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IMAGI INTERNATIONAL HOLDINGS LIMITED
意力國際控股有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 585)

**ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

The board (the “Board”) of directors (the “Director(s)”) of Imagi International Holdings Limited (the “Company”) hereby announces the audited consolidated annual results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2024 (the “Year under Review”) together with the comparative figures for the corresponding year in 2023 as follows:

FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	<i>Notes</i>	2024 HK\$’000	2023 <i>HK\$’000</i>
Revenue			
Brokerage related commission income and clearing fee income	4	1,058	1,942
Asset management fee income	4	2,007	3,021
Interest income on margin clients	4	22,802	36,809
Interest income on loans receivable	4	6,290	10,198
Dividend income from held-for-trading investments	4	105	121

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(continued)*

For the year ended 31 December 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Net realised gains/(losses) from sales of investments classified as held-for-trading	4	5,031	(3,685)
Income from film rights investment	4	841	–
Income from film distribution license rights	4	744	532
Artiste management income	4	–	95
Income from entertainment event	4	169	–
Total Revenue		39,047	49,033
Cost of revenue			
Related cost on film rights investment		(841)	–
Related cost on film distribution license rights		(781)	(627)
Related cost on artiste management income		–	(70)
Related cost on entertainment event		(121)	–
Total cost of revenue		(1,743)	(697)
Other income	5	1,084	3,184
Other net (loss)/gain	6	(596)	331
Unrealised losses from changes in fair value of financial assets classified as held-for-trading	9	(3,044)	(20,855)
Impairment loss on prepayment for film rights investment		(813)	(5)
Impairment loss on film rights investment		(250)	(2)
Impairment allowances on margin loans receivable, net		(6,091)	(2,992)
Impairment allowances on loans receivable, net		(6,410)	(1,323)
Administrative expenses		(39,599)	(39,022)
Loss from operations		(18,415)	(12,348)
Finance costs	7	(425)	(497)
Loss before tax	9	(18,840)	(12,845)
Income tax expenses	10	(114)	(2,492)
Loss for the year		(18,954)	(15,337)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(continued)*

For the year ended 31 December 2024

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000
Other comprehensive income/(expense)			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		<u>553</u>	<u>(242)</u>
Other comprehensive income/(expense) that may be reclassified subsequently to profit or loss, net of Nil tax		<u>553</u>	<u>(242)</u>
Item that will not be reclassified to profit or loss in subsequent periods:			
Changes in fair value of equity instruments at fair value through other comprehensive income (“FVTOCI”) (non-recycling)		<u>(127,113)</u>	<u>(50,888)</u>
Other comprehensive expense that will not be reclassified to profit or loss in subsequent periods, net of Nil tax		<u>(127,113)</u>	<u>(50,888)</u>
Other comprehensive expense for the year		<u>(126,560)</u>	<u>(51,130)</u>
Total comprehensive expense for the year		<u>(145,514)</u>	<u>(66,467)</u>
Loss for the year attributable to:			
Owners of the Company		<u>(18,665)</u>	<u>(12,845)</u>
Non-controlling interests		<u>(289)</u>	<u>(2,492)</u>
		<u>(18,954)</u>	<u>(15,337)</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(continued)*

For the year ended 31 December 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Total comprehensive expense for the year attributable to:			
Owners of the Company		(140,186)	(59,172)
Non-controlling interests		(5,328)	(7,295)
		<u>(145,514)</u>	<u>(66,467)</u>
		2024	2023
Loss per share			
Basic and diluted (HK cents per share)	<i>11</i>	<u>(2)</u>	<u>(2)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000
Non-current assets			
Property, plant and equipment		6,738	8,202
Goodwill		–	–
Intangible assets		500	600
Investment in equity instruments designated at FVTOCI	<i>12</i>	295,751	391,722
Other non-current assets		3,205	3,205
Prepayment for film rights		3,926	4,739
Prepayment for film distribution license rights		117	367
Prepayment for film production		1,520	234
Film rights		–	1,091
Film distribution license rights		1,377	1,018
		313,134	411,178
Current assets			
Accounts receivable	<i>13</i>	1,448	1,077
Margin loans receivable	<i>14</i>	193,106	287,179
Other receivables, deposits and prepayments		1,937	2,483
Loans receivable	<i>15</i>	143,172	80,612
Held-for-trading investments	<i>16</i>	13,396	22,260
Income tax recoverable		2,183	1,653
Deposit with bank (maturity over 3 months)		3,600	3,600
Bank balances – trust accounts		10,285	28,604
Bank balances and cash		22,301	30,608
		391,428	458,076
Current liabilities			
Accounts payable	<i>17</i>	10,380	28,628
Lease liabilities		1,768	3,857
Other payables and accruals		2,837	3,242
		14,985	35,727
Net current assets		376,443	422,349
Total assets less current liabilities		689,577	833,527

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)**At 31 December 2024*

	<i>Notes</i>	2024 HK\$'000	2023 <i>HK\$'000</i>
Non-current liabilities			
Lease liabilities		2,103	539
		2,103	539
Net assets		687,474	832,988
Capital and reserves			
Share capital		33,197	33,197
Reserves		526,710	666,896
Total equity attributable to owners of the Company		559,907	700,093
Non-controlling interests		127,567	132,895
Total equity		687,474	832,988

NOTES:

1. GENERAL INFORMATION

Imagi International Holdings Limited (the “Company”) is a public limited company incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company (together with its subsidiaries, the “Group”) acts as an investment holding company.

The consolidated financial statements are presented in Hong Kong dollar (“HK\$”), which is also the functional currency of the Company.

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) AND HONG KONG ACCOUNTING STANDARDS (“HKASs”)

The Group has applied the following amendments to HKFRSs and HKASs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) to these financial statements for the current accounting period for the first time, which are mandatorily effective for the Group’s financial annual period beginning on or after 1 January 2024, to the consolidated financial statements for the current accounting year:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 and Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback

The Group has not applied any new standards and amendments that are not yet mandatorily effective for the current accounting period. Except as described below, the application of the amendments to HKFRSs and HKASs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 and Non-current Liabilities with Covenants

The amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the amendments clarify that:
 - (i) the classification should not be affected by management intentions or expectations to settle the liability within twelve months; and
 - (ii) if the right is conditional on the compliance with covenants, the right exists if the conditions are met on or before the end of the reporting period, even if the lender does not test compliance until a later date. Covenants which are required to comply with only after the reporting period do not affect whether that right exists at the end of the reporting period.
- clarify that if a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 *Financial Instruments: Presentation* ("HKAS 32").

The amendments also specify the disclosure requirements about information that enables users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period, if the entity classifies liabilities arising from loan arrangements as non-current when the entity's right to defer settlement of those liabilities is subject to the entity complying with covenants within twelve months after the reporting period. The disclosure includes information about the covenants, the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The amendments have no impact on the consolidated financial statements for the current year and prior years.

