



**Hotung Investment Holdings Limited
and its subsidiaries**

(Incorporated in Bermuda)

**Reporting for the six months ended 30 June 2023
(unaudited and unreviewed)**

**A. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

		Group	
		6 months ended 30 June	
	Note	2023	2022
		NT\$'000	NT\$'000
Revenue	5	334,187	160,887
Operating expenses	5	(69,968)	(78,221)
Operating profit		<u>264,219</u>	<u>82,666</u>
Finance costs		(23)	(53)
Profit before tax		<u>264,196</u>	<u>82,613</u>
Tax expense	6	(84,963)	(50,338)
Profit for the period		<u>179,233</u>	<u>32,275</u>
 Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations and others		<u>36,820</u>	<u>217,314</u>
Other comprehensive income for the period, net of tax		<u>36,820</u>	<u>217,314</u>
Total comprehensive income for the period		<u>216,053</u>	<u>249,589</u>
 Profit for the period attributable to:			
Owners of the Company		173,652	12,185
Non-controlling interests		5,581	20,090
		<u>179,233</u>	<u>32,275</u>
 Total comprehensive income for the period attributable to:			
Owners of the Company		210,472	229,499
Non-controlling interests		5,581	20,090
		<u>216,053</u>	<u>249,589</u>
 Earnings per share (in NT\$):			
Basic		<u>1.83</u>	<u>0.13</u>
Diluted		<u>1.83</u>	<u>0.13</u>

B. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	Group		Company	
		30 June	31 December	30 June	31 December
		2023	2022	2023	2022
		NTS'000	NTS'000	NTS'000	NTS'000
Assets					
Non-current assets					
Investments in subsidiaries		–	–	4,416,773	4,416,773
Financial assets at fair value through profit or loss	7	4,802,373	4,891,657	–	–
Financial assets at amortised cost		6,001	5,869	–	–
Property, plant and equipment		3,853	8,047	–	–
		<u>4,812,227</u>	<u>4,905,573</u>	<u>4,416,773</u>	<u>4,416,773</u>
Current assets					
Financial assets at fair value through profit or loss	7	31,511	69,307	–	–
Trade and other receivables		10,820	11,070	1,705	3,408
Cash and cash equivalents		1,677,592	1,568,089	154,797	240,625
		<u>1,719,923</u>	<u>1,648,466</u>	<u>156,502</u>	<u>244,033</u>
Total assets		<u>6,532,150</u>	<u>6,554,039</u>	<u>4,573,275</u>	<u>4,660,806</u>
Equity					
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		700,449	655,013	48,573	48,573
Accumulated losses		(1,124,517)	(1,047,611)	(2,076,388)	(1,992,593)
Equity attributable to owners of the Company		<u>6,156,852</u>	<u>6,188,322</u>	<u>4,553,105</u>	<u>4,636,900</u>
Non-controlling interests		<u>76,602</u>	<u>100,344</u>	<u>–</u>	<u>–</u>
Total equity		<u>6,233,454</u>	<u>6,288,666</u>	<u>4,553,105</u>	<u>4,636,900</u>
Non-current liabilities					
Deferred tax liabilities		160,794	108,660	–	–
Trade and other payables		1,267	1,897	–	–
		<u>162,061</u>	<u>110,557</u>	<u>–</u>	<u>–</u>
Current liabilities					
Trade and other payables		112,548	134,610	20,170	23,906
Income tax payables		24,087	20,206	–	–
		<u>136,635</u>	<u>154,816</u>	<u>20,170</u>	<u>23,906</u>
Total liabilities		<u>298,696</u>	<u>265,373</u>	<u>20,170</u>	<u>23,906</u>
Total equity and liabilities		<u>6,532,150</u>	<u>6,554,039</u>	<u>4,573,275</u>	<u>4,660,806</u>

