		(50)	(1,733)
Other comprehensive expense for the year, net of income tax		(151,788)	(119,452)
Total comprehensive (expense)/income for the year attributable to owners of the Company		(98,135)	26,931
Earnings per share (HK cents)			
– Basic	9	0.51	1.80
– Diluted	9	0.51	1.80

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	Note	2024 HK\$'000	2023 HK\$'000
ASSETS			
Non-current assets			
Equipment		4,585	4,178
Right-of-use assets		8,654	11,409
Intangible assets		71	782
Investments in associates and joint ventures		656,500	921,863
Investments at fair value through profit or loss		4,143,757	4,600,522
Debt investments		72,097	199,865
		<u>4,885,664</u>	<u>5,738,619</u>
Current assets			
Investments at fair value through profit or loss		2,091,663	2,057,701
Debt investments		3,677,392	3,167,597
Accounts and loans receivables	10	89,610	114,516
Interest receivables		255,591	121,854
Prepayments, deposits and other receivables		32,527	57,558
Bank and cash balances		45,006	108,360
		<u>6,191,789</u>	<u>5,627,586</u>
Non-current assets held for sale		<u>344,944</u>	<u>–</u>
TOTAL ASSETS		<u>11,422,397</u>	<u>11,366,205</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		1,052,032	1,052,032
Reserves		8,860,588	8,958,723
Total equity		<u>9,912,620</u>	<u>10,010,755</u>

	<i>Notes</i>	2024 HK\$'000	2023 <i>HK\$'000</i>
Liabilities			
Current liabilities			
Accounts payables	<i>11</i>	50	50
Other payables		60,805	39,926
Financial liabilities at fair value through profit or loss		1,400	2,225
Borrowings	<i>12</i>	1,417,414	1,280,393
Lease liabilities		5,861	7,056
Current tax liabilities		18,774	17,818
		<u>1,504,304</u>	<u>1,347,468</u>
Net current assets		<u>5,032,429</u>	<u>4,280,118</u>
Non-current liabilities			
Financial liabilities at fair value through profit or loss		1,542	1,667
Lease liabilities		3,931	6,315
		<u>5,473</u>	<u>7,982</u>
Total liabilities		<u>1,509,777</u>	<u>1,355,450</u>
TOTAL EQUITY AND LIABILITIES		<u>11,422,397</u>	<u>11,366,205</u>
NET ASSETS		<u>9,912,620</u>	<u>10,010,755</u>
Net asset value per share	<i>13</i>	<u>HK\$0.94</u>	<u>HK\$0.95</u>

NOTES

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability. The address of its registered office is P.O. Box 309, Umland House, Grand Cayman, KY1-1104, Cayman Islands. The address of its principal place of business is Room 3910-13, 39/F, COSCO Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company.

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

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

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

3. 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 years are analysed as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Dividend income	–	1,038
Interest revenue	<u>308,329</u>	<u>191,703</u>
Total revenue	308,329	192,741
Gross sales proceeds from disposal/redemption of investments at fair value through profit or loss	<u>213,677</u>	<u>276,848</u>
Turnover	<u><u>522,006</u></u>	<u><u>469,589</u></u>

4. SEGMENT INFORMATION

The chief operating decision maker has been identified as the executive director, subject to requirements of the Rules Governing the Listing of Securities on the Stock Exchange (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

	2024 <i>HK\$’000</i>	2023 <i>HK\$’000</i>
<i>Revenue</i>		
– Hong Kong	232,974	137,556
– Mainland China	70,730	51,546
– United States of America	4,625	3,639
	<u>308,329</u>	<u>192,741</u>

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

Non-current assets other than financial instruments

	2024 <i>HK\$’000</i>	2023 <i>HK\$’000</i>
Hong Kong	269,908	330,451
Mainland China	399,831	606,999
United States of America	71	782
	<u>71</u>	<u>782</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:

	2024 <i>HK\$’000</i>	2023 <i>HK\$’000</i>
Debt investment A	61,560	–
Debt investment B	#	51,016
Debt investment C	40,611	28,258
Debt investment D	38,806	23,405
	<u>38,806</u>	<u>23,405</u>

Less than 10% of total revenue for the relevant year.