Amendments to HKAS 7 and HKFRS 7 *Supplier Finance Arrangements*

The amendments add a disclosure objective to HKAS 7 *Statement of Cash Flows* stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, HKFRS 7 *Financial Instruments: Disclosures* was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The amendments provide transition relief by not requiring disclosure of comparative information in the first year of application, and also not requiring disclosure of specified opening balances.

The amendments have no material impact on the Group's consolidated financial statements for the current year.

Amendments to HKFRS 16 *Lease Liability in a Sale and Leaseback*

The amendments add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements of HKFRS 15 *Revenue from Contracts with Customers* to be accounted for as a sale. The amendments require a seller-lessee to determine “lease payments” or “revised lease payments” such that the seller-lessee would not recognise a gain or loss that relates to the right of use retained by the seller-lessee. The amendments also clarify that applying the requirements does not prevent the seller-lessee from recognising in profit or loss any gain or loss relating to subsequent partial or full termination of a lease.

The amendments have no impact on the consolidated financial statements for the current year and prior years.

HKICPA guidance (the “Guidance”) on the accounting implications of the abolition of the MPF-LSP offsetting mechanism (the “Abolition”)

The Hong Kong Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the “Amendment Ordinance”) was gazetted in June 2022 and will take effect on 1 May 2025 (the “Transition Date”). The Amendment Ordinance has two effects: (i) the accrued benefits derived from an employer’s mandatory provident fund (“MPF”) contributions can no longer be used to offset long service payment (“LSP”) in respect of the employment period after the Transition Date (post-transition LSP); and (ii) the last month’s salary immediately preceding the Transition Date (instead of the date of termination of employment) is used to calculate the portion of LSP in respect of the employment period before the Transition Date (pre-transition LSP).

As the LSP is a defined benefit plan, the Amendment Ordinance changes the employer’s legal obligation which is considered as a plan amendment under HKAS 19 *Employee Benefits* (“HKAS 19”). In July 2023, the HKICPA published “Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong” that provides accounting guidance for the accounting for the impact arising from the Abolition.

The Guidance illustrates that an entity may account for the accrued benefits arising from its MPF contributions that have been vested with an employee and which would be used to offset the employee’s LSP benefits (offsettable accrued benefits) as a deemed contribution by the employee towards the LSP in accordance with paragraph 93(a) of HKAS 19. However, upon the enactment of the Amendment Ordinance, the accrued benefits derived from an entity’s MPF contributions cannot be used to offset an employee’s post-transition LSP obligation so that it can no longer apply the practical expedient of recognising the deemed contribution as a reduction of service cost under paragraph 93(b) of HKAS 19. Accordingly, it resulted a catch-up adjustment for past service cost, in accordance with paragraph 94(a) of HKAS 19, and a corresponding increase in the LSP obligation since the MPF-LSP offsetting mechanism was not contemplated in the original LSP legislation.

To reflect the Abolition, the Group has changed its accounting policy in connection with its LSP liability and has applied such change retrospectively. Such change in accounting policy did not have any material impact on the consolidated financial statements for the years ended 31 December 2024 and 2023.

3. SEGMENT REPORTING

The Group's operating segments are determined based on information reported to the chief operating decision maker of the Group (the directors of the Company) (the "CODM"), for the purpose of resource allocation and performance assessment.

The Group organises business units based on their services and the CODM regularly reviews revenue and results analysis of the Group by the reportable operating segments as below.

- securities brokerage and asset management segment engages in provision of securities brokerage services, margin financing services, asset management services and financial services;
- provision of finance segment engages in the provision of financing services (other than margin financing);
- trading of securities segment engages in the purchase and sale of securities investments; and
- entertainment segment engages in computer graphic imaging ("CGI") business and entertainment business (including film rights investment, film distribution license rights business, provision of artiste management services and entertainment event investment).

All assets are allocated to reportable segments with the exception of corporate assets (including bank balances and cash). All liabilities are allocated to reportable segments other than corporate liabilities.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that bank and other interest income (excluding interest income from the provision of finance), other income/(expenses), other net gain/(loss), finance costs, depreciation, impairment loss on intangible assets as well as head office and corporate expenses are excluded from such measurement.

Inter-segment transactions are made with reference to the prices used for services made to third parties at the then prevailing market prices.

The Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2024 and 2023 are set out below.

Segment results, assets and liabilities

For the year ended 31 December 2024

	Securities brokerage and asset management HK\$'000	Provision of finance HK\$'000	Trading of securities HK\$'000	Entertainment HK\$'000	Elimination HK\$'000	Total HK\$'000
Segment revenue	25,869	6,290	5,134	1,754	-	39,047
Inter-segment revenue	(2)	-	2	-	-	-
Segment revenue from external customers	25,867	6,290	5,136	1,754	-	39,047
Segment results	13,865	(257)	1,907	(3,063)	-	12,452
<i>Reconciliation:</i>						
Other income and other net loss						488
Depreciation						(5,652)
Finance costs						(425)
Unallocated head office and corporate expenses						
- Staff cost						(17,108)
- Others						(8,595)
Consolidated loss before tax						(18,840)

At 31 December 2024

	Securities brokerage and asset management HK\$'000	Provision of finance HK\$'000	Trading of securities HK\$'000	Entertainment HK\$'000	Elimination HK\$'000	Total HK\$'000
Segment assets	211,855	143,172	309,148	9,553	-	673,728
Unallocated head office and corporate assets						
- Deposit with bank (maturity over 3 months)						3,600
- Bank balances and cash						22,301
- Others						4,933
Consolidated total assets						704,562
Segment liabilities	(10,787)	(83)	(8)	(757)	-	(11,635)
Unallocated head office and corporate liabilities						(5,453)
Consolidated total liabilities						(17,088)

For the year ended 31 December 2023

	Securities brokerage and asset management HK\$'000	Provision of finance HK\$'000	Trading of securities HK\$'000	Entertainment HK\$'000	Elimination HK\$'000	Total HK\$'000
Segment revenue	41,774	10,198	(3,566)	627	–	49,033
Inter-segment revenue	(2)	–	2	–	–	–
Segment revenue from external customers	<u>41,772</u>	<u>10,198</u>	<u>(3,564)</u>	<u>627</u>	<u>–</u>	<u>49,033</u>
Segment results	<u>32,778</u>	<u>8,782</u>	<u>(22,988)</u>	<u>(2,192)</u>	<u>–</u>	<u>16,380</u>
<i>Reconciliation:</i>						
Other income and other net gain						3,515
Depreciation						(5,961)
Finance costs						(497)
Unallocated head office and corporate expenses						
– Staff cost						(17,061)
– Others						(9,221)
Consolidated loss before tax						<u>(12,845)</u>

