信達國際控股有限公司
CINDA INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(Stock code: 111)

ANNOUNCEMENT OF 2024 FINAL RESULTS

The Board is pleased to announce the consolidated financial results of the Group for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	**2024** **HK$'000**	2023 HK$'000
Revenue	*4*	**191,885**	141,224
Other income	*4*	**5,947**	12,067
Other losses, net	*4*	**(25,931)**	(16,904)
		171,901	136,387
Staff costs	*5(a)*	**55,197**	61,809
Commission expenses		**7,634**	5,455
Impairment losses on financial assets	*5(b)*	**17,509**	13,262
Other operating expenses	*5(c)*	**50,796**	54,059
Finance costs	*5(d)*	**30,450**	26,325
		161,586	160,910
		10,315	(24,523)
Share of profits of associates, net		**20,700**	24,355

	Notes	**2024** ***HK$'000***	2023 *HK$'000*
Profit/(loss) before taxation		**31,015**	(168)
Income tax expense	*6*	**(20,680)**	(12,681)
Profit/(loss) for the year attributable to equity holders of the Company		**10,335**	(12,849)
Basic and diluted earnings/(loss) per share attributable to equity holders of the Company	*8*	**HK1.61 cents**	HK(2.00) cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	HK$'000	*HK$'000*
Profit/(loss) for the year	**10,335**	(12,849)
Other comprehensive (expenses)/income for the year:		
Items that may be reclassified subsequently to profit or loss:		
Debt instruments at fair value through other comprehensive income:		
– changes in fair value	**(25,987)**	28,591
– impairment (losses)/reversal included in profit or loss	**(2,883)**	7,837
– reclassification adjustments upon disposals	**(130)**	(24,492)
	(29,000)	11,936
Share of investment revaluation reserve of associates	**–**	885
Net movement in investment revaluation reserve	**(29,000)**	12,821
Exchange differences on translation of foreign operations	**(2,094)**	(4,649)
Released exchange reserve upon disposal of subsidiaries	**14,586**	–
Share of exchange reserve of associates	**1,836**	(3,303)
Net movement in exchange reserve	**14,328**	(7,952)
Other comprehensive (expense)/income for the year, net of nil income tax	**(14,672)**	4,869
Total comprehensive expense for the year attributable to equity holders of the Company	**(4,337)**	(7,980)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Notes	**2024** **HK$'000**	2023 *HK$'000*
Non-current assets			
Intangible assets		**1,439**	1,439
Property and equipment		**5,595**	7,671
Financial assets at fair value through profit or loss	*11*	**–**	30,690
Right-of-use assets	*16*	**7,380**	26,804
Interests in joint ventures		**29,388**	–
Interests in associates	*9*	**430,328**	449,646
Other assets		**8,744**	11,300
Deferred tax assets		**63**	141
		482,937	527,691
Current assets			
Debt instruments at fair value through other comprehensive income	*10*	**619,114**	224,794
Financial assets at fair value through profit or loss	*11*	**11,672**	41,558
Amounts due from joint ventures		**149,402**	–
Trade and other receivables	*12*	**312,851**	320,647
Pledged bank deposits	*13*	**12,758**	12,447
Bank balances and cash	*13*	**275,460**	519,331
		1,381,257	1,118,777
Current liabilities			
Trade and other payables	*14*	**214,800**	184,675
Borrowings	*15*	**706,566**	484,808
Tax payable		**40**	8,207
Lease liabilities	*16*	**6,992**	18,364
		928,398	696,054
Net current assets		**452,859**	422,723
Total assets less current liabilities		**935,796**	950,414

	Notes	**2024**	2023
		HK$'000	*HK$'000*
Capital and reserves			
Share capital		**64,121**	64,121
Other reserves		**428,071**	442,743
Retained earnings		**443,604**	433,269
Total equity attributable to equity holders of the Company		**935,796**	940,133
Non-current liabilities			
Lease liabilities	*16*	**–**	10,281
		935,796	950,414

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term include all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The HKICPA has issued certain amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared under the historical cost convention, except for certain financial instruments that are measured at their fair value.

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

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

3. CHANGES IN ACCOUNTING POLICIES

The Group has applied the following new and amended HKFRSs issued by the HKICPA to these consolidated financial statements for the current accounting period:

Amendments to HKFRS 16	Lease liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current (the "2020 Amendments")
Amendments to HKAS 1	Non-current Liabilities with Covenants (the "2022 Amendments")
Amendment to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

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

(a) Amendments to HKFRS 16 - Lease Liability in a Sale and Leaseback

The amendments in HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments had no impact on the Group's financial statements.

(b) Amendments to HKAS 1 - Classification of Liabilities as Current or Non-current

The amendments to HKAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments had no impact on the Group's financial statements.

(c) Amendments to HKAS 7 and HKFRS 7 - Supplier Finance Arrangements

The amendments to HKAS 7 Statement of Cash Flows and HKFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments had no impact on the Group's financial statements.

4. REVENUE, OTHER INCOME, OTHER LOSSES AND SEGMENT INFORMATION

	2024	2023
	HK$'000	*HK$'000*
Revenue		
Revenue from contracts with customers		
Fees and commission		
– Asset management	**13,888**	8,772
– Sales and trading business	**23,207**	22,355
– Corporate finance	**4,917**	10,468
	42,012	41,595
Underwriting income and placing commission		
– Corporate finance	**42,749**	8,757
Management fee and service fee income		
– Asset management	**42,219**	47,356
	126,980	97,708
Revenue from other sources		
Interest income		
– Asset management	**965**	905
– Sales and trading business	**24,759**	26,996
– Corporate finance	**450**	–
– Others	**707**	575
	26,881	28,476
Investment income	**38,024**	15,040
	191,885	141,224

Analysis of the disaggregate revenue from contracts with customers by major service lines is as follows:

	Asset management HK$'000	Sales and trading business HK$'000	Corporate finance HK$'000	Total HK$'000
For the year ended 31 December 2024				
Type of services				
Brokering service	**–**	**23,207**	**–**	**23,207**
Underwriting and placing service	**–**	**–**	**42,749**	**42,749**
Corporate finance service	**–**	**–**	**4,917**	**4,917**
Asset management service	**56,107**	**–**	**–**	**56,107**
Total revenue from contracts with customers	**56,107**	**23,207**	**47,666**	**126,980**
For the year ended 31 December 2023				
Type of services				
Brokering service	–	22,355	–	22,355
Underwriting and placing service	–	–	8,757	8,757
Corporate finance service	–	–	10,468	10,468
Asset management service	56,128	–	–	56,128
Total revenue from contracts with customers	56,128	22,355	19,225	97,708

	2024 *HK$'000*	2023 *HK$'000*
Other income		
Investment income	**4,188**	6,394
Government grants *(note)*	**1,576**	5,446
Others	**183**	227
	5,947	12,067

Note: The Group received government grants to support enterprises in business innovation and corporate transformation in Shanghai, Mainland China. There are no unfulfilled conditions or contingencies relating to these grants.

