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Planetree International Development Limited

梧桐國際發展有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 613)

2024 ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Planetree International Development Limited (the “**Company**”) announces the consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2024 together with the comparative figures for the corresponding year in 2023 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	<i>Note</i>	2024 HK\$’000	2023 HK\$’000
Revenue			
Fee and commission income		1,082	494
Asset management service income		1,799	3,673
Corporate advisory service income		14,841	12,664
Financial advisory service income		4,730	7,613
Net loss on disposal of financial assets at fair value through profit or loss (“ FVPL ”)		–	(7,508)
Interest income from margin clients and loan receivables		48,709	84,134
Dividend income from financial assets at FVPL		267	335
Gross rental income		10,488	11,989
Total revenue	4	81,916	113,394

	<i>Note</i>	2024 HK\$'000	2023 HK\$'000
Other income and gains	4	685	43,225
Impairment loss on loan and interest receivables		(93)	(321)
Impairment loss on margin loan receivables		(35,544)	(831)
Impairment loss on trade receivables		–	(669)
Reversal of impairment loss (Impairment loss) on other receivables		3,962	(4,187)
Depreciation of property and equipment and rights-of-use assets		(12,179)	(12,849)
Administrative expenses		(52,685)	(54,615)
Other losses	5	(136,325)	(208,329)
Finance costs	6	(15,552)	(15,691)
Share of result of associates		(46,022)	(22,080)
Loss before taxation	7	(211,837)	(162,953)
Income tax expense	8	(890)	(13,587)
Loss for the year		(212,727)	(176,540)
Other comprehensive (expense) income			
<i>Items that will not be reclassified to profit or loss</i>			
Fair value change on equity investments measured at fair value through other comprehensive income (“ Designated FVOCI ”)		(71,472)	12,990
Share of other comprehensive (expense) income of associates		(26,023)	408
Total other comprehensive (expense) income for the year		(97,495)	13,398
Total comprehensive expense for the year		(310,222)	(163,142)

	<i>Note</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss for the year attributable to:			
– Owners of the Company		(197,692)	(140,145)
– Non-controlling interests		(15,035)	(36,395)
		<u>(212,727)</u>	<u>(176,540)</u>
Total comprehensive expense attributable to:			
– Owners of the Company		(295,187)	(126,747)
– Non-controlling interests		(15,035)	(36,395)
		<u>(310,222)</u>	<u>(163,142)</u>
		<i>HK cents</i>	<i>HK cents</i>
Loss per share			
– Basic	<i>10</i>	<u>(20.91)</u>	<u>(14.82)</u>
– Diluted		<u>(20.91)</u>	<u>(14.82)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	<i>Note</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current assets			
Property and equipment		33,390	31,865
Investment properties		407,500	505,700
Intangible assets		12,617	12,667
Goodwill		6,115	6,115
Investment in associates	<i>11</i>	247,066	319,111
Designated FVOCI	<i>12</i>	98,820	155,586
Financial assets at FVPL		49,407	83,400
Other receivables	<i>13</i>	1,030	964
Other assets		3,205	3,205
		<u>859,150</u>	<u>1,118,613</u>
Current assets			
Trade, loan and other receivables	<i>13</i>	902,214	952,352
Financial assets at FVPL		60,889	64,832
Income tax recoverable		1,579	6,258
Bank balances – trust and segregated accounts		3,165	3,856
Bank balances and cash		39,300	38,517
		<u>1,007,147</u>	<u>1,065,815</u>
Current liabilities			
Trade and other payables	<i>14</i>	24,883	21,984
Lease liabilities – current portion		5,447	3,275
Interest-bearing borrowings		227,890	239,720
Income tax payable		636	7,557
		<u>258,856</u>	<u>272,536</u>
Net current assets		<u>748,291</u>	<u>793,279</u>
Total assets less current liabilities		<u>1,607,441</u>	<u>1,911,892</u>

	<i>Note</i>	2024 HK\$'000	2023 <i>HK\$'000</i>
Non-current liabilities			
Other payables	<i>14</i>	2,896	1,562
Lease liabilities – non-current portion		4,437	–
Deferred taxation		3,235	3,235
		<u>10,568</u>	<u>4,797</u>
NET ASSETS		<u>1,596,873</u>	<u>1,907,095</u>
Capital and reserves			
Share capital		94,553	94,553
Reserves		1,225,924	1,521,111
Equity attributable to owners of the Company		1,320,477	1,615,664
Non-controlling interests		276,396	291,431
TOTAL EQUITY		<u>1,596,873</u>	<u>1,907,095</u>

NOTES:

1. GENERAL

Planetree International Development Limited (the “**Company**”) is a limited liability company incorporated in Bermuda as an exempted company and its shares are listed on Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Company and its subsidiaries (collectively, the “**Group**”) is principally engaged in (i) financial services with operations licensed under the Securities and Futures Ordinance (the “**SFO**”), (ii) credit and lending services with operations under the Money Lenders Ordinance (the “**MLO**”), (iii) other financial services, (iv) property investment and leasing, and (v) tactical and strategic investment.

The consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

Basis of preparation

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

The consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the consolidated financial statements for the year ended 31 December 2023 except for the adoption of the following new/revised HKFRSs that are relevant to the Group and effective from the current year.

Adoption of new/revised HKFRSs

Amendments to HKAS 1: Classification of Liabilities as Current or Non-current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Amendments to HKAS 1: Non-current Liabilities with Covenants

The amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the consolidated financial statements.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Amendments to HK Interpretation 5: Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

This interpretation is revised as a consequence of Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants to align the corresponding wordings with no change in conclusion.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

3. SEGMENT INFORMATION

The operating segments and measurement of segment profit of the Group are determined based on the internal reports to executive directors, the Group's chief operating decision makers, for the purposes of resource allocation and performance assessment.

The Group's reportable and operating segments are as follows:

- (a) Financial services – operations licensed under the SFO, which engages in the provision of dealing in securities, dealing in futures contracts, advising on securities, advising on future contracts, advising on corporate finance, providing automated trading services, securities margin financing and asset management businesses with Type 1, Type 2, Type 4, Type 5, Type 6, Type 7, Type 8 and Type 9 licences granted under the SFO;
- (b) Credit and lending services – operations licensed under the MLO, which engages in the provision of money lending services for interest income with licences granted under the MLO;
- (c) Other financial services – engages in the provision of corporate advisory related services;

- (d) Property investment and leasing – engages in leasing of properties directly owned by the Group for rental income and/or capital appreciation potential; and
- (e) Tactical and strategic investment – engaged in trading and holding of debt and equity securities, which earns interest and dividend income from the relevant securities investments.

