



**華億金控集團有限公司**  
**SINOFORTUNE FINANCIAL HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 08123)**

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

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This announcement, for which the directors (the “Directors”) of Sinofortune Financial Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

## HIGHLIGHTS

The Group recorded a revenue from continuing operations of approximately HK\$32,148,000 for the year ended 31 December 2024 (2023: approximately HK\$149,684,000).

Loss for the year ended 31 December 2024 was approximately HK\$99,019,000 (2023: approximately HK\$15,796,000).

Loss attributable to owners of the Company for the year ended 31 December 2024 amounted to approximately HK\$98,752,000 (2023: approximately HK\$15,777,000).

Basic loss per share attributable to owners of the Company was 1.27 HK cents (2023: 0.20 HK cents).

The Directors do not recommend the payment of a dividend for the year ended 31 December 2024 (2023: Nil).

## FINAL RESULTS

The board of Directors of the Company (the “Board”) announces the audited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2024 together with the comparative audited figures for the year ended 31 December 2023.

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the year ended 31 December 2024*

		2024	2023
	Notes	HK\$'000	HK\$'000 (restated)
<b>Continuing operations</b>			
Revenue	4	32,148	149,684
Other income and gains/(losses), net	6	3,096	14,337
Changes in inventories of finished goods		(30,398)	(147,239)
Employee benefit expenses		(10,613)	(10,924)
Depreciation of property, plant and equipment		(2,147)	(2,067)
Depreciation of right-of-use assets		(565)	(575)
Impairment loss recognised on trade receivables		(429)	(415)
Loss on settlement of advance payments for purchase of trading motor vehicles		(2,076)	–
Impairment loss on advance payments for purchase of trading motor vehicles		(75,805)	–
Impairment loss on advance payment for acquisition of property		(1,511)	–
Other expenses	8	(9,710)	(11,351)
Share of loss of an associate		(77)	(1,041)
Finance costs	7	(3,446)	(2,706)
Loss before income tax	8	(101,533)	(12,297)
Income tax credit	9	227	154
Loss for the year from continuing operations		(101,306)	(12,143)
<b>Discontinued operations</b>	10		
Net gain/(loss) from discontinued operations		2,287	(3,653)
Loss for the year		<u>(99,019)</u>	<u>(15,796)</u>

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i> (restated)
<b>Other comprehensive loss</b>		
<i>Item that may be subsequently reclassified to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	<u>(4,430)</u>	<u>(3,394)</u>
Other comprehensive loss for the year, net of tax	<u>(4,430)</u>	<u>(3,394)</u>
Total comprehensive loss for the year	<u><u>(103,449)</u></u>	<u><u>(19,190)</u></u>
<b>Loss for the year attributable to:</b>		
– Owners of the Company	(98,752)	(15,777)
– Non-controlling interests	<u>(267)</u>	<u>(19)</u>
	<u><u>(99,019)</u></u>	<u><u>(15,796)</u></u>
<b>(Loss)/profit for the year attributable to owners of the Company</b>		
– from continuing operations	(101,039)	(12,124)
– from discontinued operations	<u>2,287</u>	<u>(3,653)</u>
	<u><u>(98,752)</u></u>	<u><u>(15,777)</u></u>
<b>Loss for the year attributable to non-controlling interests</b>		
– from continuing operations	(267)	(19)
– from discontinued operations	<u>–</u>	<u>–</u>
	<u><u>(267)</u></u>	<u><u>(19)</u></u>
<b>Total comprehensive loss for the year attributable to:</b>		
– Owners of the Company	(103,182)	(19,166)
– Non-controlling interests	<u>(267)</u>	<u>(24)</u>
	<u><u>(103,449)</u></u>	<u><u>(19,190)</u></u>

	<i>Note</i>	<b>2024</b> <b><i>HK\$'000</i></b>	2023 <i>HK\$'000</i> (restated)
<b>Total comprehensive (loss)/income attributable to owners of the Company</b>			
– from continuing operations		(105,736)	(15,537)
– from discontinued operations		<u>2,287</u>	<u>(3,653)</u>
		<u><b>(103,449)</b></u>	<u><b>(19,190)</b></u>
		<b>2024</b> <b><i>HK cent</i></b>	2023 <i>HK cent</i> (restated)
<b>Loss per share</b>			
	<i>11</i>		
From continuing and discontinued operations			
Basic loss per share		(1.27)	(0.20)
Diluted loss per share		<u>N/A</u>	<u>N/A</u>
From continuing operations			
Basic loss per share		(1.30)	(0.16)
Diluted loss per share		<u>N/A</u>	<u>N/A</u>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

		2024	2023
	Notes	HK\$'000	HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment		19,895	20,810
Right-of-use assets		407	993
Statutory deposits and other assets		–	405
Interests in associates		–	78
Financial assets at fair value through profit or loss		–	113
Prepayments, deposits and other receivables		47,128	1,531
		<u>67,430</u>	<u>23,930</u>
<b>Current assets</b>			
Inventories		37	38
Trade receivables	12	–	340
Financial assets at fair value through profit or loss		–	16,708
Prepayments, deposits and other receivables		36,751	178,433
Bank balances and cash – trust accounts		–	5,276
Bank balances and cash – general accounts		13,532	19,554
		<u>50,320</u>	<u>220,349</u>
<b>Current liabilities</b>			
Trade payables	13	–	5,457
Other payables and accruals		1,370	2,593
Contract liabilities		60,140	73,393
Provisions		11,019	11,390
Borrowings	14	28,000	30,000
Lease liabilities		434	580
		<u>100,963</u>	<u>123,413</u>

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Net current (liabilities)/assets</b>	<u>(50,643)</u>	<u>96,936</u>
<b>Total assets less current liabilities</b>	<u>16,787</u>	<u>120,866</u>
<b>Non-current liabilities</b>		
Lease liabilities	–	448
Deferred tax liabilities	<u>2,017</u>	<u>2,199</u>
	<u>(2,017)</u>	<u>(2,647)</u>
<b>Net assets</b>	<u><u>14,770</u></u>	<u><u>118,219</u></u>
<b>Capital and reserves</b>		
Share capital	77,489	77,489
Reserves	<u>(62,619)</u>	<u>40,563</u>
<b>Equity attributable to owners of the Company</b>	<b>14,870</b>	118,052
<b>Non-controlling interests</b>	<u>(100)</u>	<u>167</u>
<b>Total equity</b>	<u><u>14,770</u></u>	<u><u>118,219</u></u>

# NOTES:

## 1. GENERAL INFORMATION

Sinofortune Financial Holdings Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands. The Company’s registered office is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company’s principal place of business is situated at 16th Floor, CMA Building, 64-66 Connaught Road Central, Hong Kong.