**C. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 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
At 1 January 2023		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
Total comprehensive income for the period													
Profit for the period		–	–	–	–	–	–	–	–	173,652	173,652	5,581	179,233
Exchange differences on translation of foreign operations and others		–	–	–	36,820	–	–	–	–	–	36,820	–	36,820
Total other comprehensive income		–	–	–	36,820	–	–	–	–	–	36,820	–	36,820
Total comprehensive income for the period		–	–	–	36,820	–	–	–	–	173,652	210,472	5,581	216,053
Transactions with owners, recognised directly in equity													
Contributions by and distributions to owners													
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)
Total transactions with owner		–	–	–	–	8,616	–	–	–	(250,558)	(241,942)	(29,323)	(271,265)
At 30 June 2023		5,233,033	1,347,887	406,116	(82,538)	587,946	19,801	126,667	(357,543)	(1,124,517)	6,156,852	76,602	6,233,454

**C. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

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
At 1 January 2022		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
Total comprehensive income for the period													
Profit for the period		–	–	–	–	–	–	–	–	12,185	12,185	20,090	32,275
Exchange differences on translation of foreign operations and others		–	–	–	217,314	–	–	–	–	–	217,314	–	217,314
Total other comprehensive income		–	–	–	217,314	–	–	–	–	–	217,314	–	217,314
Total comprehensive income for the period		–	–	–	217,314	–	–	–	–	12,185	229,499	20,090	249,589
Transactions with owners, recognised directly in equity													
Contributions by and distributions to owners													
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)
Total transactions with owner		–	–	–	–	34,320	–	–	(13,257)	(508,715)	(487,652)	(58,646)	(546,298)
At 30 June 2022		5,233,033	1,347,887	406,116	(208,730)	579,330	19,801	126,667	(357,543)	(1,084,829)	6,061,732	93,851	6,155,583

**C. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)
FOR THE SIX MONTHS ENDED 30 JUNE 2023 AND 30 JUNE 2022**

	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
The Company							
At 1 January 2023		5,233,033	1,347,887	406,116	(357,543)	(1,992,593)	4,636,900
Total comprehensive income for the period							
Profit for the period		–	–	–	–	158,147	158,147
Total other comprehensive income		–	–	–	–	–	–
Total comprehensive income for the period		–	–	–	–	158,147	158,147
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners							
Dividends paid to shareholders of the Company	10	–	–	–	–	(241,942)	(241,942)
Total transactions with owner		–	–	–	–	(241,942)	(241,942)
At 30 June 2023		<u>5,233,033</u>	<u>1,347,887</u>	<u>406,116</u>	<u>(357,543)</u>	<u>(2,076,388)</u>	<u>4,553,105</u>
At 1 January 2022		5,233,033	1,347,887	406,116	(344,286)	(2,231,945)	4,410,805
Total comprehensive income for the period							
Profit for the period		–	–	–	–	720,347	720,347
Total other comprehensive income		–	–	–	–	–	–
Total comprehensive income for the period		–	–	–	–	720,347	720,347
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners							
Shares bought back as treasury shares	9	–	–	–	(13,257)	–	(13,257)
Dividends paid to shareholders of the Company	10	–	–	–	–	(474,395)	(474,395)
Total transactions with owner		–	–	–	(13,257)	(474,395)	(487,652)
At 30 June 2022		<u>5,233,033</u>	<u>1,347,887</u>	<u>406,116</u>	<u>(357,543)</u>	<u>(1,985,993)</u>	<u>4,643,500</u>

**D. CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

	Group	
	6 months ended 30 June	
	2023	2022
	NTS'000	NTS'000
Cash flows from operating activities		
Profit after tax	179,233	32,275
Adjustments for:		
Net gains on financial assets at fair value through profit or loss	(271,688)	(132,229)
Dividend/distribution income	(42,370)	(15,611)
Depreciation expense	4,194	4,211
Finance costs	23	53
Interest income	(17,023)	(726)
Tax expenses	84,963	50,338
	<u>(62,668)</u>	<u>(61,689)</u>
Changes to:		
Financial assets at fair value through profit or loss	426,126	(284,505)
Financial assets at amortised cost	–	(5,443)
Trade and other receivables	823	1,663
Trade and other payables	(19,883)	(14,001)
Cash from/(used in) operations	<u>344,398</u>	<u>(363,975)</u>
Interest received	16,378	616
Finance costs paid	(23)	(53)
Dividend/distribution income received	42,370	15,611
Tax paid	(28,925)	(53,051)
Net cash from/(used in) operating activities	<u>374,198</u>	<u>(400,852)</u>
Cash flows from financing activities		
Payment of lease liabilities	(4,144)	(4,111)
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)
Net cash used in financing activities	<u>(274,074)</u>	<u>(547,739)</u>
Net increase/(decrease) in cash and cash equivalents	100,124	(948,591)
Cash and cash equivalents at beginning of the period	1,568,089	2,271,020
Effect of exchange rate on cash and cash equivalents	9,379	74,675
Cash and cash equivalents at end of the period	<u>1,677,592</u>	<u>1,397,104</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 ended 30 June 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 ended 30 June 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 annual financial statements for the year ended 31 December 2022.