Segment revenue and results

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

For the year ended 31 December 2024

	Financial services – operations licensed under the SFO <i>HK\$'000</i>	Credit and lending services – operations licensed under the MLO <i>HK\$'000</i>	Other financial services <i>HK\$'000</i>	Property investment and leasing <i>HK\$'000</i>	Tactical and strategic investment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Revenue						
Fee and commission income	1,082	-	-	-	-	1,082
Asset management service income	1,799	-	-	-	-	1,799
Corporate advisory service income	-	-	14,841	-	-	14,841
Financial advisory service income	4,730	-	-	-	-	4,730
Interest income from margin clients and loan receivables	45,464	3,245	-	-	-	48,709
Dividend income from financial assets at FVPL	-	-	-	-	267	267
Gross rental income	-	-	-	10,488	-	10,488
Total revenue	53,075	3,245	14,841	10,488	267	81,916
Other income and gains	48	-	27	3	1	79
Segment revenue	53,123	3,245	14,868	10,491	268	81,995
Segment profit (loss)	12,106	2,608	3,437	(103,879)	(86,751)	(172,479)
Unallocated other income and gains						606
Corporate and unallocated expenses, net						(39,964)
Loss before taxation						(211,837)
Income tax expense						(890)
Loss for the year						(212,727)

For the year ended 31 December 2023

	Financial services – operations licensed under the SFO HK\$'000	Credit and lending services – operations licensed under the MLO HK\$'000	Other financial services HK\$'000	Property investment and leasing HK\$'000	Tactical and strategic investment HK\$'000	Consolidated HK\$'000
Revenue						
Fee and commission income	494	–	–	–	–	494
Asset management service income	3,673	–	–	–	–	3,673
Corporate advisory service income	–	–	12,664	–	–	12,664
Financial advisory service income	7,613	–	–	–	–	7,613
Net loss on disposal of financial assets at FVPL	–	–	–	–	(7,508)	(7,508)
Interest income from margin clients and loan receivables	53,190	30,944	–	–	–	84,134
Dividend income from financial assets at FVPL	–	–	–	–	335	335
Gross rental income	–	–	–	11,989	–	11,989
Total revenue	<u>64,970</u>	<u>30,944</u>	<u>12,664</u>	<u>11,989</u>	<u>(7,173)</u>	<u>113,394</u>
Other income and gains	<u>565</u>	<u>42,056</u>	<u>44</u>	<u>4</u>	<u>524</u>	<u>43,193</u>
Segment revenue	<u><u>65,535</u></u>	<u><u>73,000</u></u>	<u><u>12,708</u></u>	<u><u>11,993</u></u>	<u><u>(6,649)</u></u>	<u><u>156,587</u></u>
Segment profit (loss)	<u><u>49,855</u></u>	<u><u>71,727</u></u>	<u><u>1,564</u></u>	<u><u>(10,670)</u></u>	<u><u>(232,240)</u></u>	<u><u>(119,764)</u></u>
Unallocated other income and gains						32
Corporate and unallocated expenses, net						<u>(43,221)</u>
Loss before taxation						(162,953)
Income tax expense						<u>(13,587)</u>
Loss for the year						<u><u>(176,540)</u></u>

Segment revenue includes revenue from financial services – operations licensed under the SFO, credit and lending services – operations licensed under the MLO, other financial services, property investment and leasing and tactical and strategic investment.

Segment results represent the profit earned or loss incurred by each segment without allocation of the central corporate expenses. The chief operating decision makers consider share of result of associates as segment results under tactical and strategic investment segment.

Segment assets and liabilities

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

At 31 December 2024

	Financial services – operations licensed under the SFO <i>HK\$'000</i>	Credit and lending services – operations licensed under the MLO <i>HK\$'000</i>	Other financial services <i>HK\$'000</i>	Property investment and leasing <i>HK\$'000</i>	Tactical and strategic investment <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Assets	<u>729,846</u>	<u>189,068</u>	<u>14,473</u>	<u>413,861</u>	<u>456,477</u>	<u>62,572</u>	<u>1,866,297</u>
Liabilities	<u>(7,320)</u>	<u>(549)</u>	<u>(219)</u>	<u>(201,161)</u>	<u>(43,028)</u>	<u>(17,147)</u>	<u>(269,424)</u>

At 31 December 2023

	Financial services – operations licensed under the SFO <i>HK\$'000</i>	Credit and lending services – operations licensed under the MLO <i>HK\$'000</i>	Other financial services <i>HK\$'000</i>	Property investment and leasing <i>HK\$'000</i>	Tactical and strategic investment <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Assets	<u>842,312</u>	<u>141,194</u>	<u>14,712</u>	<u>507,699</u>	<u>623,299</u>	<u>55,212</u>	<u>2,184,428</u>
Liabilities	<u>(4,127)</u>	<u>(6,202)</u>	<u>(249)</u>	<u>(210,631)</u>	<u>(43,637)</u>	<u>(12,487)</u>	<u>(277,333)</u>

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating and reportable segments other than corporate assets including certain property and equipment, other receivables and bank balances and cash.
- all liabilities are allocated to operating and reportable segments other than corporate liabilities including certain other payables, lease liabilities, interest-bearing borrowings, income tax payable and deferred taxation.

Other segment information

For the year ended 31 December 2024

	Financial services – operations licensed under the SFO <i>HKS'000</i>	Credit and lending services – operations licensed under the MLO <i>HKS'000</i>	Other financial services <i>HKS'000</i>	Property investment and leasing <i>HKS'000</i>	Tactical and strategic investment <i>HKS'000</i>	Unallocated <i>HKS'000</i>	Consolidated <i>HKS'000</i>
Amounts included in the measure of segment profit or segment assets:							
Capital expenditure	-	-	(68)	-	-	-	(68)
Interest income included in other income and gains	167	-	-	3	1	8	179
Interest expenses	-	-	-	(12,356)	(2,588)	(608)	(15,552)
Impairment loss on loan and interest receivables	-	(93)	-	-	-	-	(93)
Impairment loss on margin loan receivables	(35,544)	-	-	-	-	-	(35,544)
Reversal of impairment loss on other receivables	3,962	-	-	-	-	-	3,962
Gain on disposal of subsidiaries	-	-	-	-	-	216	216
Net fair value loss on investment properties	-	-	-	(98,200)	-	-	(98,200)
Depreciation of property and equipment and right-of-use assets	(612)	-	(72)	(5)	-	(11,490)	(12,179)
Amortisation of intangible assets	(50)	-	-	-	-	-	(50)
Share of result of associates	-	-	-	-	(46,022)	-	(46,022)
Loss on disposal of property and equipment	-	-	-	-	-	(188)	(188)
Gain on termination of leases	-	-	-	-	-	170	170
Net fair value loss on financial assets at FVPL	-	-	-	-	(37,936)	-	(37,936)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(37,936)</u>	<u>-</u>	<u>(37,936)</u>

