



**Hotung Investment Holdings Limited  
and its subsidiaries**

**(Incorporated in Bermuda)**

**Reporting for the six months and full year ended  
31 December 2023  
(unaudited and unreviewed)**

**A. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER  
2023**

	Note	Group			
		6 months ended 31 December		12 months ended 31 December	
		2023 NTS'000	2022 NTS'000	2023 NTS'000	2022 NTS'000
Revenue	5	(8,545)	85,606	325,642	246,493
Operating expenses	5	(57,338)	(64,070)	(127,306)	(142,291)
Operating (loss)/profit		(65,883)	21,536	198,336	104,202
Finance costs		(98)	(38)	(121)	(91)
<b>(Loss)/Profit before tax</b>		(65,981)	21,498	198,215	104,111
Tax credit/(expense)	6	534	22,213	(84,429)	(28,125)
<b>(Loss)/Profit for the period</b>		(65,447)	43,711	113,786	75,986
<b>Other comprehensive income:</b>					
Items that are or may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations and others		(36,393)	89,372	427	306,686
<b>Other comprehensive (losses)/income for the period, net of tax</b>		(36,393)	89,372	427	306,686
<b>Total comprehensive (losses)/income for the period</b>		(101,840)	133,083	114,213	382,672
<b>(Loss)/Profit for the period attributable to:</b>					
Owners of the Company		(76,856)	37,218	96,796	49,403
Non-controlling interests		11,409	6,493	16,990	26,583
		(65,447)	43,711	113,786	75,986
<b>Total comprehensive (losses)/income for the period attributable to:</b>					
Owners of the Company		(113,249)	126,590	97,223	356,089
Non-controlling interests		11,409	6,493	16,990	26,583
		(101,840)	133,083	114,213	382,672
<b>Earnings per share (in NT\$):</b>					
Basic		(0.81)	0.39	1.02	0.52
Diluted		(0.81)	0.39	1.02	0.52

## B. STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	Group		Company	
		2023 NTS'000	2022 NTS'000	2023 NTS'000	2022 NTS'000
<b>Assets</b>					
<b>Non-current assets</b>					
Investments in subsidiaries		–	–	4,416,773	4,416,773
Financial assets at fair value through profit or loss	7	4,508,645	4,891,657	–	–
Financial assets at amortised cost		5,968	5,869	–	–
Property, plant and equipment		34,056	8,047	–	–
		<u>4,548,669</u>	<u>4,905,573</u>	<u>4,416,773</u>	<u>4,416,773</u>
<b>Current assets</b>					
Financial assets at fair value through profit or loss	7	71,121	69,307	–	–
Trade and other receivables		24,540	11,070	2,932	3,408
Cash and cash equivalents		1,817,875	1,568,089	143,014	240,625
		<u>1,913,536</u>	<u>1,648,466</u>	<u>145,946</u>	<u>244,033</u>
<b>Total assets</b>		<u>6,462,205</u>	<u>6,554,039</u>	<u>4,562,719</u>	<u>4,660,806</u>
<b>Equity</b>					
Share capital	9	5,233,033	5,233,033	5,233,033	5,233,033
Share premium		1,347,887	1,347,887	1,347,887	1,347,887
Reserves		664,056	655,013	48,573	48,573
Accumulated losses		(1,201,373)	(1,047,611)	(2,090,854)	(1,992,593)
<b>Equity attributable to owners of the Company</b>		<u>6,043,603</u>	<u>6,188,322</u>	<u>4,538,639</u>	<u>4,636,900</u>
<b>Non-controlling interests</b>		<u>88,011</u>	<u>100,344</u>	<u>–</u>	<u>–</u>
<b>Total equity</b>		<u>6,131,614</u>	<u>6,288,666</u>	<u>4,538,639</u>	<u>4,636,900</u>
<b>Non-current liabilities</b>					
Deferred tax liabilities		155,734	108,660	–	–
Trade and other payables		26,000	1,897	–	–
		<u>181,734</u>	<u>110,557</u>	<u>–</u>	<u>–</u>
<b>Current liabilities</b>					
Trade and other payables		126,621	134,610	24,080	23,906
Income tax payables		22,236	20,206	–	–
		<u>148,857</u>	<u>154,816</u>	<u>24,080</u>	<u>23,906</u>
<b>Total liabilities</b>		<u>330,591</u>	<u>265,373</u>	<u>24,080</u>	<u>23,906</u>
<b>Total equity and liabilities</b>		<u>6,462,205</u>	<u>6,554,039</u>	<u>4,562,719</u>	<u>4,660,806</u>