In the opinion of the directors of the Company, the ultimate controlling party of the Company is Mr. Wang Jiawei, the Chairman and executive director of the Company.

The Company’s shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

During the current year, the Group, comprising the Company and its subsidiaries, was principally engaged in (i) trading of motor vehicles, provision of agency services and accessories sourcing in the People’s Republic of China (“PRC”), excluding Hong Kong, (ii) trading of listed securities in Hong Kong, and (iii) provision of securities and futures contracts trading services in Hong Kong.

During the year, the Group discontinued its operations of provision of securities and future contracts trading services in Hong Kong, details of which are set out in Note 10. Certain comparative figures in the consolidated statement of profit or loss and other comprehensive income together with related disclosure notes have been restated to confirm with current year’s presentation.

During the current year, the functional currency of the Company was changed from Hong Kong dollars to Renminbi (“RMB”) upon completion of disposal of the business of provision of securities and futures contracts trading services in Hong Kong. Subsequent to the disposal, the Company mainly holds subsidiaries whose underlying operations are primarily in the PRC, excluding Hong Kong with RMB being the functional currency. The directors of the company have determined that RMB better reflects the economic substance of the Company’s business activity. Accordingly, the functional currency of the Company was changed to RMB prospectively from the date of disposal.



## 2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is different from the Company’s functional currency of RMB. For the convenience of the financial statements users, the consolidated financial statements are presented in HK\$, as the Company’s shares are listed on GEM of the Stock Exchange. All values stated in these consolidated financial statements are rounded to the nearest thousands Hong Kong dollars (HK\$’000), unless otherwise stated.

### Going concern basis

The Group incurred net losses amounted to approximately HK\$99,019,000 for the year ended 31 December 2024 and that the total current liabilities of the Group at 31 December 2024 exceed the Group’s total current assets at that date by approximately HK\$50,643,000. The directors of the Company considered it appropriate for the preparation of the consolidated financial statements on a going concern basis for at least twelve months after the end of the reporting period after taking into account the following circumstances and measures:

- (i) The Group has been actively negotiating with the lender in renewing its short-term borrowings upon their maturities and there is no indication that the financial institution will not renew the existing borrowings if the Group applies for the renewal;
- (ii) The Group is implementing various measures, such as optimising its overall sales network and undergoing effective cost control to improve the profit margin and operating cash flows of its business; and
- (iii) The Group received repayment of other receivables amounted to RMB20,000,000 (approximately HK\$21,162,000) according to the agreed terms, subsequent to the end of the reporting period.

The directors of the Company are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due for at least twelve months after 31 December 2024. Accordingly, the consolidated financial statements have been prepared on a going concern basis. Should the Group be unable to operate as a going concern, adjustments would have to be made to reduce the carrying amounts of the Group’s assets to their net realisable amounts, to provide for further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

### 3. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

#### Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the annual period beginning on 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and financial performance for the current and priors years and/or in the disclosures set out in these consolidated financial statements.

### 4. REVENUE

#### Disaggregation of revenue

Disaggregation of revenue from contracts with customers from continuing operations by major products or service lines is as follows:

	2024 <i>HK\$’000</i>	2023 <i>HK\$’000</i> (restated)
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>		
Disaggregated by major products or service lines		
Trading of motor vehicles where the Group acts as principal	30,803	148,322
Agency and service fees income from accessories sourcing	1,345	1,362
	<u>32,148</u>	<u>149,684</u>
Disaggregated by timing of revenue recognition within the scope of HKFRS 15		
Over time	–	–
At point in time	32,148	149,684
	<u>32,148</u>	<u>149,684</u>

Disaggregation of revenue from contracts with customers by geographical markets is disclosed in note 5.

## 5. SEGMENT INFORMATION

The executive directors of the Company (the “Executive Directors”) are regarded as the chief operating decision-maker. The Executive Directors review the Group’s internal reporting in order to assess performance and allocate resources. Operating segments were determined based on these reports.

Specifically, the Group’s reportable segments were as follows:

1. Trading of motor vehicles, provision of agency services and accessories sourcing – trading of motor vehicles, and provision of agency and related services
2. Trading of listed securities – securities trading
3. Brokerage and securities margin financing services – provision of brokerage and securities margin financing services (discontinued operation)

During the year ended 31 December 2024, the Group disposed of its subsidiaries which were principally engaged in brokerage and securities margin financing business and discontinued its operations of brokerage and securities margin financing services following the disposal of the subsidiaries.

Information regarding the above segment is reported below.