5. OTHER INCOME AND GAINS/(LOSSES), NET

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Net gain/(loss) on disposal of subsidiaries	84,308	(1,540)
Impairment loss of goodwill arising from investment in an associate	(6,214)	–
Impairment loss of intangible assets	(711)	–
Others	281	255
	<u>77,664</u>	<u>(1,285)</u>

6. INCOME TAX EXPENSE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax		
– People's Republic of China ("PRC") Enterprise Income Tax, provision for the year	(955)	(3,140)
	<u>(955)</u>	<u>(3,140)</u>

No provision for Hong Kong Profits Tax has been made for the years ended 31 March 2024 and 2023 as the Group did not generate any assessable profits arising in Hong Kong during those years.

The income tax provision of the Group in respect of operations in the PRC was calculated at the tax rate of 25% (2023: 25%) on the assessable profits for the year ended 31 March 2024, based on existing legislation, interpretation and practices in respect thereof.

7. PROFIT FOR THE YEAR

The Group's profit for the year is stated after charging/(crediting) the following:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Depreciation of equipment	2,031	4,843
Depreciation of right-of-use assets	7,250	22,934
Auditor's remuneration		
– Audit services	1,350	1,350
– Non-audit services	118	118
	<u>1,468</u>	<u>1,468</u>
Provision/(reversal of provision) for ECL		
– debt investments	2,058	(96,157)
– accounts, loans, interest and other receivables	1,898	(12,810)
	<u>3,956</u>	<u>(108,967)</u>
Staff costs including Directors' emoluments		
– Salaries and other benefits	15,716	16,651
– Retirement benefits scheme contributions	382	377
	<u>16,098</u>	<u>17,028</u>

8. DIVIDEND

No dividends was paid or proposed for ordinary shareholders of the Company during the year ended 31 March 2024, nor has any dividend been proposed at the end of the reporting period (2023: nil).

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following:

	2024 HK\$'000	2023 <i>HK\$'000</i>
Earnings		
Earnings for the purpose of calculating basic and diluted earnings per share	<u>53,653</u>	<u>146,383</u>
	2024 '000	2023 <i>'000</i>
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share	<u>10,520,325</u>	<u>8,120,866</u>
	2024 HK cent	2023 <i>HK cents</i>
Basic and diluted earnings per share	<u>0.51</u>	<u>1.80</u>

Diluted earnings per share is the same as basic earnings per share as the Company did not have any dilutive potential ordinary share during the years ended 31 March 2024 and 2023.

10. ACCOUNTS AND LOANS RECEIVABLES

	<i>Notes</i>	2024 HK\$'000	2023 <i>HK\$'000</i>
Unsecured loans	<i>(a)</i>	–	45,102
Accounts receivables	<i>(b)</i>	779	1,089
Amounts due from associates, joint ventures and related companies		27,056	26,789
Dividend receivables		61,775	41,536
		<u>89,610</u>	<u>114,516</u>

Notes:

<i>(a)</i>	2024 HK\$'000	2023 <i>HK\$'000</i>
Unsecured loans to a third party	–	47,344
Less: provision for ECL	–	(2,242)
	<u>–</u>	<u>45,102</u>

Unsecured loans of RMB41,457,000, equivalent to HK\$47,344,000, was provided to a third party established in the 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 year ended 31 March 2024.

