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**金石資本集團有限公司**  
**GOLDSTONE CAPITAL GROUP LIMITED**  
*(Incorporated in Bermuda with limited liability)*  
**(Stock code: 1160)**

**RESULTS ANNOUNCEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2024**

The board (the “**Board**”) of directors (the “**Directors**”) of Goldstone Capital Group Limited (the “**Company**”) is pleased to announce that the audited results of the Company for the year ended 31 March 2024 (the “**Year**”) together with the comparative figures for the year ended 31 March 2023 are as follows:

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the year ended 31 March 2024*

	<i>NOTE</i>	<b>2024</b> <b>HK\$'000</b>	2023 <i>HK\$'000</i>
Net investment gain	4	<b>32</b>	48
Other income, net	5	<b>40</b>	123
General and administrative expenses		<u><b>(9,419)</b></u>	<u>(10,332)</u>
Loss from operations		<b>(9,347)</b>	(10,161)
Finance costs	6(a)	<u><b>(11)</b></u>	<u>(11)</u>
Loss before taxation	6	<b>(9,358)</b>	(10,172)
Income tax	7	<u>–</u>	<u>–</u>
Loss for the year		<b>(9,358)</b>	(10,172)
Other comprehensive income for the year		<u>–</u>	<u>–</u>
Total comprehensive expense for the year		<u><b>(9,358)</b></u>	<u>(10,172)</u>
Loss and total comprehensive expense for the year attributable to:			
Equity shareholders of the Company		<u><b>(9,358)</b></u>	<u>(10,172)</u>
Loss per share	8		
– Basic		<u><b>(HK\$0.04)</b></u>	<u>(HK\$0.04)</u>
– Diluted		<u><b>(HK\$0.04)</b></u>	<u>(HK\$0.04)</u>

## STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	NOTE	2024 HK\$'000	2023 HK\$'000
<b>Non-current asset</b>			
Plant and equipment		–	668
<b>Current assets</b>			
Financial assets at fair value through profit or loss	9	–	6,610
Deposits and prepayments		784	741
Cash and cash equivalents		18,057	21,566
<b>Total current assets</b>		<b>18,841</b>	<b>28,917</b>
<b>Current liabilities</b>			
Accruals and other payables		1,913	3,308
Loans from a shareholder		4,030	4,021
<b>Total current liabilities</b>		<b>5,943</b>	<b>7,329</b>
<b>Net current assets</b>		<b>12,898</b>	<b>21,588</b>
<b>Net assets</b>		<b>12,898</b>	<b>22,256</b>
<b>Capital and reserves</b>			
Share capital		23,727	23,727
Reserves		(10,829)	(1,471)
<b>Total equity</b>		<b>12,898</b>	<b>22,256</b>
<b>Net asset value per share</b>		<b>HK\$0.05</b>	<b>HK\$0.09</b>

## NOTES:

### 1. GENERAL INFORMATION

Goldstone Capital Group Limited (the “**Company**”) is a limited liability company incorporated in Bermuda on 15 April 2003 as an exempted company and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business of the Company is Room 1801A, 18/F, Bank of America Tower, 12 Harcourt Road, Admiralty, Hong Kong.

The Company is principally engaged in investments in listed and unlisted enterprises.

### 2. MATERIAL ACCOUNTING POLICIES

#### (a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange. Material accounting policies adopted by the Company are disclosed below.

The HKICPA has issued certain amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Company. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Company for the current accounting periods reflected in these financial statements.

#### (b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets are stated at their fair value as explained in the accounting policies set out below:

- financial instruments classified as financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(c) **Changes in accounting policies**

The HKICPA has issued the following new and amended HKFRSs that are first effective for the current accounting period of the Company:

- HKFRS 17, *Insurance contracts*
- Amendments to HKAS 1, *Presentation of financial statements and HKFRS Practice Statement 2, Making materiality judgements: Disclosure of accounting policies*
- Amendments to HKAS 8, *Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates*
- Amendments to HKAS 12, *Income taxes: Deferred tax related to assets and liabilities arising from a single transaction*
- Amendments to HKAS 12, *Income taxes: International Tax Reform – Pillar Two Model Rules*

The Company has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of the new and amended HKFRSs are discussed below:

**HKFRS 17, *Insurance contracts***

HKFRS 17, which replaces HKFRS 4, sets out the recognition, measurement, presentation and disclosure requirements applicable to issuers of insurance contracts. The standard does not have a material impact on these financial statements as the Company does not have contracts within the scope of HKFRS 17.