## Segment revenue and results

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

### For the year ended 31 December 2024

	Continuing operations			Discontinued operations	
	Trading of motor vehicles, provision of agency services and accessories sourcing <i>HK\$'000</i>	Trading of listed securities <i>HK\$'000</i>	Sub total <i>HK\$'000</i>	Brokerage and securities margin financing services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue					
External sales	32,148	–	32,148	172	32,320
Inter-segment sales	–	–	–	–	–
	<u>32,148</u>	<u>–</u>	<u>32,148</u>	<u>172</u>	<u>32,320</u>
Segment (loss)/profit	(82,372)	(258)	(82,630)	2,287	(80,343)
Interest income					159
Other income and gains, net					2,999
Unallocated expenses					(18,538)
Share of loss of an associate					(77)
Finance costs					<u>(3,446)</u>
Loss before income tax					(99,246)
Income tax credit					<u>227</u>
Loss for the year					<u><u>(99,019)</u></u>

For the year ended 31 December 2023

	Continuing operations			Discontinued operations	
	Trading of motor vehicles, provision of agency services and accessories sourcing <i>HK\$'000</i>	Trading of listed securities <i>HK\$'000</i>	Sub total <i>HK\$'000</i>	Brokerage and securities margin financing services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue					
External sales	149,684	–	149,684	355	150,039
Inter-segment sales	–	–	–	–	–
	<u>149,684</u>	<u>–</u>	<u>149,684</u>	<u>355</u>	<u>150,039</u>
Segment loss	(5,847)	(455)	(6,302)	(3,653)	(9,955)
Interest income					116
Other income and gains, net					13,983
Unallocated expenses					(16,347)
Share of loss of an associate					(1,041)
Finance costs					<u>(2,706)</u>
Loss before income tax					(15,950)
Income tax credit					<u>154</u>
Loss for the year					<u><u>(15,796)</u></u>

The measure used for reporting segment profits or losses is adjusted loss before interest and income tax. To arrive at the adjusted loss, the Group's loss is further adjusted for items not specifically attributed to individual segments, such as fair value loss on unlisted equity investment, gain on disposal of financial assets at fair value through profit or loss, certain interest income and head office or corporate administration costs.

Other segment information is as follows:

**For the year ended 31 December 2024**

	Continuing operations				Discontinued operations	
	Trading of motor vehicles, provision of agency services and accessories sourcing <i>HK\$'000</i>	Trading of listed securities <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Sub total <i>HK\$'000</i>	Brokerage and securities margin financing services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Additions to property, plant and equipment	1,124	1,071	–	2,195	–	2,195
Depreciation charges	328	148	2,236	2,712	3	2,715
Fair value gain on listed equity securities	–	–	–	–	–	–
Fair value loss on unlisted equity investment	–	–	111	111	–	111
Gain on disposal of financial assets at fair value through profit or loss	–	–	–	–	–	–
Gain on disposal of subsidiaries	–	–	–	–	4,000	4,000
Share of loss of an associate	77	–	–	77	–	77
Impairment loss recognised on trade receivables	429	–	–	429	–	429
Impairment loss on advance payments for purchase of trading motor vehicles	75,805	–	–	75,805	–	75,805
Impairment loss on advance payment for acquisition of property	–	–	1,511	1,511	–	1,511
Loss on settlement of advance payments for purchase of trading motor vehicles	2,076	–	–	2,076	–	2,076
Loss on disposal of property, plant and equipment	–	–	914	914	–	914
Loss on disposal of listed equity securities	–	62	–	62	–	62
Interest income	(58)	–	(101)	(159)	(3)	(162)

For the year ended 31 December 2023

	Continuing operations				Discontinued operations	
	Trading of motor vehicles, provision of agency services and accessories sourcing <i>HK\$'000</i>	Trading of listed securities <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Sub total <i>HK\$'000</i>	Brokerage and securities margin financing services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Additions to property, plant and equipment	1,650	–	36	1,686	–	1,686
Depreciation charges	423	–	2,219	2,642	5	2,647
Fair value gain on listed equity securities	–	(60)	–	(60)	–	(60)
Fair value loss on unlisted equity investment	–	–	3,650	3,650	–	3,650
Gain on disposal of financial assets at fair value through profit or loss	–	–	(16,386)	(16,386)	–	(16,386)
Gain on disposal of subsidiaries	–	–	–	–	–	–
Share of loss of an associate	1,041	–	–	1,041	–	1,041
Impairment loss recognised on trade receivables	415	–	–	415	–	415
Impairment loss on advance payments for purchase of trading motor vehicles	–	–	–	–	–	–
Impairment loss on advance payment for acquisition of property	–	–	–	–	–	–
Loss on settlement of advance payments for purchase of trading motor vehicles	–	–	–	–	–	–
Loss on disposal of property, plant and equipment	118	–	–	118	–	118
Loss on disposal of listed equity securities	–	–	–	–	–	–
Interest income	(78)	–	(116)	(194)	(7)	(201)

The segment assets and segment liabilities of the Group as at 31 December 2024 and 2023 are analysed as follows:

<b>Segment assets</b>	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
		(restated)
<b>Continuing operations</b>		
Trading of motor vehicles, provision of agency services and accessories sourcing	<b>73,830</b>	180,730
Trading of listed securities	<b>127</b>	847
	<b>73,957</b>	181,577
<b>Discontinued operations</b>		
Brokerage and securities margin financing services	<b>–</b>	17,390
Total reportable segment assets	<b>73,957</b>	198,967
Unallocated assets	<b>43,793</b>	45,312
Consolidated assets	<b>117,750</b>	244,279
<b>Segment liabilities</b>	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
		(restated)
<b>Continuing operations</b>		
Trading of motor vehicles, provision of agency services and accessories sourcing	<b>71,308</b>	85,156
Trading of listed securities	<b>–</b>	–
	<b>71,308</b>	85,156
<b>Discontinued operations</b>		
Brokerage and securities margin financing services	<b>–</b>	5,753
Total reportable segment liabilities	<b>71,308</b>	90,909
Unallocated liabilities	<b>31,672</b>	35,151
Consolidated liabilities	<b>102,980</b>	126,060

Segment assets consist primarily of certain property, plant and equipment, intangible assets, right-of-use assets, inventories, trade receivables, certain prepayments, deposits and other receivables, certain financial assets at fair value through profit or loss and certain bank balances and cash.

Segment liabilities consists primarily of trade payables, certain other payables and accruals, contract liabilities, provisions and certain lease liabilities.



## Geographical information

The Group mainly operated in the PRC, including Hong Kong. Revenue from external customers are allocated based on the geographical areas in which the customers are located.

