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## GUOTAI JUNAN INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1788)

### ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The board of directors (the “Board”) of Guotai Junan International Holdings Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2024 together with its comparative figures for the immediate preceding financial year as follows:

#### FINANCIAL HIGHLIGHTS

	2024	2023	Change
<b>Results</b>			
Revenue (HK\$'000)	<b>4,421,609</b>	3,217,372	37%
– Commission and fee income	<b>871,755</b>	689,574	26%
– Interest income	<b>2,314,006</b>	1,810,154	28%
– Net trading and investments income	<b>1,235,848</b>	717,644	72%
Profit attributable to ordinary equity holders (HK\$'000)	<b>347,783</b>	201,261	73%
Dividend (HK\$'000)	<b>305,260*</b>	191,078	60%
Payout ratio	<b>88%</b>	95%	(7p.p)
Return on equity	<b>2.3%</b>	1.4%	0.9p.p
<b>Per share</b>			
Basic earnings per share (HK cents)	<b>3.6</b>	2.1	71%
Diluted earnings per share (HK cents)	<b>3.6</b>	2.1	71%
Dividend per share (HK cents)	<b>3.2</b>	2.0	60%
<b>Financial position</b>			
Total assets (HK\$'000)	<b>130,173,149</b>	107,535,153	21%
Shareholders' equity (HK\$'000)	<b>14,914,657</b>	14,839,473	0.5%
Number of issued shares	<b>9,539,503,707</b>	9,553,994,707	(0.2%)
Equity per ordinary share (HK\$)	<b>1.56</b>	1.55	0.7%

\* It was calculated based on 9,539,503,707 shares of the Company in issue less 2,954,000 repurchased shares of the Company but not yet cancelled as at 31 December 2024. If excluding 500,000 shares of the Company repurchased in January 2025, the dividend amount will be HK\$305,250,000.

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

*For the year ended 31 December 2024*

	<i>Notes</i>	<b>2024</b>	2023
		<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Revenue	4	4,421,609	3,217,372
Other income		<u>5,428</u>	<u>12,722</u>
Revenue and other income		4,427,037	3,230,094
Staff costs	5	(794,802)	(781,340)
Commission to account executives		(167,540)	(122,538)
Depreciation		(82,028)	(85,352)
Net impairment charge		(26,271)	(59,490)
Other operating expenses		<u>(559,658)</u>	<u>(494,952)</u>
Operating profit		2,796,738	1,686,422
Finance costs	6	<u>(2,430,107)</u>	<u>(1,495,006)</u>
Profit before tax	7	366,631	191,416
Income tax (expense)/credit	8	<u>(15,934)</u>	<u>14,689</u>
<b>Profit for the year</b>		<b>350,697</b>	<b>206,105</b>
<b>Other comprehensive income for the year, net of tax</b>			
Items that may be reclassified subsequently to profit and loss:			
– Investments at fair value through other comprehensive income		(50,461)	4,741
– Exchange difference on translation of foreign exchange		<u>(29,008)</u>	<u>5,750</u>
		(79,469)	10,491
Item that will not be reclassified to profit and loss:			
– Investments at fair value through other comprehensive income		25,438	9,284
<b>Total comprehensive income for the year</b>		<b><u>296,666</u></b>	<b><u>225,880</u></b>
<b>Profit for the year attributable to:</b>			
Owners of the Company		347,783	201,261
Non-controlling interests		<u>2,914</u>	<u>4,844</u>
		<b><u>350,697</u></b>	<b><u>206,105</u></b>
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the Company		300,067	223,852
Non-controlling interests		<u>(3,401)</u>	<u>2,028</u>
		<b><u>296,666</u></b>	<b><u>225,880</u></b>
<b>Earnings per share attributable to ordinary equity holders of the parent</b>			
– Basic (in HK cents)	10(a)	<u>3.6</u>	<u>2.1</u>
– Diluted (in HK cents)	10(b)	<u>3.6</u>	<u>2.1</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		456,612	433,910
Goodwill and other intangible assets		22,886	22,886
Other assets		17,932	18,961
Deferred tax assets		275,846	277,892
Derivative financial instruments		244,946	323,154
Financial assets at fair value through profit or loss		5,602,967	16,645,948
– Financial assets held for trading and investments		1,238,747	1,825,052
– Financial products		4,364,220	14,820,896
<b>Total non-current assets</b>		<b>6,621,189</b>	<b>17,722,751</b>
<b>Current assets</b>			
Loans and advances to customers	<i>11</i>	7,746,401	5,761,594
Accounts receivable	<i>12</i>	11,096,370	8,391,475
Prepayments, deposits and other receivables		218,937	219,685
Financial assets at fair value through profit or loss		64,722,825	51,413,001
– Financial assets held for trading and investments		28,833,169	17,698,760
– Financial products		35,889,656	33,714,241
Financial assets at fair value through other comprehensive income		8,985,272	446,604
Derivative financial instruments		1,511,594	1,612,106
Receivable from reverse repurchase agreements		9,982,509	739,579
Tax recoverable		29,821	70,525
Client trust bank balances		12,054,082	13,750,018
Cash and cash equivalents		7,204,149	7,407,815
<b>Total current assets</b>		<b>123,551,960</b>	<b>89,812,402</b>