**Amendments to HKAS 1, *Presentation of financial statements and HKFRS Practice Statement 2, Making materiality judgements: Disclosure of accounting policies***

The amendments require entities to disclose material accounting policy information and provide guidance on applying the concept of materiality to accounting policy disclosure. The Company has revisited the accounting policy information it has been disclosing and considered it is consistent with the amendments.

**Amendments to HKAS 8, *Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates***

The amendments provide further guidance on the distinction between changes in accounting policies and changes in accounting estimates. The amendments do not have a material impact on these financial statements as the Company's approach in distinguishing changes in accounting policies and changes in accounting estimates is consistent with the amendments.

**Amendments to HKAS 12, *Income taxes: Deferred tax related to assets and liabilities arising from a single transaction***

The amendments narrow the scope of the initial recognition exemption such that it does not apply to transactions that give rise to equal and offsetting temporary differences on initial recognition such as leases and decommissioning liabilities. For leases and decommissioning liabilities, the associated deferred tax assets and liabilities are required to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, the amendments are applied to those transactions that occur after the beginning of the earliest period presented. These amendments had no impact on the Company's financial statements as there were no transactions fallen within the scope of these amendments on or after the beginning of the earliest period presented.

### **Amendments to HKAS 12, *Income taxes: International Tax Reform – Pillar Two Model Rules***

The amendments introduce a temporary mandatory exception from deferred tax accounting for the income tax arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (“**OECD**”) (income tax arising from such tax laws is hereafter referred to as “**Pillar Two income taxes**”), including tax laws that implement qualified domestic minimum top-up taxes described in those rules. The amendments also introduce disclosure requirements about such tax including the estimated tax exposure to Pillar Two income taxes. The amendments are immediately effective upon issuance and require retrospective application. Since the Company did not fall within the scope of the Pillar Two model rules, the amendments did not have any impact to the Company.

#### **3. SEGMENT REPORTING**

No segment information is presented in respect of the Company’s business and geographical segments as all of the income, contribution to operating results, assets and liabilities of the Company are attributable to investment activities, which are carried out or originated principally in Hong Kong.

#### **4. NET INVESTMENT GAIN**

	2024 <i>HK\$’000</i>	2023 <i>HK\$’000</i>
Fair value change on financial assets at fair value through profit or loss	<u>32</u>	<u>48</u>

#### **5. OTHER INCOME, NET**

	2024 <i>HK\$’000</i>	2023 <i>HK\$’000</i>
Bank interest income	40	32
Government subsidies ( <i>see Note below</i> )	–	72
Net exchange gain	–	20
Loss on disposal of plant and equipment	–	(1)
	<u>40</u>	<u>123</u>

*Note:* Being the subsidies received from the COVID-19 Anti-epidemic Fund under the Employment Support Scheme as promulgated by the Government of the Hong Kong Special Administrative Region of the People’s Republic of China.

## 6. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

	2024 HK\$'000	2023 HK\$'000
<b>(a) Finance costs</b>		
Interest on loans from a shareholder	<u>11</u>	<u>11</u>
<b>(b) Staff costs (including directors' emoluments)</b>		
Salaries and other benefits	4,835	4,676
Mandatory provident fund contributions ( <i>see Note below</i> )	<u>52</u>	<u>68</u>
	<u>4,887</u>	<u>4,744</u>
<b>(c) Other items</b>		
Depreciation charge		
– owned plant and equipment	668	338
Expense related to short-term leases	1,100	728
Auditors' remuneration		
– audit services	310	310
Investment management fee	270	1,620
Legal and professional fees	<u>1,172</u>	<u>1,131</u>

*Note:* The Company operates a Mandatory Provident Fund Scheme (the “MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately, there is no forfeited contributions that may be used by the Company to reduce the existing level of contribution.