An analysis of the Group's revenue and non-current assets from continuing operations (excluding financial assets) by geographical location are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i> (restated)
<b>Continuing operations</b>		
<b>Revenue from external customers</b>		
The PRC, excluding Hong Kong	<u>32,148</u>	<u>149,684</u>
<b>Non-current assets (excluding financial assets)</b>		
Hong Kong	18,797	19,494
The PRC, excluding Hong Kong	<u>1,505</u>	<u>3,914</u>
	<u>20,302</u>	<u>23,408</u>

The geographical location of non-current assets (excluding financial assets) is based on the physical location of assets (in the case of property, plant and equipment and right-of-use assets), the location of the operations to which they are allocated (in the case of intangible assets), and location of operations (in the case of interests in associates).

## Information about major customers

Revenue from customers contributing over 10% of the Group's revenue from continuing operations is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Continuing operations</b>		
<b>Trading of motor vehicles, provision of agency services and accessories sourcing</b>		
Customer A	8,452	39,193
Customer B	5,265	34,756
Customer C	<u>N/A<sup>#</sup></u>	<u>18,908</u>

<sup>#</sup> The customer C did not contribute over 10% of the Group's revenue for the year ended 31 December 2024.

## 6. OTHER INCOME AND GAINS/(LOSSES), NET

	2024 HK\$'000	2023 HK\$'000 (restated)
<b>Continuing operations</b>		
<b>Other income</b>		
Interest income from bank deposits	159	194
Dividends from financial assets at fair value through profit or loss	–	100
Rental income	120	–
Sundry income ( <i>Note a</i> )	469	1,116
	<u>748</u>	<u>1,410</u>
<b>Other gains and losses</b>		
Fair value gain/(loss) on financial assets at fair value through profit or loss		
– Listed equity securities	–	60
– Unlisted equity investment	(111)	(3,650)
– Unlisted fund investment	–	31
	<u>(111)</u>	<u>(3,559)</u>
Exchange gains, net	2,561	100
(Loss)/gain on disposal of financial assets at fair value through profit or loss		
– Listed equity securities	(62)	–
– Unlisted equity investment ( <i>Note b</i> )	–	16,386
– Unlisted fund investment	(40)	–
	<u>(102)</u>	<u>16,386</u>
Other gains, net	<u>2,348</u>	<u>12,927</u>
Other income and gains, net	<u><u>3,096</u></u>	<u><u>14,337</u></u>

Notes:

- (a) In previous years, the Group had paid earnest money amounted to a total of RMB20,000,000 for the proposed acquisition of a PRC entity and such earnest money was recognised as an expense for the prior year ended 31 December 2017. During the prior year ended 31 December 2023, the earnest money previously paid to the extent of RMB1,000,000, equivalent to HK\$1,100,000 was refunded to the Group which was included in sundry income for that year.
- (b) For the prior year ended 31 December 2023, the Group recognised gain on disposal of financial assets at fair value through profit or loss – unlisted equity investment of HK\$16,386,000.

## 7. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Continuing operations</b>		
Interest on lease liabilities	35	63
Interest on borrowings	<u>3,411</u>	<u>2,643</u>
	<u><b>3,446</b></u>	<u><b>2,706</b></u>

## 8. LOSS BEFORE INCOME TAX FROM CONTINUING OPERATIONS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss before income tax from continuing operations has been arrived at after charging:		
Auditor's remuneration		
– Audit services	590	630
– Non-audit services	40	100
Loss on disposal of property, plant and equipment	914	118
Legal and professional fees	1,570	465
Consultancy fees	467	370
Exhibition and marketing fee	<u>470</u>	<u>502</u>

The above expenses are included in other expenses presented in the consolidated statement of profit or loss and other comprehensive income.

## 9. INCOME TAX CREDIT

	2024 HK\$'000	2023 HK\$'000
<b>Continuing operations</b>		
Current tax		
– (Over)/under provision of PRC enterprise income tax in prior years	(45)	28
Deferred tax credit	(182)	(182)
	<u>(227)</u>	<u>(154)</u>
Income tax credit	<u>(227)</u>	<u>(154)</u>

No provision for Hong Kong profits tax and PRC enterprise income tax has been made in the consolidated financial statements as the group companies incurred tax losses for the year ended 31 December 2024 (2023: Nil).

## 10. DISCONTINUED OPERATIONS

On 9 July 2024, the Company entered into an agreement with certain independent third parties to dispose of 100% equity interest in a subsidiary, Sinofortune Financial Holdings (BVI) Limited (the “Sinofortune BVI”). Sinofortune BVI and are subsidiaries are principally engaged in the provision of brokerage and securities margin financing services. The disposal was completed on 9 July 2024, the date on which control of Sinofortune BVI passed to the acquirers and the Group discontinued its operations undertaken by the disposed subsidiaries on that date.

The results from the discontinued operations of provision of brokerage and securities margin financing services for the period from 1 January 2024 to 9 July 2024, which are included in consolidated statement of profit or loss and other comprehensive income for the year, are set out below. The comparative figures in the consolidated statement of profit or loss and other comprehensive income have been restated to confirm with the current year’s presentation.

	Period from 1 January 2024 to 9 July 2024 HK\$'000	Year ended 31 December 2023 HK\$'000
Loss for the period/year from discontinued operations (as below)	(1,713)	(3,653)
Gain on disposal of subsidiaries undertaking brokerage and securities margin financing services	4,000	–
	<u>2,287</u>	<u>(3,653)</u>
Net gain/(loss) from discontinued operations	<u>2,287</u>	<u>(3,653)</u>

