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

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

ANNOUNCEMENT OF 2013 FINAL RESULTS

The board of directors (the "Board") of Cinda International Holdings Limited (the "Company") is pleased to announce the consolidated financial results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31st December 2013 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the year ended 31st December 2013

	Note	**2013** *HK$'000*	2012 *HK$'000*
Continuing operations			
Turnover	4	**165,691**	100,214
Other income	4	**21,863**	14,611
Other gains/(losses)	4	**3,206**	(3,788)
		190,760	111,037
Staff costs		**63,067**	58,049
Commission expenses		**18,889**	13,149
Operating leases for land and buildings		**16,005**	14,680
Other operating expenses		**28,154**	27,162
Finance costs		**2,184**	312
		128,299	113,352
		62,461	(2,315)
Share of profits of associates	9(a)	**16,618**	8,764
Share of (loss)/profit of a joint venture	9(b)	**(201)**	56
Profit before taxation		**78,878**	6,505
Income tax	5	**(8,002)**	—
Profit for the year from continuing operations		**70,876**	6,505
Discontinued operations			
Profit for the year from discontinued operations	6	**—**	3,997
Profit for the year		**70,876**	10,502

	Note	**2013**	2012
		HK$'000	*HK$'000*
Attributable to:			
Equity holders of the Company			
Continuing operations		**68,254**	6,505
Discontinued operations		**—**	3,997
		68,254	10,502
Non-controlling interests			
Continuing operations		**2,622**	—
		70,876	10,502
Basic earnings per share attributable to equity holders of the Company			
— From continuing and discontinued operations	8	**HK10.64 cents**	HK1.64 cents
— From continuing operations	8	**HK10.64 cents**	HK1.02 cents
— From discontinued operations	8	**—**	HK0.62 cents

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st December 2013

	2013	2012
	HK$'000	*HK$'000*
Profit for the year	**70,876**	10,502
Other comprehensive income for the year:		
Items that may be reclassified subsequently to profit or loss		
Share of an associate's investment revaluation reserve relating to available-for-sale securities:		
— Change in fair value	**1,881**	4,758
— Transfer to profit or loss on disposal	**—**	(7,504)
Share of a joint venture's investment revaluation reserve relating to available-for-sale securities:		
— Change in fair value	**380**	—
Net movement in investment revaluation reserve	**2,261**	(2,746)
Share of an associate's exchange difference	**3,248**	2,438
Exchange differences on translation of:		
— Financial statements of a joint venture	**836**	(218)
— Financial statements of foreign operations	**529**	(11)
	4,613	2,209
	6,874	(537)
Total comprehensive income for the year	**77,750**	9,965
Total comprehensive income attributable to:		
Equity holders of the Company	**74,946**	9,965
Non-controlling interests	**2,804**	—
	77,750	9,965

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31st December 2013

	Note	**2013** *HK$'000*	2012 *HK$'000*
Non-current assets			
Intangible assets		**1,439**	1,439
Property and equipment		**4,529**	5,552
Available-for-sale financial asset		**4,162**	—
Interests in associates	9(a)	**242,901**	221,154
Interest in a joint venture	9(b)	**22,619**	21,604
Other assets		**10,773**	4,579
Note receivable		**—**	45,000
Loans receivable		**118,000**	70,000
		404,423	369,328
Current assets			
Note receivable		**45,000**	—
Financial assets designated at fair value through profit or loss	10	**49,400**	7,040
Financial instruments held-for-trading	11	**22,500**	—
Trade and other receivables	12	**355,028**	312,075
Pledged bank deposits	13	**15,052**	15,042
Bank balances and cash	13	**91,464**	79,004
		578,444	413,161
Current liabilities			
Trade and other payables	14	**224,416**	165,770
Bank loan	15	**35,000**	60,000
Taxation payable		**7,795**	—
		267,211	225,770
Net current assets		**311,233**	187,391
Total assets less current liabilities		**715,656**	556,719
Capital and reserves			
Share capital		**64,121**	64,121
Other reserves		**481,546**	474,854
Retained earnings		**85,998**	17,744
Total equity attributable to equity holders of the Company		**631,665**	556,719
Non-controlling interests		**49,991**	—
TOTAL EQUITY		**681,656**	556,719
Non-current liabilities			
Bonds issued		**34,000**	—
		715,656	556,719

NOTES:

1. STATEMENT OF COMPLIANCE

This financial report has been prepared on a basis consistent with the accounting policies adopted in the Group's 2013 annual financial statements. The Group's 2013 annual financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The financial information set out in this report does not constitute the Group's statutory financial statements for the year ended 31st December 2013, but is derived from those financial statements.