For the year ended 31 December 2023

	Financial services – operations licensed under the SFO HK\$'000	Credit and lending services – operations licensed under the MLO HK\$'000	Other financial services HK\$'000	Property investment and leasing HK\$'000	Tactical and strategic investment HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Amounts included in the measure of segment profit or segment assets:							
Capital expenditure	(1,528)	–	(46)	–	–	(23)	(1,597)
Interest income included in other income and gains	266	–	–	4	1	41	312
Interest expenses	–	–	–	(12,424)	(2,912)	(355)	(15,691)
Impairment loss on loan and interest receivables	–	(321)	–	–	–	–	(321)
Impairment loss on margin loan receivables	(831)	–	–	–	–	–	(831)
Reversal of impairment loss (impairment loss) on trade receivables	229	–	(898)	–	–	–	(669)
Impairment loss on other receivables	(4,187)	–	–	–	–	–	(4,187)
Gain on deemed disposal of an associate	–	–	–	–	472	–	472
Net fair value loss on investment properties	–	–	–	(8,100)	–	–	(8,100)
Depreciation of property and equipment and right-of-use assets	(724)	–	(90)	(48)	–	(11,987)	(12,849)
Amortisation of intangible assets	(50)	–	–	–	–	–	(50)
Share of result of associates	–	–	–	–	(22,080)	–	(22,080)
Bad debts recovery	–	42,000	–	–	–	–	42,000
Net fair value loss on financial assets at FVPL	–	–	–	–	(200,229)	–	(200,229)

Geographical information

The Group's operations are located in Hong Kong. Accordingly, the Group's revenue from external customers and all non-current assets (excluding financial assets) are located in Hong Kong.

Information about major customers

Revenue from the customers individually accounted for 10% or more of the Group's revenue, excluding gain or loss from trades and holds of debt and equity securities, for the years ended 31 December 2024 and 2023 is as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Customer A *	12,471	15,095
Customer B *	11,383	—
Customer C *	8,957	—

* Attributable to financial services – operations under SFO licences segment.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of the Group's revenue, other income and gains is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue from contracts with customers within HKFRS 15		
Fee and commission income	1,082	494
Financial advisory service income	4,730	7,613
Revenue recognised at point in time	5,812	8,107
Asset management service income	1,799	3,673
Corporate advisory service income	14,841	12,664
Revenue recognised over time	16,640	16,337
	22,452	24,444
Revenue from other sources		
Net loss on disposal of financial assets at FVPL	–	(7,508)
Interest income from:		
– margin clients	45,464	53,190
– loan receivables	3,245	30,944
	48,709	84,134
Dividend income from financial assets at FVPL	267	335
Gross rental income	10,488	11,989
	59,464	88,950
Total revenue	81,916	113,394

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Other income and gains		
Interest income on:		
– bank deposits	103	248
– others	76	64
	<u>179</u>	<u>312</u>
Bad debts recovery	–	42,000
Gain on disposal of subsidiaries	216	–
Gain on deemed disposal of an associate	–	472
Gain on termination leases	170	–
Others	120	441
	<u>506</u>	<u>42,913</u>
Total other income and gains	<u>685</u>	<u>43,225</u>

5. OTHER LOSSES

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Exchange loss	1	–
Loss on disposal of property and equipment	188	–
Net fair value loss on financial assets at FVPL	37,936	200,229
Net fair value loss on investment properties	98,200	8,100
	<u>136,325</u>	<u>208,329</u>

6. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest on interest-bearing borrowings	14,236	14,350
Interest on margin account	708	986
Imputed interest on lease liabilities	608	355
	<u>15,552</u>	<u>15,691</u>

7. LOSS BEFORE TAXATION

This is stated after charging:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Employee benefits expenses (including directors' emoluments)		
Salaries and other benefits	23,559	25,023
Retirement benefit scheme contributions	542	614
	<u>24,101</u>	<u>25,637</u>
Auditor's remuneration		
– Audit service	1,460	1,450
– Non-audit service	315	635
Amortisation of intangible assets		
– included in administrative expenses	50	50
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties	2,965	1,846
	<u>2,965</u>	<u>1,846</u>

8. INCOME TAX EXPENSE

For the years ended 31 December 2024 and 2023, under the two-tiered profits tax rates regime, the profits tax rate for the first HK\$2,000,000 assessable profits arising from Hong Kong of qualifying entities will be taxed at 8.25%, and assessable profits arising from Hong Kong above HK\$2,000,000 will be taxed at the rate of 16.5%. As only one of the subsidiaries in the Group is eligible to elect the two-tiered profits tax rates, profits of the remaining subsidiaries of the Group will continue to be taxed at a flat rate of 16.5%.

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current tax		
Hong Kong Profits Tax		
– Current year	1,646	10,051
– (Over-provision) Under provision in prior year	(756)	737
	890	10,788
Deferred taxation		
Origination and reversal of temporary difference	–	2,799
Income tax expense	890	13,587

9. DIVIDEND

The Board of Directors does not recommend the payment of a dividend for the years ended 31 December 2024 and 2023.

10. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on loss attributable to the owners of the Company and the weighted average number of ordinary shares in issue during the year.

For the years ended 31 December 2024 and 2023, diluted loss per share is the same as basic loss per share. The Company did not have any dilutive potential ordinary shares during the year ended 31 December 2024 and 2023.

The calculations of basic and diluted losses per share are based on:

Loss

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss for the year attributable to owners of the Company, for the purpose of basic loss per share	<u><u>(197,692)</u></u>	<u><u>(140,145)</u></u>
Loss for the year attributable to owners of the Company, for the purpose of diluted loss per share	<u><u>(197,692)</u></u>	<u><u>(140,145)</u></u>

Number of shares

	2024	2023
Weighted average number of ordinary shares in issue for the purpose of basic and diluted loss per share	<u><u>945,527,675</u></u>	<u><u>945,527,675</u></u>

11. INVESTMENT IN ASSOCIATES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Share of net assets	<u><u>247,066</u></u>	<u><u>319,111</u></u>

Details of the associates at the end of the reporting period are as follows:

Name of associate	Principal place of business/ incorporation	Particular of issued share capital/ registered capital	Proportion of value of registered and paid-up capital indirectly held by the Company		Principal activities
			2024	2023	
Green River Associates Limited	Hong Kong/ Marshall Islands	255 ordinary shares of no par value	48%	48%	Investment holding
HEC Securities Company Limited	Hong Kong/ British Virgin Islands	154,380,000 ordinary shares of US\$1 each	33%	33%	Investment holding

12. DESIGNATED FVOCI

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Equity securities – listed		
Listed in Hong Kong	98,820	155,586

At the date of initial recognition, the Group irrevocably designated certain investments in equity securities as Designated FVOCI because these equity securities represent investments that the Group intends to hold for long-term strategic purposes. The Group considers the accounting treatments under this classification provide more relevant information for those investments.