**C. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FULL YEAR ENDED 31 DECEMBER 2023**

Group	Note	Attributable to owners of the Company										Total NTS'000	
		Share capital NTS'000	Share premium NTS'000	Contributed surplus reserve NTS'000	Currency translation and other reserve NTS'000	Legal reserve NTS'000	Special reserve NTS'000	Capital surplus – net assets from merger NTS'000	Treasury share reserve NTS'000	Accumulated losses NTS'000	Sub-total NTS'000		Non- controlling interests NTS'000
<b>At 1 January 2023</b>		5,233,033	1,347,887	406,116	(119,358)	579,330	19,801	126,667	(357,543)	(1,047,611)	6,188,322	100,344	6,288,666
<b>Total comprehensive income for the year</b>													
Profit for the year		–	–	–	–	–	–	–	–	96,796	96,796	16,990	113,786
Exchange differences on translation of foreign operations and others		–	–	–	427	–	–	–	–	–	427	–	427
Total other comprehensive income		–	–	–	427	–	–	–	–	–	427	–	427
<b>Total comprehensive income for the year</b>		–	–	–	427	–	–	–	–	96,796	97,223	16,990	114,213
<b>Transactions with owners, recognised directly in equity</b>													
<b>Contributions by and distributions to owners</b>													
Transfer to legal reserve of certain subsidiaries		–	–	–	–	8,616	–	–	–	(8,616)	–	–	–
Dividends paid to shareholders of the Company	10	–	–	–	–	–	–	–	–	(241,942)	(241,942)	(29,323)	(271,265)
<b>Total transactions with owner</b>		–	–	–	–	8,616	–	–	–	(250,558)	(241,942)	(29,323)	(271,265)
<b>At 31 December 2023</b>		5,233,033	1,347,887	406,116	(118,931)	587,946	19,801	126,667	(357,543)	(1,201,373)	6,043,603	88,011	6,131,614

**C. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)  
FOR THE FULL YEAR ENDED 31 DECEMBER 2023**

Group	Note	Attributable to owners of the Company											Total NTS'000
		Share capital NTS'000	Share premium NTS'000	Contributed surplus reserve NTS'000	Currency translation and other reserve NTS'000	Legal reserve NTS'000	Special reserve NTS'000	Capital surplus – net assets from merger NTS'000	Treasury share reserve NTS'000	Accumulated losses NTS'000	Sub-total NTS'000	Non-controlling interests NTS'000	
<b>At 1 January 2022</b>		5,233,033	1,347,887	406,116	(426,044)	545,010	19,801	126,667	(344,286)	(588,299)	6,319,885	132,407	6,452,292
<b>Total comprehensive income for the year</b>													
Profit for the year		–	–	–	–	–	–	–	–	49,403	49,403	26,583	75,986
Exchange differences on translation of foreign operations and others		–	–	–	306,686	–	–	–	–	–	306,686	–	306,686
Total other comprehensive income		–	–	–	306,686	–	–	–	–	–	306,686	–	306,686
<b>Total comprehensive income for the year</b>		–	–	–	306,686	–	–	–	–	49,403	356,089	26,583	382,672
<b>Transactions with owners, recognised directly in equity</b>													
<b>Contributions by and distributions to owners</b>													
Transfer to legal reserve of certain subsidiaries		–	–	–	–	34,320	–	–	–	(34,320)	–	–	–
Shares bought back as treasury shares	9	–	–	–	–	–	–	–	(13,257)	–	(13,257)	–	(13,257)
Dividends paid to shareholders of the Company	10	–	–	–	–	–	–	–	–	(474,395)	(474,395)	(58,646)	(533,041)
<b>Total transactions with owner</b>		–	–	–	–	34,320	–	–	(13,257)	(508,715)	(487,652)	(58,646)	(546,298)
<b>At 31 December 2022</b>		5,233,033	1,347,887	406,116	(119,358)	579,330	19,801	126,667	(357,543)	(1,047,611)	6,188,322	100,344	6,288,666