## 7. INCOME TAX

- (a) No provision for Hong Kong Profits Tax has been made in these financial statements as the Company has no estimated assessable profits derived from its operation in Hong Kong during the year ended 31 March 2024 (for the year ended 31 March 2023: Nil).
- (b) No provision for overseas tax has been made in these financial statements as the Company has no profit derived from overseas.
- (c) Reconciliation between tax expense and accounting loss at applicable tax rate:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss before taxation	<u>(9,358)</u>	<u>(10,172)</u>
Notional tax on loss before taxation, calculated at the applicable rate of 16.5% (for the year ended 31 March 2023: 16.5%)	(1,544)	(1,678)
Tax effect of non-taxable income	(12)	(29)
Tax effect of non-deductible expenses	1,452	1,660
Tax effect of temporary difference not recognised	<u>104</u>	<u>47</u>
Income tax expense	<u>–</u>	<u>–</u>

## 8. LOSS PER SHARE

### (a) Basic loss per share

The calculation of basic loss per share attributable to equity shareholders of the Company is based on the following data:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss attributable to ordinary equity shareholders of the Company for the purpose of computing basic loss per share	<u>9,358</u>	<u>10,172</u>
	<b>Number of shares</b>	
	2024 <i>'000</i>	2023 <i>'000</i>
Weighted average number of ordinary shares for the purpose of computing basic loss per share	<u>237,271</u>	<u>237,271</u>

### (b) Diluted loss per share

There were no dilutive potential ordinary shares during the years ended 31 March 2024 and 2023, and therefore diluted loss per share is the same as the basic loss per share.

**9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Investments (trading and investment securities) – at fair value</b>		
Treasury Bills of the United States of America (the “U.S.”)		
(“U.S. Treasury Bills”)	<u>–</u>	<u>6,610</u>

All U.S. Treasury Bills were matured during the year ended 31 March 2024 and the Company did not have any investments as at 31 March 2024.

**10. DIVIDEND**

The Directors do not propose any dividend for the year ended 31 March 2024 (for the year ended 31 March 2023: Nil).



## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **OPERATING RESULTS**

For the Year, the Company recorded a loss for the year of approximately HK\$9,358,000 (2023: loss of approximately HK\$10,172,000), representing a decrease in loss for the year of approximately HK\$814,000 as compared with the year ended 31 March 2023 mainly due to a decrease in general and administrative expenses incurred for the Year.

Net investment gain of approximately HK\$32,000 was recognised for the Year as compared with the net investment gain of approximately HK\$48,000 recorded last year. The net investment gain for the Year mainly derived from recognition of fair value change on financial assets at fair value through profit or loss. The general and administrative expenses for the Year amounted to approximately HK\$9,419,000, representing a decrease of approximately HK\$913,000 as compared with last year, which was mainly due to a decrease in the investment management fee paid that outweighed the increase of the depreciation expense incurred for the Year.

### **BUSINESS REVIEW AND PROSPECTS**

The global economy continued to face uncertainties in 2023. Stepping into 2024, which is an election year where the United States of America (the “US”) and the United Kingdom are among the many countries holding national elections, global uncertainties exacerbated. This widespread political activity is expected to further impact global market dynamics, international relations, trade policies and global economic stability, posing challenges to the road to economy recovery.

The US Federal Reserve Board raised interest rate numerous times in 2023. Although some expected interest rate cuts in the first quarter of 2024 with the economic data showing a rather stable inflation rate, the latest economic performance of the US were considered to be better than expected. As a result, some analysts are of the view that the interest rate might remain high for a certain period of time.

The continuous tense China-US relation has contributed to more sanctions and restrictive measures (such as new tariff) imposed by the US Government on various Chinese companies and business.

In addition, geopolitical conflicts persisted. The ongoing conflict between Russia and Ukraine has continuously caused supply chain issues for businesses worldwide. The Israeli-Palestinian conflict escalated instability in the Middle East, which worsened disruptions of the global supply chain.

In China, the real estate sector remains subdued. However, the Chinese central government has continuously implemented stimulus measures to restore the industry confidence and it is anticipated that the economy shall experience a turnaround in the future.