During the year ended 31 December 2024, the net fair value loss on Designated FVOCI of HK\$71,472,000 (2023: a gain of HK\$12,990,000) was recognised in other comprehensive income.

During the year ended 31 December 2024, Designated FVOCI with fair value of approximately HK\$30,347,000 (2023: HK\$Nil) was disposed which is in line with the Group's inherent investment strategy. The cumulative loss of approximately HK\$3,099,000 (2023: HK\$Nil) that was previously included in the investment revaluation reserve (non-recycling) was transferred directly to retained earnings during the year ended 31 December 2024.

At the end of the reporting period, no individual investments exceeded 5% of the Group's total assets.

13. TRADE, LOAN AND OTHER RECEIVABLES

	<i>Note</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables			
Trade receivables arising from the business of securities brokerage	<i>(a)</i>		
– margin clients	<i>(b)</i>	571,368	636,419
– Hong Kong Securities Clearing Company Limited (“HKSCC”)	<i>(c)</i>	5,185	12
Trade receivables from futures clearing house arising from the business of dealing in futures contracts	<i>(a)</i>	3,555	3,517
		<u>580,108</u>	<u>639,948</u>
Less: Loss allowance		<u>(36,905)</u>	<u>(1,361)</u>
		<u>543,203</u>	<u>638,587</u>
Trade receivables from provision of corporate advisory service		9,196	7,472
Trade receivables from provision of financial advisory service		237	3,790
Trade receivables from provision of assets management service			
– from independent third parties		1,002	140
– from an associate		60	85
	<i>(d)</i>	<u>10,495</u>	<u>11,487</u>
Less: Loss allowance		<u>(1,045)</u>	<u>(1,045)</u>
		<u>9,450</u>	<u>10,442</u>
Loan and interest receivables			
Loan and interest receivables from independent third parties	<i>(e)</i>	182,298	133,125
Less: Loss allowance		<u>(985)</u>	<u>(896)</u>
		<u>181,313</u>	<u>132,229</u>
Other receivables			
Prepayments		1,947	1,979
Deposits		1,677	1,726
Other receivables	<i>(f)</i>	163,774	170,514
Due from an associate	<i>(g)</i>	2,105	2,026
		<u>169,503</u>	<u>176,245</u>
Less: Loss allowance		<u>(225)</u>	<u>(4,187)</u>
		<u>169,278</u>	<u>172,058</u>
		<u>903,244</u>	<u>953,316</u>
Less: Non-current portion			
Other receivables – deposits		<u>(1,030)</u>	<u>(964)</u>
Current portion		<u>902,214</u>	<u>952,352</u>

Notes:

- (a) No ageing analysis by invoice date 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 financial services business of the Group. The Group offsets certain trade receivables and trade payables when the Group has a legally enforceable right to set off the balances; and intends to settle on a net basis or to realise the balances simultaneously.
- (b) Trade receivables from margin clients are repayable on demand and bear interest at 2% (2023: ranging from 8% to 20%) per annum for the year ended 31 December 2024. The loans are secured by pledged listed securities with a total fair value of approximately HK\$664,359,000 (2023: approximately HK\$1,143,914,000). The Group is permitted to sell or repledge the listed securities if the customers default on the payment when requested by the Group. Included in trade receivables from margin clients of HK\$71,354,000 (2023: HK\$79,629,000) at 31 December 2024 was amount due from an associate.

As at 31 December 2024, allowance for impairment loss of HK\$36,905,000 (2023: HK\$1,361,000) is recognised for the trade receivables from margin clients.

- (c) The settlement terms of trade receivables arising from the provision of securities brokerage business with HKSCC are usually two days after trade date.
- (d) Trade receivables from provision of corporate advisory service, financial advisory service and assets management service are unsecured, interest-free and repayable within 30 days upon presentation of invoices.

As at 31 December 2024, allowance for impairment loss of HK\$1,045,000 (2023: HK\$1,045,000) is recognised for the trade receivables from provision of corporate advisory service, financial advisory service and asset management service.

Ageing analysis of trade receivables from the provision of corporate advisory service and financial advisory service (net of loss allowance) prepared based on invoice date is as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Less than 1 month	1,062	1,034
1 to 3 months	2,571	4,148
Over 3 months	5,817	5,260
	<hr/>	<hr/>
At the end of the reporting period	9,450	10,442
	<hr/> <hr/>	<hr/> <hr/>

- (e) Loan and interest receivables represent receivables arising from the Group's credit and lending business and are stated at amortised cost.

Details of the personal and corporate loan receivables for the year ended 31 December 2024 and 31 December 2023 respectively was disclosed as below:

		2024								
Category	Unsecured/ Secured	Principal amount in range	Interest rate in range	Duration* (months)	Number of loans	Collateral	Gross	Impaired	Net	
							amount <i>HK\$'000</i>	amount <i>HK\$'000</i>	amount <i>HK\$'000</i>	
Personal	Secured	HK\$13,000,000	2% to 10%	12	2	Unlisted equity securities and a property in Hong Kong	18,112	196	17,916	
	Unsecured	HK\$4,500,000 to HK\$13,000,000	2% to 10%	6 to 12	9	N/A	105,746	773	104,973	
Corporate	Unsecured	HK\$10,000,000 to HK\$13,000,000	2% to 8%	12	5	N/A	58,440	16	58,424	
					<u>16</u>		<u>182,298</u>	<u>985</u>	<u>181,313</u>	
		2023								
Category	Unsecured/ Secured	Principal amount in range	Interest rate in range	Duration* (months)	Number of loans	Collateral	Gross	Impaired	Net	
							amount <i>HK\$'000</i>	amount <i>HK\$'000</i>	amount <i>HK\$'000</i>	
Personal	Secured	HK\$30,000,000	7.50%	12	1	Unlisted equity securities	34,983	173	34,810	
	Unsecured	HK\$16,000,000 to HK\$18,500,000	8% to 10%	6 to 12	4	N/A	71,559	670	70,889	
Corporate	Unsecured	HK\$3,382,005 to HK\$15,000,000	10%	6 to 12	3	N/A	26,583	53	26,530	
					<u>8</u>		<u>133,125</u>	<u>896</u>	<u>132,229</u>	

* Duration is based on loan commencement or renewal date set out in the relevant contracts.