		2024	2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Current liabilities</b>			
Accounts payable	13	(19,714,804)	(18,048,359)
Other payables and accrued liabilities		(809,290)	(654,141)
Derivative financial instruments		(1,747,753)	(1,396,383)
Interest bearing borrowings	14	(5,935,911)	(9,935,696)
Debt securities in issue		(41,244,641)	(31,427,498)
– At amortised cost		(7,463,994)	(2,808,810)
– Designated at fair value through profit or loss		(33,780,647)	(28,618,688)
Financial liabilities at fair value through profit or loss		(3,122,085)	(2,432,272)
Obligations under repurchase agreements		(35,113,555)	(14,027,595)
Tax payable		(4,516)	(4,574)
<b>Total current liabilities</b>		<u>(107,692,555)</u>	<u>(77,926,518)</u>
<b>Net current assets</b>		<u>15,859,405</u>	<u>11,885,884</u>
<b>Total assets less current liabilities</b>		<u><u>22,480,594</u></u>	<u><u>29,608,635</u></u>
<b>Non-current liabilities</b>			
Deferred tax liabilities		(9,015)	(9,506)
Interest bearing borrowings	14	(20,889)	(3,725)
Derivative financial instruments		(310,376)	(297,192)
Debt securities in issue		(7,113,611)	(14,336,214)
– At amortised cost		(3,125,610)	(3,144,937)
– Designated at fair value through profit or loss		(3,988,001)	(11,191,277)
<b>Total non-current liabilities</b>		<u>(7,453,891)</u>	<u>(14,646,637)</u>
<b>Net assets</b>		<u><u>15,026,703</u></u>	<u><u>14,961,998</u></u>

	<b>2024</b>	2023
<i>Notes</i>	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
<b>Equity</b>		
Share capital	<b>10,911,163</b>	10,911,163
Other reserve	<b>(1,236,460)</b>	(1,236,460)
Currency translation reserve	<b>(17,451)</b>	5,242
Share-based compensation reserve	<b>13,083</b>	19,432
Investment revaluation reserve	<b>(24,923)</b>	4,893
Retained profits	<b>5,269,245</b>	5,135,203
	<hr/>	<hr/>
Equity attributable to holders of the ordinary shares	<b>14,914,657</b>	14,839,473
Non-controlling interests	<b>112,046</b>	122,525
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<b>Total equity</b>	<b>15,026,703</b>	14,961,998
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## NOTES TO FINANCIAL INFORMATION

### 1. GENERAL INFORMATION

The Company was incorporated on 8 March 2010 in Hong Kong with limited liability under the Hong Kong Companies Ordinance and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 8 July 2010. The registered office address of the Company is 27th Floor, Low Block, Grand Millennium Plaza, 181 Queen’s Road Central, Hong Kong. The Company is an investment holding company and its subsidiaries are principally engaged in brokerage, corporate finance, asset management, loans and financing, financial products, market making and investments.

The Company’s immediate holding company and ultimate holding company are Guotai Junan Financial Holdings Limited incorporated in Hong Kong and Guotai Junan Securities Company Limited incorporated in the People’s Republic of China, respectively.

The financial information relating to the years end 31 December 2024 and 2023 included in this announcement of annual results does not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those financial statements.

Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance and will deliver the financial statements for the year ended 31 December 2024 in due course.

The Company’s auditor has reported on the financial statements of the Group for both years. The auditor’s reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

The financial information is presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise stated.

The financial information was approved by the Board for issue on 26 March 2025.

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

This financial information has been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all applicable HKFRSs, 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 Hong Kong Companies Ordinance and the rules governing the listing of securities on the Stock Exchange of Hong Kong Limited. They have been prepared under the historical cost convention, except for financial assets and financial liabilities at fair value through profit or loss, debt securities in issue designated at fair value through profit or loss, financial assets at fair value through other comprehensive income and derivative financial instruments which have been measured at fair value. Certain comparative figures have been reclassified to conform to current year’s presentation.

### Changes in accounting policies

The HKICPA has issued a number of amendments to HKFRS that are first effective for the current accounting period of the Group.

- Amendments to HKAS 1, Presentation of financial statements – Classification of liabilities as current or non-current (“2020 amendments”) and amendments to HKAS 1, Presentation of financial statements – Non-current liabilities with covenants (“2022 amendments”)
- Amendments to HKFRS 16, Leases – Lease liability in a sale and leaseback
- Amendments to HKAS 7, Statement of cash flows and HKFRS 7, Financial instruments: Disclosures – Supplier finance arrangements

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

### **Amendments to HKAS 1, Presentation of financial statements (the 2020 and 2022 amendments, collectively the “HKAS 1 amendments”)**

The HKAS 1 amendments impact the classification of a liability as current or non-current, and have been applied retrospectively as a package.

