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SOUTH CHINA FINANCIAL HOLDINGS LIMITED

南華金融控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00619)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

GROUP RESULTS

The board of directors (the “Board”) of South China Financial Holdings Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2024 together with comparative figures for the last financial year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2024

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000 (restated)
CONTINUING OPERATIONS			
REVENUE	2	36,799	42,830
Other income		1,521	1,367
Fair value loss on investment properties		(223,400)	—
Fair value loss on financial assets at fair value through profit or loss, net		(3,647)	(7,232)
Fair value loss on convertible bonds		(12,349)	(8,670)
Impairment of loans and trade receivables, net		(5,669)	(7,525)
Other operating expenses	4	(72,489)	(88,407)
Loss from operating activities		(279,234)	(67,637)
Finance costs	6	(13,513)	(14,737)

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000 (restated)
LOSS BEFORE TAX FROM			
CONTINUING OPERATIONS	5	(292,747)	(82,374)
Income tax credit	7	<u>—</u>	<u>3,635</u>
LOSS FOR THE YEAR FROM			
CONTINUING OPERATIONS		(292,747)	(78,739)
DISCONTINUED OPERATIONS			
Net loss for the year from discontinued operations	8	<u>(2,309)</u>	<u>(61,259)</u>
LOSS FOR THE YEAR		<u>(295,056)</u>	<u>(139,998)</u>
Attributable to:			
Equity holders of the Company			
— For loss from continuing operations		(292,747)	(78,739)
— For loss from discontinued operations		<u>(2,309)</u>	<u>(60,159)</u>
		(295,056)	(138,898)
Non-controlling interests			
— For loss from discontinued operations		<u>—</u>	<u>(1,100)</u>
		<u>(295,056)</u>	<u>(139,998)</u>
LOSS PER SHARE ATTRIBUTABLE TO			
EQUITY HOLDERS OF THE COMPANY	9		
Basic and diluted			
— For loss for the year		(HK97.9 cents)	(HK46.1 cents)
— For loss from continuing operations		<u>(HK97.2 cents)</u>	<u>(HK26.1 cents)</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	2024 HK\$'000	2023 HK\$'000
LOSS FOR THE YEAR	(295,056)	(139,998)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) for the year, net of tax	<u>5,701</u>	<u>(658)</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	<u>(289,355)</u>	<u>(140,656)</u>
Attributable to:		
Equity holders of the Company	(289,355)	(138,858)
Non-controlling interests	<u>–</u>	<u>(1,798)</u>
	<u>(289,355)</u>	<u>(140,656)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

		2024	2023
	<i>Notes</i>	HK\$'000	HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		1,422	2,586
Investment properties	<i>10</i>	286,000	509,400
Right-of-use assets	<i>11</i>	84,640	86,918
Intangible assets		1,100	999
Other assets		5,861	6,607
Debt investments at fair value through other comprehensive income		3,050	3,620
Total non-current assets		382,073	610,130
CURRENT ASSETS			
Financial assets at fair value through profit or loss	<i>12</i>	39,651	46,996
Loans receivable	<i>13</i>	45,100	50,148
Trade receivables	<i>14</i>	38,081	42,573
Prepayments, other receivables and other assets		10,408	13,821
Cash held on behalf of clients		298,460	293,615
Cash and bank balances		36,745	52,031
Total current assets		468,445	499,184

	<i>Notes</i>	2024 HK\$'000	2023 <i>HK\$'000</i>
CURRENT LIABILITIES			
Client deposits		313,132	300,109
Trade payables	15	25,791	43,597
Other payables and accruals		57,868	58,682
Deposits received		504	999
Interest-bearing bank and other borrowings	16	187,387	204,108
Tax payable		16	16
		<hr/>	<hr/>
Total current liabilities		584,698	607,511
		<hr/>	<hr/>
NET CURRENT LIABILITIES		(116,253)	(108,327)
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		265,820	501,803
		<hr/>	<hr/>
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	16	38,000	135,390
Convertible bonds	17	132,442	120,093
Deposits received		1,515	1,061
Deferred tax liabilities		17,679	23,800
		<hr/>	<hr/>
Total non-current liabilities		189,636	280,344
		<hr/>	<hr/>
Net assets		76,184	221,459
		<hr/>	<hr/>
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	18	1,085,474	1,085,474
Reserves		(1,009,290)	(864,015)
		<hr/>	<hr/>
Total equity		76,184	221,459
		<hr/>	<hr/>

Notes:

1. PRINCIPAL ACCOUNTING POLICIES AND BASIS OF PREPARATION

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all 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 Hong Kong Companies Ordinance. The financial statements have been prepared under the historical cost convention, except for investment properties, debt investments, financial assets at fair value through profit or loss and convertible bonds which have been measured at fair value. The financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

The financial information relating to the years ended 31 December 2024 and 2023 included in this announcement of annual results for the year ended 31 December 2024 do not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The financial statements for the year ended 31 December 2024 have yet to be reported on by the Company’s auditor and will be delivered to the Registrar of Companies in due course.

The Company has delivered the financial statements for the year ended 31 December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company’s auditor has reported on the financial statements of the Group for the year ended 31 December 2023. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

Going concern basis

During the year ended 31 December 2024, the Group incurred a net loss of HK\$295,056,000 and recorded a net cash used in operating activities of HK\$45,986,000. In addition, as at 31 December 2024, the Group’s current liabilities exceeded its current assets by HK\$116,253,000 and had cash and cash equivalents of HK\$36,745,000 while its total interest-bearing bank and other borrowings amounted to HK\$225,387,000, of which HK\$187,387,000 was classified as current liabilities. Further, the Group’s ability to operate as a going concern depends on the continuing financial support from the Company’s substantial shareholder and a director of which an aggregate of HK\$55,880,000 of loans with these related parties were drawn down during the year ended 31 December 2024. These conditions indicate the existence of a material uncertainty relating to going concern.