The amount granted to individuals and corporates depends on management's assessment of credit risk of the customers by evaluation on background check (such as their profession, salaries and current job position for individual borrowers and their industry and financial position for corporate borrowers) and repayment abilities. As at 31 December 2024, allowance for impairment loss of HK\$985,000 (2023: HK\$896,000) is recognised for the loan and interest receivables.

Ageing analysis of loan and interest receivables (net of loss allowance) prepared based on contractual due date is as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Not yet past due	176,391	132,229
1 – 90 days past due	–	–
Over 90 days past due	4,922	–
	<u>181,313</u>	<u>132,229</u>

- (f) Included in the other receivables are other loan receivables of HK\$154,000,000 (2023: HK\$164,000,000) from an independent third party. The amounts of other loan receivables were secured by pledged listed securities with a total fair value of approximately HK\$201,079,000 (2023: approximately HK\$159,813,000), interest-free and repayable on demand.

As at 31 December 2024, allowance for impairment loss of HK\$225,000 (2023: HK\$4,187,000) is recognised for the other receivables.

- (g) The amount due is unsecured, interest-free and has no fixed repayment term.

14. TRADE AND OTHER PAYABLES

	<i>Note</i>	2024 HK\$'000	2023 HK\$'000
Trade payables			
Trade payables arising from the business of securities brokerage	<i>(a)</i>		
– cash clients		4,676	546
– margin clients		607	1,264
Trade payables arising from the business of options broking	<i>(a)</i>	209	209
Trade payables arising from the business of dealing in futures contract	<i>(b)</i>	1,404	1,482
Secured margin loans from securities brokers	<i>(c)</i>	12,201	11,493
		<u>19,097</u>	<u>14,994</u>
Other payables			
Other payables and accrued charges		5,786	6,990
Rental deposits received		2,896	1,562
		<u>8,682</u>	<u>8,552</u>
Less: non-current portion		<u>(2,896)</u>	<u>(1,562)</u>
Current portion		<u>5,786</u>	<u>6,990</u>
Total current portion		<u>24,883</u>	<u>21,984</u>

Notes:

- (a) Trade payables to cash, margin and option clients are repayable on demand. The settlement terms of trade payables arising from the provision of securities brokerage business with HKSCC are usually two days after trade 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 securities brokerage business. The Group offsets certain trade receivable and trade payable when the Group currently has a legally enforceable right to set off the balances; and intends to settle on a net basis or to realise the balances simultaneously.
- (b) Trade payables to clients arising from the business of dealing in futures contracts are margin deposits received from clients for their trading of futures contracts on the Hong Kong Futures Exchange Limited (the “HKFE”). The excesses of the outstanding amounts over the required initial margin deposits stipulated by the HKFE are repayable to clients on demand.

- (c) For secured margin loans provided by the securities broker to the Group, the loans are repayable on demand (except certain balance arising from trades pending settlement or margin deposits) and are interest-bearing at 2.5% per annum (2023: ranging from 9% to 15% per annum). The total market value of listed securities pledged as collateral in respect of the loans was approximately HK\$27,009,000 as at 31 December 2024 (2023: approximately HK\$38,533,000) which was included in the financial assets at FVPL.

15. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the stock market remained volatile and Hang Seng Index increased by 17% while the fair value of the Group's listed equity investments under financial assets at FVPL and Designated FVOCI increased as compared to their fair values respectively as at 31 December 2024, which represents approximately 3.8% and 6.2% of the Group's net assets respectively as at 31 December 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF RESULTS

During the year under review (the “**Year**”), the Group’s total revenue of approximately HK\$81.9 million and other income and gains of approximately HK\$0.7 million aggregated to approximately HK\$82.6 million, representing a decrease of approximately HK\$74.0 million or 47.3% as compared to last year (the “**Previous Year**”). The Group recorded a consolidated loss for the year of approximately HK\$212.7 million (2023: approximately HK\$176.5 million). After allocating the loss attributable to non-controlling interests for approximately HK\$15.0 million (2023: approximately HK\$36.4 million), the loss attributable to shareholders (the “**Shareholders**”) of the Company for the Year was approximately HK\$197.7 million (2023: approximately HK\$140.1 million).

The loss for the Year was primarily attributable to the combined effects of: (i) the unrealised fair value losses on investment properties amounting to approximately HK\$98.2 million; (ii) the impairment loss on margin loan receivables of approximately HK\$35.5 million; (iii) the net unrealised fair value loss on financial assets at fair value through profit or loss of approximately HK\$37.9 million; and (iv) the share of loss from associates of approximately HK\$46.0 million.

Apart from the consolidated loss for the Year in the amount of approximately HK\$212.7 million mentioned above, the Group also recorded other comprehensive expense of approximately HK\$97.5 million for the Year (2023: other comprehensive income of HK\$13.4 million). Other comprehensive expense in the Year was attributable to the following factors: (i) the fair value change on equity investments measured at fair value through other comprehensive income of approximately HK\$71.5 million (2023: Other comprehensive income of approximately HK\$13 million) and (ii) share of other comprehensive loss of associates of approximately HK\$26.0 million.

The basic and diluted loss per share for the Year were HK20.91 cents and HK20.91 cents respectively, whereas the basic and diluted loss per share of HK14.82 cents and HK14.82 cents respectively were recorded for the Previous Year.

FINAL DIVIDEND

The Board resolved not to recommend the payment of a final dividend for the year ended 31 December 2024 (2023: Nil). No interim dividend was declared for the financial years of 2024 and 2023.

BUSINESS REVIEW

In 2024, the Hong Kong economy experienced moderate growth; however, the business environment became increasingly uncertain amid heightened geopolitical tensions, escalating trade conflicts, and persistently high US interest rates. These challenging macroeconomic conditions adversely affected the Group's financial performance during the Year. The volatile global environment and high interest rate climate exerted significant pressure on the Group's core business lines, resulting in a decline in revenue and profitability compared to the Previous Year. Against this backdrop, the Group's annual results fell short of expectations. Despite the Group's diversified business model and disciplined cost management efforts, the impact of the volatile macroeconomic conditions could not be fully mitigated.