The 2020 amendments primarily clarify the classification of a liability that can be settled in its own equity instruments. If the terms of a liability could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instruments and that conversion option is accounted for as an equity instrument, these terms do not affect the classification of the liability as current or non-current. Otherwise, the transfer of equity instruments would constitute settlement of the liability and impact classification.

The 2022 amendments specify that conditions with which an entity must comply after the reporting date do not affect the classification of a liability as current or non-current. However, the entity is required to disclose information about non-current liabilities subject to such conditions.

Upon the adoption of the amendments, the Group has reassessed the classification of its liabilities as current or non-current and did not identify any reclassification to be made.

### **Amendments to HKFRS 16, Leases – Lease liability in a sale and leaseback**

The amendments clarify how an entity accounts for a sale and leaseback after the date of the transaction. The amendments require the seller-lessee to apply the general requirements for subsequent accounting of the lease liability in such a way that it does not recognize any gain or loss relating to the right of use it retains. A seller-lessee is required to apply the amendments retrospectively to sale and leaseback transactions entered into after the date of initial application. The amendments do not have a material impact on these financial statements as the Group has not entered into any sale and leaseback transactions.

### **Amendments to HKAS 7, Statement of cash flows and HKFRS 7, Financial instruments: disclosures – Supplier finance arrangements**

The amendments introduce new disclosure requirements to enhance transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments do not have any impact on the Group's financial statements.

## **3. OPERATING SEGMENT INFORMATION**

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's senior executive management and in accordance with HKFRSs. The Group's operating businesses are structured and managed separately according to the nature of their operations and the services they provide. Each of the Group's operating segments represents a strategic business unit that offers services which are subject to risks and returns that are different from those of the other operating segments.

In preparing the segment information for the year ended 31 December 2024, the executive directors considered that the business relating to wealth management, institutional investor services, corporate finance services, investment management are separate reportable segments.

Details of each of the operating segments are as follows:

- (a) wealth management provides comprehensive financial services and solutions to individual investors, small to medium-sized businesses and family office including: brokerage, loans (mainly margin financing) and financing and other wealth management services;
- (b) institutional investor services provide market making, investments, structured product solutions, financing and other services to corporations, governments and financial institutions, and also include Group investments to support the above services;
- (c) corporate finance services provide advisory services, placing and underwriting services of debts and equity securities;
- (d) investment management provides asset management and fund management services to institutions and individuals, and also includes investment in funds, debts and equity securities; and
- (e) "others" mainly represents rental income and the provision of information channel services.

Inter-segment transactions, if any, are conducted with reference to the prices charged to third parties.



The segment results of the Group for the years ended 31 December 2024 and 2023 are as follows:

**For the year ended 31 December 2024**

	<b>Wealth Management HK\$'000</b>	<b>Institutional Investor Services HK\$'000</b>	<b>Corporate Finance Services HK\$'000</b>	<b>Investment Management HK\$'000</b>	<b>Others HK\$'000</b>	<b>Total HK\$'000</b>
Segment revenue and other income:						
Commission and fee income	439,410	86,378	318,628	27,339	–	871,755
Interest income	1,422,116	876,355	–	15,535	–	2,314,006
Net trading and investment income	57,021	957,953	–	220,874	–	1,235,848
Other income	–	–	–	–	5,428	5,428
<b>Total</b>	<b><u>1,918,547</u></b>	<b><u>1,920,686</u></b>	<b><u>318,628</u></b>	<b><u>263,748</u></b>	<b><u>5,428</u></b>	<b><u>4,427,037</u></b>
Profit/(loss) before taxation	173,073	378,652	44,458	(229,552)	–	366,631
Income tax expense						<u>(15,934)</u>
Profit for the year						<b><u>350,697</u></b>
Other segment information:						
Net impairment charge on loans and advances to customers	12,198	–	–	–	–	12,198
Net impairment charge/ (reversal) on accounts receivable	2,471	3,987	(96)	9	–	6,371
Net impairment charge/ (reversal) on other financial assets	(335)	(194)	–	23	–	(506)
Net impairment charge on financial assets at fair value through other comprehensive income	–	–	–	8,208	–	8,208
Depreciation	59,712	8,311	5,672	8,333	–	82,028
Finance costs	<u>1,074,275</u>	<u>979,162</u>	<u>–</u>	<u>376,670</u>	<u>–</u>	<u>2,430,107</u>