	Period from 1 January 2024 to 9 July 2024 HK\$'000	Year ended 31 December 2023 HK\$'000
<b>Revenue</b>	<b>172</b>	<b>355</b>
Other income and losses, net	<b>243</b>	<b>41</b>
Other direct costs	<b>(28)</b>	<b>(72)</b>
Employee benefit expenses	<b>(1,431)</b>	<b>(2,740)</b>
Depreciation of property, plant and equipment	<b>(3)</b>	<b>(5)</b>
Other expenses	<b>(666)</b>	<b>(1,232)</b>
	<hr/>	<hr/>
Loss before tax	<b>(1,713)</b>	<b>(3,653)</b>
Income tax credit	<b>–</b>	<b>–</b>
	<hr/>	<hr/>
Loss for the period/year from discontinued operations	<b>(1,713)</b>	<b>(3,653)</b>
	<hr/>	<hr/>
<b>Cash flows from discontinued operations</b>		
Net cash inflow/(outflow) from operating activities	<b>1,732</b>	<b>(3,450)</b>
Net cash outflow from investing activities	<b>(2)</b>	<b>–</b>
Net cash inflow/(outflow) from financing activities	<b>2,720</b>	<b>(580)</b>
	<hr/>	<hr/>

## 11. LOSS PER SHARE

### From continuing operations

The calculation of the basic and diluted loss per share from continuing operations attributable to owners of the Company is based on the following data:

	2024 HK\$'000	2023 HK\$'000
<b>Loss for the purpose of basic loss per share</b>		
Loss for the year attributable to owners of the Company from continuing operations	<b>(101,039)</b>	<b>(12,124)</b>
	<hr/>	<hr/>
	<b>2024 '000</b>	<b>2023 '000</b>
<b>Number of shares for the purpose of basic loss per share</b>		
Weighted average number of ordinary shares in issue during the year	<b>7,748,958</b>	<b>7,748,958</b>
	<hr/>	<hr/>

### From continuing and discontinued operations

The calculation of the basic and diluted loss per share from continuing and discontinued operations attributable to owners of the Company is based on the following data:

	2024 HK\$'000	2023 HK\$'000
<b>Loss for the purpose of basic loss per share</b>		
Loss for the year attributable to owners of the Company	<u>(98,752)</u>	<u>(15,777)</u>

The number of ordinary shares used for the calculation of the basic loss per share from continuing and discontinued operations is the same as that detailed above for the basic loss per share from continuing operations.

### From discontinued operations

The calculation of basic and diluted earning/(loss) per share from discontinued operations attributable to owners of the Company is based on the following data:

	2024 HK\$'000	2023 HK\$'000
<b>Profit/(loss) for the purpose of basic earning/(loss) per share</b>		
Profit/(loss) for the year attributable to owners of the Company		
from discontinued operations	<u>2,287</u>	<u>(3,653)</u>

The number of ordinary shares used for the calculation of the basic earning/(loss) per share from discontinued operations is the same as that detailed above for the basic loss per share from continuing operations.

### Diluted loss per share

No diluted loss per share for both of the years ended 31 December 2024 and 2023 is presented as there were no potential ordinary shares in issue for both of the years.

## 12. TRADE RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables arising from securities brokerage business:		
Margin clients	–	40
Cash clients	–	60
Hong Kong Securities Clearing Company Limited (“HKSCC”) (net)	–	20
	<u>–</u>	<u>120</u>
Trade receivables arising from trading of motor vehicles:		
Gross receivable	2,038	1,892
Less: impairment loss recognised	<u>(2,038)</u>	<u>(1,672)</u>
	<u>–</u>	<u>220</u>
	<u><u>–</u></u>	<u><u>340</u></u>

### Receivables arising from margin clients

Trade receivables from margin clients at 31 December 2023 are repayable on demand, bearing interest at prevailing market rates and are secured by clients’ pledged securities which are listed on the Stock Exchange with a total market value of approximately HK\$8,279,000 as at that date. The Group considered that the credit risk arising from the receivables from margin clients was significantly mitigated by the client’s pledged securities.

### Receivables arising from cash clients and HKSCC

The settlement terms of the receivables arising from cash clients and HKSCC are one or two trade days after the trade execution date.

Aged analysis of receivables arising from securities brokerage business is not presented as management of the Company considers that the aged analysis does not give additional value in view of the nature of this business.

### Receivables from trading of motor vehicles

The receivables from customers in respect of the trading of motor vehicles are due in 120 days from date of billing.

As at 31 December 2024, the Group’s gross trade receivables from trading of motor vehicles amounted to approximately HK\$2,038,000 (2023: approximately HK\$1,892,000), of which impairment loss amounted to approximately HK\$2,038,000 (2023: approximately HK\$1,672,000) were recognised.

The following is an aged analysis of the trade receivables arising from trading of motor vehicles based on invoice dates and net off loss allowance:

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Over 365 days	<u>–</u>	<u>220</u>

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of trade receivables. Other than the amounts receivable from margin clients, the Group does not hold any collateral as security in respect of its trade receivables.

### 13. TRADE PAYABLES

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Payables arising from securities brokerage business:		
Margin clients	–	87
Cash clients	–	5,364
Other trade payables	<u>–</u>	<u>6</u>
	<u>–</u>	<u>5,457</u>

Payables to margin clients are repayable on demand. The settlement terms of amounts payable arising from cash clients are one or two trade days after the trade execution date.

Aged analysis of payables arising from securities brokerage business is not presented as management of the Company considers that the aged analysis does not give additional value in view of the nature of this business.

The following is an aged analysis of payables arising from trading of motor vehicles and other trade payables based on invoice dates:

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Over 365 days	<u>–</u>	<u>6</u>



## 14. BORROWINGS

	2024 HK\$'000	2023 HK\$'000
Secured borrowings ( <i>Note</i> )	<u>28,000</u>	<u>30,000</u>
Analysed for reporting purpose:		
Current liabilities	<u>28,000</u>	<u>30,000</u>

*Note:*

The maturity of the borrowings are as follows:

	2024 HK\$'000	2023 HK\$'000
On demand or within one year	<u>28,000</u>	<u>30,000</u>

The borrowings at 31 December 2024 and 2023 are secured by the charge over the Group's leasehold land and buildings with the carrying amount of HK\$17,879,000 (2023: HK\$19,492,000) as at that date and corporate guarantees executed by the Company. These borrowings are denominated in HK\$, carried interest ranged from 10.875% to 11.375% per annum (2023: ranged from 11.00% to 12.00%), and are wholly repayable in October 2025.