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

2. BASIS OF PREPARATION

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the certain financial instruments that are stated at their fair value at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3. CHANGES IN ACCOUNTING POLICIES

The Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time in the current year:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009–2011 Cycle
Amendments to HKFRS 7	Disclosures — Offsetting financial assets and financial liabilities
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance
HKFRS 10	Consolidated financial statements
HKFRS 11	Joint arrangements
HKFRS 12	Disclosure of interests in other entities
HKFRS 13	Fair value measurement
HKAS 19 (as revised in 2011)	Employee benefits
HKAS 27 (as revised in 2011)	Separate financial statements
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures
Amendments to HKAS 1	Presentation of items of other comprehensive income
HK(IFRIC)—INT 20	Stripping costs in the production phase of a surface mine

Except as described below, the application of the new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to HKFRS 7 Disclosures — Offsetting financial assets and financial liabilities

The Group has applied the amendments to HKFRS 7 Disclosures — Offsetting Financial Assets and Financial Liabilities for the first time in the current year. The amendments to HKFRS 7 require entities to disclose information about:

(a) recognised financial instruments that are set off in accordance with HKAS 32 Financial Instruments: Presentation; and

(b) recognised financial instruments that are subject to an enforceable master netting agreement or similar agreement, irrespective of whether the financial instruments are set off in accordance with HKAS 32.

The amendments to HKFRS 7 have been applied retrospectively. The application of the amendments has had no material impact on the amounts reported in the Group's consolidated financial statements but has resulted in more disclosures relating to the Group's offsetting arrangements.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In the current year, the Group has applied for the first time the package of five standards on consolidation, joint arrangements, associates and disclosures comprising HKFRS 10 Consolidated Financial Statements, HKFRS 11 Joint Arrangements, HKFRS 12 Disclosure of Interests in Other Entities, HKAS 27 (as revised in 2011) Separate Financial Statements and HKAS 28 (as revised in 2011) Investments in Associates and Joint Ventures, together with the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 regarding transitional guidance.

HKAS 27 (as revised in 2011) is not applicable to the Group as it deals only with separate financial statements.

The impact of the application of these standards is set out below.

Impact of the application of HKFRS 10

HKFRS 10 replaces the parts of HKAS 27 "Consolidated and separate financial statements" that deal with consolidated financial statements and HK(SIC)—INT 12 "Consolidation — Special purpose entities". HKFRS 10 changes the definition of control such that an investor has control over an investee when (a) it has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in HKFRS 10 to explain when an investor has control over an investee. Some guidance included in HKFRS 10 that deals with whether or not an investor that owns less than 50% of the voting rights in an investee has control over the investee is relevant to the Group. Moreover, some guidance included in HKFRS 10 that deals with whether the Group, as an investment manager of funds, is a principal or an agent engaged to act on the behalf of, and for the benefit of, other investors is relevant to the Group.

Upon the adoption of HKFRS 10, the directors of the Company consider that no additional investees ought to be consolidated and no investees which were previously consolidated ought to be deconsolidated in accordance with the new definition of control under HKFRS 10. Except for the consolidation of the fund set up in current year, the application of HKFRS 10 does not have material impact on the consolidated financial statements.

Impact of the application of HKFRS 11

HKFRS 11 replaces HKAS 31 "Interests in joint ventures", and the guidance contained in a related interpretation, HK(SIC)—INT 13 "Jointly controlled entities — Non-monetary contributions by venturers", has been incorporated in HKAS 28 (as revised in 2011). HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified and accounted for. Under HKFRS 11, there are only two types of joint arrangements — joint operations and joint ventures. The classification of joint arrangements under HKFRS 11 is determined based on the rights and obligations of parties to the joint arrangements by considering the structure, the legal form of the arrangements, the contractual terms agreed by the parties to the arrangement, and, when relevant, other facts and circumstances. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint venturers) have rights to the net assets of the arrangement. Previously, HKAS 31 had three types of joint arrangements — jointly controlled entities, jointly controlled operations and jointly controlled assets. The classification of joint arrangements under HKAS 31 was primarily determined based on the legal form of the arrangement (e.g. a joint arrangement that was established through a separate entity was classified as a jointly controlled entity).

The initial and subsequent accounting of joint ventures and joint operations are different. Investments in joint ventures are accounted for using the equity method (proportionate consolidation is no longer allowed). Investments in joint operations are accounted for such that each joint operator recognises its assets (including its share of any assets jointly held), its liabilities (including its share of any liabilities incurred jointly), its revenue (including its share of revenue from the sale of the output by the joint operation) and its expenses (including its share of any expenses incurred jointly). Each joint operator accounts for the assets and liabilities, as well as revenues and expenses, relating to its interest in the joint operation in accordance with the applicable standards.

HKFRS 11 is effective for the Group for annual period beginning on 1st January 2013. After assessment of the adoption of the HKFRS 11, the directors of the Company consider that the jointly controlled entity of the Group previously under HKAS 31 is regarded as a joint venture under HKFRS 11. Since it was previously accounted for using the equity method, there is no change in accounting methodology under HKFRS 11. Accordingly, the application of HKFRS 11 does not have material impact on the consolidated financial statements.

Impact of the application of HKFRS 12

HKFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the application of HKFRS 12 has resulted in more extensive disclosures in the consolidated financial statements.