For the year ended 31 December 2023

	Wealth Management <i>HK\$'000</i>	Institutional Investor Services <i>HK\$'000</i>	Corporate Finance Services <i>HK\$'000</i>	Investment Management <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue and other income:						
Commission and fee income	387,449	93,916	197,690	10,519	–	689,574
Interest income	1,434,570	370,943	–	4,641	–	1,810,154
Net trading and investment income	33,891	545,552	–	138,201	–	717,644
Other income	–	–	–	–	12,722	12,722
Total	<u>1,855,910</u>	<u>1,010,411</u>	<u>197,690</u>	<u>153,361</u>	<u>12,722</u>	<u>3,230,094</u>
Profit/(loss) before taxation	398,480	251,590	(237,193)	(221,461)	–	191,416
Income tax credit						<u>14,689</u>
Profit for the year						<u>206,105</u>
Other segment information:						
Net impairment charge on loans and advances to customers	23,984	–	–	–	–	23,984
Net impairment charge on accounts receivable	561	460	34,785	797	–	36,603
Net impairment charge/ (reversal) on other financial assets	(1,800)	(387)	427	152	–	(1,608)
Net impairment charge on financial assets at fair value through other comprehensive income	–	–	–	511	–	511
Depreciation	64,223	5,759	6,649	8,721	–	85,352
Finance costs	<u>899,752</u>	<u>420,133</u>	<u>–</u>	<u>175,121</u>	<u>–</u>	<u>1,495,006</u>

#### 4. REVENUE

The Group's revenue is disaggregated as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Commission and fee income <sup>(Note (1))</sup>		
Brokerage <sup>(Note (3))</sup>	512,295	436,777
Corporate finance		
Placing, underwriting and sub-underwriting commission <sup>(Note (3))</sup>	255,129	141,754
Consultancy and financial advisory fee income <sup>(Note (4))</sup>	47,930	45,213
Asset management fee and performance fee income <sup>(Note (4))</sup>	21,717	10,606
Handling income on financial products <sup>(Note (3))</sup>	34,684	55,224
	<u>871,755</u>	<u>689,574</u>
	-----	-----
Interest income <sup>(Note (2))</sup>		
Interest income from customers <sup>(Note (5))</sup>	476,189	452,244
Interest income from banks <sup>(Note (5))</sup>	1,006,883	1,026,468
Interest income from other financial institutions <sup>(Note (5))</sup>	278,221	139,607
Interest income from fixed income securities	552,713	191,835
	<u>2,314,006</u>	<u>1,810,154</u>
	-----	-----
Net trading and investment income <sup>(Note (2))</sup>		
Net trading income/(loss) from fixed income securities, unconsolidated investment funds, derivative and equity investments	324,225	(42,501)
Net income from financial products	911,623	760,145
	<u>1,235,848</u>	<u>717,644</u>
	-----	-----
	<u><u>4,421,609</u></u>	<u><u>3,217,372</u></u>

*Note (1)* Revenue arising from customer contracts under HKFRS 15

*Note (2)* Revenue arising from other sources

*Note (3)* Commission and fee income arising from 1) brokerage, 2) placing, underwriting and sub-underwriting commission, 3) handling income on financial products are recognized at a point in time

*Note (4)* Commission and fee income arising from 1) consultancy and financial advisory fee income, 2) asset management fee and performance fee income are recognized over time

*Note (5)* Interest income from customers, banks and other financial institutions are calculated using effective interest method

## 5. STAFF COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Staff costs (including directors' remuneration):		
Salaries, bonuses and allowances	781,457	768,002
Pension scheme contributions	13,345	13,338
	<u>794,802</u>	<u>781,340</u>

## 6. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Bank borrowings and overdrafts	633,006	572,163
Debt securities in issue	389,063	356,775
Securities borrowing and lending	2,747	2,511
Repurchase agreements	1,223,132	404,175
Lease liabilities	1,564	1,167
Accounts payable to clients	38,981	58,466
Others	29,756	13,876
	<u>2,318,249</u>	<u>1,409,133</u>
Sub-total (calculated using effective interest method)	----- 2,318,249	----- 1,409,133
Financial liabilities at fair value through profit or loss	<u>111,858</u>	<u>85,873</u>
	<u>2,430,107</u>	<u>1,495,006</u>

## 7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Auditor's remuneration		
(i) audit services	4,378	3,788
(ii) interim review	1,010	1,000
(iii) compliance and other consultancy services	658	1,747
Other commission expenses	47,369	29,551
Information service expenses	49,529	48,398
Marketing, advertising and promotion expenses	4,525	4,361
Professional and consultancy fee	95,607	90,309
Repair and maintenance (including system maintenance)	100,593	84,365
Net impairment charge on loans and advances to customers	12,198	23,984
Net impairment charge on accounts receivable	6,371	37,030
Net impairment reversal on other financial assets	(506)	(2,035)
Net impairment charge on financial assets at fair value through other comprehensive income	<u>8,208</u>	<u>511</u>

## 8. INCOME TAX EXPENSE/(CREDIT)

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the year.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current – Hong Kong		
– Charge for the year	19,712	27,520
– Over-provision in prior years	(1,159)	(7,124)
Deferred	<u>(2,619)</u>	<u>(35,085)</u>
Total tax expense/(credit)	<u><u>15,934</u></u>	<u><u>(14,689)</u></u>

## 9. DIVIDENDS

	2024 <i>HK\$'000</i>
2024 interim dividend, paid – HK\$0.012 per ordinary share	114,529
2024 final dividend, proposed after the end of the reporting period – HK\$0.02 per ordinary share	<u>190,731</u>
	<u><u>305,260</u></u>
	2023 <i>HK\$'000</i>
2023 interim dividend, paid – HK\$0.01 per ordinary share	95,539
2023 final dividend, paid – HK\$0.01 per ordinary share	<u>95,539</u>
	<u><u>191,078</u></u>

The 2024 interim dividend paid during the year were adjusted to exclude the dividend for the shares bought back by the Company before ex-dividend date amounting to HK\$47,000.