	2024 *HK$'000*	2023 *HK$'000*
Other losses, net		
Net exchange losses	**(10,011)**	(3,947)
Gain/(loss) on disposal of financial assets at fair value through profit or loss, net	**33**	(1,334)
Gain on disposal of debt instruments at fair value through other comprehensive income, net	**111**	–
Loss from changes in fair value of financial assets at fair value through profit or loss, net	**(29)**	(11,623)
Loss on disposal of subsidiaries	**(16,034)**	–
Loss on disposal of property and equipment	**(1)**	–
	(25,931)	(16,904)

Segment information

The Group manages its businesses by divisions. Under HKFRS 8 *Operating Segments*, and in a manner consistent with the way in which information is reported internally to the Group's most senior executive management, being the chief operating decision maker, for the purposes of resource allocation and performance assessment, the Group has identified the following reportable segments. No operating segments have been aggregated to form the following reportable segments.

1. Asset management – provision of advisory services and related auxiliary services on fund management, managing private funds and providing other related proprietary investment.

2. Sales and trading business – provision of brokering services in securities, equity-linked products, unit trusts and stock options commodities and futures contracts traded in Hong Kong and selected overseas markets, underwriting, placing and margin financing services to those brokering clients.

3. Corporate finance – provision of corporate finance services including underwriting and advisory services to companies listed or seeking listing in Hong Kong or other stock exchanges and other unlisted corporates, on both equity and debt financing.

4. Fixed income investment - complementing bond underwriting business and investing in Chinese-funded offshore bonds, with hold-to-maturity as the key investment strategy.

The Group's senior executive management monitors the assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of interests in associates and other unallocated head office and corporate assets. Segment liabilities include trade payables, accruals and borrowings attributable to the operating activities of the individual segments with the exception of unallocated head office and corporate liabilities.

The measures used for reporting segment results are earnings before finance costs and taxes ("EBIT"). Inter-segment revenue and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices. To arrive at the Group's loss for the year, the Group's reportable segment results are further adjusted for items not specifically attributed to individual segments, such as share of profits of associates and joint ventures, finance costs, other head office expenses and other income.

Year ended 31 December 2024

The following is an analysis of the Group's revenue and results by reportable and operating segments:

	Asset management *HK$'000*	**Sales and trading business** *HK$'000*	**Corporate finance** *HK$'000*	**Fixed income investment** *HK$'000*	**Total** *HK$'000*
Revenue from external customers	**53,746**	**47,966**	**48,116**	**38,736**	**188,564**
Revenue from an associate *(note (i))*	**3,301**	**–**	**–**	**–**	**3,301**
Reportable segment revenue	**57,047**	**47,966**	**48,116**	**38,736**	**191,865**
Reportable segment results (EBIT)	**21,432**	**(20,887)**	**26,449**	**16,573**	**43,567**
Other segment information					
Interest income from bank deposits	**940**	**15,335**	**450**	**–**	**16,725**
Interest expense	**(2,476)**	**(7,509)**	**–**	**(19,713)**	**(29,698)**
Depreciation of property and equipment	**(290)**	**(790)**	**(10)**	**–**	**(1,090)**

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	Asset management *HK$'000*	**Sales and trading business** *HK$'000*	**Corporate finance** *HK$'000*	**Fixed income investment** *HK$'000*	**Total** *HK$'000*
Reportable segment assets	**124,485**	**427,380**	**22,783**	**619,400**	**1,194,048**
Additions to non-current segment assets during the year *(note (ii))*	**6**	**2,754**	**–**	**–**	**2,760**
Reportable segment liabilities	**105,711**	**192,620**	**11,951**	**444,390**	**754,672**

Year ended 31 December 2023

The following is an analysis of the Group's revenue and results by reportable and operating segments:

	Asset management *HK$'000*	Sales and trading business *HK$'000*	Corporate finance *HK$'000*	Fixed income investment *HK$'000*	Total *HK$'000*
Revenue from external customers	54,083	49,351	19,225	15,040	137,699
Revenue from an associate *(note (i))*	2,951	–	–	–	2,951
Reportable segment revenue	57,034	49,351	19,225	15,040	140,650
Reportable segment results (EBIT)	15,920	(7,377)	(4,550)	1,655	5,648
Other segment information					
Interest income from bank deposits	883	13,238	–	–	14,121
Interest expense	(3,644)	(13,030)	(8)	(8,172)	(24,854)
Depreciation of property and equipment	(336)	(1,053)	(33)	–	(1,422)

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	Asset management *HK$'000*	Sales and trading business *HK$'000*	Corporate finance *HK$'000*	Fixed income investment *HK$'000*	Total *HK$'000*
Reportable segment assets	411,842	406,999	25,852	242,389	1,087,082
Additions to non-current segment assets during the year *(note (ii))*	44	241	–	–	285
Reportable segment liabilities	346,803	151,533	5,714	157,745	661,795

Notes:

(i) The revenue represents service fee income received by the Group from an associate.

(ii) Additions to non-current segment assets consist of property and equipment and other assets.

Reconciliations of reportable revenue

	2024 ***HK$'000***	2023 *HK$'000*
Revenue		
Reportable segment revenue	**191,865**	140,650
Unallocated head office and corporate revenue	**20**	574
Consolidated revenue	**191,885**	141,224

Reconciliations of reportable results

	2024 *HK$'000*	2023 *HK$'000*
Results		
Reportable segment profit (EBIT)	**43,567**	5,648
Share of profits of associates, net	**20,700**	24,355
Finance costs	**(30,450)**	(26,325)
Unallocated head office and corporate expenses	**(2,802)**	(3,846)
Consolidated profit/(loss) before taxation	**31,015**	(168)
Income tax expense	**(20,680)**	(12,681)
Profit/(loss) for the year	**10,335**	(12,849)

Reconciliations of reportable assets and liabilities

	2024 *HK$'000*	2023 *HK$'000*
Assets		
Reportable segment assets	**1,194,048**	1,087,082
Elimination of inter-segment receivables	**(4,529)**	(5,684)
	1,189,519	1,081,398
Interests in joint ventures	**29,388**	–
Interests in associates	**430,328**	449,646
Deferred tax assets	**63**	141
Unallocated head office and corporate assets	**214,896**	115,283
Consolidated total assets	**1,864,194**	1,646,468
Liabilities		
Reportable segment liabilities	**754,672**	661,795
Elimination of inter-segment payables	**(4,529)**	(461)
	750,143	661,334
Tax payable	**40**	8,207
Unallocated head office and corporate liabilities	**178,215**	36,794
Consolidated total liabilities	**928,398**	706,335

Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers (including its associates) and (ii) the Group's property and equipment, intangible assets, right-of-use assets, other assets, interests in joint ventures and interests in associates ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided. The geographical location of the specified non-current assets is based on the physical location of the assets in the case of property and equipment; and the location of the core operations in the case of other specified non-current assets.

	Revenue from external customers		**Specified non-current assets**	
	2024	2023	**2024**	2023
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**143,209**	96,974	**149,180**	205,244
Mainland China	**45,355**	40,725	**333,695**	291,616
	188,564	137,699	**482,875**	496,860

No customers (2023: nil) contributed over 10% to the total revenue of the Group during the year.