The worsened external economic environment and interest rate hikes continued to pose immense pressure on Hong Kong's stock market. The Hang Seng Index has continued to head down by approximately 3.0% in the first quarter of 2024 with the lowest closing point of 14,961 on 22 January 2024 although it was relatively stable in April and May 2024.

Looking ahead, the Hong Kong economy is expected to show a continuation of vulnerabilities in 2024. According to the statistics published by the Government of Hong Kong, the Hong Kong economy continued to improve in the first quarter of 2024. Real GDP resumed year-on-year growth of 2.7%. However, the weak worldwide financial conditions led to the depressed cross-border financial and fund-raising activities, resulting in decline of exports of financial services by 1.1% in the first quarter of 2024 on a seasonally adjusted quarter-to-quarter basis. Also, the private consumption expenditure reduced by 0.9% on the same basis.

The Board has been identifying various potential investment opportunities by reviewing and analysing their business operation, strategies and financial information. However, in view of the abovementioned factors and the volatility of the worldwide economy and investment market, the Board considered it is appropriate to adopt a relatively cautious approach for any investment and business development conducted by the Company. The Company has also been closely monitoring the business and industry development of potential investment targets, including but not limited to any recent updates to the relevant policies and regulations. Going forward, the Board shall continue to stay well informed of global economic and investment market trends and examine the Hong Kong market situation vigilantly in order to make necessary adjustments to the investment strategies as and when appropriate.

## **SIGNIFICANT INVESTMENTS HELD**

As at 31 March 2024, the Company did not hold any significant investments.

As at 31 March 2023, the Company held U.S. Treasury Bills amounted to approximately HK\$6,610,000. During the Year, the U.S. Treasury Bills matured. The Directors are closely tracking the development of the worldwide economy and shall continue to seek investment opportunities with a cautious and prudent approach.

## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

The Company did not have any acquisitions and disposals of subsidiaries, associates and joint ventures during the Year.

## **FUTURE PLANS RELATING TO MATERIAL INVESTMENT OR CAPITAL ASSET**

The Company had not executed any agreement in respect of material investment or capital asset and did not have any other plans relating to material investment or capital asset as at the date of this announcement. Nonetheless, if any potential investment opportunity arises in the coming future, the Company will perform feasibility studies and prepare implementation plans to consider whether it is beneficial to the Company and the shareholders of the Company (the “**Shareholders**”) as a whole. The potential investment opportunities will be funded by internal resources, including the proceeds from the Rights Issue 2022 (as defined hereinbelow).

## **LOANS FROM A CONTROLLING SHAREHOLDER**

In October and November 2020, the Company entered into two loan agreements with Everbright Goldstone International Group Limited (“**Everbright Goldstone**”, formerly known as Renown Future Limited), a controlling Shareholder (as defined in the Listing Rules) of the Company, pursuant to which Everbright Goldstone agreed to provide two loans to the Company in the principal amount of up to HK\$2,500,000 and HK\$10,000,000 respectively. The loans did not bear interest and were repayable within one year. As at 31 March 2021, HK\$3,500,000 has been drawn and used as working capital of the Company and the Company has unutilised loan amount of HK\$9,000,000 under the loan agreements with Everbright Goldstone.

In April and June 2021, the Company entered into loan extension agreements with Everbright Goldstone to extend the maturity dates of these loans to 31 December 2022. The drawdown period of the HK\$9,000,000 unutilised amount of the second loan was also extended to 31 December 2022. In December 2022, the Company entered into loan extension agreements with Everbright Goldstone to extend the maturity dates of these loans to 31 December 2023. The drawdown period of the HK\$8,500,000 unutilised amount of the second loan was also extended to 31 December 2023. In December 2023, the Company entered into loan extension agreements with Everbright Goldstone to further extend the maturity dates of these loans to 31 December 2024. The drawdown period of the HK\$8,500,000 unutilised amount of the second loan has also been extended to 31 December 2024. The first loan of principal amount of HK\$2,500,000 shall carry interest at Hong Kong Interbank Offered Rate for an interest period of 12 months after the extension of the loan maturity with effect from 29 April 2021. As at 31 March 2024, loans from Everbright Goldstone amounted to approximately HK\$4,030,000, which comprised principal amount of loans drawn of HK\$4,000,000 and accrued interest of approximately HK\$30,000. Save as disclosed above, the other terms and conditions of the loan agreements remained unchanged.