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting and has not been recognised as a liability at the end of the reporting period.

## 10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

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

### (a) Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December 2024 is based on the profit attributable to ordinary equity holders of the Company of HK\$347,783,000 (2023: HK\$201,261,000) and the weighted average number of ordinary shares in issue of 9,548,061,374 (2023: 9,553,994,707) during the year.

**(b) Diluted earnings per share**

The calculation of diluted earnings per share is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares outstanding to assume conversion of all dilutive ordinary shares.

No adjustment has been made to the basic earnings per share amounts presented for the year ended 31 December 2024 and 31 December 2023 in respect of dilution as the impact of the share option outstanding had an anti-dilutive effect on the basic earnings per share amount presented.

**11. LOANS AND ADVANCES TO CUSTOMERS**

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Margin loans	9,628,032	7,631,029
Term loans to customers	235,365	235,365
Less: impairment provision	<u>(2,116,996)</u>	<u>(2,104,800)</u>
	<u><u>7,746,401</u></u>	<u><u>5,761,594</u></u>

The movements in the ECL allowance on loans and advances to customers are as follows:

	12-month ECL (Stage 1) <i>HK\$'000</i>	Lifetime ECL not-credit- impaired (Stage 2) <i>HK\$'000</i>	Lifetime ECL credit-impaired (Stage 3) <i>HK\$'000</i>	Total <i>HK\$'000</i>
ECL allowance as at				
1 January 2023	(3,296)	–	(2,193,940)	(2,197,236)
New assets originated or purchased	–	(75)	(1,195)	(1,270)
Assets derecognised or repaid	–	–	117,433	117,433
Changes to risk parameters	2,149	–	(24,661)	(22,512)
Changes arising from transfer of stage	<u>–</u>	<u>(915)</u>	<u>(300)</u>	<u>(1,215)</u>
ECL allowance as at				
31 December 2023 and				
1 January 2024	(1,147)	(990)	(2,102,663)	(2,104,800)
New assets originated or purchased	(3)	(661)	(627)	(1,291)
Assets derecognised or repaid	–	216	10	226
Changes to risk parameters	(395)	131	3,942	3,678
Changes arising from transfer of stage	<u>60</u>	<u>(11,414)</u>	<u>(3,455)</u>	<u>(14,809)</u>
ECL allowance as at				
31 December 2024	<u><u>(1,485)</u></u>	<u><u>(12,718)</u></u>	<u><u>(2,102,793)</u></u>	<u><u>(2,116,996)</u></u>

There were no loans and advances to customers which have been written off but were still subject to enforcement activity at 31 December 2024 and 2023.

## 12. ACCOUNTS RECEIVABLE

The carrying values of accounts receivable arising from the course of business of the Group are as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Accounts receivable arising from brokerage		
– cash and custodian clients	558,174	15,378
– the Stock Exchange and other clearing houses	2,296,273	1,135,430
– brokers and dealers	7,052,717	6,660,076
Accounts receivable arising from securities borrowing and lending		
– brokers and dealers	1,098,216	149,641
Accounts receivable arising from corporate finance, asset management, financial products, market making and investments		
– corporate clients, investment funds and others	<u>167,080</u>	<u>500,826</u>
	11,172,460	8,461,351
Less: impairment provision	<u>(76,090)</u>	<u>(69,876)</u>
	<u><u>11,096,370</u></u>	<u><u>8,391,475</u></u>

The movements in the impairment provision on accounts receivable are as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 January	69,876	32,756
Impairment provision charged to profit or loss during the year	7,360	37,426
Impairment provision reversed during the year	(989)	(396)
Exchange difference	<u>(157)</u>	<u>90</u>
At 31 December	<u><u>76,090</u></u>	<u><u>69,876</u></u>

There were no accounts receivable which have been written off but were still subject to enforcement activity at 31 December 2024 and 2023.

Accounts receivable from cash and custodian clients represent unsettled client trades on various securities exchanges transacted on the last two to three business days prior to the end of the reporting year. When the cash and custodian clients fail to settle on the settlement date, the Group has the rights to force-sell the collateral underlying the securities transactions. The collateral held against these receivables is publicly traded securities. The impairment provision is made after taking into consideration the recoverability from the collateral. No ageing analysis is disclosed as, in the opinion of the directors, an ageing analysis does not give additional value in view of the nature of these accounts receivable.