**C. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)  
FOR THE FULL YEAR ENDED 31 DECEMBER 2023**

Company	Note	Share capital NTS'000	Share premium NTS'000	Contributed surplus reserve NTS'000	Treasury share reserve NTS'000	Accumulated losses NTS'000	Total NTS'000
<b>At 1 January 2023</b>		5,233,033	1,347,887	406,116	(357,543)	(1,992,593)	4,636,900
<b>Total comprehensive income for the year</b>							
Profit for the year		–	–	–	–	143,681	143,681
Total other comprehensive income		–	–	–	–	–	–
<b>Total comprehensive income for the year</b>		–	–	–	–	143,681	143,681
<b>Transactions with owners, recognised directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Dividends paid to shareholders of the Company	10	–	–	–	–	(241,942)	(241,942)
<b>Total transactions with owner</b>		–	–	–	–	(241,942)	(241,942)
<b>At 31 December 2023</b>		<u>5,233,033</u>	<u>1,347,887</u>	<u>406,116</u>	<u>(357,543)</u>	<u>(2,090,854)</u>	<u>4,538,639</u>
<b>At 1 January 2022</b>		5,233,033	1,347,887	406,116	(344,286)	(2,231,945)	4,410,805
<b>Total comprehensive income for the year</b>							
Profit for the year		–	–	–	–	713,747	713,747
Total other comprehensive income		–	–	–	–	–	–
<b>Total comprehensive income for the year</b>		–	–	–	–	713,747	713,747
<b>Transactions with owners, recognised directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Shares bought back as treasury shares	9	–	–	–	(13,257)	–	(13,257)
Dividends paid to shareholders of the Company	10	–	–	–	–	(474,395)	(474,395)
<b>Total transactions with owner</b>		–	–	–	(13,257)	(474,395)	(487,652)
<b>At 31 December 2022</b>		<u>5,233,033</u>	<u>1,347,887</u>	<u>406,116</u>	<u>(357,543)</u>	<u>(1,992,593)</u>	<u>4,636,900</u>

**D. CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FULL YEAR ENDED 31 DECEMBER 2023**

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>NTS'000</b>	<b>NTS'000</b>
<b>Cash flows from operating activities</b>		
Profit after tax	113,786	75,986
Adjustments for:		
Net gains on financial assets at fair value through profit or loss	(193,312)	(150,174)
Dividend/distribution income	(91,157)	(70,882)
Depreciation expense	8,365	8,404
Finance costs	121	91
Interest income	(39,118)	(6,555)
Tax expenses	84,429	28,125
	<u>(116,886)</u>	<u>(115,005)</u>
Changes to:		
Financial assets at fair value through profit or loss	577,887	(106,475)
Financial assets at amortised cost	–	(5,637)
Trade and other receivables	(3,534)	(419)
Trade and other payables	(11,385)	(25,384)
Cash from/(used in) operations	<u>446,082</u>	<u>(252,920)</u>
Interest received	29,058	2,208
Finance costs paid	(121)	(91)
Dividend/distribution income received	91,157	70,882
Tax paid	(35,302)	(66,117)
<b>Net cash from/(used in) operating activities</b>	<u>530,874</u>	<u>(246,038)</u>
<b>Cash flows from financing activities</b>		
Payment of lease liabilities	(8,210)	(8,237)
Dividend paid to non-controlling shareholders in subsidiaries	(27,988)	(55,976)
Dividends paid to shareholders of the Company	(241,942)	(474,395)
Purchase of treasury shares	–	(13,257)
<b>Net cash used in financing activities</b>	<u>(278,140)</u>	<u>(551,865)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	252,734	(797,903)
Cash and cash equivalents at beginning of the year	1,568,089	2,271,020
Effect of exchange rate on cash and cash equivalents	(2,948)	94,972
<b>Cash and cash equivalents at end of the year</b>	<u>1,817,875</u>	<u>1,568,089</u>

## **E. Notes to the condensed interim consolidated financial statements**

### **1 Corporate information**

Hotung Investment Holdings Limited (the “Company”) is incorporated in Bermuda and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements (referred to as the “condensed interim financial statements”) as at and for the six months and full year ended 31 December 2023 comprise the Company and its subsidiaries (referred to as the “Group”). The principal activity of the Company is investment holding and its investment management operations are performed by its subsidiary, Hotung International Co., Ltd., which has its principal place of business at 10F, 261, Sung-Chiang Road, Taipei, Taiwan, Republic of China.

### **2 Basis of preparation**

The condensed interim financial statements for the six months and full year ended 31 December 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”). The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with *International Financial Reporting Standards* (“IFRSs”), except for the adoption of new and amended standards as set out in Note 2.1. The condensed interim financial statements are presented in New Taiwan dollars (“NT\$”), which is the Company’s functional currency. All financial information presented in New Taiwan dollars have been rounded to the nearest thousand, unless otherwise stated.

#### **2.1 New and amended standards adopted by the Group**

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

#### **2.2 Use of estimates and judgements**

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statement as at and for the year ended 31 December 2022.

The preparation of the condensed interim financial statements for the six months and full year ended 31 December 2023 in conformity with IFRSs requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.



## **2. Basis of preparation (cont'd)**

### **2.2 Use of estimates and judgements (cont'd)**

Critical accounting estimates and assumptions used that are significant to the condensed interim financial statements, and areas involving a higher degree of judgement or complexity, are disclosed in Note 7.