## 15. DIVIDEND

The directors of the Company do not recommend any payment of a dividend in respect of the year ended 31 December 2024 (2023: Nil).

## **EXTRACT OF THE AUDITORS' REPORT**

The following is an extract of the independent auditor's report on the Group's annual report for the year ended 31 December 2024:

"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 disclosure requirements of the Hong Kong Companies Ordinance.

## **MATERIAL UNCERTAINTY RELATED TO GOING CONCERN**

We draw attention to note 3.1 to the consolidated financial statements, that the Group incurred net losses amounted to approximately HK\$99,019,000 for the year ended 31 December 2024 and that the total current liabilities of the Group at 31 December 2024 exceed the Group's total current assets at that date by approximately HK\$50,643,000. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. In light of all the measures and arrangements detailed in note 3.1 to the consolidated financial statements, the directors are of the opinion that the Group will be able to finance its future working capital and financial requirements. Our opinion is not modified in respect of this matter."

## **BUSINESS REVIEW**

The Group recorded a loss of approximately HK\$99.0 million for the year ended 31 December 2024, compared with the loss of approximately HK\$15.8 million for the year ended 31 December 2023, that loss increased by approximately HK\$83.2 million. As disclosed in the Company's announcement dated 20 March 2025, the loss for the year ended 31 December 2024 was mainly attributable to (i) the significant drop of revenue and (ii) the record of an impairment loss on other deposits paid for acquisition of motor vehicles for resale. The recognition of impairment loss is mainly related to the advance payments made in late 2023 by a subsidiary of the Company to the vehicle suppliers amounted to approximately RMB70.2 million (equivalent to approximately HK\$75.8 million) (the "Advance Payments") under the purchase contracts for purchasing the motor vehicles for resale (the "Purchase Contracts"). During the year under review for those Purchase Contracts, the due dates for the purchases has passed and the purchase of the motor vehicles has not been completed. Having conducted a crucial review on those Purchase Contracts, the Group is of the view that the recoverability of the Advance Payments cannot be assured with reasonable uncertainty, and accordingly made the impairment on the Advance Payments resulting to the loss of approximately RMB70.2 million (2023: Nil) charged to profit or loss for the year ended 31 December 2024.

The Group for the year ended 31 December 2024 recorded total revenue of approximately HK\$32.3 million, which was a decrease of approximately HK\$117.7 million compared with the last year. It was due to a record of revenue of trading of motor vehicles, provision of agency services and accessories sourcing segment approximately HK\$32.1 million for the year ended 31 December 2024, compared with approximately HK\$149.7 million for the previous year, representing a decrease of approximately HK\$117.6 million.

It was expected to see an uptick in economic growth in 2024 after the end of pandemic, however, the growing pace was not as expected. The global economy has been influenced by ongoing conflicts, geopolitical tensions and potential worldwide trade restriction, the weak economic growth has been weakening consumers' purchase desire and consumption pattern and thus the demand for purchase the motor vehicles has been affected. The continuing weak economy together with the continuing extremely keen competition over the sale of motor vehicles industry causing the loss of customers and the forfeiture of advance payments resulting from the non-fulfilment of purchase contracts.

For the year ended 31 December 2024, the Group recorded the revenue of trading of motor vehicles where the Group acts as principal approximately HK\$30.8 million and agency and service fees income from accessories sourcing approximately HK\$1.3 million. Approximately HK\$148.3 million and approximately HK\$1.4 million were recorded respectively for the revenue of trading of motor vehicles where the Group acts as principal and agency and service fees income from accessories sourcing for the year ended 31 December 2023.

Given that the performances of the businesses of Sinofortune Securities Limited, Sinofortune Financial Capital Limited and Sinofortune Asset Management Limited have not been satisfactory and have been continuously operating at a loss. The Company and four purchasers, Xiang Ying, Lan Shili, Shan Chuanlong and Li Chao entered into a sale and purchase agreement in respect of the disposal of 100% equity interest in Sinofortune Financial Holdings (BVI) Limited on 9 July 2024 in the consideration of HK\$4.0 million plus the net asset value of the disposed companies of no less than HK\$8.25 million at 5 July 2024.

In 2019, the Group invested in the new medicine development market in the PRC, the limited partnership of the Group co-operates with its business partner in the joint development of four new medicines in the treatment of lymphoma, cell tumors, colorectal cancer and multidrug-resistant tuberculosis. As at 31 December 2024, one of the new medicines has entered into the phase II of clinical trial and the others are still in the researching stage.

For trading of listed securities, the Group recorded a realised loss of approximately HK\$62,000 for the year ended 31 December 2024 and an unrealised gain of approximately HK\$60,000 for the year ended 31 December 2023.

## **FINANCIAL REVIEW**

### **Results of the Group**

The Group recorded total revenue of approximately HK\$32.3 million for the year ended 31 December 2024 as compared to total revenue of approximately HK\$150.0 million for the previous year, representing a decrease of approximately HK\$117.7 million or approximately 78.5%. The sharp decrease of revenue was primarily due to the decrease in trading of motor vehicles business in the PRC.

The Group recorded a loss for the year amounted to approximately HK\$99.0 million, compared with a loss of approximately HK\$15.8 million for the previous year, representing an increase of loss of approximately 5.3 times. The loss was largely the result of (i) the significant drop of revenue; (ii) the record of an impairment loss on advance payments for purchase of trading motor vehicles of approximately HK\$75.8 million; and (iii) an impairment loss on advance payment for acquisition of property of approximately HK\$1.5 million.

The loss included the fair value losses arising from the Group's interest in the limited partnership engaged in the business of investing in new medicine development projects at the fair value through its profit or loss of approximately HK\$111,000 for the year under review, compared with fair value losses of approximately HK\$3.7 million of that project for the previous year.

The loss also encompassed the loss on settlement of advance payments for purchase of trading motor vehicles of approximately HK\$2.1 million for the year under review, no loss on settlement of advance payments for purchase of trading motor vehicles for the last year.