## **DIVIDEND**

The Directors did not recommend the payment of a dividend for the Year (2023: Nil).

## LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2024, the Company had cash and bank balances of approximately HK\$18,057,000 (2023: approximately HK\$21,566,000). The Company had loans from a controlling Shareholder of approximately HK\$4,030,000 (2023: approximately HK\$4,021,000) (comprised principal amount of loans drawn of HK\$4,000,000 (2023: HK\$4,000,000) and accrued interest of approximately HK\$30,000 (2023: approximately HK\$21,000)) as at 31 March 2024 which were repayable on 31 December 2024. Details of the loans from a controlling Shareholder are disclosed in the section headed “Loans from a Controlling Shareholder” above. The gearing ratio of the Company as at 31 March 2024 was approximately 0.2 (2023: approximately 0.1), which was calculated based on the Company’s total borrowings to total assets.

### Rights Issue 2022

On 6 January 2022, the Board proposed a rights issue (the “**Rights Issue 2022**”) on the basis of one rights share of the Company for every two existing ordinary shares of the Company (the “**Shares**”, each a “**Share**”) held on 26 January 2022 at the subscription price (the “**Subscription Price**”) of HK\$0.68 each, which was completed on 28 March 2022. The closing price of the Share was HK\$1.70 per Share on 6 January 2022, being the date on which the terms of the Rights Issue 2022 were fixed.

The Company was of the view that the Rights Issue 2022 would enable the Company to strengthen its capital base and to enhance its financial position without increasing its debt or finance costs in contrary to other fund-raising alternatives available to the Company.

On 6 January 2022, the Company also entered into a placing agreement with Gransing Securities Co., Limited (the “**Placing Agent**”), pursuant to which the Placing Agent has conditionally agreed to procure placee(s) (the “**Placee(s)**”), on a best effort basis, to subscribe for the rights Shares that are not subscribed by the qualifying Shareholders of the Company under the Rights Issue 2022 (the “**Unsubscribed Rights Shares**”) and the rights Share(s) which would otherwise has/have been provisionally allotted to the excluded Shareholder(s) (the Shareholder(s) with registered address(es) outside Hong Kong which was/were not offered the rights Shares) in nil-paid form that has/have not been sold by the Company.

As disclosed in the announcement of the Company dated 28 March 2022, the Company received a total of 14 valid acceptances and applications under the provisional allotment letters in respect of a total of 1,971,250 rights Shares, representing approximately 2.28% of the total number of rights Shares available for subscription under the Rights Issue 2022. As at 5:00 p.m. on Friday, 25 March 2022, being the latest time of placing of the Unsubscribed Rights Shares by the Placing Agent, 62,500,000 Unsubscribed Rights Shares, representing approximately 26.34% of the issued Shares immediately upon completion of the Rights Issue 2022, were successfully placed at the placing price of HK\$0.68 per Share, representing nil premium over the Subscription Price, to independent Placees.

Accordingly, the gross proceeds and the net proceeds (after deducting expenses) raised from the Rights Issue 2022 (including the Placing) are approximately HK\$43.8 million and approximately HK\$41.7 million, respectively. On this basis, the net price per rights Share is approximately HK\$0.647 per Share.

On 29 March 2022, 64,471,250 Shares with an aggregate nominal value of HK\$6,447,125 were issued pursuant to the Rights Issue 2022.

Please refer to the prospectus of the Company dated 24 February 2022 (the “**Prospectus**”) and the announcements of the Company dated 6 January 2022, 17 March 2022 and 28 March 2022 for the details of the Rights Issue 2022.

The intended and actual use of proceeds from the Rights Issue 2022 up to 31 March 2024 is set out as follows:

<b>Business objectives as stated in the Prospectus</b>	<b>Intended use of net proceeds from the Rights Issue 2022</b> <i>(HK\$ million)</i>	<b>Actual amount utilised up to 31 March 2024</b> <i>(HK\$ million)</i>	<b>Remaining unutilised balance as at 31 March 2024</b> <i>(HK\$ million)</i>	<b>Expected timeline for the unutilised net proceeds</b>
Repayment in full of a loan and related interests from a licensed money lender	5.1	5.1	–	N/A
Future investments and business development pursuant to the investment objectives of the Company	27.2	10.0	17.2	by 31 March 2025
General working capital of the Company	9.4	9.4	–	N/A
	<u>41.7</u>	<u>24.5</u>	<u>17.2</u>	

The unutilised net proceeds from the Rights Issue 2022 as at 31 March 2024, being approximately HK\$17.2 million were deposited with the licensed banks in Hong Kong.