HKFRS 13 Fair value measurement

The Group has applied HKFRS 13 for the first time in the current year. HKFRS 13 establishes a single source of guidance for, and disclosures about, fair value measurements. The scope of HKFRS 13 is broad: the fair value measurement requirements of HKFRS 13 apply to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of HKFRS 2 Share-based Payment, leasing transactions that are within the scope of HKAS 17 Leases, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

HKFRS 13 defines the fair value of an asset as the price that would be received to sell an asset (or paid to transfer a liability, in the case of determining the fair value of a liability) in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

HKFRS 13 requires prospective application. In accordance with the transitional provisions of HKFRS 13, the Group has not made any new disclosures required by HKFRS 13 for the 2012 comparative period. Other than the additional disclosures, the application of HKFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

Amendments to HKAS 1 Presentation of items of other comprehensive income

The Group has applied the amendments to HKAS 1 Presentation of Items of Other Comprehensive Income. Upon the adoption of the amendments to HKAS 1, the Group's 'statement of comprehensive income' is renamed as the 'statement of profit or loss and other comprehensive income' and the 'income statement' is renamed as the 'statement of profit or loss'. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. Furthermore, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis — the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to HKAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

4. TURNOVER, OTHER INCOME, OTHER GAINS/(LOSSES) AND SEGMENT INFORMATION

	2013	2012
	HK$'000	*HK$'000*
From continuing operations		
Turnover		
Fees and commission	**73,258**	82,594
Underwriting commission	**76,883**	9,694
Interest income	**10,576**	7,523
Management fee income	**4,577**	—
Net premium income from insurance broking	**397**	403
	165,691	100,214
Other income		
Loan interest income	**14,961**	11,835
Interest income from debt securities	**4,189**	—
Dividend income from listed securities	**320**	533
Others	**2,393**	2,243
	21,863	14,611
Other gains/(losses)		
Net exchange gains	**378**	262
Net gains on disposal of financial assets designated at fair value through profit or loss	**1,128**	142
Loss from change in fair value of financial assets classified as held-for-trading	**(500)**	—
Gain/(losses) from changes in fair value of financial assets designated at fair value through profit or loss	**2,200**	(4,192)
	3,206	(3,788)
	190,760	111,037
From discontinued operations		
Other income	**—**	4,000

Segment information

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

Continuing operations:

1. Corporate finance — provision of corporate finance and advisory services to companies listed or seeking listing in Hong Kong and other unlisted corporates.

2. Securities broking — provision of broking services in securities, equity linked products, unit trusts and stock options traded in Hong Kong and selected overseas markets, underwriting and margin financing services to those broking clients.

3. Commodities and futures broking — provision of broking services in commodities and futures contracts traded in Hong Kong and selected overseas markets.

4. Financial planning and insurance broking in Hong Kong — acting as an agent for the sale of savings plans, general and life insurance and other investment linked insurance products.

5. Asset management — provision of advisory and management services for private funds.

Discontinued operations:

1. Leveraged foreign exchange trading/broking in Hong Kong — provision of dealing and broking in leveraged forex trading services on the world's major currencies.

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

Segment assets include all tangible, intangible assets and current assets with the exception of interests in associates and a joint venture and other corporate assets. Segment liabilities include trade creditors, accruals and bank loans attributable to the operating activities of the individual segments.

The measure used for reporting segment results is earnings before finance costs and taxes ("EBIT"). To arrive at EBIT the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as share of profits or losses of associates and a joint venture and other head office or corporate administration costs or other income.

Segment information

Year ended 31st December 2013

	Continuing operations						Discontinued operations	
	Corporate finance *HK$'000*	Securities broking *HK$'000*	Commodities and futures broking *HK$'000*	Financial planning/ insurance broking in Hong Kong *HK$'000*	Asset management *HK$'000*	Sub-total *HK$'000*	Leveraged foreign exchange trading/ broking in Hong Kong *HK$'000*	Total *HK$'000*
Turnover	**23,694**	**115,132**	**6,984**	**4,112**	**2,786**	**152,708**	**—**	**152,708**
Turnover from associates *(note)*	**—**	**—**	**—**	**—**	**10,554**	**10,554**	**—**	**10,554**
Inter-segment turnover	**—**	**21**	**—**	**—**	**1,404**	**1,425**	**—**	**1,425**
Reportable segment turnover	**23,694**	**115,153**	**6,984**	**4,112**	**14,744**	**164,687**	**—**	**164,687**
Reportable segment results (EBIT)	**(1,911)**	**55,185**	**(2,616)**	**(1,911)**	**(3,772)**	**44,975**	**—**	**44,975**
Interest income from bank deposits	**14**	**2,624**	**—**	**—**	**1**	**2,639**	**—**	**2,639**
Interest expense	**—**	**(214)**	**—**	**—**	**—**	**(214)**	**—**	**(214)**
Depreciation for the year	**(67)**	**(737)**	**(137)**	**(3)**	**(4)**	**(948)**	**—**	**(948)**
Reportable segment assets	**20,952**	**356,913**	**49,872**	**2,506**	**25,795**	**456,038**	**—**	**456,038**
Additions to non-current segment assets during the year	**87**	**3,191**	**34**	**—**	**42**	**3,354**	**—**	**3,354**
Reportable segment liabilities	**1,883**	**176,631**	**39,331**	**1,049**	**9,022**	**227,916**	**—**	**227,916**