In view of these circumstances, the Directors of the Company (the “Directors”) have given careful consideration of the liquidity requirement for the Group’s operations, the performance of the Group and available sources of financing in assessing whether the Group will have sufficient funds to fulfill its financial obligations and to continue as a going concern. The Directors undertaken number of plans and measures to improve the Group’s liquidity and financial position, including:

- (a) Subsequent to 31 December 2024, one of the Group’s revolving bank facilities in an amount of HK\$145,000,000 was renewed. The Group will continue to actively negotiate with its banks in a timely manner such that the facilities and bank borrowings will continue to be made available to the Group. Based on the Group’s relationship with the banks and its historical record of successfully renewal of the banking facilities, the Directors believe that the relevant lenders will not exercise their rights to request the Group for immediate repayment of any significant borrowings;

- (b) As at 31 December 2024, a director of the Company, who is also a substantial shareholder of the Company (the “Substantial Shareholder”), has provided an unsecured interest free loan facility of HK\$50,000,000 to the Group to finance its operation with a maturity date on 31 December 2026. Another director of the Company has also provided an unsecured interest-bearing facilities of HK\$50,000,000 to the Group;
- (c) The convertible bondholders of the Company have confirmed in writing that they will not request redemption nor conversion of the convertible bonds into the Company’s shares before their maturity in January 2026 and June 2026. The Group will also proactively engaged in discussion with the bondholders for the extension of the maturity dates or renewal of these convertible bonds; and
- (d) The Directors are considering various alternatives to strengthen the capital base of the Group including but not limited to, cost restructuring, seeking new investment and business opportunities.

The Directors have reviewed the Group’s cash flow projections prepared by management which cover a period of not less than twelve months from 31 December 2024. Based on the cash flow projections and taking into account reasonably the financial resources available including the available banking facilities and the credit facilities provided by the Substantial Shareholder and a director of the Company, the internally generated funds from operations, and cash and bank balances of the Group, the Directors are of the opinion that the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2024. Accordingly, the Directors consider it is appropriate to prepare the consolidated financial statement on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above.

Should the Group be unable to achieve the above-mentioned plans and measures and operate as a going concern, adjustments would have to be made to write down the carrying values of the Group’s assets to their recoverable amounts, to provide for any further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effects of these adjustments have not been reflected in these consolidated financial statements.

Changes in accounting policies and disclosures

The Group has adopted the following revised HKFRSs for the first time for the current year’s financial statements.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i> (the “2020 Amendments”)
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i> (the “2022 Amendments”)
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The Group has assessed the impact of the adoptions of the above new and revised HKFRSs and considered that there was no significant impact on the Group’s results and financial position or any substantial changes in the Group’s accounting policies.

2. REVENUE

An analysis of revenue from continuing operations is as follows:

	2024	2023
	HK\$'000	HK\$'000
		(restated)
<i>Revenue from contracts with customers:</i>		
Commission and brokerage income	10,354	17,263
Rendering of services	2,440	1,839
Handling fee income	2,334	3,433
	<u>15,128</u>	<u>22,535</u>
<i>Revenue from other sources:</i>		
(Loss)/profit on the trading of securities, funds, bonds, bullion and future contracts, net	(106)	1,027
Interest income from loans and trade receivables	5,167	6,814
Interest income from banks and financial institutions	9,671	6,372
Dividend income from listed investments	139	487
Gross rental income	6,800	5,595
	<u>21,671</u>	<u>20,295</u>
	<u>36,799</u>	<u>42,830</u>

Revenue from contracts with customers

(i) Disaggregated revenue information

For the year ended 31 December 2024

	Broking HK\$'000	Asset and wealth management HK\$'000	Corporate advisory and underwriting HK\$'000	Other business HK\$'000	Total HK\$'000
Types of goods or services					
Commission and brokerage income	8,377	1,977	–	–	10,354
Handling fee income	2,167	167	–	–	2,334
Corporate advisory income	–	–	1,710	–	1,710
Other business income	–	–	–	730	730
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total revenue from contracts with customers	<u>10,544</u>	<u>2,144</u>	<u>1,710</u>	<u>730</u>	<u>15,128</u>
Geographical markets					
Hong Kong	10,544	2,144	1,710	–	14,398
Mainland China	–	–	–	730	730
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total revenue from contracts with customers	<u>10,544</u>	<u>2,144</u>	<u>1,710</u>	<u>730</u>	<u>15,128</u>

For the year ended 31 December 2023 (restated)

	Broking HK\$'000	Asset and wealth management HK\$'000	Corporate advisory and underwriting HK\$'000	Other business HK\$'000	Total HK\$'000
Types of goods or services					
Commission and brokerage income	9,220	8,043	–	–	17,263
Handling fee income	1,878	1,555	–	–	3,433
Corporate advisory income	–	–	1,441	–	1,441
Other business income	–	–	–	398	398
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total revenue from contracts with customers	<u>11,098</u>	<u>9,598</u>	<u>1,441</u>	<u>398</u>	<u>22,535</u>
Geographical markets					
Hong Kong	11,098	9,598	1,441	145	22,282
Mainland China	–	–	–	253	253
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total revenue from contracts with customers	<u>11,098</u>	<u>9,598</u>	<u>1,441</u>	<u>398</u>	<u>22,535</u>