## **3 Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the year.

## **4 Segment and revenue information**

The Group identified the operating segments based on internal reporting that the Group's chief decision makers regularly review. The Investments segment includes all investment subsidiaries of the Group and the Fund Management segment relates to the activities of the fund management subsidiary.

1. Investments - the Group's core business segment conducted mainly through its three subsidiaries: Hotung Venture Capital Corp. (Taiwan), Daitung Development and Investment Corp. (Taiwan) and Huitung Investments (BVI) Ltd., with the objective of achieving significant long-term capital appreciation by investing in a balanced and well-diversified portfolio, and assisting and adding value to the portfolio of companies.
2. Fund Management - relates to the Group's fund management activities conducted by its subsidiary, Hotung International Co., Ltd., with the main objective of providing investment consultancy and advisory services to entities within the Group.

There were no inter-segment transactions during the year except for the management and incentive fees paid from entities within the Investments segment to the Fund Management subsidiary company in the Fund Management segment which was eliminated on consolidation.

## 4 Segment and revenue information (cont'd)

### 4.1 Reportable segments

	<b>Fund</b>			
	<b>Investments</b>	<b>Management</b>	<b>Eliminations</b>	<b>Consolidated</b>
	<b>NTS'000</b>	<b>NTS'000</b>	<b>NTS'000</b>	<b>NTS'000</b>
<b>6 months ended</b>				
<b>31 December 2023</b>				
Revenue				
External revenue	(9,917)	1,372	–	(8,545)
Inter-segmental revenue	–	56,924	(56,924)	–
Total revenue	<u>(9,917)</u>	<u>58,296</u>	<u>(56,924)</u>	<u>(8,545)</u>
Interest income	20,730	1,365	–	22,095
Depreciation	(1,724)	(2,447)	–	(4,171)
Finance costs	(45)	(53)	–	(98)
(Loss)/Profit before tax	(89,040)	23,059	–	(65,981)
Tax credit/(expenses)	4,139	(3,605)	–	534
(Loss)/Profit after tax but before non-controlling interests	(84,901)	19,454	–	(65,447)
Non-controlling interests	–	(11,409)	–	(11,409)
(Loss)/Profit attributable to owners of the Company	<u>(84,901)</u>	<u>8,045</u>	<u>–</u>	<u>(76,856)</u>
Other information				
Segment assets	<u>6,207,901</u>	<u>260,282</u>	<u>(5,978)</u>	<u>6,462,205</u>
Segment assets includes:				
Additions to right-of-use assets	17,187	17,187	–	34,374
Segment liabilities	47,405	111,194	(5,978)	152,621
Current income tax liability/(assets)	22,563	(327)	–	22,236
Deferred tax liability	155,734	–	–	155,734
Total liabilities	<u>225,702</u>	<u>110,867</u>	<u>(5,978)</u>	<u>330,591</u>

## 4 Segment and revenue information (cont'd)

### 4.1 Reportable segments (cont'd)

	<b>Investments</b>	<b>Fund Management</b>	<b>Eliminations</b>	<b>Consolidated</b>
	<b>NTS'000</b>	<b>NTS'000</b>	<b>NTS'000</b>	<b>NTS'000</b>
<b>6 months ended</b>				
<b>31 December 2022</b>				
Revenue				
External revenue	84,210	1,396	–	85,606
Inter-segmental revenue	–	54,935	(54,935)	–
Total revenue	<u>84,210</u>	<u>56,331</u>	<u>(54,935)</u>	<u>85,606</u>
Interest income	5,381	448	–	5,829
Depreciation	(1,735)	(2,458)	–	(4,193)
Finance costs	(12)	(26)	–	(38)
Profit before tax	6,983	14,515	–	21,498
Tax credit/(expenses)	25,653	(3,440)	–	22,213
Profit after tax but before non-controlling interests	32,636	11,075	–	43,711
Non-controlling interests	2	(6,495)	–	(6,493)
Profit attributable to owners of the Company	<u>32,638</u>	<u>4,580</u>	<u>–</u>	<u>37,218</u>
Other information				
Segment assets	<u>6,305,138</u>	<u>278,212</u>	<u>(29,311)</u>	<u>6,554,039</u>
Segment liabilities	56,828	108,990	(29,311)	136,507
Current income tax liability/(assets)	21,448	(1,242)	–	20,206
Deferred tax liability	108,660	–	–	108,660
Total liabilities	<u>186,936</u>	<u>107,748</u>	<u>(29,311)</u>	<u>265,373</u>