Year ended 31st December 2012

	Continuing operations						Discontinued operations	
	Corporate finance *HK$'000*	Securities broking *HK$'000*	Commodities and futures broking *HK$'000*	Financial planning/ insurance broking in Hong Kong *HK$'000*	Asset management *HK$'000*	Sub-total *HK$'000*	Leveraged foreign exchange trading/ broking in Hong Kong *HK$'000*	Total *HK$'000*
Turnover	34,820	41,408	7,430	4,358	1	88,017	—	88,017
Turnover from associates *(note)*	—	—	—	—	11,371	11,371	—	11,371
Reportable segment turnover	34,820	41,408	7,430	4,358	11,372	99,388	—	99,388
Reportable segment results (EBIT)	861	1,431	(2,828)	(2,044)	(1,886)	(4,466)	3,997	(469)
Interest income from bank deposits	18	64	—	—	1	83	—	83
Interest expense	—	(77)	(2)	—	—	(79)	—	(79)
Depreciation for the year	(123)	(732)	(177)	(4)	(3)	(1,039)	—	(1,039)
Reportable segment assets	22,154	259,920	58,823	3,738	5,573	350,208	69	350,277
Additions to non-current segment assets during the year	—	202	503	—	—	705	—	705
Reportable segment liabilities	3,638	112,956	49,371	2,250	1,146	169,361	60	169,421

Note: This represents service fee income received by the Group from associates.

Reconciliations of reportable turnover

	2013 HK$'000	2012 HK$'000
Turnover		
From continuing operations		
Reportable segment turnover	**164,687**	99,388
Elimination of inter-segment turnover	**(1,425)**	—
Unallocated head office and corporate turnover	**2,429**	826
Consolidated turnover	**165,691**	100,214

Reconciliations of reportable results

	2013 HK$'000	2012 HK$'000
Results		
From continuing operations		
Reportable segment profit/(loss) derived from Group's external customers	**44,975**	(4,466)
Share of profits of associates	**16,618**	8,764
Share of (loss)/profit of a joint venture	**(201)**	56
Finance costs	**(2,184)**	(312)
Unallocated head office and corporate income	**19,670**	2,463
	78,878	6,505
From discontinued operations		
Reportable segment profit derived from Group's external customers	**—**	3,997
Consolidated profit before taxation	**78,878**	10,502
Income tax	**(8,002)**	—
Profit for the year	**70,876**	10,502

Reconciliations of reportable assets and liabilities

	2013	2012
	HK$'000	*HK$'000*
Assets		
Reportable segment assets	**456,038**	350,277
Elimination of inter-segment receivables	**(2,597)**	(3,737)
	453,441	346,540
Interests in associates	**242,901**	221,154
Interest in a joint venture	**22,619**	21,604
Unallocated head office and corporate assets	**263,906**	193,191
Consolidated total assets	**982,867**	782,489
Liabilities		
Reportable segment liabilities	**227,916**	169,421
Elimination of inter-segment payables	**(7,986)**	(7,792)
	219,930	161,629
Unallocated head office and corporate liabilities	**81,281**	64,141
Consolidated total liabilities	**301,211**	225,770

Geographic information

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

	Turnover from external customers		**Specified non-current assets**	
	2013	2012	**2013**	2012
	HK'000	*HK'000*	***HK'000***	*HK'000*
Hong Kong	**162,993**	99,216	**81,331**	83,486
Mainland China	**2,698**	998	**190,157**	166,263
	165,691	100,214	**271,488**	249,749

Information about major customer

Turnover from customers contributing over 10% of the total sales of the Group are as follows:

	2013	2012
	HK$'000	*HK$'000*
Customer (ultimate holding company) from corporate finance and securities broking segments	**57,744**	—
Customer from corporate finance segment	**—**	13,328

5. INCOME TAX

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

No provision for Hong Kong Profits Tax has been made for the prior year as the Group's entities either sustained a loss for taxation purposes or their tax losses brought forward exceeded their estimated assessable profits for the prior year.

Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profits for the current year.

The amount of taxation charged to the consolidated statement of profit or loss:

	Continuing operations		Discontinued operations		Total	
	2013	2012	**2013**	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Current taxation						
— Hong Kong Profits Tax	**7,776**	—	**—**	—	**7,776**	—
— PRC Enterprise Income Tax	**226**	—	**—**	—	**226**	—
	8,002	—	**—**	—	**8,002**	—

6. DISCONTINUED OPERATIONS

During the year ended 31st December 2012, the Group has completed the cessation of providing leveraged foreign exchange trading services to its clients. The directors consider that the Group can utilize the resources saved from provision of leveraged foreign exchange trading business to develop the remaining businesses of the Group which the directors are of the view have higher business potential.

The results of the discontinued operations during the year ended 31st December 2012 are set out below.

		2012
	Note	*HK$'000*
Other income	4	4,000
Operating expenses		3
Operating profit		3,997
Finance costs		—
		3,997
Profit before taxation		3,997
Income tax	5	—
Profit for the year		3,997

The net cash flows from the discontinued operations during the year ended 31st December 2012 are as follows:

	2012
	HK$'000
Operating activities	(3)
Investing activities	—
Financing activities	—
Net cash outflow	(3)

7. DIVIDENDS

The directors do not recommend the payment of the final dividend for the year ended 31st December 2013 (2012: nil).

8. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share from continuing and discontinued operations is based on the profit attributable to equity holders of the Company of HK$68,254,000 (2012: HK$10,502,000) and the number of 641,205,600 ordinary shares (2012: 641,205,600 ordinary shares) in issue during the year, calculated as follows:

(i) Earnings attributable to equity holders of the Company

	2013	2012
	HK$000	*HK$000*
Earnings for the year from continuing operations	**68,254**	6,505
Earnings for the year from discontinued operations	**—**	3,997
Earnings for the year attributable to equity holders of the Company	**68,254**	10,502

(ii) Number of ordinary shares

	2013	2012
Issued ordinary shares at 1st January and at 31st December	**641,205,600**	641,205,600

(b) Diluted earnings per share

No diluted earnings per share was presented for both years because there were no potential dilutive ordinary shares outstanding during both the current and prior years.

9. INTERESTS IN ASSOCIATES AND A JOINT VENTURE

(a) Interests in associates

	2013 HK$'000	2012 HK$'000
Share of net assets at 1st January	**221,154**	212,698
Share of associates' results for the year	**16,618**	8,764
Share of associates' other comprehensive income for the year	**5,129**	(308)
	21,747	8,456
Share of net assets at 31st December	**242,901**	221,154

(b) Interest in a joint venture

	2013 HK$'000	2012 HK$'000
Share of net assets at 1st January	**21,604**	—
Investment in a joint venture	**—**	21,766
Share of a joint venture's results for the year	**(201)**	56
Share of a joint venture's other comprehensive income for the year	**1,216**	(218)
Share of net assets at 31st December	**22,619**	21,604

10. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	2013 HK$'000	2012 HK$'000
Equity securities listed in Hong Kong, at market value	**—**	7,040
Debt securities	**49,400**	—
	49,400	7,040

11. FINANCIAL INSTRUMENTS HELD-FOR-TRADING

	2013 HK$'000	2012 HK$'000
Derivatives-warrants	**22,500**	—

12. TRADE AND OTHER RECEIVABLES

	2013	2012
	HK$'000	*HK$'000*
Trade receivables	**346,018**	254,711
Other receivables	**9,010**	57,364
Total trade and other receivables	**355,028**	312,075

The carrying amounts of trade and other receivables approximate their fair value.

As at 31st December 2013, the aging analysis of trade receivables arising from corporate finance and underwriting services based on the date of invoice of the reporting date was as follows:

	2013	2012
	HK$'000	*HK$'000*
Current	**60,073**	1,704
30-60 days	**30**	40
	60,103	1,744

For those cash securities trading clients, it normally takes two to three days to settle after the trade date of those transactions. These outstanding unsettled trades due from clients are reported as trade receivables from clients.

The settlement terms of margin and other deposits from brokers and financial institutions are at specific agreed terms. The settlement terms of trade receivables from corporate finance clients are usually 30 days from the date of invoice.

The settlement terms of trade receivables from clearing houses are usually one to two days after the trade date.

The margin clients of the securities broking business are required to pledge their shares to the Group for credit facilities for securities trading. The amount of credit facilities granted to them is determined by the discounted value of shares acceptable by the Group after making reference to industry practices.

Credits are extended to brokerage clients on a case-by-case basis in accordance with the financial status of clients such as their financial conditions, trading records, business profile and collateral available to the Group. Clients trading in commodities and futures contracts and obtaining securities margin financing from the Group are required to observe the Group's margin policies. For commodities and futures contracts, initial margins are required before trading and thereafter clients are required to keep the equity position at a prescribed maintenance margin level.

13. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

	2013	2012
	HK$'000	*HK$'000*
Cash in hand	**32**	35
Bank balances		
— pledged	**15,052**	15,042
— general accounts	**91,432**	78,969
	106,484	94,011
	106,516	94,046

By maturity:

	2013	2012
Bank balances		
— current and savings accounts	**90,143**	78,969
— fixed deposits (maturing within three months)	**16,341**	15,042
	106,484	94,011

14. TRADE AND OTHER PAYABLES

	2013	2012
	HK$'000	*HK$'000*
Trade and other payables	**224,416**	165,770

The carrying amounts of trade and other payables approximate their fair value.

The settlement terms of payable to clearing houses and securities trading clients from the ordinary course of business of broking in securities range from one to two days after the trade date of those transactions. Margin deposits received from clients for their trading of commodities and futures contracts were payable on demand.

15. BANK LOAN

As at 31st December 2013 and 2012, the bank loan is repayable and carries interest with reference to HIBOR as follows:

	2013	2012
	HK$'000	*HK$'000*
Within 1 year (based on contractual terms)	**35,000**	60,000

At 31st December 2013, the bank loan of HK$35,000,000 (31st December 2012: HK$60,000,000) was drawn under a banking facility of the Company, amounting to HK$70,000,000. An intermediate holding company of the Company (the "Guarantor"), Well Kent International Investment Company Limited, provided a corporate guarantee to support this banking facility.