3. OPERATING SEGMENT INFORMATION

Year ended 31 December 2024

	Broking HK\$'000	Trading and investment HK\$'000	Margin financing and money lending HK\$'000	Asset and wealth management HK\$'000	Corporate advisory and underwriting HK\$'000	Property investment HK\$'000	Other business HK\$'000	Consolidated HK\$'000
Segment revenue:								
Revenue from external customers	<u>10,814</u>	<u>(623)</u>	<u>14,572</u>	<u>2,796</u>	<u>1,710</u>	<u>6,800</u>	<u>730</u>	<u>36,799</u>
Segment results:	(18,402)	(10,108)	(307)	(6,628)	(840)	(221,432)	(2,917)	(260,634)
<i>Reconciliation:</i>								
Corporate and other unallocated expenses, net [#]								(18,614)
Finance costs (other than interest on lease liabilities)								<u>(13,499)</u>
Loss before tax from continuing operations								<u>(292,747)</u>

Year ended 31 December 2023 (restated)

	Broking HK\$'000	Trading and investment HK\$'000	Margin financing and money lending HK\$'000	Asset and wealth management HK\$'000	Corporate advisory and underwriting HK\$'000	Property investment HK\$'000	Other business HK\$'000	Consolidated HK\$'000
Segment revenue:								
Revenue from external customers	<u>11,377</u>	<u>35</u>	<u>12,937</u>	<u>11,047</u>	<u>1,441</u>	<u>5,595</u>	<u>398</u>	<u>42,830</u>
Segment results:	(20,799)	(14,358)	(6,290)	(3,009)	72	(1,352)	(5,234)	(50,970)
<i>Reconciliation:</i>								
Corporate and other unallocated expenses, net [#]								(16,690)
Finance costs (other than interest on lease liabilities)								<u>(14,714)</u>
Loss before tax from continuing operations								<u>(82,374)</u>

[#] Corporate and other unallocated expenses include fair value loss on financial assets at fair value through profit or loss designated for the Group's Employees' Share Award Scheme amounting to HK\$300,000 (2023: HK\$150,000) during the year.

4. OTHER OPERATING EXPENSES

An analysis of other operating expenses from continuing operations is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i> (restated)
Cost of services provided	4,044	7,566
Depreciation of property, plant and equipment	1,286	1,169
Depreciation of right-of-use assets	1,832	1,773
Amortisation of intangible assets	70	69
Auditor's remuneration	2,130	2,050
Lease payments not included in the measurement of lease liabilities	7,865	8,304
Employee benefit expense (including directors' remuneration):		
Wages, salaries and benefits in kind	31,813	40,644
Pension scheme contributions, net	1,153	1,385
	<u>32,966</u>	<u>42,029</u>
Interest expense for margin financing and money lending operations	2,758	3,639
Direct operating expenses arising from rental-earning investment properties	1,925	2,394
Communication expenses	7,855	7,976
Management and professional fees	942	945
Marketing and promotional fee	113	643
Others	8,703	9,850
	<u>72,489</u>	<u>88,407</u>

5. LOSS BEFORE TAX

The Group's loss before tax from continuing operations is arrived at after charging/(crediting):

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i> (restated)
Foreign exchange differences, net	19	2
Impairment of loans receivable, net	5,157	7,109
Impairment of trade receivables, net	512	416
Gain on disposal of subsidiaries	(3,095)	–
Gain on dissolution of subsidiaries	<u>–</u>	<u>(204)</u>

6. FINANCE COSTS

An analysis of finance costs from continuing operations is as follows:

	2024 HK\$'000	2023 HK\$'000 (restated)
Interest on bank loans, overdrafts and other borrowings	13,499	14,714
Interest on lease liabilities	14	23
	<u>13,513</u>	<u>14,737</u>

7. INCOME TAX

No provision for the Hong Kong profits tax has been made as the Group either had no estimated assessable profit or had available tax losses carried forward to offset the assessable profits arising in Hong Kong during the year (2023: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2024 HK\$'000	2023 HK\$'000
Deferred	—	(3,635)
Total tax credit for the year from continuing operations	<u>—</u>	<u>(3,635)</u>

8. DISCONTINUED OPERATIONS

For the year ended 31 December 2024

During the year ended 31 December 2024, the Group decided to cease the media publication and financial public relation service business (“Media Business”) after periodic performance assessment and for better allocation of the Group’s resources.

Starting from April 2024, the Group has ceased the publishing of and distribution of the magazines namely “Marie Claire” and “JESSICA” and the respective trademarks, content archives and website properties in related to JESSICA have been disposed to JK Ventures Limited, which is 50% owned by Ms. Ng Yuk Mui Jessica, a director of the Company for a consideration of HK\$320,000. In September 2024, the Group disposed of the entire share capital of ZYC Holding Group Limited (formerly name as Jessica Limited) and ZYC Holding No.1 Limited (collectively, the “ZYC Target Companies”) to an independent third party for a consideration of HK\$1. The ZYC Target Companies were mainly involved in the media publications and financial public relation services particularly in publishing and distribution of the magazine namely “Marie Claire” and “JESSICA”.

In June 2024, the Group disposed the entire share capital of Capital Publishing Limited and Capital Publishing Management Limited (collectively, the “Capital Target Companies”) to Four Seas Travel Group (BVI) Limited (“Four Sea Travel”), which is wholly owned by Mr. Ng Yuk Yeung Paul, a director of the Company for consideration of HK\$1. The Capital Target Companies were mainly involved in the media publication and financial public relation services particularly in publishing and distribution of the magazine namely “Capital 資本雜誌 CEO 資本才俊 Entrepreneur 資本企業家”.