As at the date of this announcement, the Board has no intention to change the planned use of the net proceeds as disclosed in the Prospectus and above. The expected timeline for using the unutilised net proceeds is based on the best estimation of the business market situations made by the Board. It might be subject to changes based on the market conditions. Further announcement(s) and/or disclosure in the Company’s annual report(s) in respect of change in timeline, if any, will be made by the Company in accordance with the requirements of the Listing Rules as and when appropriate to update its Shareholders and potential investors.

## **Rights Issue 2024**

On 1 February 2024, the Board proposed a rights issue (the “**Rights Issue 2024**”) on the basis of one rights share of the Company for every two Shares held on 28 February 2024 at the subscription price of HK\$0.11 each, which was expected to be completed on 25 March 2024. The closing price of the Share was HK\$0.365 per Share on 1 February 2024, being the date on which the terms of the Rights Issue 2024 were fixed.

The Company was of the view that the Rights Issue 2024 would enable the Company to strengthen its capital base and to enhance its financial position without increasing its debt or finance costs in contrary to other fund-raising alternatives available to the Company.

On 1 February 2024, the Company also entered into a placing agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed to procure placee(s), on a best effort basis, to subscribe for the rights Shares that are not subscribed by the qualifying Shareholders of the Company under the Rights Issue 2024 and the rights Share(s) which would otherwise has/have been provisionally allotted to the excluded Shareholder(s) (the Shareholder(s) with registered address(es) outside Hong Kong which was/were not offered the rights Shares) in nil-paid form that has/have not been sold by the Company.

On 14 March 2024, the Board considered, in view of, among other things, the conditions of the Rights Issue 2024 could not be fulfilled, the Company and the Placing Agent mutually agreed to terminate the Placing Agreement with immediate effect. The Placing Agreement was therefore terminated and was of no further effect and neither party should be under any liability to the other party in respect of the Placing Agreement. Please refer to the announcement dated 14 March 2024 of the Company for further details.

No securities have been issued by the Company under the Rights Issue 2024. The Rights Issue 2024 did not proceed and the Rights Issue 2024 lapsed.

## **EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES**

The Company held assets and liabilities denominated in Hong Kong Dollars (“**HKD**”), Renminbi and US Dollars (“**USD**”). The Company’s cash and cash equivalents were denominated in HKD and USD. Accordingly, it is subjected to limited exposure of foreign exchange fluctuation. As it is the Company’s policy to maintain relatively minimal exposure to foreign exchange risks, the Company had not used any derivatives and other instruments for currency exchange hedging purposes.

## **CHARGE ON COMPANY’S ASSETS AND CONTINGENT LIABILITIES**

As at 31 March 2024, there was no charge on the Company’s assets nor any significant contingent liabilities (2023: Nil).

## **COMMITMENTS**

The Company had no capital commitment as at 31 March 2024 (2023: Nil).

## **CAPITAL STRUCTURE**

The capital structure of the Company is composed of equity and debt. As at 31 March 2024, the total number of ordinary shares of HK\$0.10 each in the Company in issue was 237,271,250 (2023: 237,271,250).

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 March 2024, the Company had 4 employees (2023: 5). The remuneration paid to the employees of the Company, during the Year amounted to approximately HK\$2,607,000 (2023: approximately HK\$3,132,000).

The Company's remuneration policies are in line with the prevailing market practice and are determined on the basis of the performance and experience of the individual employees. The Company carries out regular review on the performance of employees to determine any salary adjustments, bonuses and promotions.

The Company operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "**MPF Scheme**") under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for those Hong Kong employees who are eligible to participate in the MPF Scheme. The Company and its employees are each required to make contributions pursuant to the MPF Scheme at 5% of the employees' monthly relevant income and capped at HK\$1,500 per month. The contributions made by the Company for the MPF Scheme are charged to the statement of profit or loss as they become payable in accordance with the relevant rules of the MPF Scheme.