At 31 December 2023

	Securities brokerage and asset management HK\$'000	Provision of finance HK\$'000	Trading of securities HK\$'000	Entertainment HK\$'000	Elimination HK\$'000	Total HK\$'000
Segment assets	<u>326,751</u>	<u>80,724</u>	<u>413,981</u>	<u>11,393</u>	<u>–</u>	<u>832,849</u>
Unallocated head office and corporate assets						
– Deposit with bank (maturity over 3 months)						3,600
– Bank balances and cash						30,608
– Others						2,197
Consolidated total assets						<u>869,254</u>
Segment liabilities	<u>(30,744)</u>	<u>(63)</u>	<u>(8)</u>	<u>(2,065)</u>	<u>–</u>	<u>(32,880)</u>
Unallocated head office and corporate liabilities						(3,386)
Consolidated total liabilities						<u>(36,266)</u>

4. REVENUE

	2024 HK\$'000	2023 HK\$'000
Brokerage related commission income and clearing fee income (<i>notes (i) and (ii)</i>)	1,058	1,942
Asset management fee income (<i>notes (i) and (ii)</i>)	2,007	3,021
Interest income on margin clients (<i>notes (ii) and (vi)</i>)	22,802	36,809
Interest income on loans receivable (<i>notes (iii) and (vi)</i>)	6,290	10,198
Dividend income from held-for-trading investments (<i>note (iv)</i>)	105	121
Net realised gains/(losses) from sales of investments classified as held-for-trading (<i>notes (iv) and (v)</i>)	5,031	(3,685)
Income from film rights investment (<i>note (vii)</i>)	841	–
Income from film distribution license rights (<i>notes (i) and (vii)</i>)	744	532
Artiste management income (<i>note (i) and (vii)</i>)	–	95
Income from entertainment event (<i>notes (i) and (vii)</i>)	169	–
	39,047	49,033

Notes:

- (i) The brokerage related commission income and clearing fee income, asset management fee income, income from film distribution license rights and artiste management income are the revenue arising under the scope of HKFRS 15, while interest income, dividend income, sales of investments, income from film rights investment and income from entertainment event are revenue from other sources.

Included in revenue arising under the scope of HKFRS 15, revenue from brokerage related commission income and clearing fee income recognised at a point in time were HK\$1,058,000 (2023: HK\$1,942,000) and revenue from asset management fee income, income from film distribution license rights and artiste management income recognised over time were HK\$2,751,000 (2023: HK\$3,648,000).

- (ii) Amount are reported under securities brokerage and asset management segment as set out in note 3.
- (iii) Amount are reported under provision of finance segment as set out in note 3. During the year ended 31 December 2024, loans receivable carry interest rate ranging from 4% to 12% (2023: 4% to 15%) per annum.
- (iv) Amount are reported under trading of securities segment as set out in note 3.
- (v) During the year ended 31 December 2024, the Group disposed of held-for-trading securities at cost of HK\$5,820,000 (2023: HK\$10,980,000) at gross proceeds of HK\$10,880,000 (2023: HK\$7,352,000), incurring trading fee of HK\$29,000 (2023: HK\$57,000).
- (vi) For the year ended 31 December 2024, the total amount of interest income on financial assets measured at amortised cost, including bank interest income (note 5), was HK\$29,185,000 (2023: HK\$47,485,000).
- (vii) Amount are reported under entertainment segment as set out in note 3.

5. OTHER INCOME

		2024	2023
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Bank interest income		93	478
Government subsidy		–	19
Dividend income from investment in equity instruments designated at FVTOCI	12	505	1,682
Others		486	1,005
		<u>1,084</u>	<u>3,184</u>

6. OTHER NET (LOSS)/GAIN

		2024	2023
		<i>HK\$'000</i>	<i>HK\$'000</i>
Gain on lease termination		32	87
Loss on disposal of property, plant and equipment		(42)	–
Net foreign exchange (loss)/gain		(586)	244
		<u>(596)</u>	<u>331</u>

7. FINANCE COSTS

		2024	2023
		<i>HK\$'000</i>	<i>HK\$'000</i>
Interest on lease liabilities		425	497
Total interest expense on financial liabilities that are not at fair value through profit or loss (“FVTPL”)		425	497

8. DIVIDEND

No dividend was paid or proposed during the year ended 31 December 2024, nor has any dividend been proposed since the end of the reporting period (2023: HK\$Nil).

9. LOSS BEFORE TAX

Loss before tax has been arrived at after charging/(crediting) the following:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Auditor's remuneration:		
– Audit service	1,589	1,579
– Non-audit service	645	629
	2,234	2,208
Directors' emoluments	3,474	3,594
Other staff costs:		
– Salaries and allowance	13,179	13,029
– Contribution to retirement benefit scheme	455	438
Total staff costs	17,108	17,061
Depreciation charge		
– Owned property, plant and equipment	1,347	1,082
– Right-of-use assets	4,305	4,879
Amortisation of intangible assets	100	100
Amortisation of film rights	841	–
Amortisation of film distribution license rights	243	102
Impairment loss on prepayment for film rights investment	813	5
Impairment loss on film rights investment	250	2
Changes in fair value of financial assets mandatorily measured at FVTPL – held-for-trading investments:		
– Net realised (gains)/losses from sales of listed equity investments	(5,031)	3,685
– Unrealised losses from changes in fair value of listed equity investments	3,044	20,855
	(1,987)	24,540

10. INCOME TAX EXPENSES

Income tax expenses recognised in profit or loss

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Hong Kong Profits Tax		
Current tax	114	2,365
Under-provision in respect of prior years	–	127
	114	2,492

The Group is subject to income tax on an entity basis on profits arising on derived from the jurisdictions in which the members domiciled and operate.

The provision for Hong Kong Profits Tax is calculated at 16.5% (2023: 16.5%) of the estimated assessable profits for the year ended 31 December 2024, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime. For this subsidiary, the first HK\$2,000,000 of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in year ended 31 December 2023.

The subsidiary in Netherlands is subject to Dutch Corporate Income Tax at the rate of 19% for the first EUR 200,000 of assessable profit and the remaining assessable profits are taxed at 25.8% (2023: 19% for the first EUR 200,000 of assessable profit and the remaining assessable profits are taxed at 25.8%). No Dutch Corporate Income Tax has been provided for the years ended 31 December 2024 and 2023 as the Group has no estimated assessable profits in Netherlands.

Pursuant to rules and regulations of Bermuda, the British Virgin Islands (“BVI”), Cayman Islands and Marshall Islands, the Group has no assessable profits in the above-mentioned jurisdictions.