## 4 Segment and revenue information (cont'd)

### 4.1 Reportable segments (cont'd)

	<b>Fund</b>			
	<b>Investments</b>	<b>Management</b>	<b>Eliminations</b>	<b>Consolidated</b>
	<b>NTS'000</b>	<b>NTS'000</b>	<b>NTS'000</b>	<b>NTS'000</b>
<b>12 months ended</b>				
<b>31 December 2023</b>				
Revenue				
External revenue	322,713	2,929	–	325,642
Inter-segmental revenue	–	109,136	(109,136)	–
Total revenue	<u>322,713</u>	<u>112,065</u>	<u>(109,136)</u>	<u>325,642</u>
Interest income	36,868	2,250	–	39,118
Depreciation	(3,459)	(4,906)	–	(8,365)
Finance costs	(51)	(70)	–	(121)
Profit before tax	163,333	34,882	–	198,215
Tax expenses	(78,499)	(5,930)	–	(84,429)
Profit after tax but before non-controlling interests	84,834	28,952	–	113,786
Non-controlling interests	(11)	(16,979)	–	(16,990)
Profit attributable to owners of the Company	<u>84,823</u>	<u>11,973</u>	<u>–</u>	<u>96,796</u>
Other information				
Segment assets	<u>6,207,901</u>	<u>260,282</u>	<u>(5,978)</u>	<u>6,462,205</u>
Segment assets includes:				
Additions to right-of-use assets	17,187	17,187	–	34,374
Segment liabilities	47,405	111,194	(5,978)	152,621
Current income tax liability/(assets)	22,563	(327)	–	22,236
Deferred tax liability	155,734	–	–	155,734
Total liabilities	<u>225,702</u>	<u>110,867</u>	<u>(5,978)</u>	<u>330,591</u>

## 4 Segment and revenue information (cont'd)

### 4.1 Reportable segments (cont'd)

	<b>Fund</b>			
	<b>Investments</b>	<b>Management</b>	<b>Eliminations</b>	<b>Consolidated</b>
	<b>NTS'000</b>	<b>NTS'000</b>	<b>NTS'000</b>	<b>NTS'000</b>
<b>12 months ended</b>				
<b>31 December 2022</b>				
Revenue				
External revenue	243,006	3,487	–	246,493
Inter-segmental revenue	–	145,920	(145,920)	–
Total revenue	<u>243,006</u>	<u>149,407</u>	<u>(145,920)</u>	<u>246,493</u>
Interest income	6,013	542	–	6,555
Depreciation	(3,470)	(4,934)	–	(8,404)
Finance costs	(31)	(60)	–	(91)
Profit before tax	47,212	56,899	–	104,111
Tax expenses	(16,547)	(11,578)	–	(28,125)
Profit after tax but before non-controlling interests	30,665	45,321	–	75,986
Non-controlling interests	(4)	(26,579)	–	(26,583)
Profit attributable to owners of the Company	<u>30,661</u>	<u>18,742</u>	<u>–</u>	<u>49,403</u>
Other information				
Segment assets	<u>6,305,138</u>	<u>278,212</u>	<u>(29,311)</u>	<u>6,554,039</u>
Segment liabilities	56,828	108,990	(29,311)	136,507
Current income tax liability/ (assets)	21,448	(1,242)	–	20,206
Deferred tax liability	108,660	–	–	108,660
Total liabilities	<u>186,936</u>	<u>107,748</u>	<u>(29,311)</u>	<u>265,373</u>

## 4 Segment and revenue information (cont'd)

### 4.2 Disaggregation of Revenue

The Group's activities are conducted predominantly in Taiwan, China, Israel, United States and United Kingdom. Income from sales of investments and securities trading is segregated based on the geographies in which the shares of the respective investee entities are quoted or traded. Investments are segregated on the same basis, and for those not quoted or traded, based on the investee entities' and/or fund managers' principal places of business.

	Revenue 6 months ended 31 December		Revenue 12 months ended 31 December	
	2023	2022	2023	2022
	NTS'000	NTS'000	NTS'000	NTS'000
Taiwan	58,332	(61,956)	354,332	(181,604)
China	35,954	121,178	92,340	68,205
Israel	(102,898)	(3,293)	(172,052)	327,293
United States and United Kingdom	5,195	30,849	41,855	30,891
Other countries	(5,128)	(1,172)	9,167	1,708
	<u>(8,545)</u>	<u>85,606</u>	<u>325,642</u>	<u>246,493</u>

A breakdown of sales:

	Group		Increase/ (Decrease) %
	2023 NTS'000	2022 NTS'000	
Revenue reported for first half year	334,187	160,887	107.7%
Operating profit after tax before non- controlling interests reported for first half year	179,233	32,275	455.3%
Revenue reported for second half year	(8,545)	85,606	(110.0%)
Operating (loss)/profit after tax before non- controlling interests reported for second half year	<u>(65,447)</u>	<u>43,711</u>	<u>(249.7%)</u>