For the year ended 31 December 2023

Nanjing South China Baoqing Jewellery Co., Ltd., a non-wholly-owned subsidiary of the Company (“Nanjing Baoqing”), was principally engaged in the jewellery operation business (“Jewellery Business”) in Nanjing, the People’s Republic of China (the “PRC”). Pursuant to a shareholders’ resolution of Nanjing Baoqing approved in April 2023, the Group decided to cease the Jewellery Business after periodic performance assessment and for better allocation of the Group’s resources. The Group ceased to carry out any business of the Jewellery Business thereafter and Nanjing Baoqing was dissolved in November 2023.

The Media Business and the Jewellery Business (collectively, the “Discontinued Businesses”) were classified as discontinued operations and the profit or loss of the corresponding year was then re-presented. With the Discontinued Businesses being re-presented as discontinued operations, they were no longer included in the operating segment information.

The results of the Discontinued Businesses for the years ended 31 December 2024 and 2023 are presented as below:

	2024		2023 (restated)		
	Media	Total	Media	Jewellery	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue	5,066	5,066	24,955	11,211	36,166
Other revenue	3,548	3,548	1,050	204	1,254
Cost of inventories sold	–	–	–	(9,591)	(9,591)
Other operating expenses	(10,764)	(10,764)	(84,308)	(4,454)	(88,762)
Finance costs	(159)	(159)	(216)	(110)	(326)
Loss for the year from discontinued operations	<u>(2,309)</u>	<u>(2,309)</u>	<u>(58,519)</u>	<u>(2,740)</u>	<u>(61,259)</u>
Attributable to:					
Equity holders of the Company	(2,309)	(2,309)	(58,519)	(1,640)	(60,159)
Non-controlling interests	<u>–</u>	<u>–</u>	<u>–</u>	<u>(1,100)</u>	<u>(1,100)</u>
Loss for the year from discontinued operations	<u>(2,309)</u>	<u>(2,309)</u>	<u>(58,519)</u>	<u>(2,740)</u>	<u>(61,259)</u>
The net cash flows incurred by the Discontinued Businesses are as follows:					
Operating activities	3,151	3,151	444	6,376	6,820
Investing activities	(443)	(443)	–	–	–
Financing activities	<u>(3,000)</u>	<u>(3,000)</u>	<u>(453)</u>	<u>(6,690)</u>	<u>(7,143)</u>
Net cash outflow, before foreign exchange impact	<u>(292)</u>	<u>(292)</u>	<u>(9)</u>	<u>(314)</u>	<u>(323)</u>

The calculation of basic and diluted loss per share from a discontinued operation are based on:

	2024		2023 (restated)		
	Media HK\$'000	Total HK\$'000	Media HK\$'000	Jewellery HK\$'000	Total HK\$'000
Loss attributable to ordinary equity holders of the Company from discontinued operations	(2,309)	(2,309)	(58,519)	(1,640)	(60,159)
Weighted average number of ordinary shares in issue during the year used in the basic and diluted loss per share calculation	<u>301,277,070</u>	<u>301,277,070</u>	<u>301,277,070</u>	<u>301,277,070</u>	<u>301,277,070</u>
Loss per share basic and diluted, from discontinued operations	<u>(0.7)</u>	<u>(0.7)</u>	<u>(19.5)</u>	<u>(0.5)</u>	<u>(20.0)</u>

9. LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the year attributable to equity holders of the Company of HK\$295,056,000 (2023: HK\$138,898,000) and the weighted average number of 301,277,070 (2023: 301,277,070) ordinary shares outstanding during the year.

The calculation of the basic loss per share amount from continuing operations is based on the loss for the year from continuing operations attributable to equity holders of the Company of HK\$292,747,000 (2023 (restated): HK\$78,739,000) and the weighted average number of 301,277,070 (2023: 301,277,070) ordinary shares outstanding during the year.

No adjustment has been made to the basic loss per share amount presented for the years ended 31 December 2024 and 2023 in respect of a dilution as the impact of the convertible bonds and share options outstanding during the years had an anti-dilutive effect on the basic loss per share amount presented.

10. INVESTMENT PROPERTIES

	2024 HK\$'000	2023 HK\$'000
Carrying amount as at 1 January	509,400	509,400
Net loss from a fair value adjustment	<u>(223,400)</u>	<u>—</u>
Carrying amount at 31 December	<u>286,000</u>	<u>509,400</u>

The Group's investment properties consist of commercial office premises in Hong Kong. The Directors have determined that the investment properties consist of one class of asset, that is, commercial, based on the nature, characteristics and risks of these properties. The Group's investment properties were revalued on 31 December 2024 based on valuations performed by Ravia Global Appraisal Advisory Limited, independent professionally qualified valuers, at HK\$286,000,000. Each year, the Group's management decides to appoint which external valuer to be responsible for the external valuations of the Group's properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's management has discussions with the valuer on the valuation assumptions and valuation results twice a year when the valuation is performed for interim and annual financial reporting.

On 31 December 2024, the Group's investment properties with a carrying value of HK\$286,000,000 (2023: HK\$509,400,000) were pledged to secure general banking facilities granted to the Group.

11. RIGHT-OF-USE ASSETS

The Group's right of use assets mainly comprised the leasehold forestry land use rights acquired through acquisition of Genius Year Limited and its subsidiaries on 13 January 2023. The leasehold forestry land use rights over certain parcels of land are located in Chongyang County, Xianning City, Hubei Province, the PRC for a tenure of 70 years expiring between 31 July 2079 and 30 April 2083.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss represented listed equity investments, mainly in Hong Kong, at market value.

13. LOANS RECEIVABLE

The Group's loans receivable mainly arose from the margin financing and money lending operations during the year.