11. LOSS PER SHARE

(a) Basic loss per share

The calculation of the basic loss per share is based on the loss attributable to owners of the Company of HK\$18,665,000 (2023: HK\$12,845,000) and the weighted average number of ordinary shares in issue during the year, calculated as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss		
Loss for the purposes of basic loss per share	<u>(18,665)</u>	<u>(12,845)</u>
	2024	2023
Number of shares		
Issued ordinary shares at 1 January	829,921,572	829,921,572
Effect of shares issued	<u>—</u>	<u>—</u>
Weighted average number of ordinary shares in issue during the year	<u>829,921,572</u>	<u>829,921,572</u>

(b) Diluted loss per share

For the years ended 31 December 2024 and 2023, there were no dilutive potential ordinary shares in issue during the years and diluted loss per share was the same as the basic loss per share.

12. INVESTMENT IN EQUITY INSTRUMENT DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Equity securities designated at FVTOCI (non-recycling)		
– Listed equity securities in Hong Kong (<i>Note (i)</i>)	142,733	137,670
– Unlisted equity securities (<i>Note (ii)</i>)		
– Entity A	105,147	195,614
– Entity B	9,416	11,379
– Entity C	25,562	26,680
– Entity D	12,893	20,379
	<u>153,018</u>	<u>254,052</u>
	<u><u>295,751</u></u>	<u><u>391,722</u></u>

Notes (i):

The listed equity securities represent ordinary shares of entities listed in Hong Kong. These investments are strategic investments that are not held for trading. The Group has elected to designate these investments in equity instruments as FVTOCI as it is believed that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for strategic purposes and realising their performance potential in the long run.

Approximately HK\$505,000 of dividend were received on this listed equity investment during the year ended 31 December 2024 (2023: HK\$Nil).

As at 31 December 2024, approximately HK\$19 million (2023: HK\$23 million) listed equity investments were pledged to financial institution to secure approximately HK\$13 million (2023: HK\$16 million) margin financing facilities obtained, which were not utilised by the Group as at 31 December 2024 and 2023.

None of individual listed equity securities designated at FVTOCI held as at 31 December 2024 had a value of 5% or more of the Group's total assets as at 31 December 2024.

Notes (ii):

The above unlisted equity investments represent the Group's equity interest in private entities established in the BVI. These investments are not held-for-trading, instead, they are held for long-term strategic purposes. The directors of the Company have elected to designate these investments in equity instruments at FVTOCI as the directors believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in long run.

No dividend was declared from other unlisted equity investments during the year ended 31 December 2024 (2023: Entity A declared and paid dividend of HK\$1,682,000 to the Group).

During the year ended 31 December 2024, with the share repurchase conducted by Hope Capital Limited ("Hope Capital" or "Entity A") from its other investors, the Group's equity interest in Hope Capital increased from 16.79% as of 31 December 2023 to 25.35% as of 31 December 2024. The Group held more than 20% of the effective shareholding interest in Entity A. The investment in this company is not accounted for as associate as the Group had no significant influence over it. Hence, this investment is not regarded as associate of the Group and are accounted for as equity instruments at FVTOCI for the years ended 31 December 2024 and 2023.

During the year ended 31 December 2023, with allotment of new shares by Hope Capital to its other investors, the Group's equity interest in Hope Capital reduced from 17.39% at 31 December 2022 to 16.79% at 31 December 2023.

At 31 December 2024, the equity interest in Entity B remains 4.22% (31 December 2023: 4.22%).

At 31 December 2024, the equity interest in Entity C remains 8% (31 December 2023: 8%).

At 31 December 2024, the equity interest in Entity D remains 8.53% (31 December 2023: 8.53%).

The following table further set forth the significant investment with a value of 5% or more of the Group's total assets as at 31 December 2024:

Name of investee	Number of shares held as at 31 December 2024	Investment cost as at 31 December 2024 HK\$'000	Fair value as at 31 December 2024 HK\$'000	Realised	Unrealised	Approximate% to the Group's total assets as at 31 December 2024	Dividend
				gain/(loss) recognised during the year ended 31 December 2024 HK\$'000	loss measured at FVTOCI (non-recycling) during the year ended 31 December 2024 HK\$'000		income recognised during the year ended 31 December 2024 HK\$'000
Hope Capital Limited	360	213,514	105,147	-	(90,467)	14.92%	Nil

Hope Capital is a company incorporated in BVI with limited liability and its principal activity is investment holding. Hope Securities Limited, the wholly-owned subsidiary of Hope Capital, is licensed to carry out regulated activities in Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 9 (asset management) under the Securities and Futures Ordinance.

Save as disclosed, the Group did not hold any investments with a value of 5% or more of the Group's total assets as at 31 December 2024.

13. ACCOUNTS RECEIVABLE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Accounts receivable arising from:		
Securities brokerage and asset management segment		
– Securities brokerage cash clients and clearing house	11	21
Entertainment segment	<u>1,437</u>	<u>1,056</u>
	<u><u>1,448</u></u>	<u><u>1,077</u></u>

An ageing analysis of the accounts receivable as at the end of the reporting period, based on the trade date or invoice date, is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Over 1 year	583	983
Over 180 days but within 1 year	13	73
Within 90 days	<u>852</u>	<u>21</u>
	<u><u>1,448</u></u>	<u><u>1,077</u></u>

The normal settlement terms of accounts receivable from securities brokerage cash clients and clearing house are two days after the trade date. The remaining accounts receivable are expected to be recovered within one year.

Accounts receivable from securities brokerage cash clients and clearing house as at 31 December 2024 and 2023 were not past due. No credit loss allowance has been provided for accounts receivable from clearing house as the related credit loss allowances were immaterial.

The Group offsets certain accounts receivable and accounts payable arising from securities brokerage cash clients and clearing house when the Group has a legally enforceable right to set off the balances and intends either to settle on a net basis, or to realise the balances simultaneously. At 31 December 2024, the amount set off was approximately HK\$404,000 (2023: HK\$Nil).

The settlement term of accounts receivable from film rights investment is 30 days after the receipt by the producer from the distributor and calculation from the producer. No credit loss allowance has been provided for accounts receivable from film right investments as the related credit loss allowances were immaterial.

The settlement term of accounts receivable from film distribution license rights is 30 days from the date of billing.

The Group did not hold any collateral or other credit enhancements over these balances. Accounts receivable as at 31 December 2024 and 2023 relate to clients that have a good track record with the Group for whom there was no recent history of default.

14. MARGIN LOANS RECEIVABLE

	2024	2023
	HK\$'000	HK\$'000
Margin loans receivable arising from securities		
brokerage business	209,093	297,075
Less: Impairment allowances	(15,987)	(9,896)
	193,106	287,179

- (a) At 31 December 2024, margin loans receivable of HK\$209,093,000 (2023: HK\$297,075,000) were secured by underlying equity securities amounted to approximately HK\$377,794,000 (2023: approximately HK\$732,236,000).

Trading limits are set for margin clients. The Group seeks to maintain tight control over its outstanding receivables in order to minimise the credit risk. Outstanding balances are regularly monitored by management.