The banking facility is subject to the fulfilment of covenants relating to certain of the Guarantor's balance sheet ratios, as are commonly found in lending arrangements with financial institutions. If the Guarantor was to breach the covenants, the drawn down facility would become payable on demand.

The effective interest rate on the bank loan is also equal to the contracted interest rate.

MANAGEMENT DISCUSSION AND ANALYSIS

Overall Performance

In 2013, there was a positive turning point in major global economies. The economic performance in the first half of the year was underwhelming whilst more significant improvements appeared in the second half of the year. As a whole, the economy of the United States (the "US") grew in a steady pace, with unemployment rate fell from close to 10% in 2011 to 6.7% at the end of 2013. We also saw the rebound in housing price and improvement in consumer confidence. However, the Federal Reserve Bank has signaled a tapering on its bond purchase, led to general outflow of capital and depreciation of currencies in emerging markets. In Europe, the sovereign debt problems were seemed alleviated. European countries have already faced the worst of their sovereign debt crisis. Though they have not fully turned things around, there has been some growth in gross domestic products ("GDP") and unemployment was either reduced or stabilized across most countries on the continent. The recovery in the US and Europe led to a strong rebound in most of the stock markets in the Western economies. It was once said that the stock markets surpassed even the most bullish of predictions given the prevailing market sentiment at the beginning of the year.

China, though recorded a continued mild currency appreciation, suffered from a sharp slowdown in export. The market in the first half year was sluggish. However, after the implementation of a series of measures towards the opening up of the market, situation was improved. As a result, the economic reform and restructurings in China led to a soften GDP growth of 7.7%, although higher than the government target of 7.5%, it was the lowest since 2008.

Turning to the financial market, the Dow Jones Industrial Average (the "DJI") finished the year 2013 at 16,576 and recorded a 3,472 points or 26.5% gain which is the largest point gain in history and the best annual percentage gain since 1995 and led to a series of record closed. The news of tapering on the bond purchase also caused high volatility to the market as the biggest single-day point gain was 2.18% (up 323 points) and the biggest single-day point loss was 2.34% (down 353 points). As for the Hong Kong financial market, we experienced similar volatility during the year. The Hang Seng Index (the "HSI") closed at 23,306 points, representing a year-on-year growth of only 3%. It was however, a year of small caps as the MSCI China Small Caps Index went up by 16.2% during the year, by far larger than the HSI. Average daily market turnover for the whole year was $62.6 billion, an increase of 16% from the precedent year. The active trading in the market eventually created an atmosphere for the listing of new shares, especially in the last quarter of the year. There were 87 companies newly listed on the Main Board and 23 on Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "SEHK") during the year. The total capital raised, including post-listing funds was HK$374.3 billion.

During the year we continued the expansion in all the three core business areas under our robust risk management. The number of initial public offerings ("IPO") sponsored by the Group increased and was amongst the best in the market judging from the amount of resources devoted. The business of securities broking grew significantly not only because of our participation in the underwriting of the H shares of our parent company, China Cinda Asset Management Co., Ltd. ("China Cinda") in Hong Kong but also the IPOs sponsored by our corporate finance team helped the underwriting business to increase significantly. Moreover, the surge in the trading volume of our clients in the secondary market was more than the market increase as a result of the introduction of new marketing personnel. Our asset management segment established new funds during year and helped explore investment and financing opportunities to enhancing the return on the Group's own fund. As a result, the Group's turnover was substantially increased by 65% to HK$165.7 million (2012: HK$100.2 million). Other income and other gains totaled HK$25.1 million (2012: HK$10.8 million) represented mainly by the contribution from other investment and financing. On the expenses side, staff cost was still the mostly increased item because of both the high inflation and the distribution of performance related bonus in alliance with the improvement of business results. The resulted profit for the year was HK$70.9 million (2012: HK$10.5 million).

Corporate Finance

The corporate finance segment has successfully sponsored 5 IPOs during the year which is the highest in terms of number of IPOs sponsored by the Group since the establishment of the corporate finance business. One IPO recorded over subscription of 1,086 times in its public offering tranche which is also a record for the Group's IPOs. Apart from the sponsorship business, we also acted as financial advisor and compliance advisor for listed companies. As a result, turnover was HK$23.7 million (2012: HK$34.8 million), the decrease was due to the drop in financial advisory business. Result of this segment was loss amounted to HK$1.9 million (2012: profit HK$0.9 million).

Brokerage Business

The securities broking business was benefited from the general increase in the average daily market turnover. Though competition in the market was still fierce, we increased the number of marketing personnel and broadened our client base. Hence, the Group's turnover volume increased more than double compared to the precedent year, market share was also increased in the same pace. At the same time the margin loan portfolio was also enlarged. Apart from acting as a bookrunner in the listing of the H shares of China Cinda, brokerage and interest income generated from secondary market dealing, and underwriting commission income from acting as book runners of the IPOs sponsored by the corporate finance segment increased substantially. Turnover in this segment reported a stunning growth to HK$115.1 million (2012: HK$41.4 million). A recorded segment profit of HK$55.2 million (2012: HK$1.4 million) was crystallized.