The loss also took the impairment loss recognised on trade receivables of approximately HK\$0.4 million for the year under review, compared with the impairment loss recognised on trade receivables of approximately HK\$0.4 million for the previous year.

### **Liquidity and financial resources**

The Group's current assets as at 31 December 2024 amounted to approximately HK\$50.3 million compared with approximately HK\$220.3 million as at 31 December 2023 and the liquidity of the Group, as demonstrated by the current ratio (current assets over current liabilities) was 0.5 times, compared with 1.8 times for previous year. Among them, the financial assets at fair value through profit or loss were HK\$Nil (2023: approximately HK\$0.8 million) which invested in the equity securities listed in Hong Kong and were disposed during the year. As at 31 December 2024, the Group's bank balances and cash were approximately HK\$13.5 million (2023: approximately HK\$24.8 million) of which HK\$Nil (2023: approximately HK\$5.3 million) were held on behalf of clients in trust and segregated accounts.

As at 31 December 2024, the Group's total borrowings amounted to HK\$28 million (2023: HK\$30 million) was repayable within one year. That borrowings were secured by charges over the Group's leasehold land and buildings as well as corporate guarantee issued by the Company. The gearing ratio of the Group as at 31 December 2024 (calculated by the total liabilities of approximately HK\$103.0 million over equity attributable to the owners of the Company of approximately HK\$14.9 million) is 692.6% (2023: 106.8%).

The equity attributable to the owners of the Company amounted to approximately HK\$14.9 million as at 31 December 2024, representing a decrease of approximately HK\$103.2 million, or 87.4% from that of 31 December 2023. The decrease was mainly due to loss for the year attributable to the owners of the Company.

The Group manages the foreign exchange exposure arising from its normal course of business activities and investments in foreign operations by funding its local operations and investments through cash flow generated from business transaction locally. As at the end of the year, the Group did not have any material un-hedged foreign exchange exposure of interest rate mismatch. Foreign currency exposure did not pose a significant risk for the Group. However, we will continue to stay vigilant and closely monitor our exposure to movements of relevant currency.

### **Capital structure**

As at 31 December 2024, the Company's issued share capital was 7,748,958,120 shares of HK\$0.01 each.

### **Trading of motor vehicles and provision of agency services**

It recorded approximately HK\$32.1 million of revenue for the year under review compared with the revenue of approximately HK\$149.7 million for the last year, representing a decrease of revenue of approximately 78.6%. It is principally engaged in motor vehicles business in the PRC, in particular, trading of motor vehicles and motor vehicles parts. The global economy has been influenced by ongoing conflicts geopolitical tensions and potential worldwide trade restriction, the weak economic growth has been weakening consumers' purchase desire and consumption pattern in particular most countries are now adopting new energy as a strategic development direction and encouraging the green transformation of the automotive industry. The Group estimated that the demand for petrol vehicles is expected to shrink further, and competition in models and pricing will intensify resulting in more intense market competition than expected in 2024. This segment incurred a loss of approximately HK\$82.4 million for the year which is arrived at after taking into (i) impairment loss recognised on trade receivables amounted to approximately HK\$0.4 million (2023: approximately HK\$0.4 million); (ii) loss on settlement of advance payments for purchase of trading motor vehicles amounted to approximately HK\$2.1 million (2023: HK\$Nil); and (iii) impairment loss on advance payments for purchase of trading motor vehicles amounted to approximately HK\$75.8 million (2023: HK\$Nil).

## **Trading of listed securities**

The securities trading recorded realised loss amounted to approximately HK\$62,000 for the year ended 31 December 2024, compared with recorded an unrealised fair value gains of approximately HK\$60,000 for the previous year. This segment showed an operating loss of approximately HK\$0.3 million for the year 31 December 2024 and it recorded a loss of approximately HK\$0.5 million last year. In November 2024, all listed securities have been sold through the Hong Kong stock market.

## **Brokerage and securities margin financing service**

The revenue of this segment recorded approximately HK\$0.2 million for the year under review compared with the revenue of approximately HK\$0.4 million for the last year. This segment's profit of approximately HK\$2.3 million while loss of approximately HK\$3.7 million for the last year. In July 2024, the Group disposed of its segment and thereby by discontinued this segment of the Group and recorded a gain on disposal of subsidiaries of HK\$4.0 million.

## **OUTLOOK**

As at 31 December 2024, the revenue of the Group came from the segment of trading of motor vehicles, provision of agency services and accessories sourcing in the PRC.

As disclosed in the circular of the Company dated 19 March 2018, the motor vehicles business has a risk of reliance on a small number of customers. As at 31 December 2024, 重慶盛渝泓嘉國際貿易有限公司 (transliterated as Chongqing Sheng Yu Hong Jia International Trading Company Limited) ("Sheng Yu Hong Jia") has improved its number of customers and increased to 126 customers and with 44 customers in the progress of negotiation. Sheng Yu Hong Jia will strive to increase more customers to reduce the level of reliance in the future.

As disclosed in the announcement of the Company dated 7 March 2022, due to the change of government policy in the PRC on the China 6 Standard imported motor vehicles, the PRC government requires the parallel importers of motor vehicles to obtain certification administered by the Ministry of Ecology and Environment of the PRC ("EE Certificate") for China 6 Standard imported motor vehicles before offering the same for trade in the PRC. As at 31 December 2024, the Group obtained EE Certificate for six types of China 6 Standard imported motor vehicles, and the others are still in the certification process. The Group has been closely monitoring the certification process for their China 6 Standard imported motor vehicles. To improve the business performance under the segment of trading of motor vehicles, the Company is planning, by taking advantage from the globally green transition and technological advancement in automotive industry, to introduce more new energy vehicles and to promote the trading of petrol vehicles and new energy vehicles to the customers. The Group will provide more resources on marketing and sales in order to boost the performance of this business segment.