- (b) The Group offsets certain margin loans receivable and accounts payable when the Group currently has a legally enforceable right to set off the balances and intends either to settle on a net basis, or to realise the balances simultaneously.
- (c) No ageing analysis is disclosed as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of business in margin financing.
- (d) At 31 December 2024, margin loans receivable carry interest at 2.5% to 16% (2023: 5% to 16%) per annum.

15. LOANS RECEIVABLE

	2024	2023
	HK\$'000	HK\$'000
Fixed-rate loans receivable	154,154	85,184
Less: Impairment allowances	(10,982)	(4,572)
	143,172	80,612

- (a) Loans receivable represented receivables arising from the provision of finance business of the Group. During the year ended 31 December 2024, the new loan facilities granted by the Group were of the size in the range from HK\$5 million to HK\$20 million (during the year ended 31 December 2023: from HK\$0.1 million to HK\$13 million), with interest rates ranging from 6% to 7% (2023: 7% to 8%) per annum. At 31 December 2024, the Group did not hold any collateral or other credit enhancements over these balances (2023: a loan receivable of HK\$5,011,000 which is secured by a property held by the borrower as a second mortgage loan). At 31 December 2024, loans receivable carry interest rate ranging from 6% to 12% (2023: 4% to 12%) per annum.

As at 31 December 2024, the outstanding loan receivables were due from 13 (2023: 11) customers, and none of the customers is from a connected person, of which the largest single loan of HK\$15,192,000 (2023: HK\$13,353,000) and the five largest loans in aggregate of HK\$74,665,000 (2023: HK\$64,762,000) represent approximately 10% (2023:16%) and 48% (2023: 76%) respectively of the total loan receivables before impairment allowances.

During the year ended 31 December 2023, Imagi Lenders Limited (“Imagi Lenders”), an indirect non-wholly owned subsidiary, entered into the deed of assignment with an individual third party, pursuant to which Imagi Lenders has conditionally agreed to sell and assign, and the individual third party has conditionally agreed to purchase and be assigned, the rights, titles and benefits of loans receivable amounted HK\$68,433,000 at the consideration of HK\$68,433,000. The consideration has been received in full during the year ended 31 December 2023.

(b) Maturity profile

At the end of the reporting period, the maturity profile of loans receivable, based on maturity date, is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Past due over 1 year	5,037	5,037
Past due over 1 month but within 3 months	423	–
Due within 1 month	144	13,936
Due after 1 month but within 3 months	79,730	15,019
Due after 3 months but within 6 months	25,222	14,594
Due after 6 months but within 12 months	43,598	36,598
	<u>154,154</u>	<u>85,184</u>

(c) Distribution of loans receivable balance

The following tables set forth the distribution of the balances of the Group’s outstanding loan exposure to borrowers by size as at 31 December 2024 and 2023:

As at 31 December 2024

	Number of loan	Original tenure of loan (note)	Interest rate per annum	Loans receivable HK\$'000	Impairment allowances HK\$'000	Net loans receivable HK\$'000
Over HK\$5,000,000 to HK\$10,000,000	3	5.5 months – 12 months	6% p.a. – 12% p.a.	15,136	(5,642)	9,494
Over HK\$10,000,000 to HK\$20,000,000	10	5.5 months – 12 months	6% p.a. – 8% p.a.	139,018	(5,340)	133,678
	<u>13</u>			<u>154,154</u>	<u>(10,982)</u>	<u>143,172</u>

As at 31 December 2023

	Number of loan	Original tenure of loan (note)	Interest rate per annum	Loans receivable HK\$'000	Impairment allowances HK\$'000	Net loans receivable HK\$'000
Over HK\$100,000 to HK\$5,000,000	3	12 months	7% p.a. – 8% p.a.	2,208	(43)	2,165
Over HK\$5,000,000 to HK\$10,000,000	3	6 months – 12 months	4% p.a. – 12% p.a.	18,214	(3,256)	14,958
Over HK\$10,000,000 to HK\$20,000,000	5	6 months – 12 months	7% p.a. – 8% p.a.	64,762	(1,273)	63,489
	<u>11</u>			<u>85,184</u>	<u>(4,572)</u>	<u>80,612</u>

Note: The term of the loans were extended on case by case basis and the extension period ranged from 4 to 12 months.

16. HELD-FOR-TRADING INVESTMENTS

As at 31 December 2024, held-for-trading investments represent the listed equity securities in Hong Kong of HK\$13,396,000 (2023: HK\$22,260,000). None of individual listed equity securities held as at 31 December 2024 had a value of 5% or more of the Group's total assets as at 31 December 2024.

At 31 December 2024, the Group pledged held-for-trading investment of approximately HK\$6,879,000 (2023: approximately HK\$14,710,000) for the margin loan facilities of approximately HK\$2,392,000 (2023: approximately HK\$5,589,000). The Group did not utilise this facilities as at 31 December 2024 and 2023. The realised gains/(losses) and unrealised gains/(losses) arising from held-for-trading investments are reported under trading of securities segment.

17. ACCOUNTS PAYABLE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Accounts payable arising from securities brokerage business:		
– Cash and margin clients and clearing house	<u>10,380</u>	<u>28,628</u>

The settlement terms of accounts payable to cash and margin clients and clearing house are two days after trade date. Accounts payable to cash clients are repayable on demand subsequent to settlement date. No ageing analysis is disclosed as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of this business.

The Group offsets certain accounts payable and accounts receivable arising from securities brokerage cash clients and clearing house when the Group has a legally enforceable right to set off the balances and intends either to settle on a net basis, or to realise the balances simultaneously. At 31 December 2024, the amount set off was approximately HK\$404,000 (2023: HK\$Nil).

Accounts payable amounting to HK\$10,290,000 as at 31 December 2024 (2023: HK\$23,189,000) were payable to clients in respect of the trust and segregated bank balances received and held for clients in the course of conducting the regulated activities. However, the Group does not have a currently enforceable right to offset these payables with the deposits placed.

18. COMMITMENTS

Credit commitments

The Group's credit commitments mainly include loan commitments. The contractual amounts of unutilised loan commitments represent the amounts should the contracts be fully drawn upon.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Unutilised loan commitments		
– Original contractual maturity within one year	<u>10,000</u>	<u>32,900</u>

The Group may be exposed to credit risk in above credit business. The management of the Group periodically assesses credit risk and makes provision for any probable losses. As the facilities may expire without being drawn upon, the contractual amounts shown above is not representative of expected future cash outflows.