5. PROFIT/LOSS BEFORE TAXATION

Profit/loss before taxation is arrived at after charging/(crediting):

(a) Staff costs (including directors' emoluments)

	2024	2023
	HK$'000	*HK$'000*
Salaries and allowances	**52,453**	58,779
Defined contribution plans	**2,744**	3,030
	55,197	61,809

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(b) Impairment losses on financial assets

	2024 *HK$'000*	2023 *HK$'000*
Impairment loss on financial assets under expected credit loss model, net of reversal		
– debt instruments at fair value through other comprehensive income	**(2,883)**	7,837
– trade and other receivables	**20,252**	5,425
– amount due from a joint venture	**140**	–
	17,509	13,262

(c) Other operating expenses

	2024 *HK$'000*	2023 *HK$'000*
Advertising and promotion	**–**	898
Auditors' remuneration	**1,077**	911
Advisory fee expenses	**3,948**	832
Bank charges	**1,014**	268
Data service fee	**6,541**	7,037
Depreciation of property and equipment	**2,929**	3,293
Depreciation of right-of-use assets *(note 16)*	**16,646**	20,293
Employee relation expense	**526**	311
Entertainment	**497**	796
Insurance	**2,798**	2,413
Legal and professional fee	**2,289**	1,079
Printing and stationery fee	**317**	767
Property management and other related fee	**2,703**	3,257
Repair and maintenance fee	**3,249**	4,104
Service fee	**1,470**	1,218
Staff recruitment fee	**174**	49
Telecommunication fee	**2,461**	2,381
Others	**2,157**	4,152
	50,796	54,059

(d) Finance costs

	2024	2023
	HK$'000	*HK$'000*
Interest on borrowings	**29,698**	24,795
Interest on bonds issued	**–**	77
Interest on lease liabilities	**752**	1,453
	30,450	26,325

6. INCOME TAX EXPENSE

No Hong Kong Profits Tax was provided for the year ended 31 December 2024 as the Group did not derive any estimated assessable profits. Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong for the year ended 31 December 2023.

Under the Enterprise Income Tax Law of the People's Republic of China (the "PRC"), the Corporate Income Tax Rate for domestic entities in the PRC is 25% for the current and prior years.

The amount of taxation charged/(credited) to the consolidated statement of profit or loss:

	2024	2023
	HK$'000	*HK$'000*
Current taxation		
– Hong Kong Profits Tax	**–**	13
– PRC Corporate Income Tax	**10,595**	12,760
– Withholding tax on profits of a non-resident in the PRC	**10,007**	–
	20,602	12,773
Under-provision in prior years		
– Hong Kong Profits Tax	**–**	7
Deferred taxation		
– Hong Kong	**78**	(99)
	20,680	12,681

7. DIVIDENDS

No dividends were paid, declared or proposed during the current year (2023: nil). The Board did not recommend the payment of a final dividend for the year ended 31 December 2024 and 2023.

8. EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is based on the profit for the year attributable to equity holders of the Company of HK$10,335,000 (2023: loss for the year of HK$12,849,000) and 641,205,600 ordinary shares (2023: 641,205,600 ordinary shares) in issue during the year, calculated as follows:

Profit/(loss) attributable to equity holders of the Company

	2024	2023
	HK$'000	*HK$'000*
Profit/(loss) for the year attributable to equity holders of the Company	**10,335**	(12,849)

Number of ordinary shares

	2024	2023
Issued ordinary shares at 1 January and 31 December	**641,205,600**	641,205,600

(b) Diluted earnings/(loss) per share

The diluted earnings/(loss) per share for both years are the same as the respective basic earnings/(loss) per share because there were no potential dilutive ordinary shares during both the current and prior years.

9. INTERESTS IN ASSOCIATES

	2024	2023
	HK$'000	*HK$'000*
Interests in associates	**430,328**	449,646
Share of net assets at 1 January	**449,646**	430,745
Share of profits for the year, net	**20,700**	24,355
Share of other comprehensive income/expense for the year	**1,836**	(2,418)
Dividend income from an associate	**(41,854)**	(3,036)
	(19,318)	18,901
Share of net assets at 31 December	**430,328**	449,646

10. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2024	2023
	HK$'000	*HK$'000*
Listed debt investments with fixed interest	**619,114**	224,794

As at 31 December 2024 and 2023, an analysis of the ending balance of the carrying amount in debt instruments at fair value through other comprehensive income ("FVOCI") subject to expected credit losses ("ECLs") is as follows:

	Stage 1	**Stage 2**	**Stage 3**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Fair value as at 31 December 2024	**619,114**	**–**	**–**	**619,114**
Fair value as at 31 December 2023	224,794	–	–	224,794

An analysis of the maturity profile of listed debt investments of the Group analysed by the remaining tenor from the end of the reporting period to the contractual maturity date is as follows:

	Within 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**	**Overdue**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
31 December 2024	**63,908**	**121,454**	**433,752**	**–**	**619,114**
31 December 2023	193,994	–	30,800	–	224,794

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024	2023
	HK$'000	*HK$'000*
Classified as non-current assets:		
– Unlisted private equity funds	**–**	30,690
Classified as current assets:		
– Listed fund investments	**11,671**	24,885
– Listed perpetual bonds	**–**	15,342
– Unlisted equity securities	**1**	1
– Unlisted private equity funds	**–**	1,330
	11,672	41,558
	11,672	72,248

12. TRADE AND OTHER RECEIVABLES

	2024	2023
	HK$'000	*HK$'000*
Trade and other receivables	**342,214**	334,433
Less: impairment allowances	**(29,363)**	(13,786)
	312,851	320,647

The carrying amounts of trade and other receivables approximate to their fair values. All of the trade and other receivables, other than margin loans arising from securities brokering, are expected to be recovered or realised within one year.

The movements in the impairment allowances for trade and other receivables during the year are as follows:

	HK$'000
At 1 January 2023	13,184
Provision of impairment losses *(note 5(b))*	5,425
Written off	(4,823)
At 31 December 2023 and 1 January 2024	13,786
Provision of impairment losses *(note 5(b))*	20,252
Written off	(4,675)
At 31 December 2024	**29,363**

As at 31 December 2024 and 2023, an analysis of the gross amount of trade and other receivables and their expected credit losses is as follows:

	Stage 1	**Stage 2**	**Stage 3**	**Simplified approach**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Gross amount as at 31 December 2024	**301,868**	**100**	**39,700**	**546**	**342,214**
Expected credit losses	**(383)**	**–**	**(28,980)**	**–**	**(29,363)**
	301,485	**100**	**10,720**	**546**	**312,851**

	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Gross amount as at 31 December 2023	313,368	100	12,929	8,036	334,433
Expected credit losses	(857)	–	(12,929)	–	(13,786)
	312,511	100	–	8,036	320,647

For trade receivables related to margin loans arising from securities brokering amounting to HK$91,111,000 (2023: HK$132,984,000), impairment loss of HK$15,577,000 was charged to profit or loss (2023: reversal of HK$602,000 was credited to profit or loss) for the year. As at 31 December 2024, impairment allowances of HK$29,363,000 (2023: HK$13,786,000) for the receivables from margin clients was provided.