The principal activities of the Group are classified into the following business segments:

(1) Financial services – operations licensed under SFO licences

The Group has been engaging in the provision of dealing in securities (including the provision of margin loans to clients), dealing in futures contracts and asset management services with Type 1, Type 2 and Type 9 licences granted under the SFO for years. It has further stepped into the businesses for the provision of corporate finance advisory services, automated trading services and securities margin financing services with Type 6, Type 7 and Type 8 licenses under the SFO. The Group's asset management service income (especially the contribution from performance fee income based on the appreciation in the value of clients' net assets) was inevitably affected by the sluggish stock market performance. Such asset management service income dropped to approximately HK\$1.8 million during the Year (2023: approximately HK\$3.7 million). Margin loan interest income also dropped to approximately HK\$45.5 million during the Year (2023: approximately HK\$53.2 million). The decrease in margin loan interest income is mainly due to the margin loan rate was lowered from 8% to 2% in the second half of the Year. The Group has engaged in Type 6 regulated activity, i.e. advising on corporate finance, under the SFO. The Group's revenue from such services dropped to approximately HK\$4.7 million (2023: approximately HK\$7.6 million). The decrease in revenue for the Year was mainly due to the drop in number of clients as the financial services market still in a slow recovery pace.

As a result, the segment revenue of approximately HK\$53.1 million was 18.9% lower than the corresponding figure of approximately HK\$65.5 million for the Previous Year. The segment profit dropped from approximately HK\$49.9 million for the Previous Year to approximately HK\$12.1 million for the Year. The Group, through its subsidiaries, is licensed by the Securities and Futures Commission (the “SFC”) to engage in a full suite of regulated activities under the SFO, including Type 1, Type 2, Type 4, Type 5, Type 6, Type 7, Type 8 and Type 9 regulated activities. The Board expects that a more comprehensive profile of licences under the SFO will create a synergy effect favourable to the Group’s development of the integrated financial services business. To further expand this segment, in June 2024, the Group applied for a licence to conduct Type 3 (leveraged foreign exchange trading) regulated activity under the SFO. In July 2024, the SFC accepted the Group’s application and is currently reviewing it. The management expects to receive official written approval from the SFC within 2025.

(2) Credit and lending services – operations licensed under MLO licences

The Group conducts its money lending business with money lenders licence held by the Group under the MLO. The Group’s clientele primarily consists of niche customers including corporations and high net-worth individuals. These clients mostly have been acquired through business referrals and introductions from the Company’s senior management, business partners or clients. Besides in compliance with all rules and regulations imposed under the MLO, the Group has also formulated internal money lending policy to guide its money lending team in conducting the money lending operations. 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 as past credit history of the borrower with the Group and adjusted, if necessary, by arms-length negotiations with the borrower. The related internal control procedures are strictly complied with during the Year.

To streamline the Group’s resources in running this business segment, the Group disposed of a money lender subsidiary having a small loan portfolio to an independent third party in the second half of the Year at a consideration of HK\$8.0 million, resulting in a gain of approximately HK\$216,000. At the end of the Year, the Group held one money lenders licence to operate the Group’s money lending business.

During the Year, segment revenue from credit and lending services declined sharply, falling from approximately HK\$73.0 million in the Previous Year to approximately HK\$3.2 million. The decrease was primarily due to a one-time debt recovery gain of HK\$42.0 million in the Previous Year, and reduction of interest charged on loans receivables during the second half of the Year to retain clients' loyalty in response to the market expectation of interest rate cut. Total principal amount and accrued interest of approximately HK\$182.3 million remain outstanding, of which the amount of loans receivable due from the largest borrower and the five largest borrowers in aggregate were approximately 10% and 40% thereof respectively. Additionally, the balance of loan and interest receivables increased from approximately HK\$133.1 million as at 31 December 2023 to approximately HK\$182.3 million as at the end of the Year. There was a segment profit of approximately HK\$2.6 million during the Year when compared to the segment profit of approximately HK\$71.7 million during the Previous Year.

The ongoing macroeconomic challenges have affected some of our clients. In response to their needs, we have provided temporary relieving measures to certain clients. Our focus remains on building long-term, sustainable relationship while maintaining the health of our loan portfolio. We are actively engaging with clients to develop flexible and tailored solutions.

The Company retained an independent professional valuer to conduct impairment assessment on the outstanding loans for each reporting period end date, the allowances for impairment loss of approximately HK\$1.0 million were provided on the outstanding loans receivable as at 31 December 2024 (31 December 2023: approximately HK\$0.9 million).

(3) Other financial services

To diversify the Group's financial services, the Group has also carried on the business of providing corporate advisory related services in Hong Kong since October 2020. For the Year, the segment revenue amounted to approximately HK\$14.9 million (2023: approximately HK\$12.7 million) and segment profit amounted to approximately HK\$3.4 million (2023: approximately HK\$1.6 million). During the Year, there were more clients experiencing financial pressure and challenges due to the growing competition, business disruptions and global market uncertainties in their own business. This has fueled the increase in revenue in this segment during the Year.

(4) Property investment and leasing

During the Year, segment revenue of approximately HK\$10.5 million (2023: approximately HK\$12.0 million) and segment loss of approximately HK\$103.9 million (2023: approximately HK\$10.7 million) were worse than the comparative figures of the Previous Year. Rental revenue declined primarily due to the time needed to secure a new tenant after the previous tenancy of one of our properties ended. The increase in segment loss was mainly due to the increase in fair value loss on investment properties of HK\$98.2 million for the Year as a result of the local property market downturn. As at 31 December 2024, the Group held four commercial properties in Hong Kong for leasing to independent third-party tenants for rental income with a total fair value at HK\$407.5 million (2023: HK\$505.7 million).

(5) Tactical and strategic investment

The amount of resources allocated by the Group to this segment (in the form of financial assets at FVPL) was approximately HK\$110.3 million at the end of the Year (31 December 2023: approximately HK\$148.2 million). The Group recorded a segment revenue of approximately HK\$0.3 million (2023: a negative segment revenue of approximately HK\$6.6 million). The segment loss was approximately HK\$86.8 million for the Year (2023: approximately HK\$232.2 million) mainly due to (i) share of loss of associates (which is principally engaged in holding listed equity investments) amounted to approximately HK\$46.0 million (2023: approximately HK\$22.1 million); and (ii) net fair value loss on the financial assets at FVPL at approximately HK\$37.9 million (2023: approximately HK\$200.2 million).