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 ended 30 June 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.

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 period.

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 period 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.

4.1 Reportable segments

	Fund			
	Investments	Management	Eliminations	Consolidated
	NTS'000	NTS'000	NTS'000	NTS'000
1 January 2023 to 30 June 2023				
Revenue				
External revenue	332,630	1,557	–	334,187
Inter-segmental revenue	–	52,212	(52,212)	–
Total revenue	<u>332,630</u>	<u>53,769</u>	<u>(52,212)</u>	<u>334,187</u>
Interest income	16,138	885	–	17,023
Depreciation	(1,735)	(2,459)	–	(4,194)
Finance costs	(6)	(17)	–	(23)
Profit before tax	252,373	11,823	–	264,196
Tax expenses	(82,638)	(2,325)	–	(84,963)
Profit after tax but before non-controlling interests	169,735	9,498	–	179,233
Non-controlling interests	(11)	(5,570)	–	(5,581)
Profit attributable to owners of the Company	<u>169,724</u>	<u>3,928</u>	<u>–</u>	<u>173,652</u>
Other information				
Segment assets	<u>6,309,114</u>	<u>223,580</u>	<u>(544)</u>	<u>6,532,150</u>
Segment liabilities	22,784	91,575	(544)	113,815
Current income tax liability	22,043	2,044	–	24,087
Deferred tax liability	160,794	–	–	160,794
Total liabilities	<u>205,621</u>	<u>93,619</u>	<u>(544)</u>	<u>298,696</u>

4.1 Reportable segments (cont'd)

	Fund			Consolidated
	Investments	Management	Eliminations	
	NTS'000	NTS'000	NTS'000	NTS'000
1 January 2022 to 30 June 2022				
Revenue				
External revenue	158,796	2,091	–	160,887
Inter-segmental revenue	–	90,985	(90,985)	–
Total revenue	<u>158,796</u>	<u>93,076</u>	<u>(90,985)</u>	<u>160,887</u>
Interest income	632	94	–	726
Depreciation	(1,735)	(2,476)	–	(4,211)
Finance costs	(19)	(34)	–	(53)
Profit before tax	40,229	42,384	–	82,613
Tax expenses	(42,200)	(8,138)	–	(50,338)
Profit/(loss) after tax but before non-controlling interests	(1,971)	34,246	–	32,275
Non-controlling interests	(6)	(20,084)	–	(20,090)
Profit/(loss) attributable to owners of the Company	<u>(1,977)</u>	<u>14,162</u>	<u>–</u>	<u>12,185</u>
Other information				
Segment assets	<u>6,204,107</u>	<u>298,664</u>	<u>(32,188)</u>	<u>6,470,583</u>
Segment liabilities	53,186	131,018	(32,188)	152,016
Current income tax liability	27,033	8,259	–	35,292
Deferred tax liability	127,692	–	–	127,692
Total liabilities	<u>207,911</u>	<u>139,277</u>	<u>(32,188)</u>	<u>315,000</u>

4.2 Disaggregation of Revenue

The Group's activities are conducted predominantly in Taiwan and China. 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' principal places of business.