## 5 Profit before tax

### 5.1 Significant items

	Group			
	6 months ended 31 December		12 months ended 31 December	
	2023	2022	2023	2022
	NTS'000	NTS'000	NTS'000	NTS'000
<b>Income</b>				
Dividend/distribution income	48,787	55,271	91,157	70,882
Net (losses)/gains on financial assets at fair value through profit or loss ("FVTPL")	(78,376)	17,945	193,312	150,174
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Expense</b>				
Staff cost	41,612	40,102	81,469	88,337
Other administrative expenses	12,469	20,788	39,334	47,742
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

### 5.2 Related parties transactions

Other than the remuneration paid to the key management personnel and lease liabilities payable to a corporate shareholder in which directors have interest, there are no material related party transactions apart from those disclosed elsewhere in the condensed interim financial statements.

## 6 Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the consolidated statement of comprehensive income are:

	Group			
	6 months ended 31 December		12 months ended 31 December	
	2023	2022	2023	2022
	NTS'000	NTS'000	NTS'000	NTS'000
<b>Current tax expense</b>				
Current period	4,526	(3,176)	36,757	29,923
Adjustment for prior years	–	–	598	(122)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	4,526	(3,176)	37,355	29,801
<b>Deferred tax expense</b>				
Origination and reversal of temporary difference	(5,060)	(19,037)	47,074	(1,676)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	(534)	(22,213)	84,429	28,125
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

## 7 Investments at fair value through profit or loss

	Group	
	2023	2022
	NTS'000	NTS'000
<b>Non-current</b>		
Quoted equity investments – mandatorily at FVTPL	638,666	536,176
Unquoted equity investments – mandatorily at FVTPL	3,842,985	4,327,975
	<u>4,481,651</u>	<u>4,864,151</u>
Investment in associate – mandatorily at FVTPL <sup>(1)</sup>	26,994	27,506
	<u>4,508,645</u>	<u>4,891,657</u>
<b>Current</b>		
Quoted equity investments – mandatorily at FVTPL	71,121	69,307

<sup>(1)</sup> The investment comprises of equity interest of 29.36% (2022: 29.36%) in a privately held portfolio company that is principally engaged in e-Commerce. In accordance with the Group's accounting policies, the investment in this associate was measured at FVTPL.

### 7.1 Fair value measurement

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted price (unadjusted) in an active market for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### *Fair value hierarchy*

The table below analyses financial instruments measured at fair value at the end of the financial year, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Level 1	Level 2	Level 3	Total
	NTS'000	NTS'000	NTS'000	NTS'000
<b>2023</b>				
<b>Investments at FVTPL</b>				
Quoted equity investments – at FVTPL	709,787	–	–	709,787
Unquoted equity investments – at FVTPL	–	870,258	2,972,727	3,842,985
Associate, at fair value – at FVTPL	–	–	26,994	26,994
	<u>709,787</u>	<u>870,258</u>	<u>2,999,721</u>	<u>4,579,766</u>



## 7 Investments at fair value through profit or loss (cont'd)

### 7.1 Fair value measurement (cont'd)

*Fair value hierarchy(cont'd)*

	Level 1 NTS'000	Level 2 NTS'000	Level 3 NTS'000	Total NTS'000
<b>2022</b>				
<b>Investments at FVTPL</b>				
Quoted equity investments – at FVTPL	605,483	–	–	605,483
Unquoted equity investments – at FVTPL	–	1,036,295	3,291,680	4,327,975
Associate, at fair value – at FVTPL	–	–	27,506	27,506
	<u>605,483</u>	<u>1,036,295</u>	<u>3,319,186</u>	<u>4,960,964</u>

There were no transfer from Level 1 to Level 2 and Level 2 to Level 1 for financial assets at FVTPL investments during the year ended 31 December 2023 and 31 December 2022 respectively.

The fair value hierarchy table excludes financial assets and financial liabilities such as cash and cash equivalents, trade and other receivables, financial assets at amortised cost and trade and other payables because their carrying amounts approximate their fair values due to their short-term or where the effect of discounting is immaterial.

The following table shows the reconciliation from the opening balance to the closing balance for fair value measurement in Level 3 of the fair value hierarchy:

	<b>Financial assets at FVTPL</b>	
	<b>2023</b>	<b>2022</b>
	<b>NTS'000</b>	<b>NTS'000</b>
At beginning of year	3,319,186	2,925,621
Total (loss)/gain recognised in profit or loss		
- net (loss)/gain on investments at fair value through profit or loss	(271,686)	198,668
Disposals	(6,829)	(36,319)
Purchases	31,558	243,444
Transfers to Level 3		
- from Level 1 <sup>(a)</sup>	–	9,165
- from Level 2 <sup>(b)</sup>	719,932	546,823
Transfers out of Level 3		
- to Level 1 <sup>(c)</sup>	(345,142)	(401,927)
- to Level 2 <sup>(d)</sup>	(447,298)	(166,289)
At end of year	<u>2,999,721</u>	<u>3,319,186</u>