19. POSSIBLE IMPACT OF NEW AND AMENDMENTS ISSUED TO HKFRS AND HKAS BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2024

Up to the date of approval for issue of these consolidated financial statements, the HKICPA has issued a number of new and amendments to HKFRS which are not yet effective for the year ended 31 December 2024 and which have not been adopted in these consolidated financial statements, as follows:

Amendments to HKAS 21	Lack of Exchangeability ¹
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
Annual Improvements to HKFRS Accounting Standards 2024	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 ²
HKFRS 18 and consequential amendments to other HKFRSs	Presentation and Disclosure in Financial Statements ³
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

¹ Effective for annual periods beginning on or after 1 January 2025

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

⁴ Effective for annual periods beginning on or after a date to be determined

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

20. EVENT AFTER THE REPORTING PERIOD

No significant events have occurred since 31 December 2024 to the date of this annual results announcement.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS AND OPERATIONAL REVIEW

For the year ended 31 December 2024 (the “Year under Review”), the principal business of the Group remain engaging in integrated financial services (“Integrated Financial Services”), investment holdings, computer graphic imaging (“CGI”) business and entertainment business. The Integrated Financial Services comprises of provision of securities brokerage and related financial advisory services, margin financing services, asset management services, corporate finance advisory services, money lending services, investments in listed and unlisted securities and proprietary trading. Since 2016, the Integrated Financial Services is the core business of the Group and the Group will continue to devote its principal resources to this business. Additionally, starting in 2023, the Group began developing in film distribution license rights business which are reported under entertainment segment.

The Group operates two main businesses: (a) Integrated Financial Services and (b) entertainment business. The management of the Company (the “Management”) constantly reviews and monitors the performance of these two operations based on four different segments:

- (i) securities brokerage and asset management (including securities brokerage and related financial service and margin financing services);
- (ii) provision of finance (excluding margin financing services under securities brokerage business);
- (iii) trading of securities; and
- (iv) entertainment.

After reviewing the business operations across different segments, and in light of unsatisfactory performance in the corporate finance advisory services sector, the Group had decided to exit this business line by surrendering its Type 6 license (advising on corporate finance) in January 2025. The application was confirmed by Securities and Futures Commission of Hong Kong (the “SFC”) and became effective on 11 February 2025.

The following outlines the key business operations of the Group, categorised by different segments.

(a) Integrated Financial Services business

(i) Securities brokerage and asset management segment

The Group conducts its securities brokerage and related financial services through Imagi Brokerage Limited (“Imagi Brokerage”) and Supreme China Securities Limited (“Supreme China”), both of which are licensed by the SFC to carry out regulated activities in Hong Kong. Imagi Brokerage and Supreme China have different risk appetites and target different clienteles, and both are indirect non-wholly-owned subsidiaries of the Company.

The Company is engaged in a full range of securities brokerage and related services, operating under various licenses granted by the SFC to Imagi Brokerage including Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated businesses. Supreme China is principally engaged in securities brokerage, provision of margin financing and provision of underwriting and placing services in Hong Kong and is licensed by the SFC to carry out Type 1 (dealing in securities) regulated activities.

Imagi Brokerage is a key contributor to the Group’s business and the Management is confident that it will continue to be a significant contributor of the Group’s operations and profits. This is anticipated to stem from revenues generated through brokerage commissions, clearing fee income, underwriting and placement commissions, related financial services income, interest income from margin clients, and asset management fee income.

The Management believes that acquisition and/or forming informal strategic alliance with other local securities brokerage firms would enable the Company to further consolidate its existing clientele, technological infrastructure, and services offerings. This strategy aims to attract more customers for various financial services. The Group continues to explore other opportunities, including co-operations with other securities brokerage firms and through acquisitions of potential securities brokerage firms that have diverse risk appetites and a solid client base so as to enhance the variety and quality of securities brokerage related services.

For the Year under Review, the securities brokerage and asset management segment generated total revenue of approximately HK\$26 million for the Group. As at 31 December 2024, the outstanding margin loans receivable arising from securities brokerage business amounted to approximately HK\$209 million (before impairment allowances) which was secured by underlying equity securities valued of approximately HK\$378 million held by the brokerage customers. Based on the expected credit loss assessment conducted by an independent professional valuer, approximately HK\$16 million impairment allowances was provided on the outstanding margin loans receivable as at 31 December 2024.

Securities brokerage operations remain a principal business for the Group and the Management is committed to maintaining its momentum in the expanding its financial services and securities brokerage operations. This sector will continue to be a core, sustainable and profitable business for the Group in the foreseeable future.

(ii) *Provision of finance segment*

The Group conducts its money lending business through Imagi Lenders Limited (“Imagi Lenders”) which is a licensed money lender and is governed under the Money Lenders Ordinance (Chapter 163 of Laws of Hong Kong) (“MLO”) to undertake money lending business in Hong Kong. The Group focuses on providing sizeable loans to niche customers including corporate customers and high-net-worth individuals instead of the mass customer market. These niche customers mostly have been repeat customers and had been customers for a number of years who were mostly acquired through business referrals or introductions by the Company’s senior management, business partners or clients or had past business or dealings with the Group. Besides in compliance with all rules and regulations imposed under the MLO, Imagi Lenders conducts the money lending business also with reference to its internal money lending policy (“ML Manual”), the Group’s overall internal control and operation manual and applicable requirements under the Rules (the “Listing Rules”) Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The business team of Imagi Lenders is led by the general manager of the Company as a compliance officer who is responsible for credit assessment of the loan application and directors of Imagi Lenders are with full power and authorities to review and to approve or reject the loan application in accordance with the MLO, the Listing Rules, ML Manual and the Group’s internal control and operation manual. The loan terms would be arrived at after considering a combination of factors including prevalent market interest rates, the financial strength of the borrower, the collaterals offered and past credit history of the borrower with Imagi Lenders and adjusted, if necessary, by arms-length negotiations with the borrower. The Group has not entered into any agreement, arrangement, understanding or undertaking (whether formal or informal and whether express or implied) with a connected person with respect to the grant of loans to the borrower(s) whose loan(s) was granted during the Year under Review and was still outstanding as at 31 December 2024.

During the Year under Review, the new loans granted by the Imagi Lenders ranged from HK\$5 million to HK\$20 million, with a total loan principal drawdown of HK\$123 million. The funds for the money lending business were sourced by the Group's internal resources, resulting in no external financial cost. For the Year under Review, total interest income generated from money lending business was approximately HK\$6 million, with interest rates ranging from 4% to 12% per annum, reflecting competitive interest rate in the market.

As at 31 December 2024, the outstanding loans receivable (including the loan principal and accrued interest) amounted to approximately HK\$154 million, owed by 13 customers. The largest single loan and the aggregate of the five largest loans represent approximately 10% (approximately HK\$15.2 million) and approximately 48% (approximately HK\$74.7 million), respectively, of the total loans receivable before impairment allowances. Imagi Lenders engaged an independent professional valuer to conduct impairment assessments on the outstanding loans at end of the reporting period. As at 31 December 2024, approximately HK\$11 million impairment allowances were provided on the outstanding loans receivable of approximately HK\$154 million. Further details regarding loans receivable and maturity profile of the loans receivable as at 31 December 2024 are disclosed in note 15 to the consolidated financial statements.