The margin clients of securities brokering business are required to pledge their shares to the Group for credit facilities for securities trading. No ageing analysis is disclosed as in the opinion of the management, the ageing analysis does not give additional value in view of the nature of revolving margin loans.

Credits are extended to brokering clients on a case-by-case basis in accordance with the financial status of clients such as their financial conditions, trading records, business profile and the collateral available to the Group.

For trade receivables related to corporate finance of HK$546,000 (2023: HK$8,036,000), no impairment allowance was provided for the year (2023: nil). The settlement terms of trade receivables from corporate finance clients are usually 30 days from the date of invoice. The relevant ageing analysis based on the date of invoice at the reporting date was as follows:

	2024	2023
	HK$'000	*HK$'000*
Current	**–**	7,463
30-60 days	**73**	100
Over 60 days	**473**	473
	546	8,036

For trade receivables from clients arising from securities brokering of HK$122,353,000 (2023: HK$75,031,000), the amounts represent outstanding unsettled trades due from clients as at year end. It normally takes 2 to 3 days to settle after trade date of those transactions. The directors of the Company did not consider that there was a significant change in credit quality of the balance. No impairment allowance has been provided.

For trade receivables related to asset management, no impairment allowance was provided for the year (2023: nil). The settlement terms of trade receivables from corporate finance clients are usually 30 days from the date of invoice.

The trade receivables from clearing houses arising from securities brokering of HK$72,636,000 (2023: HK$46,567,000), the settlement terms of trade receivables from clearing houses are usually 1 to 2 days after the trade date.

The remaining trade receivables represent the margin and other deposits from brokers and financial institutions with specific agreed terms, no impairment allowance has been provided as the related allowances were considered to be immaterial and there was no credit default history.

Clients trading in commodities and futures contracts and obtaining securities margin financing from the Group are required to observe the Group's margin policies. For commodities and futures contracts, initial margins are required before trading and thereafter clients are required to keep the equity position at a prescribed maintenance margin level.

13. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

	2024	2023
	HK$'000	*HK$'000*
Cash in hand	**12**	19
Bank balances		
– pledged deposits	**12,758**	12,447
– fixed deposits	**164,180**	52,900
– general accounts	**111,268**	466,412
	288,206	531,759
	288,218	531,778
By maturity:		
Bank balances		
– current and savings accounts	**111,268**	466,412
– fixed deposits (maturing within three months)	**176,938**	65,347
	288,206	531,759
Classified as:		
Pledged bank deposits	**12,758**	12,447
Bank balances and cash	**275,460**	519,331
	288,218	531,778

14. TRADE AND OTHER PAYABLES

	2024	2023
	HK$'000	*HK$'000*
Trade payables	**188,468**	147,665
Accruals, provision and other payables	**16,669**	33,088
Deferred revenue	**9,663**	3,922
Total trade and other payables	**214,800**	184,675

The carrying amounts of trade and other payables approximate to their fair values. The majority of trade and other payables are expected to be settled within one year. The trade payables are aged within 30 days.

The settlement terms of payables to clearing houses and securities trading clients from the ordinary course of business of brokering in securities range from 2 to 3 days after the trade date of those transactions. Margin and other deposits received from clients for their trading of commodities and futures contracts, which exceeded the margin maintenance requirement, were repayable on demand.

15. BORROWINGS

	2024	2023
	HK$'000	*HK$'000*
Classified as current liabilities:		
– Bank loans *(note (a))*	**663,050**	386,417
– Borrowings under repurchase agreements *(note (b))*	**43,516**	98,391
	706,566	484,808

Notes:

(a) At 31 December 2024, the bank borrowings were repayable and carried interest with reference to the HIBOR (2023: HIBOR) as follows:

	2024	2023
	HK$'000	*HK$'000*
Within a period not exceeding 1 year	**663,050**	386,417

As at 31 December 2024, the Group had total banking facilities of HK$1,482,000,000 (2023: HK$1,538,000,000).

Among these banking facilities, HK$1,382,000,000 (2023: HK$1,382,000,000) was under specific performance obligation on the Company's controlling shareholders which the current controlling shareholders shall hold over 50%, directly or indirectly, of the entire issued share capital of the Company. In addition, HK$200,000,000 (2023: HK$200,000,000) of these banking facilities was further secured by pledged deposits with a principal of HK$12,000,000 (2023: HK$12,000,000).

As at 31 December 2024, HK$566,271,000 (2023: HK$386,417,000) was drawn from the banking facilities under the specific performance obligation. Among these banking facilities, HK$222,271,000 was drawn in Renminbi (2023: HK$58,416,000 was drawn in Renminbi).

As at 31 December 2024 and 2023, the Group has not utilised any of the banking facilities secured by the pledged deposits. The effective interest rate of the bank loans is also equal to the contracted interest rate.

(b) The Group has entered into several repurchase agreements with financial institutions in which the Group sold a portfolio of debt investments it held to the financial institutions in exchange for a cash consideration of US$5,579,000 (equivalent to HK$43,516,000) (2023: US$12,614,000 (equivalent to HK$98,391,000). There are no maturity dates stated in the agreements and the interest is calculated using the effective interest rate, which ranges from 2.7% to 2.8% (2023: SOFR adjusted by Credit Adjustment Spread). The Group is required to repurchase the debt investments at original cash consideration plus interest at fixed rates ranged from 2.7% to 2.8% (2023: SOFR adjusted by Credit Adjustment Spread) upon the termination of the agreements. As at 31 December 2024, the obligations under repurchase agreements were collateralised by the Group's debt investments and listed perpetual bonds with a fair value of HK$59,962,000 (2023: HK$126,991,000).

16. LEASES

The Group as a lessee

As at 31 December 2024 and 2023, the Group leases offices for its operations. Lease contracts are entered into for fixed term of 3 years (2023: 2 years to 6 years). Lease terms are negotiated on an individual basis and contain different terms and conditions. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

Right-of-use assets and lease liabilities

The carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the year are as follows:

	Right-of-use assets	**Lease liabilities**
	HK$'000	*HK$'000*
At 1 January 2023	47,097	50,136
Depreciation charge *(note 5(c))*	(20,293)	–
Interest expense *(note 5(d))*	–	1,453
Payments	–	(22,944)
At 31 December 2023 and 1 January 2024	26,804	28,645
Depreciation charge *(note 5(c))*	(16,646)	–
Interest expense *(note 5(d))*	–	752
Payments	–	(19,116)
Disposal of subsidiaries	(2,778)	(3,289)
At 31 December 2024	**7,380**	**6,992**

At 31 December 2024 and 2023, the lease liabilities are analysed into:

	2024	2023
	HK$'000	*HK$'000*
Current portion	**6,992**	18,364
Non-current portion	**–**	10,281
	6,992	28,645