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:

	2024 HK\$'000	2023 <i>HK\$'000</i>
Unbilled	<u>779</u>	<u>1,089</u>

11. ACCOUNTS PAYABLES

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Over 1 year	<u>50</u>	<u>50</u>

12. BORROWINGS

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Securities margin trading borrowing	<i>(a)</i>	–	90,768
Secured borrowings from banks	<i>(b)</i>	885,000	648,731
Unsecured other borrowings			
– Interest bearing	<i>(c)</i>	532,414	470,889
– Non-interest bearing	<i>(d)</i>	<u>–</u>	<u>70,005</u>
		<u>1,417,414</u>	<u>1,280,393</u>

Notes:

- (a) As at 31 March 2023, securities margin trading borrowing from a securities company secured by certain listed securities of the Group and repayable within 1 year. The amounts was settled and disposed along with the disposal of a subsidiary during the year ended 31 March 2024.
- (b) Secured borrowings from banks are secured by the Group's certain interests in an associate, investments at fair value through profit or loss and debt investments and repayable within 1 year.
- (c) The interest bearing other borrowings of HK\$532,414,000 (2023: HK\$470,889,000) are unsecured, interest bearing from 6.50% to 8.00% (2023: 7.00% to 7.75%) p.a. and repayable within 1 year or on demand.
- (d) Non-interest bearing borrowing represents RMB61,300,000 loan due to 上海赫奇企業管理諮詢有限公司 for a potential investment opportunity in the PRC as at 31 March 2023. The borrowing was non-interest bearing and repayable on demand. The amounts was disposed along with the disposal of a subsidiary during the year ended 31 March 2024.

13. NET ASSET VALUE PER SHARE

The net asset value per share is calculated by dividing the net asset value of the Group as at 31 March 2024 of HK\$9,912,620,000 (2023: HK\$10,010,755,000) by the number of ordinary shares in issue at that date, being 10,520,324,505 (2023: 10,520,324,505).

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 leverage our capital strength to invest in targeted companies, with returns primarily generated from interests, dividends and capital appreciation. In FY2023/2024, in view of changes in market environment and the strategic development needs of the Company, we underwent comprehensive adjustments and optimization of our investment strategy. We re-established our four-core investment strategy, namely core-holding-centered unlisted equity investments, debt investments, fund investments and listed equity investments.

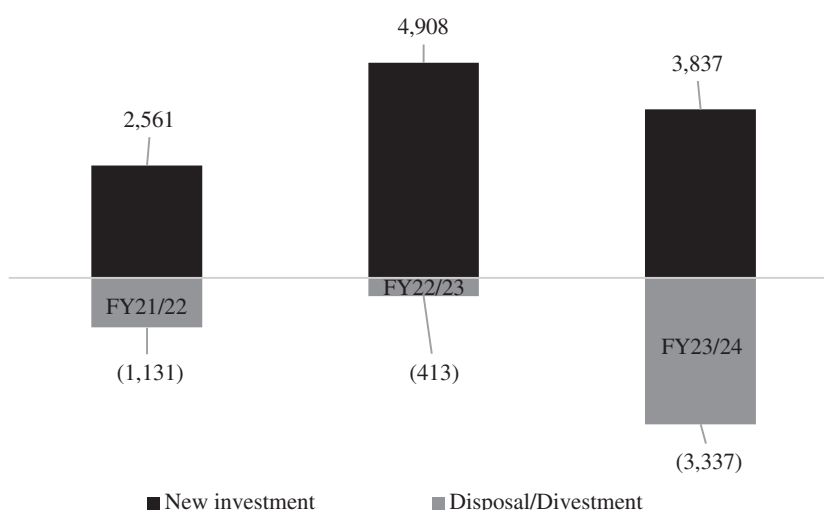
INVESTMENT REVIEW

Investment Activities

During the last year, due to the volatile international trading environment, the sluggish internal consumption market and the increasing geopolitical risk, China's economy was still exposed to downward pressure. Against this backdrop, the capital markets in Mainland China and Hong Kong showed relative weakness, which brought certain challenges to our investment business and post-investment management. Confronted by the volatility and uncertainty of the market, we adhered to the principle of investment diversity and risk diversification, prudently evaluated various investment opportunities, and comprehensively adjusted and improved investment strategies. Through various asset categories including investments in unlisted equity, debt, fund and listed equity, we further improved the diversity and stability of our investment portfolio. In addition, under the complex and ever-changing economic situation, we are also striving to identify certain industrial trends and focus our investment on the emerging technology fields while continuing to strengthen strategic execution in the technology field.