OUTLOOK AND STRATEGY

Despite the challenging macroeconomic environment in 2024, we remain cautiously optimistic about the Group's long-term growth prospects. Hong Kong's economy is expected to continue on a moderate growth trajectory, which should support asset investment activities in the city. This is demonstrated by the rebound of Hang Seng Index, which rose from approximately 20,000 points at the end of 2024 to its current level exceeding 23,000 points.

However, the global landscape is likely to remain volatile, with ongoing geopolitical tensions and trade conflicts presenting persistent risks. The Federal Reserve's cumulative interest rate cuts of 0.75% since September 2024 may offer some relief. The recent economic stimulus measures implemented in the Mainland are anticipated to have positive ripple effects on the Hong Kong economy and financial market. We will closely monitor these developments and adapt our strategies accordingly.

Our focus is on strengthening our competitive edge in key business segments and diversifying our revenue streams. We will also continue to manage costs vigilantly and optimize resource allocation to sustain profitability. By leveraging our diversified business portfolio and financial discipline, we will explore business opportunities that align with our growth strategy and complement our existing capabilities, and provide access to new customer bases.

Looking ahead, the Group will remain vigilant in response to the evolving landscape and proactively adapt its strategies to strengthen its market position and drive sustainable growth. Despite the near-term uncertainties, the Group is confident in the long-term resilience of the Hong Kong economy and is committed to weathering the current storm and emerging stronger.

FINANCIAL REVIEW

Revenue

The overall revenue of the Group was approximately HK\$81.9 million for the Year, representing a decrease of approximately HK\$31.5 million or 27.8% from the Previous Year. Financial services income including those from other financial services aggregated to approximately HK\$67.9 million (2023: approximately HK\$77.6 million). Interest income from the Group's money lending business decreased to approximately HK\$3.2 million (2023: approximately HK\$30.9 million). Rental income remained stable at approximately HK\$10.5 million (2023: approximately HK\$12.0 million). The revenue from tactical and strategic business recorded a positive revenue of approximately of HK\$0.3 million (2023: negative revenue of approximately HK\$7.2 million).

Results

The Group recorded a consolidated loss for the Year of approximately HK\$212.7 million (2023: approximately HK\$176.5 million). The Group also recorded other comprehensive expense of approximately HK\$97.5 million for the Year (2023: other comprehensive income of approximately HK\$13.4 million). In the aggregate, the Group recorded total comprehensive expense for the Year of approximately HK\$310.2 million (2023: approximately HK\$163.1 million).

Net Asset Value

As at 31 December 2024, the consolidated net asset value of the Group was approximately HK\$1,596.9 million (2023: approximately HK\$1,907.1 million). The consolidated net asset value per share of the Group was approximately HK\$1.68 (2023: approximately HK\$2.02). The Group's total assets and total liabilities were approximately HK\$1,866.3 million (2023: approximately HK\$2,184.4 million) and approximately HK\$269.4 million (2023: approximately HK\$277.3 million) respectively.

Capital Structure

The Group's capital expenditure and investments were mainly funded from cash on hand, internally-generated funds and bank borrowings.

The Group persistently adopts conservative treasury policies in cash and financial management. Cash is generally placed in short-term deposits mostly denominated in U.S. dollars and Hong Kong dollars. The Group does not use any financial instruments for hedging purpose.

Liquidity and Financial Resources

The Group's cash and cash equivalents (excluding trust and segregated accounts), being mainly denominated in Hong Kong dollars, was approximately HK\$39.3 million as at 31 December 2024 (31 December 2023: approximately HK\$38.5 million). The cash and cash equivalents and the financial assets at FVPL (classified under current assets) in aggregate were approximately HK\$100.2 million as at 31 December 2024 (31 December 2023: approximately HK\$103.3 million). The liquidity of the Group was remained strong with a current ratio of 3.9 as at 31 December 2024 (31 December 2023: 3.9). The Group had bank borrowings in the sum of approximately HK\$227.9 million as at 31 December 2024 (31 December 2023: approximately HK\$239.7 million). The Group did not have any available short-term revolving banking facilities as at 31 December 2024 (31 December 2023: Nil).

Capital commitments

The Group did not have any capital commitments in respect of the acquisition of property and equipment as at 31 December 2024 (31 December 2023: Nil).

Exposure to Fluctuation in Exchange Rates and Related Hedges

As the Group's major source of income, expenses, major assets and bank deposits were denominated in Hong Kong dollars and U.S. dollars, the Group's exposure to fluctuation in foreign exchange rates was minimal due to the pegged exchange rate. The Group did not have any related hedging instruments.

Gearing Ratio

As at 31 December 2024, the gearing ratio of the Group, as measured by dividing the net debt to Shareholders' equity, was 14.9% (2023: 13.0%). The increase in gearing ratio was mainly attributable to the reduction in the Shareholders' equity. Net debt was calculated as bank borrowings plus other payables and accruals, net of cash and cash equivalents.

Contingent Liabilities

The Group did not have any material contingent liabilities as at 31 December 2024 (2023: Nil).

Charges on Group Assets

As at 31 December 2024, the Group pledged its investment properties with carrying value of approximately HK\$359.8 million (2023: approximately HK\$452.9 million) as security for general banking facilities granted to the Group.

Significant Investments

An investment with carrying value of 5% or more of the total assets of the Group is considered as a significant investment of the Group. The Group treated the equity interest in Green River Associates Limited (“**Green River Marshall**”) incorporated in Marshall Islands as an investment in associate. Green River Marshall primarily engages in securities investment, is a strategic partner of the Group in developing the tactical and strategic investment business. The Group holds approximately 47.8% of the total issued share capital of Green River Marshall. As at 31 December 2024, the carrying amount of investment in Green River Marshall amounted to approximately HK\$170.4 million, which represented approximately 9.1% to the Group’s total assets. During the Year, the Group’s share of loss of Green River Marshall was approximately HK\$42.9 million (2023: approximately HK\$20.5 million), which was mainly a result of Green River Marshall’s fair value loss on its financial assets.

The Group treated the equity investment in HEC Securities Company Limited (“**HEC Securities**”) incorporated in British Virgin Islands as an investment in associate. HEC Securities primarily engages in holding investments in credit financing and securities investment business. The Group holds approximately 33.0% of the total issued share capital of HEC Securities. As at 31 December 2024, the carrying amount of investment in HEC Securities amounted to approximately HK\$76.6 million, which represented approximately 4.1% to the Group’s total assets and therefore ceased to be a significant investment of the Group. During the Year, the Group’s share of loss of HEC Securities was approximately HK\$3.1 million (2023: share of loss of approximately HK\$1.6 million), and the Group’s share of other comprehensive expense of HEC Securities was approximately HK\$25.0 million (2023: HK\$Nil), which was mainly a result of HEC Securities’ unrealised fair value loss on its financial assets.