The loans receivable at the end of the reporting period are analysed by the remaining period to the contractual maturity date as follows:

	2024 HK\$'000	2023 HK\$'000
Repayable:		
On demand	45,100	49,903
Within 3 months to 1 year	—	245
	<u>45,100</u>	<u>50,148</u>

14. TRADE RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivable		
— Clearing houses, brokers and dealers	36,140	36,927
— Cash and custodian receivables	4,445	3,670
— Other trade receivables	645	9,401
	<u>41,230</u>	<u>49,998</u>
Impairment	(3,149)	(7,425)
	<u><u>38,081</u></u>	<u><u>42,573</u></u>

The Group's trade receivables arose from securities and commodities dealings, insurance broking, the provision of corporate advisory and underwriting services and Media Business during the year.

An ageing analysis of the Group's trade receivables at the end of the reporting period, based on the settlement due date and net of loss allowance, is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current to 90 days	37,435	40,562
Over 90 days	646	2,011
	<u><u>38,081</u></u>	<u><u>42,573</u></u>

15. TRADE PAYABLES

The Group's trade payables arose from securities, bullion, commodities dealings and Media Business during the year.

An ageing analysis of the Group's trade payables at the end of the reporting period, based on the settlement due date, is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 1 to 3 months	24,724	38,647
Over 3 months	1,067	4,950
	<u><u>25,791</u></u>	<u><u>43,597</u></u>

The trade payables are non-interest-bearing and repayable on the settlement day of the relevant trades or upon demand from customers.

In respect of Media Business, the credit period granted by the creditors ranges from 0 to 90 days and the trade payables are non-interest-bearing.

16. INTEREST-BEARING BANK AND OTHER BORROWINGS

	2024 HK\$'000	2023 HK\$'000
Analysed into:		
Bank loans and overdrafts repayable:		
Within one year or on demand	187,316	203,835
In the second year	7,800	9,118
In the third to fifth years, inclusive	28,600	36,400
	<u>223,716</u>	<u>249,353</u>
Other borrowings repayable:		
Within one year or on demand	71	273
In the second year	1,600	23,672
In the third to fifth years, inclusive	–	66,200
	<u>1,671</u>	<u>90,145</u>
	<u><u>225,387</u></u>	<u><u>339,498</u></u>

Certain of the Group's bank loans are secured by the Group's investment properties situated in Hong Kong and certain equity investments belonging to the Group and clients.

For the year ended 31 December 2024, the Substantial Shareholder and other directors of the Company have granted unsecured interest bearing loans in an aggregate amount of HK\$145,680,000 (2023: HK\$89,800,000). As at 31 December 2024, the Substantial Shareholder and a director of the Company confirmed in writing to waive the outstanding loans amounted to, in aggregate, HK\$144,080,000. The outstanding loans after such waiver amounted to HK\$1,600,000.

17. CONVERTIBLE BONDS

On 7 April 2020, the Company entered into the conditional subscription agreement with Total Grace Investments Limited ("Total Grace"), a company beneficially owned by the Substantial Shareholder, in relation to, among others, the issue of the convertible bonds (the "CB 2020") in an aggregate principal amount of HK\$50,000,000 at the conversion price of HK\$0.22 per share. The CB 2020 in an aggregate principal amount of HK\$50,000,000 were issued by the Company to Total Grace on 30 June 2020. The CB 2020 were designated upon initial recognition as at fair value through profit or loss.

The CB 2020 have a maturity date of 3 years from the date of issue and interest-free. The CB 2020 contain a right to convert at a maximum of 227,272,727 shares of the Company at the conversion price of HK\$0.22 per share. Unless previously converted or purchased or redeemed, the Company would redeem the convertible bonds on the maturity date at the redemption amount, which was 100% of the principal amount of the CB 2020 then outstanding. In addition, Total Grace has the right to request the Company to redeem the CB 2020 in cash or convert into the Company's shares at any time before the maturity date.

On 16 May 2022, the Company and Total Grace entered into the supplemental agreement, pursuant to which the Company and Total Grace conditionally agreed to extend the maturity date by three (3) years from 30 June 2023 to 30 June 2026 by way of execution of the amendment deed.

As at the end of the reporting period, Total Grace confirmed to continue to hold the CB 2020 and not demand for conversion of the CB 2020 to ordinary shares of the Company nor demand for repayment of the amount due to it for not less than twelve months from the approval date of these financial statements. Accordingly, the CB 2020 were classified under non-current liabilities as at 31 December 2024 and 31 December 2023.

On 13 September 2022, the Group entered into a conditional sale and purchase agreement with Thousand China Investments Limited (“Thousand China”), an indirect wholly-owned subsidiary of South China Holdings Company Limited to acquire the entire share capital of Genius Year Limited and its subsidiaries. The consideration would be settled by way of the convertible bonds (the “CB 2023”) with a nominal value of HK\$89,840,000 to be issued by the Company upon completion (the “Acquisition”). The Acquisition was subsequently completed on 13 January 2023.

The debt component of the CB 2023 was recognised at fair value through profit or loss and the equity component of the CB 2023 was recognised in other reserve of the Company. The CB 2023 has a maturity of 3 years from the date of issue and bears interest of 1% per annum. The CB 2023 contains a right to convert at a maximum of 280,750,000 shares of the Company at the conversion price of HK\$0.32 per share. Subject to the terms and conditions of the CB 2023, Thousand China has the right to convert the CB 2023 into the Shares subject to mutual agreement in writing between Thousand China and the Company at any time during the period commencing from the date of issue of the CB 2023 up to the fifth business days prior to the maturity date by complying with the relevant procedures set out in the terms and conditions of the CB 2023.