Given the uncertainty of current market environment, the Group will proceed with cautious and constantly review the loan profile and allocation of resources. The Management believes that the money lending business will remain a consistent and rewarding endeavor for the Group.

(iii) *Trading of securities segment*

Securities investments and proprietary trading are important components of Integrated Financial Services business operation, primarily involving investment in listed and unlisted securities and proprietary trading. Meanwhile, the Group has separated its investments into held-for-trading purposes and long-term strategic purposes.

For investments classified under held-for-trading purposes, the Group recorded net realised gains from sale of listed equity investments amounting to approximately HK\$5 million, along with unrealised losses from changes in fair value of listed equity investments classified as held-for-trading totaling approximately HK\$3 million for the Year under Review. As at 31 December 2024, the market value of listed equity investments classified as held-for-trading were approximately HK\$13.4 million.

For investments classified under long-term strategic purposes, the Group has focused on both listed and unlisted equity investments for long-term strategic purposes in light of volatile market environment. The Group aims to hold these investments over the long term to realise their performance potential in the long run, rather than focusing on short-term market fluctuations. These equity instruments are designated at fair value through other comprehensive income (“FVTOCI”), aligning with the Group’s strategy of holding these investments in long run. As at 31 December 2024, the fair value of listed equity investments and unlisted equity investments designated at FVTOCI were approximately HK\$143 million and HK\$153 million, respectively. Approximately HK\$127 million unrealised loss was recorded under other comprehensive income due to changes in fair value of equity investments designated at FVTOCI for the Year under Review.

The Company is continuously reviewing its strategy in securities investments and proprietary trading. As aforementioned, there have been some promising developments in Hong Kong and China since the onset of 2024, prompting us to carefully seek potentially profitable opportunities. During the Year under Review, the Group focus on identifying securities with long-term performance prospects rather than short-term, non-held-for trading option.

(b) Entertainment business

Entertainment segment

The operation of CGI business and film related business/investment are reported under entertainment segment. The Management does not see immediate improving prospects for the CGI business. After evaluating costs and benefits, the Company will allocate minimal resources with the intention of just maintaining the CGI business until there are substantial improvements in the potential and prospects. Consequently, the Company has suspended production efforts in the CGI business while retaining focus on the distribution side.

In view of recovery of film industry after COVID, the Group began developing the film distribution license rights business in Hong Kong, Macau and North America since 2023. The Company will adopt a conservative approach when reviewing future opportunities for film investments but remains confident in the longer term prospects of film industry.

FINANCIAL REVIEW

Review of results

The net loss attributable to the Shareholders for the Year under Review was approximately HK\$19 million compared to a net loss attributable to the Shareholders of approximately HK\$13 million for the corresponding financial year in 2023. Such increase in loss as compared to last year was primarily attributable to, among other factors, (i) a decrease in revenue from both securities brokerage and money lending businesses in aggregate by 38%; and (ii) an increase in impairment allowances on margin loans receivable and loans receivable which is in line with market atmosphere.

The aforementioned increase in losses were partially offset by net realised gain from disposal of listed equity investments classified as held-for-trading of approximately HK\$5 million and reduction of unrealised losses from changes in fair value of listed equity investments classified as held-for-trading from approximately HK\$21 million to approximately HK\$3 million.

LIQUIDITY AND FINANCIAL RESOURCES

During the Year under Review, the Group primarily financed its operations with internally generated cash flows. As at 31 December 2024, the liquidity and financial position of the Group remain healthy, with bank balances totaling approximately HK\$22 million (2023: approximately HK\$31 million) and a current ratio (the total amount of current assets divided by the total amount of current liabilities) of approximately 26 times (2023: approximately 13 times).

As at 31 December 2024, the Group had no bank or other borrowings, resulting in gearing ratio (expressed as a percentage of total borrowings over total Shareholders' equity) was zero (2023: zero).

SIGNIFICANT INVESTMENTS

As at 31 December 2024, save as disclosed in note 12 to the consolidated financial statements, the Group did not hold any significant investments with a value of 5% or more of the Group's total assets as at 31 December 2024.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

The Company did not have any material acquisitions or disposals of subsidiaries during the Year under Review.

CAPITAL STRUCTURE

During the Year under Review, the Company has not conducted any equity fund raising activities.

As at 31 December 2024, the total number of issued shares of the Company (the “Share(s)”) was 829,921,572 Shares with a par value of HK\$0.04 each. Based on the closing price of HK\$0.305 per Share as at 31 December 2024, the market value of the Company as at 31 December 2024 was approximately HK\$253 million (2023: approximately HK\$1,220 million).

The consolidated net asset value attributable to the Shareholders per Share as at 31 December 2024 was approximately HK\$0.67 (2023: approximately HK\$0.84).

EXPOSURE TO EXCHANGE RATES

Most of the Group’s business transactions, assets and liabilities are denominated in Hong Kong dollars and United States dollar. The Group’s exposure to currency risk is minimal as Hong Kong dollar is pegged to United States dollar. The Group does not have any currency hedging policy and has not entered into any hedging or other instruments to mitigate currency risk. However, the Management will closely monitor the exposure of the Group to the exchange rate fluctuations and take appropriate measures as necessary to minimise any adverse impact that may be arise from such fluctuation.

PLEDGE OF ASSETS

As at 31 December 2024, investment in equity instrument designated at fair value through other comprehensive income and held-for-trading investments of approximately HK\$19 million (2023: approximately HK\$23 million) and approximately HK\$7 million (2023: approximately HK\$15 million) were pledged to financial institutions to secure margin financing facilities provided to the Group. The Group did not utilise the margin financing facilities as at 31 December 2024 and 2023.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Year under Review (2023: Nil).

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

Save as disclosed in note 18 to the consolidated financial statements, the Group did not have any other significant capital commitments and contingent liabilities.

PROSPECTS

With China regulatory authorities beginning to ease their clampdowns and starting to loosen its credit policies as well as the central government's decision to pump in financial resources and incentives to revive the economy, it is expected that the China property and equity market will begin to stabilise. The Chinese market will also be buoyed by the recent exciting prospects brought about by unexpected successes of the "PS5 game-Black Wukong", the animated film "Ne Zha 2" and the Artificial Intelligence – "DeepSeek-V3" and "DeepSeek-R1". This will in turn filter through the general economy in China and Hong Kong. General business environment in Hong Kong and China for 2025 is expected to see gradual and consistent improvement. We also expect that the high interest regime, which have been topped out in 2025 and had begun its reverse in the second half of 2025 thus heralding better environment for the global economy and financial markets. The Company will strive to make more progress in its principal core business of Integrated Financial Services and is confident that there will be improvement in performance for the coming year.