During the Year (as of 31 March 2024), 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. During the Year, our new investments amounted to HK\$3,837.48 million, and our divestments amounted to HK\$3,337.07 million.

New Investment and Divestment/Disposal over the latest 3 Years (HK\$ million)

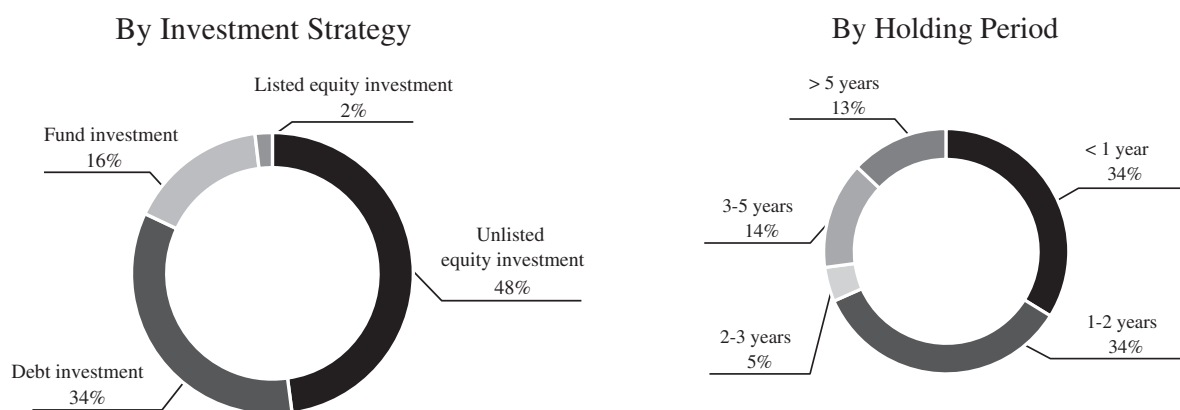


Portfolio Breakdown

In FY2023/2024, we underwent comprehensive adjustments and optimization of our investment strategy. During the Year, our investment strategy was comprised of four pillars, namely core-holding-centered unlisted equity investments, debt investments, fund investments and listed equity investments.

Unlisted equity investment strategy focuses on exploring and investing in unlisted enterprises with long-term growth potential, providing necessary capital support for the enterprises through direct investment or purchase of economic interest, and sharing their growth dividends. Debt investment strategy aims to obtain stable and fixed income through purchase of bonds or providing loans. While fund investment strategy participates in diversified investment opportunities with the help of the industry experience and market insights of professional fund management companies, thereby realising the decentralized allocation and professional management of assets. Listed equity investment strategy mainly focusses on short-term investment opportunities in the secondary market in and outside China to balance the liquidity and rate of return of the portfolio. Combined with these four major investment strategies, we strive to build a balanced and efficient portfolio to bring continuous and steady investment returns to the shareholders.

As of 31 March 2024, in the unlisted equity investment category, 四川鴻鵠志遠教育管理集團有限公司(“鴻鵠教育”) was the largest investment; in the debt investment category, Hong Kong Nanshan Development Ltd 7.5% 23-05-2024 (“Nanshan Bonds”) was the largest investment; in the fund investment category, the major investment was 青島萬峰時代領航股權投資中心(“時代領航基金”); in the listed equity investment category, the major investment was China Zheshang Bank (2016.hk).



MAJOR INVESTMENT PORTFOLIO

Unlisted Equity Investment

Unlisted equity investment is our important investment strategy. We are committed to seeking unlisted enterprises with long-term growth potential and market competitiveness, providing support for these enterprises through direct equity investment or purchase of their economic interest, thereby harvesting considerable investment returns from their growth. We mainly divide unlisted equity investments into two categories, namely long-term core holding and other unlisted equity investment. As of 31 March 2024, Wealthink AI's holdings in the unlisted equity investment category amounted to HK\$5,263.53 million.