The Company's contributions to the MPF Scheme vest fully and immediately with the employees. Accordingly, (i) during the Year, there was no forfeiture of contributions under the MPF Scheme (2023: Nil); and (ii) there were no forfeited contributions available for the Company to reduce its existing level of contributions to the MPF Scheme as at 31 March 2024 (2023: Nil).

During the Year, the Company did not have any other defined benefit plan for its employees (2023: Nil).

## **PURCHASE, SALE OR REDEMPTION OF OWN SHARES**

Save as disclosed herein, the Company did not purchase, sell or redeem any of its shares during the Year.

## **EXPIRATION OF INVESTMENT MANAGEMENT AGREEMENT AND CHANGE IN DIRECTOR OR OF IMPORTANT EXECUTIVE FUNCTIONS OR RESPONSIBILITIES**

With effect from 31 May 2023, (i) the investment management agreement (the “**Investment Management Agreement**”) between the Company and INV Advisory Limited (“**INV Advisory**”) expired; (ii) Ms. Chan Mei Yan resigned as an executive Director, the chairman of the investment committee of the Board (the “**Investment Committee**”), and an authorised representative of the Company (the “**Authorised Representative**”) as required under Rule 3.05(2) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”); and (iii) Mr. Lam King, a non-executive Director, has been appointed as an Authorised Representative. For details, please refer to the announcement of the Company dated 1 June 2023.

## **EVENTS AFTER THE REPORTING PERIOD**

### **Appointment of Executive Director and Chairman of Investment Committee**

Ms. Li Li appointed as an executive Director of the Company and the chairman of the Investment Committee with effect from 25 April 2024. For details, please refer to the announcement of the Company dated 25 April 2024.

Save as disclosed, the Board is not aware of any significant event requiring disclosure that has taken place subsequent to 31 March 2024 and up to the date of this announcement.

## **CORPORATE GOVERNANCE**

The Company is dedicated to maintaining and ensuring high standards of corporate governance practices and the corporate governance principles of the Company are adopted in the best interest of the Company and the Shareholders. The Company has established procedures on corporate governance that comply with the requirements of the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Listing Rules. The Board has reviewed and taken measures to adopt the CG Code as the Company’s code of corporate governance practices. During the Year, the Company has complied with the code provisions under the CG Code.



## **SCOPE OF WORK OF CROWE (HK) CPA LIMITED**

The figures in respect of the Company's statement of financial position, 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 this results announcement have been agreed by the Company's auditors, Crowe (HK) CPA Limited, to the amounts set out in the Company's audited financial statements for the Year. The work performed by Crowe (HK) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Crowe (HK) CPA Limited, on this results announcement.

## **AUDIT COMMITTEE**

The Audit Committee, comprising all three independent non-executive Directors, namely Ms. Wan Yuk Ling (chairman of the audit committee who possesses the appropriate professional qualification or accounting or related financial management expertise), Mr. Hung Hoi Ming Raymond and Mr. Ning Fong, had reviewed with the management of the Company the accounting principles and practices adopted by the Company and discussed the auditing, internal control, risk management and financial reporting matters.

The Audit Committee had reviewed the Company's audited financial statements for the Year.

The duties of the Audit Committee include reviewing all matters relating to the scope of audit, such as the financial statements, and providing supervision over the Company's financial reporting procedures and internal control system and risk management systems.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "**Model Code**") set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiries with all Directors, the Directors confirmed that they had complied with the required standards laid down in the Model Code throughout the Year.

By Order of the Board  
**Goldstone Capital Group Limited**  
**Huang Bin**  
*Chairman*

Hong Kong, 27 June 2024

*As at the date of this announcement, the Board comprises Ms. Li Li as executive Director; Mr. Huang Bin (Chairman), Mr. Chen Huaiyuan, Mr. Lam King and Mr. Xu Lin as non-executive Directors; and Mr. Hung Hoi Ming Raymond, Mr. Ning Fong and Ms. Wan Yuk Ling as independent non-executive Directors.*