The following table illustrates the fair value measurement hierarchy of the Group’s convertible bonds:

	Fair value measurement as at 31 December using significant unobservable inputs (Level 3)	
	2024	2023
	HK\$’000	HK\$’000
Fair value measurement for convertible bonds:		
CB 2020	50,000	50,000
CB 2023	82,442	70,093
	132,442	120,093

18. SHARE CAPITAL

Shares

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Issued and fully paid:		
301,277,070 (2023: 301,277,070) ordinary shares	<u>1,085,474</u>	<u>1,085,474</u>

19. COMPARATIVE FIGURES

The comparative statement of profit or loss has been re-presented as if the operations discontinued during the current year had been discontinued at the beginning of the comparative period (note 8).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL SUMMARY

The consolidated revenue from continuing operations of the Group for the year ended 31 December 2024 (“Year 2024”) were HK\$36.8 million (2023: HK\$42.8 million). The decrease in revenue was mainly attributable to the drop in revenue of asset and wealth management segment amounted to HK\$2.8 million for the Year 2024 versus HK\$11.0 million recorded for the prior year. The increase in revenue from margin financing and money lending, property investment and corporate advisory and underwriting segments was set off with the drop in revenue from brokerage and trading and investment segments. On the cost front, total other expenses from continuing operations, including direct cost of services, staff salaries and benefits, rental and other administrative and office expenses amounted to HK\$72.5 million (2023: HK\$88.4 million). After taking into account for the diminution in value of investment property for this year amounted to HK\$223.4 million (2023: Nil), the Group’s consolidated loss from continuing operations for the Year 2024 amounted to HK\$292.7 million (2023: HK\$78.7 million).

During the Year 2024, the Group decided to cease its media publication and financial public relation service business (“Media Business”). While in prior period of the year 2023, the Group ceased its jewellery business for better allocation of the Group’s resources. The Media Business and jewellery business were classified as discontinued operations for the reporting period. The aggregated consolidated loss from these discontinued operations for the Year 2024 amounted to HK\$2.3 million (2023: HK\$61.3 million).

DIVIDEND

No interim dividend was paid (2023: Nil). The Board does not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: Nil).

BUSINESS REVIEW

Due to a series of global events including tightened monetary policies, interest rate hikes, inflationary pressure, ongoing geopolitical tensions, China property developers’ debt issues, the macro-economic environments were volatile during the Year 2024. The Hong Kong stock market was of no exception and turnover in first half of Year 2024 continued to shrink, which directly impacted the performance of the Group.

In the second half of the Year 2024, market sentiment improved following the announcement of measures to enhance mutual access between the capital markets of Mainland China and Hong Kong. Trading and investment activities picked up and fund raising activities revived to a certain extent. Furthermore, with the US Federal Reserve interest rate cut in mid-September serving as a catalyst that had a positive influence on the stock markets, the Hang Seng Index rose markedly in September and October 2024.

Broking

Based on figures provided by Hong Kong Exchanges and Clearing Limited, the average daily turnover in Hong Kong stock market in the year 2024 increased by 25.5% year-on-year. Total equity fund raised for Year 2024 (through IPO funds or post IPO funds) rose by 22.0% from prior year. The Hang Seng Index further increased from the closing price of 17,047 on 29 December 2023 to 20,059 on 31 December 2024, representing an overall increment of 17.7%. Throughout 2024, market sentiment was still impacted by the high interest rate environment and the slower than expected economic recovery in Mainland China. Resulting from the fragile sentiment across global and local markets, the Group's brokerage commission and related fee income decreased slightly by approximately 4.9% to HK\$10.8 million for the Year 2024 (2023: HK\$11.4 million). Operating loss decreased by approximately 11.5% to HK\$18.4 million for the Year 2024 (2023: HK\$20.8 million.).

Margin Financing and Money Lending

The margin financing and money lending market was challenging as creditors had generally tightened loan approval requirements, and valuations of collaterals. With uncertainties as to the economic outlook, the Group continued to adopt stringent loan policies and remained prudent regarding the valuation of collaterals. The Group closely monitored the market situation and adjusted the interest rate and loan-to-value ratio on a timely basis, in order to strike the balance between risk and capital. With the increase in average market interest rates, revenue from this segment increased by approximately 12.6% to HK\$14.6 million (2023: HK\$12.9 million). Due to the squeezing of interest spread, gross margin has been narrowed down and the group recognised a mild operating loss of this segment amounted to HK\$0.3 million for the Year 2024 (2023: loss of HK\$6.3 million).

Asset and Wealth Management

This business segment recorded revenue of HK\$2.8 million for the Year 2024 (2023: HK\$11.0 million), a decrease of 74.7%. Operating loss increased by approximately 120.3% to HK\$6.6 million (2023: HK\$3.0 million) for the Year 2024. Although the performance of this segment has been slowed down due to overall investment market sentiment, the Group has adhered to the customer-focused business philosophy, deeply committed to the transformation and development of asset and wealth management business through internal upgrading, and continuously improved the comprehensive service experience of customers. The Group persistently broadened its financial platform, and realised comprehensive upgrading of the front and back stock trading system with the next target to build a multi-level "one-stop" service platform for wealth management, to provide customers with efficient, convenient and high-quality wealth management services, and to continuously improve its own service level.

Corporate Advisory and underwriting

The Group has reactivated its corporate advisory and pre-IPO sponsorship business since year 2023. Advisory fees are charged based on the type and size of the transactions, duration of the engagement, the complexity of the transaction and the expected manpower requirements. The Group aims to focus on services such as advice on mergers and acquisitions transactions and independent financial advisory services to listed companies. Revenue generated from financial advisory and pre-IPO sponsorship services increased steadily to HK\$1.7 million (2023: HK\$1.4 million) for the Year 2024.