(a) Securities brokerage and related services business

The Company will continue to prioritise financial services as a core business and steadily develop this sector. With the effects of aforementioned promising improvement in Hong and China, especially in the financial sector, we expect the business environment for financial services will improve in the near future. The Management will persist with its expansion strategy but will proceed with caution and constantly assess and monitor the market situation. Furthermore, while we look to continue to expand in the financial services, we are prepared to make necessary adjustments to its strategies based on market dynamics. Due to minimal business activity and look envisage any improvement in the corporate finance business since its inception, the Company decided to terminate this business to cut unnecessary operating expenses. Imagi Brokerage Limited, a subsidiary of the Company, has surrendered its Type 6 license (advising on corporate finance) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), effective on 11 February 2025. The Group then exited from the corporate finance business. The Company expects improved performance in its securities brokerage and related services in 2025, with this sector anticipating to remain a significant contributor to the Group's operations and profits in future.

(b) Money lending business

During the Year under Review, the Group made new loans in an aggregate principal of HK\$123 million and generated approximately HK\$6 million interest income which was recorded under provision of finance segment. This performance marks a significant decrease compared to corresponding period in 2023. In light of challenging economic environment stated previously, the Group has adopted a cautious stance in its money lending business. The Management remains optimistic about a rebound in money lending business sector and believes it will continue to provide steady and attractive returns for the Group in the future.

(c) Securities investments and proprietary trading

For the Year under Review, the Hong Kong and China economy and financial markets had been negatively affected as previously mentioned. Despite the challenges, the near-term outlook is becoming more promising. The Group intends to make equity investments for long-term purpose, aiming to realise their performance over the long run.

(d) CGI business and entertainment business

The CGI business remains stagnant for 2024, with minimal resources allocated to maintain the operations. The Company will maintain this approach until there is significant turnaround in prospects. The recent success of the animation production of “Ne Zha 2” may be indicate possible shifts in the market, which the Company will monitor closely.

Since 2023, the Company has ventured into film distribution license rights business in Hong Kong, Macau and North America, generating revenue of approximately HK\$744,000 during the Year under Review. The Company plans to continue expanding its entertainment business in film distribution license rights, with particular emphasis on local movies. Also, the Company aims to seek additional opportunities in movie investment or production moving forward.

GENERAL INFORMATION

CORPORATE GOVERNANCE PRACTICES

The Company recognises that good corporate governance is essential for enhancing accountability and transparency to investing public and other stakeholders. The Company had adopted the principles outlined in the Corporate Governance Code (the “CG Code”) contained in Appendix C1 of the Listing Rules as its own code of corporate governance.

During the Year under Review, the Company has complied with the code provisions (the “Code Provision”) set out in the CG Code.

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”) contained in Appendix C3 to the Listing Rules as the code of conduct regarding directors’ securities transactions. The Company will notify its Directors in advance for any restricted period for dealings in the Company’s securities. In response to the specific enquiry made by the Company, all existing Directors confirmed that they fully complied with the required standards set out in the Model Code throughout the Year under Review.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Year under Review, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company.

HUMAN RESOURCES

As at 31 December 2024, the Group employed 37 employees including 6 Directors (as at 31 December 2023: 40 employees including 6 Directors). The emolument policy of the Group is to reward its employees with reference to their qualifications, experience and work performance as well as market benchmarks. The Company will conduct regular reviews to ensure compliance with the latest labor laws and market norms in the regions where the Group operates. In addition to basic salaries, eligible employees may receive incentives in the form of bonus and share options based on individual performance and the Group's business results. The total staff cost for Directors and employees for the Year under Review amounted to approximately HK\$17 million (2023: approximately HK\$17 million).

OTHER INFORMATION FOR THE YEAR UNDER REVIEW AND UP TO THE DATE OF THIS RESULTS ANNOUNCEMENT

Save as disclosed elsewhere in this annual results announcement, the Group have the following event for the Year under Review and up to the date of this annual results announcement:

Change of secondary name in Chinese of the Company

On 28 February 2024, a special resolution regarding the proposed change of secondary name in Chinese of the Company from “元匯集團有限公司” to “意力國際控股有限公司” was duly passed by the Shareholders at the special general meeting of the Company. The Registrar of Companies in Bermuda registered the new secondary name of the Company and “意力國際控股有限公司” have been entered into the register maintained by the Registrar of Companies in Bermuda with effect from 28 February 2024. The Certificate of Secondary Name of the Company and the Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company was issued by the Registrar of Companies in Bermuda and the Registrar of Companies in Hong Kong to the Company on 8 March 2024 and 22 March 2024, respectively. The Chinese stock short name of the Company for trading in Shares on the Stock Exchange changed from “元匯集團” to “意力國際” with effect from 9:00 a.m. on 28 March 2024.

AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”) has met with the external auditor of the Company, Crowe (HK) CPA Limited, and the Management, to review the accounting principles and practices adopted by the Group and the annual results of the Group for the Year under Review. The Audit Committee has also discussed auditing, financial reporting matters, risk management and internal control systems of the Company. As at the date of this announcement, the Audit Committee comprises three independent non-executive Directors, namely Mr. Miu Frank H. (Chairman of the Audit Committee), Mr. Chan Hak Kan and Ms. Liu Jianyi.

SCOPE OF WORK OF CROWE (HK) CPA LIMITED

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this annual results announcement have been agreed by the Company’s auditors, Crowe (HK) CPA Limited, to the amounts set out in the Group’s audited consolidated 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 annual results announcement.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The forthcoming annual general meeting of the Company (the “AGM”) is scheduled to be held on Thursday, 19 June 2025. The notice of the AGM will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.imagi.hk) in due course.

The register of members of the Company will be closed, for the purpose of determining the Shareholders who are entitled to attend and vote at the AGM, from Monday, 16 June 2025 to Thursday, 19 June 2025 (both days inclusive), during which period no transfer of share(s) of the Company can be registered. In order to qualify for attending and voting at the AGM, all share transfer documents accompanied by the relevant share certificate(s) must be lodged for registration with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited of 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Friday, 13 June 2025.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND 2024 ANNUAL REPORT

This annual results announcement is published on the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.imagi.hk). The 2024 annual report of the Company containing all information required by the Listing Rules will be despatched to the Shareholders and will also be available on websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.imagi.hk) in due course.

By order of the Board
Imagi International Holdings Limited
Kitchell Osman Bin
Chairman

Hong Kong, 21 March 2025

At the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Mr. Kitchell Osman Bin (*Chairman*)
Ms. Choi Ka Wing
Mr. Shimazaki Koji

Independent non-executive Directors:

Mr. Chan Hak Kan
Ms. Liu Jianyi
Mr. Miu Frank H.