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET CONDITIONS

2024 remains a year of volatility and uncertainty. On the political front, with the Russia-Ukraine conflict reaching an intense phase and the conflicts along the Middle East showing no signs of subsiding; these conflicts have stricken the global supply chains, causing a sluggish recovery progress in economic activities and striking inflation. The president of the United States (the "U.S."), Donald Trump, claimed that he would significantly increase tariffs on China after winning the 2024 U.S. presidential election, and would negotiate with relevant countries on issues such as the Panama Canal and Greenland. These moves have filled geopolitics with uncertainties. On the economic front, economies of different countries have shown varying degrees of recovery in the post-COVID era. Some countries have been continuously increasing interest rates to curb inflation; others, such as Japan, still maintain low interest rates. After several interest rate cuts by the Federal Reserve of the U.S. (the "Fed"), the U.S. economy continued to grow, with core inflation remaining resilient. The core personal consumption expenditure (the "PCE") index re-accelerated in the second half of the year, with its year-on-year growth rate increasing from 2.7% in July to 2.8% in November. The U.S. job market remains generally solid, with non-farm employment increasing by 256,000 in December, higher than market expectations.

The market is focused on the policies from the newly-elected U.S. president Donald Trump, which are expected to reignite inflation and narrow the room for interest rate cuts. The U.S. dollar index surged by 7.7% in the fourth quarter and rose by 7.1% for the whole year. At the end of December, the yield on the 10-year treasury bond closed at 4.5690%, while the yield on the 2-year treasury bond closed at 4.2416%. The interest spread within the quarter widened to 33 basis points compared to the third quarter. Corporate results and forward guidance exceeded market expectations, driving the three major U.S. stock indices up by 0.5% to 6.2% in the fourth quarter and rose by 12.9% to 28.6% for the whole year.

In Europe, the core consumer price index (the "CPI") in the eurozone remained largely on a downward trend in 2024. The European Central Bank cut interest rates by 0.25% in December as expected, reducing the main refinancing rate to 3.15% and lowering the deposit instruments rate to 3%, which was the fourth interest rate cut in 2024. In December, the European Central Bank forecasted an average inflation rate of 2.4% in 2024 and projected economic growth of 0.7% in 2024, both of which were 0.1% lower than the forecasts made in September. The eurozone economy showed improvement, with gross domestic product (the "GDP") growing by 0.9% year-on-year in the third quarter, representing an acceleration in growth from 0.4% and 0.5% in the first two quarters. Due to political instability in Europe and a decline in the economic sentiment of leading countries such as Germany and France, the euro against the U.S. dollar fell by 7.0% in the fourth quarter and 6.2% for the whole year.

In China, domestic demand is weak, and downward pressure on the economy is increasing. The meeting of the People's Bank of China has indicated that it will implement a moderately loose monetary policy, comprehensively use various monetary policy tools, and timely conduct reduction of reserve requirement ratio and interest rate. This is aimed at guiding banks to fully meet effective credit demand and enhance the stability of credit growth. The yield on the 10-year treasury bond in China closed at 1.675% in the fourth quarter, falling by 54 basis points quarter-on-quarter and 89 basis points for the whole year. The U.S. has slowed down the pace of interest rate cuts, and the inversion in the interest spread between China and the U.S. widened to 289 basis points quarter-on-quarter by the end of December, compared to 157 basis points in the third quarter. The U.S. dollar appreciated, and with the interest spread expanding further, RMB was under pressure in the fourth quarter. The onshore RMB ("CNY") and offshore RMB ("CNH") fell by 3.9% and 4.5% respectively, and fell by 2.7% and 2.9% for the whole year. The Shanghai Stock Exchange Composite Index experienced range-bound fluctuations, closing at 3,351 points in the fourth quarter, per IR representing a slight increase of 0.5%, and increase of 12.7% for the year.

In Hong Kong, the economy has been affected by the external environment, leading to a slowdown in economic growth. During the year, despite a further increase in service exports and continued growth in overall investment expenditure, these were not enough to offset the slowdown in goods exports and the continuous decline in private consumption expenditure. The real GDP grew by 2.4% year-on-year in the fourth quarter, better than growth rate of 1.9% in the third quarter, but significantly slower than growth rates of 2.8% and 3.2% in the first two quarters. For the year combined, the real GDP grew by 2.5% year-on-year. After seasonal adjustment, the real GDP grew by 0.8% quarter-on-quarter in the fourth quarter. Local consumption remained weak, with retail sales in Hong Kong falling by 7.3% year-on-year for the year, maintaining the same decline as that in the previous month. Taking into account the actual figures of 2024 and the short-term outlook, the Hong Kong government has revised downward its forecast for the real GDP growth for the whole year of 2024 to 2.5% from the range of 2.5% to 3.5% in the review conducted in August.

The Hong Kong stock market experienced significant volatility in 2024, gradually recovering from its low in January, which was the lowest since October 2022. This recovery was mainly driven by successive interest cuts by the Fed and other major global central banks, coupled with a series of measures introduced by China at the end of the third quarter to stabilize the economy, which helped to restore market confidence. The Hang Seng Index closed at 20,059 points in the fourth quarter, down 5.1%, but still up 17.7% for the whole year. The Hang Seng China Enterprises Index closed at 7,289 points, down 2.9%, but still up 26.4% for the whole year. The Hang Seng TECH Index closed at 4,468 points, down 6%, but still up 18.7% for the whole year. Trading activities in the Hong Kong stock market rebounded, with an average daily turnover of HK$142.0 billion in December, representing a year-on-year increase of 44%. The average daily turnover for 2024 was HK$131.8 billion, representing a year-on-year increase of 26%. The northbound capital continued to flow into the market, with a net inflow of HK$807.9 billion in 2024, representing a year-on-year increase of 1.5 times.

In the Hong Kong's initial public offering ("IPO") market, the U.S. entered a cycle of interest cuts and China signaled steady growth, which positively impacted market sentiment. Larger IPO fundraisings appeared in the third quarter, with the total fundraising amount reaching HK$87.5 billion in 2024, representing a year-on-year increase of 89%. Throughout the year, there were 71 new listed companies, slightly lower than 73 new listed companies in 2023.

In the Chinese-funded offshore bond market, the total issuance volume of the Chinese-funded offshore bond for the year of 2024 reached approximately US$228.2 billion, representing a year-on-year increase of over 29%. Excluding the portion related to the restructuring of the real estate sector, the actual issuance volume of the Chinese-funded offshore bond in 2024 was US$222.4 billion. With the Fed entering the interest cut cycle, coupled with the continuous introduction of policies to stabilize the real estate industry and some high-risk real estate enterprises making progress in restructuring, the Chinese offshore U.S. dollar bonds rebounded, among which, Markit iBoxx Asian Chinese U.S. Dollar Bond Index rose by 6.7% for the whole year. The Markit iBoxx Asian Chinese U.S. Dollar High-yield Bond Index rose by 16.8% for the whole year, and the Markit iBoxx Asian Chinese U.S. Dollar Real Estate High-yield Bond Index rose by 38.3% for the whole year.