## 7 Investments at fair value through profit or loss (cont'd)

### 7.1 Fair value measurement (cont'd)

*Fair value hierarchy(cont'd)*

	<b>Financial assets at FVTPL</b>	
	<b>2023</b>	<b>2022</b>
	<b>NTS'000</b>	<b>NTS'000</b>
Total realised gain for the year included in profit or loss for investments held as at 31 December	3,951	45,109
Total unrealised (loss)/gain for the year included in profit or loss for investments held as at 31 December	<u>(275,637)</u>	<u>153,559</u>
Total net (loss)/gain on investments at fair value through profit or loss	<u>(271,686)</u>	<u>198,668</u>

- (a) Certain investments were transferred from Level 1 to Level 3 because quoted prices in the market for such investments were no longer regularly available and measurement of fair value was based on valuation techniques using significant unobservable input.
- (b) Certain investments were transferred from Level 2 to Level 3 because measurement of fair value was based on valuation techniques using significant unobservable input.
- (c) Certain investments were transferred from Level 3 to Level 1 when they were listed on stock exchanges during the year.
- (d) Certain investments were transferred from Level 3 to Level 2 because measurement of fair value was based on observable market data.

## 8 Classification of financial assets and liabilities

The classification of financial assets and liabilities, together with the carrying amounts shown in the statements of financial position, are as follows:

<b>Group</b>	<b>Note</b>	<b>Mandatorily at FVTPL (non-current) NTS'000</b>	<b>Mandatorily at FVTPL (current) NTS'000</b>	<b>Amortised cost (non-current) NTS'000</b>	<b>Amortised cost (current) NTS'000</b>	<b>Total carrying amount NTS'000</b>
<b>2023</b>						
Financial assets designated at fair value through profit or loss	7	4,508,645	71,121	–	–	4,579,766
Financial assets at amortised cost		–	–	5,968	–	5,968
Trade and other receivables*		–	–	–	23,196	23,196
Cash and cash equivalents		–	–	–	1,817,875	1,817,875
		<u>4,508,645</u>	<u>71,121</u>	<u>5,968</u>	<u>1,841,071</u>	<u>6,426,805</u>
Trade and other payables		–	–	(26,000)	(126,621)	(152,621)
<b>2022</b>						
Financial assets designated at fair value through profit or loss	7	4,891,657	69,307	–	–	4,960,964
Financial assets at amortised cost		–	–	5,869	–	5,869
Trade and other receivables*		–	–	–	8,290	8,290
Cash and cash equivalents		–	–	–	1,568,089	1,568,089
		<u>4,891,657</u>	<u>69,307</u>	<u>5,869</u>	<u>1,576,379</u>	<u>6,543,212</u>
Trade and other payables		–	–	(1,897)	(134,610)	(136,507)

\* Excludes prepayments

## 8 Classification of financial assets and liabilities (cont'd)

<b>Company</b>	<b>Amortised cost (current) NTS'000</b>	<b>Total carrying amount NTS'000</b>
<b>2023</b>		
Cash and cash equivalents	143,014	143,014
Trade and other receivables*	2,003	2,003
	<u>145,017</u>	<u>145,017</u>
Trade and other payables	<u>(24,080)</u>	<u>(24,080)</u>
<b>2022</b>		
Cash and cash equivalents	240,625	240,625
Trade and other receivables*	1,031	1,031
	<u>241,656</u>	<u>241,656</u>
Trade and other payables	<u>(23,906)</u>	<u>(23,906)</u>

\* Excludes prepayments

## 9 Share capital

	<b>Group and Company</b>			
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Number of ordinary shares, including treasury shares '000</b>		<b>NTS'000</b>	<b>NTS'000</b>
Authorised	200,000	200,000	10,000,000	10,000,000
Issued and fully paid:				
At the beginning and end of the year	104,661	104,661	5,233,033	5,233,033

The movement of treasury share is as follows:

	<b>Group and Company</b>	
	<b>Number of shares</b>	
	<b>2023</b>	<b>2022</b>
Beginning of the year	9,781,480	9,487,180
Share bought back as treasury shares	–	294,300
End of the year	<u>9,781,480</u>	<u>9,781,480</u>

## 9 Share capital (cont'd)

During the year, there were no share buy-back exercise. The number of shares purchased by way of market acquisition during 2022 was 294,300, for an aggregated consideration of NT\$13.3 million.

As at 31 December 2023, the total number of shares that remain in issuance excluding treasury shares amounted to 94,879,182 (31 December 2022: 94,879,182).