Trading and investment

The Group's investment portfolio, which was mainly booked under financial assets at fair value through profit or loss, amounted to HK\$39.7 million as at 31 December 2024 (2023: HK\$47.0 million). The major investments holding and their fair value gains or losses are listed below:

Stock code	Name of security	Carrying amount as at 31 December 2024 HK\$'000	Percentage of shareholding interest	Fair value gain/(loss) during the year HK\$'000
00413	South China Holdings Company Limited	17,895	3.56%	(2,826)
01097	i-CABLE Communications Limited	13,931	6.51%	(1,858)
Others		7,825		1,037
		<u>39,651</u>		<u>(3,647)</u>

The Group has positioned its investment portfolio for medium to long term growth in traditional industries, the fair value loss resulting from marking investments to market was HK\$3.6 million for the Year 2024 (2023: HK\$7.2 million). Meanwhile, no material net realised gain or loss was recognised (2023: Nil) for the Year 2024.

Media publication and financial public relation services

During the reporting period, the Group decided to cease its Media Business after periodic performance assessment and for better allocation of the Group's resources. The Media Business was classified as a discontinued operation for the reporting period. The Group recognised a revenue and a loss before taxation of HK\$5.1 million (2023: HK\$25.0 million) and HK\$2.3 million (2023: HK\$58.5 million) respectively.

Property investment

During the Year 2024, office leasing momentum remained slow reflecting high economic uncertainty with subdued demand and increased availability which caused by oversupply and higher vacancies on Hong Kong Island, especially in Central and its nearby. Occupiers are expected to retain a conservative stance towards leasing in the short term, with lease renewals, renegotiations, right sizing and enhancing lease flexibility among choices available to them. Proactive measures were implemented to maintain a relatively higher occupancy level. The gross rental income for the Year 2024 increased to HK\$6.8 million (2023: HK\$5.6 million). As at 31 December 2024, the fair value of the investment properties revalued at HK\$286.0 million (2023: HK\$509.4 million). Fair value loss of HK\$223.4 million was reported on the revaluation of our investment properties for the Year 2024. As the unrealised fair value loss was a non-cash item, it would not effect the cashflow of the Group.

Other business

In January 2023, the Group completed the acquisition of the entire share capital of Genius Year Limited and its subsidiaries (“Genius Year Group”). The consideration was settled by way of issuance of convertible bonds with a nominal value of HK\$89.8 million. Genius Year Limited indirectly holds 100% interests in 65 parcels of forestry land situated in Chongyang County, Xianning City, Hubei Province, the PRC with a total area of approximately 139,216 mu. It is believed that the investment in the Genius Year Group will provide a good opportunity for the Group to widen its businesses to the forestry business in the medium term. No revenue was recognised for the Year 2024 (2023: Nil).

LIQUIDITY AND FINANCIAL RESOURCES

The Group had obtained short term credit facilities which were reviewed annually and a long term mortgage loan from banks. The banking facilities for the share margin finance operations were secured by the securities of our margin clients and the Group. The outstanding credit facilities were guaranteed by the Company. The Group monitors capital using a gearing ratio, which is net debt divided by capital plus net debt. Net debt includes interest-bearing bank and other borrowings and convertible bonds, less cash and bank balances. Capital represents total equity. The gearing ratio as at 31 December 2024 was approximately 80.8% (2023: 64.8%). The Group had a cash balance of HK\$36.7 million as at 31 December 2024 (2023: HK\$52.0 million). Taking into account the financial resources available including the available banking facilities and credit facilities provided by a substantial shareholder who is also a director of the Company and other directors of the Company, the internally generated funds from operations, proceeds from disposal of assets, and cash and bank balances of the Group, the Board considers that the Group has sufficient working capital base to meet its operational needs.

CAPITAL STRUCTURE

There was no material change in Group's capital structure during the Year 2024 as compared to that set out in the 2023 annual report.

CHARGES ON ASSETS

As at 31 December 2024, the Group's investment properties were pledged to banks for banking facilities.

CONTINGENT LIABILITIES

As at 31 December 2024, the Group had no material contingent liabilities.

EVENT AFTER THE REPORTING PERIOD

There is no material event noted after the reporting year ended.

EMPLOYEES

As at 31 December 2024, the total number of employees of the Group was 62 (2023: 146). Total employee's cost from continuing and discontinued operations (including directors' emoluments) amounted to approximately HK\$34.7 million for the Year 2024 (2023: HK\$51.1 million).

In addition to salary, other fringe benefits such as medical subsidies, life insurance, provident fund and subsidised external trainings are offered to employees. Continuous professional trainings will continue to be arranged for staff for maintaining their professional standards for providing various regulated activities under the Securities and Futures Commission. Performance of the employees is normally reviewed on an annual basis with adjustments if necessary, for keeping the competitiveness in compensation. Individual employee may also receive a discretionary bonus at the end of each year based on performance. Selected employees may also be granted share option and share award under the share option scheme and share award scheme adopted by the Company.

PROSPECTS

2025 presents both challenges and opportunities. The external environment has grown more complex with escalating trade conflicts and increasing global economic uncertainty. The Renminbi faces pressure while US Federal Reserve rate cut prospect remains uncertain, adding challenges to Hong Kong's economic growth.

The Central Government's substantial stimulus packages aim to rebuild market confidence, while the Hong Kong government intensifies efforts to attract quality visitors. Additional supportive policies to the investment market may follow. The deepening integration with the Greater Bay Area initiative is expected to further enhance capital flows, attract more listings, and foster cross-border investment opportunities. More than 100 IPO applications are being processed by the Hong Kong Exchanges and Clearing Limited in early year 2025. With positive momentum and increasing investor confidence in the Hong Kong IPO market, the city is becoming an increasingly attractive option for IPO applicants.