For accounts receivable from the Stock Exchange and other clearing houses, brokers and dealers, and insurance brokerage, no ageing analysis is disclosed as, in the opinion of the directors, an ageing analysis does not give additional value in view of the nature of these accounts receivable. There was no transfer of ECL allowance to different stages, and all of them are classified as Stage 1 under the ECL model during the year ended 31 December 2024 and 2023.

Ageing analysis of the accounts receivables arising from corporate finances, asset management, financial products, market making and investments at the date of consolidated statement of financial position based on past due date is as follows:

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Not yet past due	74,838	433,356
Past due less than 1 month	22,651	83
Past due between 1 to 3 months	5,551	1,687
Past due over 3 months*	<u>64,040</u>	<u>65,700</u>
Total	<u><u>167,080</u></u>	<u><u>500,826</u></u>

\* After ECL allowance, the amount was HK\$1,244,000 (2023: HK\$2,960,000).

### 13. ACCOUNTS PAYABLE

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Accounts payable arising from brokerage		
– clients	13,429,990	11,987,595
– brokers and dealers	4,544,838	4,524,821
– the Stock Exchange and other clearing houses	802,238	318,581
Accounts payable arising from securities borrowing and lending	49,618	6,025
Accounts payable arising from corporate finance, asset management, financial products, market making, investments and others	<u>888,120</u>	<u>1,221,337</u>
	<u><u>19,714,804</u></u>	<u><u>18,048,359</u></u>

The majority of the accounts payable are repayable on demand except for certain accounts payable to clients which represent margin deposits received from clients for their trading activities in the normal course of business. Only the excess amounts over the required margin deposits stipulated are repayable on demand.

The Group has a practice to satisfy all the requests for payment within one business day. No ageing analysis is disclosed as, in the opinion of the directors, the ageing analysis does not give additional value in view of the nature of these businesses.



#### 14. INTEREST BEARING BORROWINGS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current:		
Lease liabilities	20,889	3,725
Current:		
Lease liabilities	35,378	17,597
Unsecured bank borrowings	5,900,533	9,918,099
	<u>5,935,911</u>	<u>9,935,696</u>
Total interest bearing borrowings	<u>5,956,800</u>	<u>9,939,421</u>

#### 15. CAPITAL COMMITMENTS AND OTHER COMMITMENTS

##### Capital commitments

The Group had capital commitments for system upgrade and renovation of premises of approximately HK\$6,445,000 which were contracted but not provided for as at 31 December 2024 (2023: HK\$11,614,000).

##### Other commitments

The Group undertakes underwriting obligations on placing, IPO, takeover and merger activities and financial obligations to loan facilities granted to customers. As at 31 December 2024, there was no underwriting obligation (2023: Nil).

#### 16. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, Guotai Junan Securities (Hong Kong) Limited, a wholly owned subsidiary of the Company, completed the subscription of 35,350,000 right issue shares in Guotai Junan Securities (Vietnam) Corporation, a subsidiary of Guotai Junan Securities (Hong Kong) Limited and a company listed on the Hanoi Stock Exchange (the "Share Subscription"). The total consideration for these shares was VND 392,685,000,000 (approximately equivalent to HK\$120,000,000). Guotai Junan Securities (Hong Kong) Limited's shareholding in Guotai Junan Securities (Vietnam) Corporation has been increased from 50.97% to 67.38%.

In addition, references are made to (1) the joint announcement dated 9 October 2024 issued by Guotai Junan Securities Co., Ltd., the ultimate holding company of the Company, and Haitong Securities Co., Ltd regarding a proposed merger by way of absorption and a share exchange by Guotai Junan Securities Co., Ltd. (the "Proposed Merger"); and (2) the announcement dated 14 March 2025 issued by Guotai Junan Securities Co., Ltd. on the completion of the Proposed Merger. As at the date of the announcement, the Company considers it is not practical to assess the potential impact, if any, of the Proposed Merger on the Group. The Company will continue monitoring the situation and, where there is any material update on the matter, issue further announcement as and when necessary.

The Share Subscription and Proposed Merger mentioned above are non-adjusting events after the financial year end and do not result in any adjustments to the consolidated financial statements for the year ended 31 December 2024.

## MANAGEMENT DISCUSSION AND ANALYSIS

### I. Market Review

In 2024, the global economy showed signs of recovery, and the financial market environment has also improved to a certain extent. However, affected by uncertainties such as geopolitical situations and global trade frictions, the overall Hong Kong capital market exhibited a trend of recovery alongside volatility. As the United States (“US”) Federal Reserve gradually entered its interest rate cut cycle, the liquidity pressure on the Hong Kong market eased. Meanwhile, the continuous deepening of financial market connect between the Mainland China and Hong Kong injected new vitality into the integration and development of the two markets. The Hong Kong government and the Stock Exchange were proactive and vigorously promoting a series of innovations and reforms in the listing system, which enhanced the attractiveness and competitiveness of Hong Kong capital market.