The Company has no subsidiary holdings as at 31 December 2023 and 31 December 2022.

## 10 Dividends

	Group and Company	
	2023	2022
	NTS'000	NTS'000
<i>Ordinary dividends paid</i>		
NT\$2.55 per ordinary share (2022:NT\$5.00)	241,942	474,395

After the end of the reporting period, the following dividends were proposed by the directors. The dividends have not been provided for and there are no tax consequences.

	Group and Company	
	2023	2022
	NTS'000	NTS'000
NT\$2.55 per ordinary share (2022:NT\$2.55)	241,942	241,942

## 11 Net asset value

	Group		Company	
	2023	2022	2023	2022
Net asset value per ordinary share				
-NT\$	63.70	65.22	47.84	48.87
-S\$**	2.74	2.85	2.05	2.14

\*\*Exchange rate of S\$1: NT\$23.29 for 2023.12.31 and S\$1: NT\$22.88 for 2022.12.31.

## 12 Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

## Other information required by Singapore Listing Rule Appendix 7.2

### 1. Review

The statement of financial position of Hotung Investment Holdings Limited and its subsidiaries as at 31 December 2023 and the related consolidated comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six months and full year then ended and certain explanatory notes (the “Condensed Interim Financial Statements”) have not been audited or reviewed.

### 2. In relation to the aggregate amount of the group’s borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

#### Amount repayable in one year or less, or on demand

As at 31 December 2023		As at 31 December 2022	
Secured	Unsecured	Secured	Unsecured
None	None	None	None

#### Amount repayable after one year

As at 31 December 2023		As at 31 December 2022	
Secured	Unsecured	Secured	Unsecured
None	None	None	None

#### Details of any collateral

None

### 3. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

(a)

- 1. The Group’s revenue of NT\$325.6 million mainly resulted from the net gains of NT\$193.3 million (2022: NT\$150.2 million) on the financial assets at fair value through profit or loss and the distribution proceeds of NT\$56.2 million (2022: NT\$38.5 million) received from fund investments.
- 2. The increase in the Group’s tax expense of NT\$56.3 million was mainly due to recognition of deferred tax liabilities of NT\$47.1 million.

- (b)
1. The decrease of NT\$383.1 million in the Group's financial assets at fair value through profit or loss (non-current) from NT\$4,891.7 million to NT\$4,508.6 million was mainly due to divestments during 2023.
  2. The increase of NT\$249.8 million in the Group's cash balance from NT\$1,568.1 million to NT\$1,817.9 million was mainly due to proceeds from divestments during 2023 and offset by the 2022 dividend payment of NT\$241.9 million.
  3. The increase of the Group's deferred tax liability of NT\$47.1 million was mainly due to the potential withholding tax associated with undistributed earnings in the Taiwan subsidiaries.

**4. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast was previously disclosed in relation to 2023 full year results.

**5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 month.**

The conflicts in Russia-Ukraine and Israel-Gaza in 2023 not only continue in 2024, but has extended to endangering Asia-Europe shipping and supply chain, through the Red Sea, thus causing delay, disruption and increased shipping cost, with adverse knock-on effects on the global economy. The Group continues to seek new investment opportunities including software, semiconductor, precision machinery, medical technology and AI related technology.

**6. If a decision regarding dividend has been made:-**

- (a) **Whether an dividend has been declared/recommended?** Yes

Name of Dividend: Final

Dividend Type: Cash

Dividend Amount Per Share: NT\$2.55 per share (tax not applicable)

- (b) **Any dividend declared for corresponding period of the immediately preceding financial year?** Yes

Name of Dividend: Final

Dividend Type: Cash

Dividend Amount Per Share: NT\$2.55 per share (tax not applicable)

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

The dividend is tax exempt.

**(d) The date the dividend is payable.**

Not applicable.

**(e) The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

**7. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

Not applicable.

**8. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not sought a shareholder's mandate pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

**9. Negative confirmation pursuant to rule 705(5) of the listing manual.**

Not applicable.

**10. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1) of the listing manual.**

The Company has procured undertakings from all its directors and executive officers under Rule 720(1) of the listing manual.

**11. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

None.



**12. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year 2023
Ms. Tsui-Hui Huang	59	Wife of Mr. Andy C.W. Chen (non-executive Director)	<p>CEO - Hotung Investment Holdings Limited since July 1, 2010.</p> <p>Managing Director - Hotung Investment Holdings Limited since August 1, 2006.</p> <p>Executive Director - Hotung Investment Holdings Limited since June 20, 2005.</p>	nil

**BY ORDER OF THE BOARD**

Hsin-Chieh Chung  
Company Secretary  
19 February 2024