Looking ahead, the Group will continue to adopt a cautious approach in reviewing its business strategies, refining its business model and improving the efficiency and effectiveness of its operations. With the cessation of the media and jewellery businesses, the Group will focus more resources and efforts on improving the financial performance of the financial services segment. The Group will also strive for the diversification of income streams by development of fee based businesses not only in traditional stockbroking and margin financing business, but more efforts on expanding the asset and wealth management and corporate advisory and sponsorship businesses.

In response to the rapid advancements in financial technology, the Group intends to take the advantage of artificial intelligence ("AI") for having a breakthrough in its traditional financial service business and expanding its business portfolio by deploying more AI tools and investing in some AI entities for the purposes of not only providing more efficient and comprehensive services, enhancing the customers' experience, lowering down its operating costs and securing competitive edge but also equipping it to explore new market opportunities which in turn would broaden income streams and achieve business growth and value creation. The Board believes that this initiative is part of the Group's ongoing commitment to innovation, operational efficiency and long-term sustainable growth.

Despite the uncertainties and challenges casted by the macroeconomic and political factors, the Group will continue to strengthen business transformation, focus on the capital-light business as the core, and build an integrated financial service platform to improve the performance of the Group so as to pursue a satisfactory return to the shareholders of the Company (the "Shareholders").

FINAL DIVIDEND

The Board resolved not to declare the payment of a final dividend for the Year 2024 (2023: Nil).

EXTRACT FROM INDEPENDENT AUDITOR’S REPORT

The following is an extract of the independent auditor’s report on the Group’s consolidated financial statements for the year ended 31 December 2024.

Opinion (Extract)

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Extract of an Emphasis of Matter paragraph in the auditor’s report

We draw attention to note 2.1 to the consolidated financial statements, which indicates that the Group incurred a net loss of HK\$295.1 million and recorded a net cash used in operating activities of HK\$46.0 million during the year ended 31 December 2024 and as at 31 December 2024, the Group had net current liabilities of HK\$116.3 million and cash and cash equivalents of HK\$36.7 million while its total interest-bearing and other borrowings amounted to HK\$225.4 million, of which HK\$187.4 million was classified as current liabilities. These conditions, along with other matters as set forth in note 2.1 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

CORPORATE GOVERNANCE CODE

Throughout the year ended 31 December 2024, the Company had complied with all the applicable code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix C1 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), with the exception of code provisions C.1.6 and F.2.2 of the CG Code.

Under the code provision C.1.6 of the CG Code, independent non-executive directors and other non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. Mrs. Tse Wong Siu Yin Elizabeth, Hon. Raymond Arthur William Sears, K.C. and Mr. Lam Douglas Tak Yip, SC were unable to attend the annual general meeting of the Company held on 27 June 2024 (the “AGM”) due to their business engagements.

Under the code provision F.2.2 of the CG Code, the chairman of the board should attend the annual general meeting and invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend the annual general meeting. Mr. Ng Hung Sang (Chairman of the Board) and Mrs. Tse Wong Siu Yin Elizabeth (Chairman of Remuneration and Nomination Committee) were unable to attend the AGM due to their business engagements.

Ms. Cheung Choi Ngor, Vice Chairman of the Board took the chair of the AGM and made available to answer questions together with other attended Directors.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

AUDIT COMMITTEE

The Company has established an Audit Committee with written terms of reference in compliance with the Listing Rules. The Audit Committee presently comprises three Independent Non-executive Directors, namely Mr. Tung Woon Cheung Eric (Chairman of the Audit Committee), Mrs. Tse Wong Siu Yin Elizabeth and Ms. Li Yuen Yu Alice.

The Group's annual results for the year ended 31 December 2024 have been reviewed by the Audit Committee in conjunction with the Company's external auditor. The Audit Committee was of the opinion that the preparation of such annual results complied with the applicable accounting standards and requirements and that adequate disclosures were made.

REVIEW OF PRELIMINARY RESULTS ANNOUNCEMENT BY INDEPENDENT AUDITORS

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 the preliminary announcement have been agreed by the Company's auditor to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by the Company's auditor 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 the Company's auditor on the preliminary announcement.

ANNUAL GENERAL MEETING

The Company's 2025 annual general meeting (the "2025 AGM") will be held on Tuesday, 17 June 2025 at 11:00 a.m.. The notice of the 2025 AGM will be published on the websites of the Stock Exchange and the Company and despatched to the Shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the eligibility of shareholders of the Company to attend and vote at the 2025 AGM, the register of members of the Company will be closed from Wednesday, 11 June 2025 to Tuesday, 17 June 2025 (both days inclusive) during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the 2025 AGM, all duly completed and signed transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Union Registrars Limited at Suites 3301-04, 33rd Floor, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Tuesday, 10 June 2025.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Company (www.sctrade.com) and the Stock Exchange (www.hkexnews.hk). The 2024 annual report of the Company will be dispatched to the shareholders of the Company and available on the same websites in due course.

By Order of the Board
South China Financial Holdings Limited
南華金融控股有限公司
Ng Hung Sang
Chairman and Executive Director

Hong Kong, 25 March 2025

As at the date of this announcement, the directors of the Company are:

Executive Directors

Mr. Ng Hung Sang
Ms. Cheung Choi Ngor
Ms. Ng Yuk Mui Jessica
Mr. Ng Yuk Yeung Paul

Independent Non-executive Directors

Mrs. Tse Wong Siu Yin Elizabeth
Mr. Tung Woon Cheung Eric
Ms. Li Yuen Yu Alice