	Revenue	
	6 months ended 30 June	
	2023	2022
	NTS'000	NTS'000
Taiwan	296,000	(119,648)
China	56,386	(52,973)
Other countries	(18,199)	333,508
	<u>334,187</u>	<u>160,887</u>

5 Profit before taxation

5.1 Significant items

	Group	
	6 months ended 30 June	
	2023	2022
	NTS'000	NTS'000
Income		
Dividend/distribution income	42,370	15,611
Net gains on financial assets at fair value through profit or loss ("FVTPL")	271,688	132,229
	<hr/>	<hr/>
Expense		
Staff cost	39,857	48,235
Other administrative expenses	26,865	26,954
	<hr/>	<hr/>

5.2 Related parties transactions

Other than the remuneration paid to the key management personnel, 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 30 June	
	2023	2022
	NTS'000	NTS'000
Current tax expense		
Current period	32,231	33,099
Adjustment for prior years	598	(122)
	<hr/>	<hr/>
	32,829	32,977
Deferred tax expense		
Origination of temporary difference	52,134	17,361
	<hr/>	<hr/>
Tax expense	84,963	50,338
	<hr/>	<hr/>

7 Investments at fair value through profit or loss

	Group	
	30 June	31 December
Investments at fair value through profit or loss	2023	2022
	NT\$'000	NT\$'000
Non-current		
Quoted equity investments – mandatorily at FVTPL	862,298	536,176
Unquoted equity investments – mandatorily at FVTPL	3,912,569	4,327,975
	<u>4,774,867</u>	<u>4,864,151</u>
Investment in associate – mandatorily at FVTPL ⁽¹⁾	<u>27,506</u>	<u>27,506</u>
	<u>4,802,373</u>	<u>4,891,657</u>
Current		
Quoted equity investments – mandatorily at FVTPL	<u>31,511</u>	<u>69,307</u>

⁽¹⁾ 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).

7.1 Fair value measurement (con't)

Fair value hierarchy

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

	Level 1 NTS'000	Level 2 NTS'000	Level 3 NTS'000	Total NTS'000
30 June 2023				
Investments at FVTPL				
Quoted equity investments – at FVTPL	893,809	–	–	893,809
Unquoted equity investments – at FVTPL	–	759,357	3,153,212	3,912,569
Associate, at fair value – at FVTPL	–	–	27,506	27,506
	<u>893,809</u>	<u>759,357</u>	<u>3,180,718</u>	<u>4,833,884</u>
31 December 2022				
Investments at FVTPL				
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>

At 30 June 2023, there were no transfer from Level 1 to Level 2 for financial assets at FVTPL investments during the period. Financial assets at FVTPL investments with a carrying amount of NT\$39.3 million were transferred from Level 2 to Level 1 because those investments were listed during the period.

At 31 December 2022, 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.

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.

7.1 Fair value measurement (con't)

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:

Fair value hierarchy (cont't)

	Financial assets at FVTPL	
	30 June 2023 NT\$'000	31 December 2022 NT\$'000
At beginning of period/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	(49,741)	198,668
Disposals	(1,457)	(36,319)
Purchases	9,394	243,444
Transfers to Level 3		
- from Level 1 ^(a)	–	9,165
- from Level 2 ^(b)	395,085	546,823
Transfers out of Level 3		
- to Level 1 ^(c)	(294,818)	(401,927)
- to Level 2 ^(d)	(196,931)	(166,289)
At end of period/year	<u>3,180,718</u>	<u>3,319,186</u>
Total realised gain for the period included in profit or loss for investments held as at	500	45,109
Total unrealised (loss)/gain for the period included in profit or loss for investments held as at	<u>(50,241)</u>	<u>153,559</u>
Total net (loss)/gain on investments at fair value through profit or loss	<u>(49,741)</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 inputs.
- (c) Certain investments were transferred from Level 3 to Level 1 when they were listed on stock exchanges during the period/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:

Group	Note	Mandatorily at FVTPL (non-current) NTS'000	Mandatorily at FVTPL (current) NTS'000	Amortised cost (non-current) NTS'000	Amortised cost (current) NTS'000	Total carrying amount NTS'000
30 June 2023						
Financial assets designated at fair value through profit or loss	7	4,802,373	31,511	–	–	4,833,884
Financial assets at amortised cost		–	–	6,001	–	6,001
Trade and other receivables*		–	–	–	9,984	9,984
Cash and cash equivalents		–	–	–	1,677,592	1,677,592
		<u>4,802,373</u>	<u>31,511</u>	<u>6,001</u>	<u>1,687,576</u>	<u>6,527,461</u>
Trade and other payables		–	–	(1,267)	(112,548)	(113,815)
31 December 2022						
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)