The investments in Green River Marshall and HEC Securities in the Year were strategically structured for long-term value creation rather than short-term market alignment. They focus on various return sources, providing stability and diversification, even if their performance may not always mirror short-term public market fluctuations. We will continue to closely monitor these strategic investments and are prepared to make tactical adjustments as needed.

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	Investment	Carrying	Realised	Unrealised	Approximate	Approximate	Dividend
	shares held			gain/(loss)	loss	% to the	% of	income
	as at	cost as at	amount	recognised	recognised	Group’s	shareholding	recognised
	31 December	31 December	31 December	during the	during the	total assets	in investee	during the
	2024	2024	2024	year ended	year ended	as at	as at	year ended
		HK\$’000	HK\$’000	31 December	31 December	31 December	31 December	31 December
				2024	2024	2024	2024	2024
				HK\$’000	HK\$’000			HK\$’000
Green River Marshall	122	330,603	170,421	–	42,900	9.1	47.8	–

Save as disclosed above and elsewhere in this announcement, there was no other significant investment held, nor were there any material acquisitions or disposals of subsidiaries, associates or joint ventures during the reporting period under review (2023: Nil). There was no present plan authorised by the Board for material investments or acquisition of material capital assets as at the date of this annual results announcement.

As at 31 December 2024, the Group held a diversified portfolio of financial assets at FVPL (comprising equity investments in 6 listed companies in Hong Kong) with a total carrying value of HK\$60.9 million (2023: approximately HK\$64.8 million). Each of the equity investments in the said portfolio accounted for less than 5% of the Group's total assets as at 31 December 2024 and therefore was not considered as a significant investment held by the Group.

SIGNIFICANT EVENTS SINCE THE END OF THE REPORTING PERIOD

Details of events after reporting period as at 31 December 2024 are set out in note 15 to the annual result announcement.

OTHER INFORMATION

Corporate Governance

The Company has adopted and complied with the code provisions as set out in the Corporate Governance Code under Appendix C1 Part 2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) throughout the year ended 31 December 2024. The Board will continually review the Company's corporate governance framework to ensure best corporate governance practices.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transaction by the Directors and the relevant employees of the Group. Following specific enquiry by the Company, each Director confirmed that throughout the year ended 31 December 2024, they have complied with the required standards set out in the Model Code.

Environmental, Social and Governance (“ESG”) Performance

The Board is committed to achieving sustainable development and protection of the environment and engaging ESG considerations as an integral part of the business operations and investment of the Company. The Company’s strategy in ESG management can be achieved by adopting eco-friendly management practices, making efficient use of resources, and promoting green awareness within the Group. The Company strives to promote awareness on environmental protection and optimises efficient use of energy in daily operation by encouraging employees to recycle office suppliers, plus a series of measures to develop practices to promote energy-saving and emission reduction. The Company will further enhance ESG management by participating in community engagement and ensuring our business development will take into consideration the communities’ interest. The Company has complied with all the applicable environmental laws and regulations that have a significant impact on the Company. Details of ESG practice of the Group will be set out in 2024 Annual Report which are prepared in accordance with the Environmental, Social and Governance Reporting Guide as set out in Appendix C2 to the Listing Rules, and will be available on the website of the Company (www.planetreeintl.com) and the designated issuer website of the Stock Exchange (www.hkexnews.hk) in due course.

Human Resources Practices

The Group’s remuneration policy is to ensure fair and competitive packages based on business needs and industry practice. The Company aims to provide incentives to Directors, senior management and employees to perform at their highest levels as well as to attract, retain and motivate the very best people. Remuneration will be determined by taking into consideration factors such as market and economic situation, inflation, employment conditions elsewhere in the Group and salaries paid by comparable companies. In addition, performance-based assessment such as individual’s potential and contribution to the Group, time commitment and responsibilities undertaken will all be considered.

There were 33 work forces (inclusive of all the directors of the Company) working for the Group as at 31 December 2024. The Group also provides other staff benefits including mandatory provident fund, medical insurance and discretionary training subsidy. The Company also operates a discretionary share option scheme to motivate employees’ performance and loyalty.

SCOPE OF WORK OF FORVIS MAZARS CPA 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 announcement have been agreed by the Company’s auditor, Forvis Mazars CPA Limited (“**Forvis Mazars**”) to the amounts set out in the Group’s draft consolidated financial statements for the Year. The work performed by Forvis Mazars in this respect did not constitute an assurance engagement performed in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Forvis Mazars on this announcement.

REVIEW OF FINANCIAL STATEMENTS

The audit committee of the Company has reviewed the accounting principles and standards adopted by the Group, the risk management and internal control systems and financial reporting matters of the Group. In addition, the consolidated financial statements of the Group for the year ended 31 December 2024 have been reviewed by the audit committee.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the listed securities of the Company during the year ended 31 December 2024.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The forthcoming annual general meeting (“**AGM**”) of the Company is scheduled to be held on Thursday, 19 June 2025. The notice of AGM will be published on the Company’s website (www.planetreeintl.com) and the designated website of the Stock Exchange (www.hkexnews.hk) in due course. For determining the qualification as members of the Company to attend and vote at the AGM, the Company’s register of members will be closed from Monday, 16 June 2025 to Thursday, 19 June 2025, both dates inclusive, during which period no transfers of shares will be registered. In order to qualify as members to attend and vote at the AGM, investors are required to lodge all transfer documents accompanied by the relevant share certificates with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 13 June 2025.

PUBLICATION OF 2024 ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the website of the Company (www.planetreeintl.com) and the designated issuer website of the Stock Exchange (www.hkexnews.hk). The 2024 Annual Report will be dispatched to the Shareholders and made available on the above websites in due course.

APPRECIATION

The Board would like to take this opportunity to extend our gratitude and sincere appreciation to the management team and all staff for their diligence and dedication throughout the Year.

By order of the Board
Planetree International Development Limited
Cheung Ka Yee
Executive Director

Hong Kong, 26 March 2025

As at the date of this announcement, the Board comprises the following directors:

Executive Directors:

Mr. Cheung Ting Kee (*Vice Chairman*)

Ms. Cheung Ka Yee

Mr. Lam Hiu Lo

Independent Non-Executive Directors:

Mr. Chan Sze Hung

Mr. Chung Kwok Pan

Mr. Ma Ka Ki

Mr. Zhang Shuang

Non-Executive Director:

Dr. Chuang, Henry Yueheng (*Chairman*)