OVERALL PERFORMANCE

In 2024, the Group adhered to the previous operation strategy and as the fully licensed securities institutions established outside China within the system of China Cinda. As the hub connecting to international capital markets and overseas asset management centre of the China Cinda Group ecosphere, the Group provides cross-border investment banking services around the world with China concept as its focus. During the year, the Group developed four core business segments (i.e. asset management, corporate finance, sales and trading business and fixed income investment). The asset management business slightly increased by 1% in the scale of management, maintaining the similar level in revenue as last year; as for the corporate finance, there was a significant improvement in the debt issuance business, resulting in a year-on-year increase in revenue, while the revenue from sales and trading business decreased slightly by 3% compared to last year; revenue from fixed income investment increased as compared with last year, mainly due to a 167% increase in the average size of bond investment as compared with the same period last year; and the share of results of associates decreased by 15% compared to last year. Accordingly, as for the overall profit, the Group recorded a profit after tax of HK$10.34 million, representing an increase of 181% as compared with the loss after tax of HK$12.85 million for the last year. The total revenue in 2024 amounted to HK$171.90 million (2023: HK$136.39 million), representing an increase of 26% as compared with the same period last year, among which, the turnover was HK$191.88 million (2023: HK$141.22 million), representing an increase of 36% as compared with last year. Other income amounted to HK$5.95 million (2023: HK$12.07 million), representing a decrease of 51% as compared with the same period last year. Other net loss amounted to HK$25.93 million (2023: net loss of HK$16.90 million), representing an increase in loss of 53% as compared with the same period last year, mainly due to the reclassification of exchange gains and losses on the disposal of two PRC subsidiaries to profit and loss account. As for expenses, the Group endeavored to control cost, cutting staff costs by 10% year-on-year, coupled with the voluntary reduction in other operating expenses, operating expenses (excluding commission expenses, finance costs and impairment provision) amounted to HK$105.99 million (2023: HK$115.87 million), representing a decrease of 9% as compared with last year, while the finance costs increased by 16% as compared with the same period last year, mainly due to a 55% year-on-year increase in average borrowing amounts.

The Group recorded a share of profits from associates for the year ended 31 December 2024 amounted to HK$20.70 million (2023: HK$24.35 million), representing a decrease of 15% as compared with last year, mainly due to the decrease in the results of an associate engaging in fund management and private equity investment as compared with last year, however, it was partly offset by a year-on-year increase in the results of another associate engaging in fund management and the absolute return fund it manages. As a result, the Group's profit before tax for the whole year amounted to HK$31.02 million (2023: loss of HK$0.17 million), and the profit after tax attributable to equity holders amounted to HK$10.34 million (2023: loss of HK$12.85 million).

ASSET MANAGEMENT

In 2024, the asset management segment of the Group continued to operate under light-asset strategy. As the overseas asset management arm of China Cinda ecosphere connected with the international capital markets, the Group proactively developed its business revolving around the main business of China Cinda Group, concentrated its efforts to the development of troubled asset business, and actively explored cross-border non-performing assets innovative business by strengthening marketised asset management business operations. During the year, this segment continued to explore and develop the withdrawing of special asset management projects and some domestic troubled asset funds, and established a public open-ended money fund in the fourth quarter. Despite the scale of asset management increased by 1% to HK$51.8 billion from last year, given the expiration of the service periods of partial existing asset management projects in the second half of last year or during the year and the decrease in rate of new projects under the fierce competition in the market, the fund management fee income was HK$42.22 million for the year, representing a year-on-year decrease of 10%; while three new projects that generated advisory fee were completed during the year and recorded a revenue of HK$9.00 million. As a result, the operating revenue of this segment for the year was HK$57.05 million (2023: HK$57.03 million), maintaining the same level as last year. Profit of this segment for the year increased by 35% to HK$21.43 million (2023: HK$15.92 million) under tight cost control.

The Group cooperated with associates actively to expand diversified businesses. The results of an associate engaging in private equity investment was negatively affected by market volatility, resulting in a year-on-year decline, which was partially offset by a year-on-year increase in the results of another associate engaging in fund management and the absolute return funds it manages. As a result, the Group's share of profits from associates for the year amounted to HK$20.70 million (2023: HK$24.35 million).

CORPORATE FINANCE

The corporate finance business continued to serve clients with equity and debt issuance. During the year, the equity issuance business of this segment did not see any significant improvement in Hong Kong IPO market conditions, but was able to add two IPO sponsors to its project reserve, and only several underwriting and financial advisory and compliance advisory projects were completed. With respect to the debt issuance business, benefiting from the improved sentiment in the Chinese-funded offshore bond market, this segment was able to take advantage of the surge in the Chinese-funded offshore bond market during the year, completed 28 overseas issuance projects, and recorded underwriting fee income of HK$42.75 million for the year, representing an increase of 388% from HK$8.76 million for last year. As a result, the operating revenue of this segment for the year was HK$48.12 million, representing an increase of 150% from HK$19.23 million for the same period last year, and the profits recorded by this segment for the year amounted to HK$26.45 million (2023: loss of HK$4.55 million).

SALES AND TRADING BUSINESS

In the second half of the year, Hong Kong's securities market improved with an increase in trading and investment volume, but most brokerages were still experiencing difficulties in operation. According to the data from the Stock Exchange, 39 brokerages ceased operations in 2024. As of 31 December, the Hang Seng Index closed at 20,059 points, a cumulative rise of 3,011 points or 17.67% from 17,047 points closed at the end of 2023. The average daily turnover was HK$131.8 billion, upped 26% from the same period last year; the operating revenue of this segment decreased by 3% to HK$47.97 million from HK$49.35 million for last year, of which the Group recorded a commission of HK$23.21 million (2023: HK$22.36 million) and interest from securities financing and other income of HK$24.76 million (2023: HK$26.99 million). In view of the lack of significant improvement in the Hong Kong securities market, this segment took certain impairment provisions on a margin loan in the second half of the year on a prudent basis, which increased the segment's loss to HK$20.89 million (2023: loss of HK$7.38 million).

FIXED INCOME INVESTMENT

The fixed income investment business, a new reporting segment established during the year which previously reported under the asset management segment, has been reorganised to form a new single reportable segment, mainly focuses on complementing bond underwriting business and investing in Chinese-funded offshore bonds, with hold-to-maturity as the key investment strategy. During the year, this segment seized investment opportunities in Chinese-funded offshore bonds, and under strict risk control, the average bond position for the year was US$62.45 million, representing an increase of 167% as compared with last year. As a result, the revenue of this segment for the year was HK$38.74 million, representing an increase of 158% from HK$15.04 million for last year, and this segment recorded a profit of HK$16.57 million (2023: HK$1.65 million) for the year.