	Amortised cost (current) NT\$'000	Total carrying amount NT\$'000
Company		
30 June 2023		
Cash and cash equivalents	154,797	154,797
Trade and other receivables*	948	948
	<u>155,745</u>	<u>155,745</u>
Trade and other payables	<u>(20,170)</u>	<u>(20,170)</u>
31 December 2022		
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

	Group and Company			
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	Number of ordinary shares, including treasury shares			
	'000	'000	NT\$'000	NT\$'000
Authorised	200,000	200,000	10,000,000	10,000,000
Issued and fully paid: At the beginning and end of the period	<u>104,661</u>	<u>104,661</u>	<u>5,233,033</u>	<u>5,233,033</u>

The movement of treasury share is as follows:

	Group and Company Number of shares 6 months ended 30 June	
	2023	2022
Beginning of the period	9,781,480	9,487,180
Share bought back as treasury shares	–	294,300
End of the period	<u>9,781,480</u>	<u>9,781,480</u>

The number of shares purchased by way of market acquisition during 1H2022 was 294,300, for an aggregated consideration of NT\$13.3 million.

As at 30 June 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 30 June 2023 and 30 June 2022.

10 Dividends

	Group and Company	
	6 months ended 30 June	
	2023	2022
	NT\$'000	NT\$'000
<i>Ordinary dividends paid</i>		
NT\$2.55 per ordinary share (2022:NT\$5.00)	241,942	474,395

11 Net Asset Value

	Group		Company	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Net asset value per ordinary share				
-NT\$	64.89	65.22	47.99	48.87
-S\$**	2.83	2.85	2.09	2.14

**Exchange rate of S\$1: NT\$22.96 for 2023.6.30 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 30 June 2023 and the related consolidated comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period 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 30 June 2023		As at 31 December 2022	
Secured	Unsecured	Secured	Unsecured
None	None	None	None

Amount repayable after one year

As at 30 June 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\$334.2 million mainly resulted from the net gains of NT\$271.7 million (1H2022: NT\$132.2 million) on the financial assets at fair value through profit or loss and the distribution proceeds of NT\$38.5 million (1H2022: NT\$15.0 million) received from fund investments.

2. The Group’s tax expense of NT\$85.0 million (1H2022: NT\$50.3 million) was mainly due to recognition of deferred tax liabilities of NT\$52.1 million.

3. Gains on translation of foreign operations amounted to NT\$36.8 million (1H2022: gains of NT\$217.3 million) was a result of appreciation of US dollar against NT dollar during 1H2023.

(b)

1. The decrease in the Group's financial assets at fair value through profit or loss (current) from NT\$69.3 million to NT\$31.5 million was mainly due to the disposal of investment in 1H2023.

2. The increase of NT\$109.5 million in the Group's cash balance from NT\$1,568.1 million to NT\$1,677.6 million was mainly due to the net result from the disposal of investment and the payment of NT\$241.9 million for 2022 cash dividend during 1H2023.

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 first half 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.

In 2023, geopolitical tensions continue to adversely impact the global economy resulting in suboptimal market demand. The technology industry continues to struggle with high inventory depletion. The Group has adopted a more cautious approach in making new investments.

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

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

None

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

None

(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).

Not applicable.

(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.

No dividend has been declared or recommended for the current reporting period on the grounds of prudence.

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.

The Board confirms that to the best of its knowledge, nothing has come to its attention which may render the unaudited interim financial results of the Group, comprising the statements of financial position (Group and Company), consolidated statement of comprehensive income, consolidated statements of changes in equity (Group and Company) and consolidated statement of cash flows, together with the accompanying information required by Appendix 7.2 of Listing Manual of the Singapore Exchange Securities Trading Limited, for the first half year ended June 30, 2023, to be false or misleading in any material respect.

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.

BY ORDER OF THE BOARD

Hsin-Chieh Chung
Company Secretary
August 7, 2023