Long-Term Core Holding

As of 31 March 2024, three companies were categorized as our long-term core holding portfolio, namely iCarbonX Group Limited ("iCarbonX"), CSOP Asset Management Limited ("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. Wealthink AI's holdings in the core holding companies amounted to HK\$934.00 million as at 31 March 2024. Given the growth potential of the core holding companies, Wealthink 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\$797.63 million
Location: China
Sector: Medical & Health

In 2018, Wealthink 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 31 March 2024, the Group owned 7.73% of equity interests in iCarbonX and the carrying value of the position stood at HK\$797.63 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\$60.00 million
Carrying value: HK\$111.87 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 31 March 2024, Wealthink AI owned 22.5% of the issued capital of CSOP, of which the carrying value stood at HK\$111.87 million, increasing HK\$1.55 million, as compared to HK\$110.32 million as at 31 March 2023, such increase is due to its robust business performance during the Year.

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.

CSOP is one of the largest ETF issuers in Hong Kong. As of the first quarter of 2024, the scale of AUM exceeded US\$14,700 million, occupying a leading position in various sectors. CSOP is the bellwether in Hong Kong's ETF market. It is the ETF issuer that received the most capital inflows in 2023. It is also the only ETF issuer that has achieved net increase in scale among the top three. The products issued by it account for the top ten active trading ETFs in Hong Kong all year round. In Hong Kong's leverage and reverse product market, CSOP plays a leading position with a market share of 99.8% (in terms of average daily turnover) and 98.2% (in terms of scale of AUM).

CSOP is the manager in Hong Kong with the largest proportion in scale under ETF cross-border projects. Its market share in Mainland China-Hong Kong ETF cross-listing is 99%, and the market share in ETF interconnection is 76%. In the "New Capital Investment Entrant Scheme" launched in 2024, CSOP is also the manager with the largest number of ETF types of "permissible financial assets" in Hong Kong. It has a total of 45 permissible assets, including 2 mutual funds, 43 ETFs and leverage and reverse products, covering Hong Kong A shares, the United States stocks, Japanese stocks, and Southeast Asian stock markets, the United States bonds, virtual assets and other broad markets. Thanks to its excellent product design and strong performance, CSOP has won many awards from various parties at both corporate and product levels, including five awards in the annual awards of "Best of the Best Awards" by Asia Asset Management in 2024, and nine awards in the Offshore China Fund Awards by HKCAMA-Bloomberg in 2023.

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\$24.50 million
Location: Hong Kong
Sector: Financial Services

As at 31 March 2024, Wealththink 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\$24.50 million. OPIM managed over 35 funds as at the end of 2023, and the scale of fund managed was over US\$1.2 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 Unlisted Equity Investment

Apart from long-term core holding, Wealththink AI's holdings in the other unlisted equity investment category amounted to HK\$4,329.53 million as at 31 March 2024. During the Year, the Group's new investments in this category amounted to HK\$1,707.63 million, and the divestments were HK\$156.79 million. 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 is based on prudent and extensive analysis of market condition and investment projects' prospect.

The major investments are listed as below:

Jiedaibao Limited (“Jiedaibao”)

Date of initial investment: 2020
Type of deal: Private Equity
Equity ownership: 2.49%
Cost: HK\$900.39 million
Carrying value: HK\$1,082.13 million
Location: China
Sector: Fintech

In 2020, Wealththink 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. Wealththink AI subsequently increased its capital by HK\$200.39 million in November 2021. As at 31 March 2024, the Group's position in Jiedaibao stood at HK\$1,082.13 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. Wealththink 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
Type of deal: Private Equity
Equity ownership: 14.9%
Cost: HK\$450.00 million
Carrying value: HK\$432.35 million
Location: China
Sector: Others

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\$600.00 million to acquire 19.9% of equity interest in 恒嘉美聯. As at 31 March 2024, the Group's position in 恒嘉美聯 stood at HK\$432.35 million, representing 14.9% of equity interests in 恒嘉美聯.