In the stock market, the Hang Seng Index reversed its four-year consecutive decline from 2020 to 2023 and cumulatively rose by 17.67% for the year, closing at 20,059.95 points; the Hang Seng TECH Index also performed impressively and cumulatively rose by 18.70% for the year. Market activity significantly increased, with the average daily trading turnover of the Hong Kong stock market growing by more than 25% as compared with the same period of last year (“YOY”). The fundraising amount from initial public offerings in the Hong Kong stock market also significantly rebounded, and the optimization of the listing mechanism of the Stock Exchange accelerated the pace of the mainland enterprises going public in Hong Kong, with a total of 71 companies listed during the year, raising a total of approximately HK\$87.5 billion, representing a significant increase of nearly 90% compared to 2023.

In the bond market, as global monetary policies changed, especially influenced by the anticipated adjustments in the US Federal Reserve’s policies, the pressure on primary market issuance of offshore bonds in Asia eased. The total amount of bonds issued in Asian (ex-Japan) G3 currencies (US dollar, Euro, and Yen) increased by approximately 37% YOY. In the secondary bond market, investors’ risk appetite improved, and the divergence between investment-grade and high-yield sectors narrowed. According to the data from the Bank of America Merrill Lynch Chinese-issued US dollar-denominated bond indices, in 2024, the high-yield bond issuance price index increased by 13.21% as compared to the beginning of the year, and the investment-grade bond issuance price index increased by 1.47% as compared to the beginning of the year.

## II. Results Review

During the year, the Group, leveraging keen market insight and a stable, pragmatic operating style, enhanced its diversified business capabilities and actively promoted business innovation while strictly controlling risks, thereby realizing collaborative progress and high-quality development across various businesses. The profit attributable to ordinary equity holders has been significantly increased by 73% YOY. All business segments recorded remarkable revenue growth, maintaining a leading position in the industry. The Group will continue to maintain a high dividend payout ratio to reward investors for their long-term recognition and support.

The Group's annual results for 2024 (during the year or as at 31 December 2024) are summarized as follows:

- Revenue increased by 37% YOY to HK\$4,422 million (corresponding period in 2023: HK\$3,217 million) and profit attributable to ordinary equity holders increased by 73% YOY to HK\$348 million (corresponding period in 2023: HK\$201 million), with all sections (by nature of income and by business segment) achieving a revenue growth.

By nature of income:

Commission and fee income	up 26% to HK\$872 million	commission from brokerage business increased by 17% to HK\$512 million, commission from placing, underwriting and sub-underwriting increased by 80% to HK\$255 million
Interest income	up 28% to HK\$2,314 million	interest income from fixed income securities increased by 188% to HK\$553 million
Net trading and investment income	up 72% to HK\$1,236 million	net income from financial products increased by 20% to HK\$912 million, trading and investment business showed outstanding performance with net income of HK\$324 million

By business segment:

Wealth management	up 3% to HK\$1,919 million	assets under custody and commission income both increased significantly
Institutional investor services	up 90% to HK\$1,921 million	interest income and net income from financial products increased
Corporate finance services	up 61% to HK\$319 million	commission from placing, underwriting and sub-underwriting increased
Investment management	up 72% to HK\$264 million	increased the holdings in fixed income securities with low risk, high ratings and liquidity, resulting in a net investment income of HK\$221 million, an increase of 60% YOY

- Total assets increased by 21% to HK\$130.17 billion as compared to that as at the end of 2023, mainly due to the Group seized market opportunities by continuously increasing the holdings in fixed income securities with low risk, high ratings and liquidity, resulting in an increase of 96% in balance of financial assets at fair value through profit or loss – financial assets held for trading and investment and financial assets at fair value through other comprehensive income as compared to that as at the end of 2023.
- Recommended a final dividend for the year ended 31 December 2024 of HK\$0.02 per share of the Company (“Share(s)”), together with payment of interim dividend of HK\$0.012 per Share, the total dividends for the year amounting to HK\$0.032 per Share (dividend payout ratio reaching 88%).

### III. Operation Development

#### *(1) Diversities drive wealth management excellence*

Facing the ever-changing market environment, the Group has been dedicated to helping clients preserve and enhance their wealth through a rich and diverse range of products and services. In 2024, the Group vigorously expanded its high-quality client base and established a balanced and solid diversified product matrix. The wealth management platform maintained the synergistic development of various products such as stocks, bonds, funds and derivatives, propelling the wealth management platform to new heights. During the year, the commission and fee income from the wealth management business reached HK\$439 million, an increase of 13% YOY. At the same time, the Group precisely seized market opportunities and continuously increased the holdings in fixed income assets with low risk, high ratings and liquidity to solidify the foundation of wealth management products and enhance market competitiveness.