The PRC has been reforming the regulatory landscape in the pharmaceutical industry leading it has a steady growth in the past few years, especially for major new medicines development like the promotion of more lifesaving and safe medicines to be listed and included in medical insurance. Therefore, the Company will continue to pay attention to the new medicine development market in the PRC in order to diversify the business of the Group.

The Group will continue to develop other businesses and seek opportunities to expand its revenue sources to enhance the Group's revenue.

## **CHARGES ON ASSETS**

Leasehold land and buildings of the Group with a carrying amount of approximately HK\$17.9 million (2023: approximately HK\$19.5 million) were pledged for credit facilities granted to the Group.

## **CONTINGENT LIABILITIES**

As at 31 December 2024, the Group did not have any contingent liabilities (2023: Nil).

## **MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES/FUTURE PLAN FOR MATERIAL INVESTMENTS**

### **Disposal of Sinofortune Financial Holdings (BVI) Limited ("Sinofortune BVI"), Sinofortune Securities Limited, Sinofortune Financial Capital Limited and Sinofortune Asset Management Limited**

On 27 February 2024, an memorandum of understanding has been entered into between the Company and the proposed purchasers. But the Company was informed by the solicitors of the proposed purchasers that they have not received payment of the deposit from the proposed purchasers by the deadline on 5 March 2024. Pursuant to the memorandum of understanding, the time for payment of the deposit is legally binding amongst the parties of the memorandum of understanding. For more details, please refer to the announcements of the Company dated 27 February 2024 and 6 March 2024.

On 9 July 2024, The Company and four purchasers, Xiang Ying, Lan Shili, Shan Chuanlong and Li Chao, entered into a conditional sale and purchase agreement in respect of the disposal of 100% equity interest in Sinofortune BVI in the consideration of HK\$4 million plus net asset value of Sinofortune BVI and its subsidiaries. Sinofortune BVI has three wholly-owned subsidiaries of namely Sinofortune Securities Limited, Sinofortune Financial Capital Limited and Sinofortune Asset Management Limited. For more details, please refer to the announcement of the Company dated 9 July 2024.

Save as disclosed, there was no other material acquisition/disposal which would have been required to be disclosed under the GEM Listing Rules for the year under review and the Group has no concrete plans for other material investments.



## **EMPLOYEE INFORMATION**

As at 31 December 2024, the Group had a workforce of 38 employees (2023: 46). The total staff costs, including Directors' emoluments, amounted to approximately HK\$12.0 million for the year ended 31 December 2024 (2023: approximately HK\$13.7 million). The Group's remuneration policies are reviewed on an annual basis and commensurate with the industry pay level. The remuneration package includes basic salary, mandatory provident fund, medical benefits and discretionary bonus.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

## **COMPLIANCE WITH RULES 5.48 TO 5.67 OF THE GEM LISTING RULES**

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company's Directors have complied with such code of conduct and the required standard of dealings.

## **PRE-EMPTIVE RIGHTS**

There are no provisions for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

## **CORPORATE GOVERNANCE PRACTICES**

The Board assumes overall responsibility for the leadership and control of the Group, including providing and setting the Group's directions and strategies in the interests of the Group. It believes in good corporate governance and corporate governance practices that promote investor confidence, development of the Group, and transparency while having the long-term interest of the Group and enhancement of shareholders' value as the ultimate objectives. It has adopted the code provision numbering as set out in the Corporate Governance Code contained in Appendix C1 of the GEM Listing Rules (the "Corporate Governance Code"). The Company has complied with the applicable code provisions of the Corporate Governance Code, except for the following deviation:



## **Code Provision C.2.1**

Code provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

Mr. Wang Jiawei is the chairman and chief executive officer of the Company. In view of Mr. Wang has extensive experience in project management and securities investments and is responsible for the overall corporate strategies, planning and business development of the Company. Under the supervision by the Board which is comprised of four independent non-executive Directors and a non-executive Director, which represent more than half of the Board, the interests of the shareholders of the Company will be adequately and fairly represented.

## **AUDIT COMMITTEE**

The Company has established an audit committee (“Audit Committee”) with specific written terms of reference. As at 31 December 2024, the Audit Committee consisted of three independent non-executive Directors, Mr. Li Jianxing, Professor Zhang Benzhen and Professor Chen Shu Wen. Mr. Li Jianxing, being an independent non-executive Director, is the chairman of the Committee. The Audit Committee’s role and function includes making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor; review and monitor the external auditors’ independence and objectivity and the effectiveness of the audit process in accordance with applicable standards; develop and implement policy on the engagement of an external auditor to supply non-audit services; monitor the integrity of financial statements, annual report, half-yearly report and accounts of the Company, and review significant financial reporting judgments contained in them; review the Company’s financial controls, internal control and risk management systems; and review the Group’s financial and accounting policies, procedures and practices.

The Audit Committee has reviewed the consolidated financial statements of the Group for the year ended 31 December 2024 pursuant to the relevant provisions contained in the Corporate Governance Code as set out in Appendix C1 of the GEM Listing Rules and was of the opinion that such statements had complied with applicable accounting standards and that adequate disclosures had been made in respect thereof.

## SCOPE OF WORK OF CCTH CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditors, CCTH CPA Limited, to the amounts set out in the Group's consolidated financial statements for the year ended 31 December 2024. The work performed by CCTH CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by HKICPA and consequently no assurance has been expressed by CCTH CPA Limited on the preliminary announcement.

By order of the Board  
**Sinofortune Financial Holdings Limited**  
**Wang Jiawei**  
*Chairman*

Hong Kong, 28 March 2025

*As of the date of this announcement, the executive Directors are Mr. Wang Jiawei and Ms. Lai Yuk Mui, the non-executive Directors are Mr. Liu Runtong and the independent non-executive Directors are Professor Zhang Benzhen, Mr. Li Jianxing, Professor Chen Shu Wen and Mr. Lee Kwun Kwan.*

*This announcement will remain on the "Latest Company Announcements" page of the website of the Stock Exchange at <http://www.hkexnews.hk> for at least 7 days from the date of its posting and on the Company's website at <http://www.sinofortune.hk>.*