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.

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\$1,632.00 million
Location: China
Sector: Smart Education

Wealthink AI acquired an economic interest in 29.99% of the equity of 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 31 March 2024, the Group’s holdings in 鴻鵠教育 amounted to HK\$1,632.00 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 mistakes 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.

Debt Investment

As at 31 March 2024, Wealthink AI's holdings in the debt investment category amounted to HK\$3,749.49 million. The Group added investments of HK\$1,471.95 million and exited from investments amounting to HK\$1,054.28 million in total in this category during the Year. At the same time, our portfolio of debt instruments recorded provision for ECL under HKFRS 9 during the Year.

The Group makes investment decisions with the consideration of return, risk and liquidity. During the Year, the interest rate we charged for the debt investments, of which the borrowers were mainly investment companies, ranged from 7.00% to 10.00% as compared to 6.00% to 9.00% for the same period last year. The total interest income generated from debt investments was HK\$307.66 million with loan tenures ranging from 270 days to 2 years, while the corresponding amount and range for the same period last year were HK\$191.40 million and 180 days to 2 years, respectively.

Wealthink AI maintains regular communication with bond issuers and loan borrowers. As at the end of the Year, management have assessed the repayment ability of the issuers/borrowers for the determination of ECL provisions.

The major investments are listed as below:

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

Date of initial investment: 2023
Type of deal: Bond
Cost: HK\$975 million
Carrying value: HK\$969.59 million
Location: Hong Kong
Sector: Fixed-Income

On 25 May 2023, 30 May 2023, 5 June 2023 and 8 June 2023, Wealthink AI, through its wholly-owned subsidiary, subscribed the Nanshan Bonds in the respective principal amounts of HK\$197,000,000, HK\$197,000,000, 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 23 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 2023. As at 31 March 2024, the Group’s position in Nanshan Bonds amounted to HK\$969.59 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.

Fund Investment

As at 31 March 2024, Wealthink AI’s holdings in the fund investment category amounted to HK\$1,755.43 million. The Group added investments of HK\$489.00 million and exited investments of HK\$1,675.29 million during the Year.

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\$761.54 million
Location: China
Sector: Technology, Media and Telecom

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\$761.54 million as at 31 March 2024.

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\$418.28 million

Location: China

Sector: Technology, Media and Telecom

In July 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 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 RMB801.00 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\$418.28 million as at 31 March 2024.

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\$490.04 million
Location: China
Sector: Technology, Media and Telecom

In 2023, Wealthink AI, through its wholly-owned subsidiary, invested RMB450.00 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 RMB990.00 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 31 March 2024, the Group's holdings in 東英領航基金 amounted to HK\$490.04 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.

Listed Equity Investment

As at 31 March 2024, Wealthink AI's holdings in the listed equity investment category amounted to HK\$217.91 million. During the Year, 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 31 March 2024, the Group's net asset value was HK\$9,912.62 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 31 March 2024, was 0.15 (31 March 2023: 0.14).

Investments in associates and joint ventures: It represents our interests in companies accounted for using equity method such as CSOP and Treasure Up Ventures Limited ("Treasure Up"), etc. Assets value stood at HK\$656.50 million as at 31 March 2024, representing a decrease of 28.79% 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 Year.

Investments at fair value through profit or loss: It stood at HK\$6,580.36 million as at 31 March 2024, representing a decrease of 1.17% 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 31 March 2024, which amounted to HK\$3,749.49 million. The increase of 11.34% as compared to HK\$3,367.46 million as at 31 March 2023 was due to new investments during the Year.

Bank and cash balances: As at 31 March 2024, the Group's bank and cash balances stood at HK\$45.01 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.