Though the securities broking business was improved, the business in futures and commodities broking could not be benefited from the thriving environment. There was continuous downward pressure to the commission charged, both for local and overseas markets even though the commission was already at a very low level. However, the introduction of new products, the pursuing of speed on trading and clients' more sophisticated investment strategies created heavy burden on the brokers as high cost on information technology was envisaged. As a result, turnover in this segment recorded a slight setback to HK$7 million (2012: HK$7.4 million), a segment loss of HK$2.6 million was recorded (2012: loss HK$2.8 million).

The business of financial planning and insurance broking has been kept in the similar level as in the precedent year. The business was operating in the lowest cost feasible. Though this business segment cannot produce direct benefit to the Group, it helps provide all-round services to clients, especially in the retail sector. As a result, turnover amounted to HK$4.1 million (2012: HK$4.4 million) and a loss of HK$1.9 million (2012: loss HK$2 million) was resulted.

Asset Management

The business in asset management has continued to expand. During the year, the Group established a subsidiary in Fujian engaging in the management of a private equity fund investing in cultural, publicity and publishing business. The other minority shareholders are local prominent enterprises with strong background. Recruitment of funds has started in the second half of the year. In addition, the Group provided investment management services to a retail fund and another cultural fund, both are private equity funds. The Group has also invested its own fund into the retail fund as seed money. Investment of the two funds has been made to the target enterprises during the year.

The absolute return fund managed by an associated company posted moderate return in the year as a result of the improvement in the investment market. Hence, the associated company was benefited by the management fee and performance fee receivable. The joint venture in Xiamen has made certain investments using the fund it raised in the first tranche. As common in private equity investments, contribution from the fund could only be crystallized when the investments are matured which would take a considerable period of time. Sino Rock Investment, an associated company was still the main contributor among the associated companies. Apart from managing funds, the asset management team also identified alternate investment and financing opportunities to the Group. The Group hence could enhance the return on its financial resources as a whole. Such revenue was recorded as other income and gains of the Group. This segment recorded a turnover of HK$14.7 million (2012: HK$11.4 million) which was mainly derived from the advisory fee receivable from the associated company engaged in managing private funds and a loss of HK$3.8 million was incurred (2012: loss HK$1.9 million).

Financial Resources

The Group has maintained sound financial ability throughout the year. All the subsidiaries licensed by the Securities and Future Commission (the "SFC") have maintained more than sufficient the liquid capital required. In order to expand its business scale, the Group leveraged on bank borrowings to finance its working capital. A banking facility was secured under the corporate guarantee of our holding company. As at the end of the year, an amount of HK$35 million has been drawn. Furthermore, the Group resolved to issue a fixed rate medium term bond to investors to strengthen its medium term capital. As at the end of the year, bonds of HK$34 million were issued at its par value.

Fluctuation in Foreign Exchange

A significant portion of the Group's assets and liabilities are denominated in Hong Kong ("HK") Dollars and US Dollars to which HK Dollars are pledged. The Group only exposes to the fluctuation in the exchange rate of Renminbi ("RMB") because of its operation in China and certain financial asset denominated in RMB. Given the slow appreciation of RMB against HK Dollars, the foreign exchange risk is not eminent and hence hedging against the exchange rate will either be ineffective or very costly. Should the situation change otherwise, the Group will explore the hedging against such risk.

Remuneration and Human Resources Development

There has not been any significant change to the number of employees and its mix during the year. As at the end of the year, the Group employed 108 staff. Additional staff was recruited to meet the needs of business expansion. Employees are remunerated on fixed monthly salary plus discretionary bonus calculated with reference to both the result of the business in which they are engaged and their own performance. The Group also provides on-the-job training to its staff. The Group organized regulatory seminars for the staff and account executives to attend as part of the continuing professional training. Education allowance is available to all staff members to attend courses approved by the Group. The Group recognizes the business it operates depends on the strength of its human resources and ensures that appropriate remuneration packages are provided to its staff to retain high caliber individuals.

The staff remuneration committee comprising the top management and the head of human resources regularly reviews the remuneration policy of the Group and decides on the remuneration package of each individual staff. The remuneration packages of the executive directors are decided by the Group's Remuneration Committee which comprises a majority of independent non-executive directors.

Contingent Liabilities

The Group only provides corporate guarantees to its subsidiaries to secure banking facilities for utilization of the subsidiaries. As at the end of the year, it is unlikely that any material claims would arise. Outstanding litigation cases are reviewed on its merits on a case-by-case basis together with the indemnity the Group secured. Should any case embody economic outflow the Group will be consider to make impairment.

Looking Forward

The US economy is not off to a great start in 2014, but since the outbreak of the financial tsunami, US underwent structural reform and technology innovation in different aspects, its economy has obviously recovered. US Federal officials are optimistic in the economic growth in 2014. The cutting back on the amount of money pumping into the economy through monthly bond purchases has been fully anticipated in the market. The DJI and Standard and Poor's 500 Index continued to close at record high in the first two months of 2014. However, the rising tensions in Ukraine caused sudden falls in the investment markets. Overall, the outlook on the US economy is still positive. The European Commission also foresees a continuation of the economic recovery in most of its member states. The governmental deficits are projected to fall after the fiscal consolidation. Investment in the area is expected to increase.