LOOKING FORWARD

Looking forward to 2025, the policy direction and the trend of interest rate of the new U.S. government will continue to affect the global financial market. The economy of the U.S. is expected to maintain growth, with core inflation remaining resilient, together with the uncertain policy direction of U.S. President Donald Trump, the officials of the Fed adopts a cautious attitude towards the uncertainty of future inflation, slowing the pace of interest rate cuts. In December 2024, the Fed cut interest rates by 25 basis points as expected, lowering the target range for the federal funds rate to between 4.25% and 4.50%. The dot plot of December showed that the officials of the Fed had raised their interest rate expectations for 2025 to 2026, forecasting only two interest rate cuts in 2025, amounting to a total reduction of 50 basis points, with a median prediction of 3.9%, which is higher than 3.4% in September. The authority expects that the inflation will be more persistent in 2025 than previously anticipated, with inflation projected to reach 2% in 2027, achieving the target a year later than earlier expectations. Powell, the president of the Fed stated that the current situation is near or has reached the timing for slowing down or pausing interest rate cuts, and future rate reductions shall depend on new progress in inflation. The Group believes that it is necessary to monitor how Donald Trump fulfills his campaign promises, paying attention to the sequence and pace of policy implementation. Among which, tightening immigration policies, cutting tax, imposing tariffs on imported goods and other policies are likely to reignite inflation, narrowing the space for further interest rate cuts. It is expected that the U.S. dollar will remain strong in 2025, with bond yields hovering at high levels, thereby suppressing the overall performance of risk assets.

The economy of eurozone had shown some signs of improvement, but the recovery remained fragile, the manufacturing Purchasing Managers' Index (the "PMI") continued to shrink. Should the new U.S. government implement tariffs on all imported goods, the export activities in Europe will be adversely affected, thereby increasing the downside risks to the economy. At the same time, the inflation in the zone declines, with core CPI falling to a level quite close to the policy target of 2%, there is a great demand for rate cuts to stabilise the economy. Christine Lagarde, the President of the European Central Bank ("ECB"), believes that the ECB does not need to keep policy rates at a level that contains the economy, instead, it should set the rates at a level that promotes economic growth. The market expects the ECB to cut rates successively in 2025. Additionally, following the presidential election of France, although the far-right party has been successfully prevented from taking office, the hung parliament is expected to affect the efficiency of governance, leading to an uncertain political outlook, which may drag down the development of asset market in eurozone.

In China, following the introduction of a series of policies in late September 2024, the economy experienced a moderate recovery at the beginning of the fourth quarter, provided that the momentum subsequently weakened again, together with the absence of further implementation of significant policies, leading to a contraction in investors' risk appetite. Looking ahead to 2025, given the lack of effective demands, weak social expectations and a multitude of potential risks, China's economic recovery will continue to face challenges. The Group expects that fiscal and monetary policies are still required to support the steady growth of the economy in China. If China introduces policies beyond expectation in 2025, foreign investors regain confidence in the market of China, and capital flows back into the market, it will invigorate the trading and investment activities of A shares.

In Hong Kong, the pace of economic recovery was slower than expected due to the impact of the external environment. In the third quarter of 2024, Hong Kong recorded a year-on-year real GDP growth of 1.8%, which was significantly lower than 2.8% and 3.2% in the first two quarters. When aggregating the figures for the first three quarters, the real GDP experienced a year-on-year growth of 2.6%. After seasonal adjustment and comparing on a quarterly basis, the real GDP fell by 1.1% in the third quarter. Taking into account the actual figures of the first three quarters and the latest development of global and local situation, the Hong Kong government had revised its full-year real GDP growth forecast of 2024 downward from the previously reviewed range of 2.5% to 3.5% in August to 2.5%. S&P Global announced that the seasonally-adjusted PMI for Hong Kong in December was 51.1, representing a month-on-month decline of 0.1. The sub-indices for output, new orders, employment, and purchasing inventory all declined, with the decrease in new orders from overseas and the PRC, the overall growth of orders had slowed to a lowest level in recent three months, therefore, enterprises continued to be pessimistic about the business outlook, and the business environment remained weak. According to the comprehensive forecast from Bloomberg, the market expects that Hong Kong will record a full-year economic growth of 2.2% in 2025, slower than the growth of 2.5% predicted in 2024.

The downside risks faced by the Hong Kong stock market in 2025 continue to include rising geopolitical risks, Sino-U.S. rivalries, a prolonged high-interest-rate environment and further tightening of U.S. dollar liquidity, which may lead to capital withdrawal from Hong Kong. In addition, the lack of endogenous momentum in China's economic activities has decelerated the progress of enterprises in earnings improvement, and the pressure on the capital chain in the real estate market in China has not been fully relieved, which will continue to suppress investors' risk appetite, waiting for a catalyst to reverse the market sentiment. Economically, driven by more frequent interconnection between China and Hong Kong, as well as the deepening integration of the "Guangdong-Hong Kong-Macao Greater Bay Area" initiatives, Hong Kong continues to serve as a bridgehead for foreign investment into China, and Hong Kong's offshore RMB business will benefit in the long run. At the same time, the continued deepening integration of China and Hong Kong stock and bond markets is conducive to steadily promoting the opening up of China's financial markets, and on the other hand, it is also conducive to consolidating the position of Hong Kong as an international financial center.

The Group will continue to strengthen the business synergy with Cinda Securities, and put more efforts in joint planning for integration of domestic and overseas financial services, and in fulfilling its role as a platform for Cinda Securities's offshore business. We will focus on the Cross-boundary Wealth Management Connect business, and jointly develop business plans with Cinda Securities for the investment banking businesses including overseas issuance of bonds by domestic institutions, IPO of domestic companies in Hong Kong and overseas major assets restructuring of domestic institutions, the cross-border brokerage business for the full circulation of H shares, the creation of cross-border asset management products, and the establishment of a mechanism in which research departments of the two institutions to share their research resources to expand the cross-border integrated investment banking services.

Meanwhile, the Group will continue to focus on the main business of China Cinda Group and serve as fully licensed outside border securities institutions of the China Cinda ecosphere. The Group will continue to promote the development of each core business segment. On the one hand, we will further boost the development of our synergistic businesses, continue to optimise the internal management and enhance our asset capacity, while continuing to maintain sound and compliant operation. On the other hand, we will deepen the cooperation with Cinda Securities and China Cinda ecosphere in a bid to achieve win-win results. In respect of the asset management, the continuous expansion of market-oriented asset management business is the direction for the future transformation and development of the Group. At the same time, it will explore high-quality customer resources outside the system, especially strengthen its cooperation and linkage with central enterprises, state-owned enterprises and other financial enterprises. Starting from asset management, financing and investment businesses, it will explore more opportunities in asset management or other related corporate businesses. In respect of the sales and trading business, we will strive to increase our business volume and market share, expand domestic and overseas institutional, corporate and high-net-worth clients in a prudent and risk-averse manner; the Group's securities company will develop towards the direction of wealth management, diversify our products, focus on the development of "Guangdong-Hong Kong-Macao Greater Bay Area", and proactively accelerate the implementation of the southbound business of Cross-boundary Wealth Management Connect so as to meet the client's need in asset allocation. As for the corporate finance business, we will maintain the parallel development of equity and debt businesses. For the equity-related business, we will proactively provide sponsor and underwriting services and expand the merger and acquisition business by leveraging the resources of the Group. As for the debt-related business, the Group will continuously grasp the underwriting and investment opportunities of Chinese-funded offshore bonds, identify the needs of different types of clients for bond issuance and provide tailor-made issuance plans and services and catch issuing windows to serve the clients, so as to achieve the "equity-debt" integration. The fixed income investment business will continually serve as a supplement to the debt-related corporate finance business to seize the opportunities in investment of overseas bonds. In addition, the Group believes that the local market sentiment will remain positive in 2025. The Group will strengthen the synergy and expand its market-oriented businesses through various initiatives by virtue of the solid foundations the Group has established. The Group's financial position remains sound, it is well-positioned to respond to the current difficult environment, and expects to capitalise on various market opportunities in 2025 to strengthen the full year results of the Group and bring long-term returns to the Shareholders.