RESULTS

The Group recorded a total revenue of HK\$308.33 million during the Year, representing an increase of 59.97% as compared to HK\$192.74 million for the same period last year. The Group recorded profit for the Year of HK\$53.65 million as compared to HK\$146.38 million for the same period last year. Current year's results comprised of HK\$308.33 million of revenue mainly generated from debt investments, HK\$77.66 million of net other income and gains, but offset by HK\$38.80 million of net change in unrealised loss on investments at fair value through profit or loss, HK\$99.10 million of share of losses of associates and joint ventures, HK\$86.37 million of finance costs, HK\$61.94 million of operating and administrative expenses and HK\$41.92 million of net realised loss on disposal of investments.

Consolidated statement of profit or loss and other comprehensive income

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

	2023/2024	2022/2023
	HK\$'000	HK\$'000
Dividend income ⁽¹⁾	–	1,038
Interest revenue ⁽²⁾	308,329	191,703
	308,329	192,741

(1) Dividends received and receivable from listed securities during the year ended 31 March 2023.

(2) Interest revenue was primarily generated from the Group's debt investments 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\$84.31 million (FY2022/2023: net loss of HK\$1.54 million) during the Year. Unlisted investment funds, unlisted debt investments and listed securities included in investments at fair value through profit or loss, and private equity investments 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\$38.80 million (FY2022/2023: HK\$78.61 million) mainly represents the net results of unlisted investment funds, private equity investments and listed securities with unrealised loss of HK\$296.45 million, but offset by unrealised gain of HK\$257.65 million.

Net realised loss on disposal of investments: The realised loss of HK\$41.92 million (FY2022/2023: HK\$8.19 million) during the Year mainly represents loss from disposal of listed securities and an unlisted equity investment.

Operating and administrative expenses: The operating and administrative expenses totaling HK\$61.94 million (FY2022/2023: HK\$77.23 million) were mainly staff costs, legal and professional fees, depreciation, etc. 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 (losses)/profits of associates and joint ventures: A net loss of HK\$99.10 million (FY2022/2023: net profit of HK\$87.54 million) mainly accounted for share of results of CSOP and Treasure Up. The significant decrease was mainly due to share of loss of Treasure Up during the Year.

Other comprehensive expense: Changes in the Group's net asset value, which are not accounted for in "profit for the year", are recorded under "other comprehensive expense". Other comprehensive expense of HK\$151.79 million (FY2022/2023: HK\$119.45 million) represents the exchange differences, primarily due to the depreciation of RMB during the Year.

DIVIDEND POLICY AND PROPOSED FINAL 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 final dividend in respect of the Year (FY2022/2023: nil).

LIQUIDITY AND FINANCIAL RESOURCES

The Group's major sources of revenue currently is interest revenue from bank deposits and financial instruments held.

As at 31 March 2024, the Group had bank and cash balances of HK\$45.01 million (31 March 2023: HK\$108.36 million). The Group had an aggregate of HK\$1,417.41 million loans as at 31 March 2024 (31 March 2023: HK\$1,280.39 million), which primarily comprised of bank loans from our principal bankers and interest-bearing borrowings from third parties. The debt-to-equity ratio (interest-bearing external borrowings divided by shareholders' equity) stood at 14.30% (31 March 2023: 12.09%) while the debt ratio (total borrowings divided by total assets) was 12.41% (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, 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 31 March 2024, shareholders' equity and the total number of shares in issue of the Company stood at HK\$9,912.62 million (31 March 2023: HK\$10,010.76 million) 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 Year.

	New/ Additional Investments <i>(HK\$ million)</i>	Divestment/ Disposal <i>(HK\$ million)</i>
Unlisted equity investments	1,707.63 ⁽¹⁾	(156.79) ⁽⁵⁾
Debt investments	1,471.95 ⁽²⁾	(1,054.28) ⁽⁶⁾
Fund investments	489.00 ⁽³⁾	(1,675.29) ⁽⁷⁾
Listed equity investments	168.90 ⁽⁴⁾	(450.71) ⁽⁸⁾
	<hr/>	<hr/>
Total	3,837.48	(3,337.07)
	<hr/> <hr/>	<hr/> <hr/>

(1) Represents the Group's investment in 2 private equity investments during the Year.