For China, it is generally believed that long term outlook is solid but there are short term challenges. Environmental concerns are one major issue. Credit is becoming tight as fear to the debts of local government emerges and the monitoring and supervision of shadow banking becomes imminent. It is generally believed that the economic growth of China will gradually decelerate in the coming years. However, given its enormous economic scale and the level of sovereign debt is still low, it is believed that the financial risk is still at a controllable level. Top Chinese officials conceded that the target GDP growth of 7.5% in 2014 is flexible and more effort will be spent on improving the quality of the GDP and livelihood and employment of the people. The investment market will be vulnerable and high volatility is expected. In conclusion, the outlook of 2014 is optimistic with cautions.

Turning to the Group, our parent company, China Cinda has listed its H shares in the SEHK in 2013 and raised approximately HK$19 billion to strengthen its capital base. It is expected that the listing will enhance the momentum of its development. Leveraged on its relationship with China Cinda, it is expected that the synergy between the Group and China Cinda could be further increased. The Group could provide a wide range of services to the China Cinda group of companies.

The Group is dedicated to continue to expand in the three core business areas. For corporate finance business we strive to sponsor IPO for companies having larger business scale to help raise a larger size of fund. Moreover, if a suitable window is caught, market may accept a higher price-to-earnings ratio for the IPO. Hence, revenue could be increased. The securities broking business will continue to absorb teams of brokers in the market to broaden its client base so that the client mix could also be diversified. Scope of services will be widened to cover more stock markets and products. In addition, the co-operation between corporate finance and securities broking will be closer so that contribution in underwriting commission could be increased. For the asset management business, we will endeavor to set up more funds focusing in different industries. As mentioned, the Group has its niche to explore alternate investment opportunities which are unique through synergy with China Cinda. Part of our funding will be invested as seed money into the funds should there are suitable chances. Apart from the above, the Group will explore new business opportunities in different areas in the broad and deep financial world. In the end, the Group is devoted to enhance the shareholders' value as a whole through different means. The Group expects to deliver good return to the shareholders in the future.

FINAL DIVIDEND

The board of directors (the "Directors") of the Company (the "Board") do not recommend the payment of a final dividend for the year ended 31st December 2013 (2012: nil).

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31st December 2013 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu 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 Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the year ended 31st December 2013. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year ended 31st December 2013.

CORPORATE GOVERNANCE

The Company is committed to achieving and maintaining high standards of corporate governance and has established policies and procedures for compliance with the principles and code provisions set out from time to time in the Rules Governing the Listing of Securities on SEHK ("Listing Rules") under Appendix 14 (the Corporate Governance Code and Corporate Governance Report ("CG Code")).

Throughout the financial year 2013, the Group has complied with all the code provisions set out in the CG Code save for the deviations from code provisions specified below:

- Provision A.1.1 of the CG Code, the board should meet regularly and board meetings should be held at least four times a year at approximately quarterly intervals. During the year, a total of three regular meetings of the Board were held in the first quarter, third quarter and the fourth quarter respectively and another two Board meetings were held in May and October 2013 to deal with matters arisen. The Board considers that the three regular meetings were sufficient to deal with matters of the Company. In addition, apart from the physical meetings, consent of Directors on issues was also sought through circulating written resolutions.

For the three regular Board meetings held during the year, all the Directors at the relevant time were present at the meetings.

- Provision A.6.7 of the CG Code, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Mr. Wang Tongsan and Mr. Chen Gongmeng, the independent non-executive Directors, were unable to attend the extraordinary general meeting of the Company held on 25th November 2013 as they have other engagements.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its code of conduct for directors' dealing in its shares. All Directors confirmed that they had complied with the required standards at all times throughout the year ended 31st December 2013.

AUDIT COMMITTEE

The Audit Committee has reviewed the internal controls and financial reporting matters of the Group together with a review of the annual results for the year ended 31st December 2013.

PUBLICATION OF RESULT AND ANNUAL REPORT

This announcement is published on the website of the SEHK at http://www.hkex.com.hk and the Company's website at http://www.cinda.com.hk. The 2013 annual report of the Company will be published on the same websites and dispatched to the shareholders of the Company in due course.

By Order of the Board
Cinda International Holdings Limited
Chen Xiaozhou
Chairman

Hong Kong, 27th March 2014

As at the date hereof, the Board comprises:

Executive Directors:	Mr. Chen Xiaozhou	*(Chairman)*
	Mr. Gao Guanjiang	*(Deputy Chairman)*
	Mr. Zhao Hongwei	*(Managing Director)*
	Mr. Gong Zhijian	
	Mr. Lau Mun Chung	
Non-executive Director:	Mr. Chow Kwok Wai	
Independent Non-executive Directors:	Mr. Wang Tongsan	
	Mr. Chen Gongmeng	
	Mr. Hung Muk Ming	

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