FINANCIAL RESOURCES

The Group maintained sound financial strength during the year, and all subsidiaries licensed by the SFC had liquid capital in excess of regulatory requirements. As of 31 December 2024, the Group had revolving loans and overdrafts facilities of HK$1,480 million from banks, of which a total of HK$660 million were utilised. In addition, as of 31 December 2024, the Group did not issue any bonds during the year.

FLUCTUATION IN FOREIGN EXCHANGE RATES

A majority of assets and liabilities of the Group are denominated in Hong Kong dollars and U.S. dollars to which Hong Kong dollars is pegged with. During the year, the monetary policies of China and the U.S. were in opposition, the interest rate differential between RMB and U.S. dollars widened, putting pressure on RMB against U.S. dollars in the short term. However, with the slowdown in interest rate hikes by the Fed, the implementation of stimulus policy for the domestic economy and the surplus remaining stable, the Group considered that the decline in exchange rate of RMB would be temporary and hedging was not cost-effective, therefore, there is no hedging against fluctuation in the exchange rate of RMB.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the year, the Group has disposed 50% equity interest of each of 信達領先(深圳)股權投資基金管理有限公司 (Cinda Lingxian (Shenzhen) Equity Investment Fund Management Limited*) and 信達國際(上海)投資諮詢有限公司 (Cinda International (Shanghai) Investment Consultant Limited*), both were then direct wholly-owned subsidiaries of the Company.

Save as disclosed above, the Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures during the year.

REMUNERATION AND HUMAN RESOURCES

As at 31 December 2024, the Group had a total number of 78 full-time employees in Hong Kong office, of which 39 were male and 39 were female. The total remuneration costs of the Group for the year ended 31 December 2024 are set out in Note 5 to the consolidated financial statements.

* *English names of the entities are transliteration of their Chinese names for reference only and shall not be regarded as their formal names.*

The Group has always valued the nurturing of capable personnel and has taken various measures to recruit and retain personnel of high calibre, which ensures sufficient support for steady operations amidst business development. The Company established objective performance indicators as part of the employees' performance appraisal. To encourage employees to deliver better performance and strengthen risk management and control, the Group sets annual performance and work targets for each business department and middle and back-end supporting department at the beginning of each year and regular staff assessments are carried out so as to provide a basis for bonus. Besides, the Group also gives due weight to staff trainings and provides the employees with educational allowances and leave, such as leave for professional examinations. The Group also organised professional training courses and lectures for the staff and account executives from time to time in furtherance of their comprehension of the updated knowledge pertinent to their work, certain of which were conducted through electronic video means. The Group has established a staff remuneration committee comprising the top management, which consists of two executive Directors and two senior executives, including the head of human resources & administration department, to conduct regular reviews over the remuneration policy of the Group and determine the remuneration package of each staff member, thereby ensuring that such pay and benefits are market-based.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: nil).

SCOPE OF WORK OF MESSRS. BDO LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this preliminary announcement have been agreed by BDO, the Group's independent auditor, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by BDO 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 BDO on this preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the year ended 31 December 2024.

As at 31 December 2024, the Company did not have any treasury shares.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board acknowledges the importance of good corporate governance practices and believes that maintaining a high standard of corporate governance practices is crucial to the development of the Company. The Company is committed to achieving and maintaining high standards of corporate governance and has established and reviewed policies and procedures for compliance with the principles and applicable code provisions set out in the CG Code.

Throughout the financial year 2024, the Company has applied the principles of and complied with all the applicable code provisions set out in the CG Code, with exception sets out as below:

– Pursuant to code provision C.5.1 of the CG Code, the board should meet regularly and board meetings should be held at least four times a year at approximately quarterly intervals. For the year ended 31 December 2024, two regular meetings of the Board were held in the first quarter and the third quarter. The Board considers that the two regular meetings were sufficient to deal with regular matters of the Company. During the financial year 2024, other Board meetings were also held, and consent of Directors on issues was also sought through circulating written resolutions in lieu of Board meetings as and when necessary.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as its code of conduct for Directors' dealing in the securities of the Company. Having made specific inquiries of the Directors, all Directors confirmed that they had complied with the required standards at all times throughout the financial year 2024.

AUDIT COMMITTEE

The Audit Committee has reviewed the internal controls and financial reporting matters of the Group together with a review of the annual results for the year ended 31 December 2024.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange at http://www.hkexnews.hk and the Company's website at http://www.cinda.com.hk. The 2024 Annual Report of the Company will be made available on the same websites and despatched to the Shareholders in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

"Audit Committee"	the audit committee of the Company
"BDO"	BDO Limited
"Board"	the board of Directors
"CG Code"	the Corporate Governance Code as contained in Appendix C1 to the Listing Rules
"China" or "PRC"	the People's Republic of China, which, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
"China Cinda"	China Cinda Asset Management Co., Ltd., a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (stock code: 1359)
"China Cinda Group"	China Cinda and its associates
"Cinda Securities"	Cinda Securities Co., Ltd., a company incorporated in the PRC with limited liability, the shares of which are listed on the Shanghai Stock Exchange (stock code: 601059), a 78.67% non-wholly-owned subsidiary of China Cinda and an indirect controlling shareholder of the Company

"Company"	Cinda International Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 111)
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix C3 to the Listing Rules
"RMB"	Renminbi, the lawful currency of the PRC
"SFC"	the Securities and Futures Commission of Hong Kong
"Share(s)"	ordinary share(s) with par value of HK$0.10 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"treasury share(s)"	has the meaning ascribed to it under the Listing Rules
"US$"	United States dollars, the lawful currency of the United States of America

"%"	per cent.

By Order of the Board
Cinda International Holdings Limited
Zhang Yi
Chairman

25 March 2025

As at the date hereof, the Board comprises:

Non-executive Director:	Mr. Zhang Yi	*(Chairman)*
Executive Directors:	Mr. Zhang Xunyuan	*(Chief Executive Officer)*
	Ms. Yan Qizhong	*(Chief Financial Officer)*
Independent Non-executive Directors:	Mr. Zheng Minggao	
	Ms. Hu Lielei	
	Mr. Zhao Guangming	

Website: http://www.cinda.com.hk