(2) Represents the Group's 14 debt investments during the Year.

(3) Represents the Group's investment in 1 unlisted fund investment during the Year.

(4) Represents the Group's investments in 9 listed securities during the Year.

(5) Represents the Group's divestment from 3 private equity investments during the Year.

(6) Represents the Group's divestment from 6 debt investments during the Year.

(7) Represents the Group's divestment from 3 unlisted fund investments during the Year.

(8) Represents the Group's divestment from 6 listed securities during the Year.

SEGMENT INFORMATION

Segment information of the Group is set out in note 4 on page 6 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 guaranteed bonds due 2024 (the “2023 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 31 March 2024, the balances due from Nanshan Development in respect of the subscription of the 2023 Bonds (excluding any accrued interest and provision for ECL) amounted to HK\$975,000,000. The 2023 Bonds bore interest at the rate of 7.5% per annum and matured on 23 May 2024. Nanshan Group Co., Ltd would unconditionally and irrevocably guarantee the due payment of all sums expressed to be payable by Nanshan Development under the 2023 Bonds and the trust deed(s) constituting the 2023 Bonds. Up to the date of the announcement, the amounts have been fully settled.

EMPLOYEES

As of 31 March 2024, the Group had 32 employees (31 March 2023: 33), inclusive of all Directors of the Company and its subsidiaries. Total staff costs for the Year amounted to HK\$16.10 million (FY2022/2023: HK\$17.03 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 Year, 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 (FY2022/2023: nil). As at 31 March 2024, 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

As at 31 March 2024, the Group was exposed to foreign exchange risk arising from financial instruments that are monetary items including certain investments at fair value through profit or loss, debt investment, interest receivables, other receivables, bank balances, borrowings, lease liabilities and other payables (31 March 2023: investments at fair value through profit or loss, interest receivables, loans and other receivables, bank balances, borrowings and lease liabilities and other payables). These assets were denominated in RMB and the maximum exposure to foreign exchange risk was RMB2,632.18 million, equivalent to HK\$2,837.35 million (31 March 2023: RMB2,039.41 million, equivalent to HK\$2,329.01 million).

As at 31 March 2024, 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 31 March 2024, save as certain interests in an associate, investments at fair value through profit or loss and debt investment are pledged for the Group’s bank loans, these were no charge on the Group’s assets.

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

As at 31 March 2024, 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 Year.

EVENTS AFTER THE REPORTING PERIOD

The 2023 Bonds were fully redeemed by Nanshan Development on 23 May 2024, in the respective principal amounts of HK\$197,000,000, HK\$197,000,000, HK\$330,000,000, and HK\$251,000,000.

CORPORATE GOVERNANCE CODE COMPLIANCE

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 Year, in compliance with the Corporate Governance Code.

Code Provision D.1.2

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

AUDIT COMMITTEE

The Company established an audit committee (the "Audit Committee") in accordance with Rule 3.21 of the Listing Rules. Amongst other duties, the principal duties of the Audit Committee are to review the interim and annual results and internal control system of the Company.

The Audit Committee currently comprises three independent non-executive Directors, namely, Mr. Chen Yuming, Mr. Yan Xiaotian and Mr. Zhao Kai. Mr. Chen Yuming is the chairman of the Audit Committee.

The audited consolidated financial statements for the Year have been reviewed by the Audit Committee.

SCOPE OF WORK OF ZHONGHUI ANDA CPA LIMITED

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

FORWARD LOOKING STATEMENTS

This 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 FINANCIAL INFORMATION

This results announcement is published on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.1140.com.hk). The Group's annual report for the Year will be dispatched to the shareholders of the Company and available on the above websites in due course.

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

Hong Kong SAR, 21 June 2024

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.