The Group actively explored new business territories. The Group obtained permission from the Securities and Futures Commission in Hong Kong during the year to act as an introducing agent for virtual asset trading business, providing clients with virtual asset trading services. In November 2024, the Group became one of the first batch of eligible overseas securities firms for the “Cross-boundary Wealth Management Connect Scheme”, and in December, it took the lead in providing one-stop cross-boundary wealth management connect scheme services to investors located in the Guangdong-Hong Kong-Macao Greater Bay Area with diversified products and services such as stocks, bonds, and financial products. In terms of asset management, following the strong demand of investors for its Hong Kong dollar and US dollar money market funds, the Group launched the Guotai Junan Investment Grade Bond Fund in 2024, precisely catering to the needs of investors with different risk preferences and investment objectives. As at the end of 2024, the Group’s assets under management surged by 178% YOY to HK\$11.77 billion, demonstrating a good momentum of prosperous development.

***(II) With client-oriented approach, cross-border financial services win acclaim***

The Group has consistently adhered to a client-demand-driven business development approach, and is committed to providing comprehensive and personalized financial products to clients. During the year, net income from financial products increased by 20% YOY to HK\$912 million. At the same time, the Group fully seized the strategic opportunities of the deepening interconnectivity between the Mainland China and Hong Kong, closely collaborated with its parent company, Guotai Junan Securities Co., Ltd., and integrated resources, channels and professional advantages of both parties in domestic and overseas markets, providing institutional clients with a one-stop, seamless cross-border financial service experience. In August 2024, the Group was awarded three honors by Bond Connect, namely “Primary Market Pioneer (Underwriter)”, “Northbound Outstanding Investment Bank”, and “Northbound Outstanding Individual”. In December, the Group won the “Best Cross-border Wealth Management Award” at the 5th Leading “9+2” Guangdong-Hong Kong-Macao Greater Bay Area Awards for its outstanding contributions in the financial services field of the Guangdong-Hong Kong-Macao Greater Bay Area.

***(III) Quantity and quality rise together, corporate finance business shows its edge***

In 2024, the Group participated in the issuance and underwriting of 232 bonds, representing a YOY increase of 59%, with a total issuance amount of approximately HK\$389.1 billion, representing a YOY increase of 85%. According to data from the bond platform of Dealing Matrix International (DMI) of CSCI Technology Co., Limited, the Group ranked second among Chinese securities firms in terms of both the number of offshore bond primary underwritings and the underwriting scale (as a lead underwriter). The Group assisted in bond issuance for issuers including local governments, large state-owned enterprises, and financial enterprises. In April 2024, the Group, as the only Chinese global coordinator, assisted Far East Horizon

Limited in issuing US\$500 million bonds, one of the largest scale issuances in the Chinese offshore bond market since 2023 in the leasing industry. In July, the Group, as the sole global coordinator, assisted Jinan City Construction Group Co., Ltd. in issuing the first 5-year dim sum bond of local state-owned enterprise in the state. In September, the Group assisted AVIC International Leasing Co., Ltd. in issuing US\$300 million bonds, achieving the lowest pricing spread for US dollar-denominated issuances by that company.

In the equity market, the Group strengthened collaboration with its parent company, focusing on sectors such as new energy and robotics. Throughout the year, it completed three initial public offering sponsorship projects, including the first stock of collaborative robots, Shenzhen Dobot Corp Ltd (2432.HK), and the first A+H stock of new energy battery cathode materials, Jiangsu Lopal Tech. Co., Ltd. (2465.HK), with a total fundraising amount of approximately HK\$1.7 billion. In the secondary market, the Group acted as the placing agent and lead underwriter for 10 refinancing projects in the Hong Kong stock market, with a scale of HK\$6.575 billion, ranking first in the market in terms of the number of project. This included assisting SenseTime Group Inc. (0020.HK) in completing the largest placement project in the field of artificial intelligence in the Hong Kong stock market, with a fundraising scale of HK\$4.8 billion, and assisting the first stock of humanoid robots, UBTECH Robotics Corp Ltd (9880.HK), in three consecutive refinancing projects within a year after its listing.

#### ***(IV) ESG leads the way, setting the model in green finance***

The Group has always adhered to the sublime belief of “Finance for the Country, Finance for the People, Finance for the Good”, deeply integrating environmental, social and governance (“ESG”) concepts into every aspect of corporate operations and management, striving to create a responsible comprehensive financial service platform. In 2024, the Group completed 78 ESG bond issuance projects, representing a YOY increase of 123%, with an issuance scale of nearly HK\$163.6 billion, representing a YOY increase of 125%, leading the green finance services. In terms of low-carbon operations, the Group has been committing to energy conservation and emission reduction, achieving a continuous decrease in total greenhouse gas emissions for four consecutive years, and achieving carbon neutrality at operational-level for the second consecutive year by purchasing carbon credit assets of the verified carbon standard forestry projects, demonstrating the Group’s professional capability in carbon management and firm commitment in addressing climate change issues. Additionally, the Group actively explored green financial innovation, and has completed the Hong Kong and the Mainland China’s first multi-currency sustainability-linked loan in the securities industry, and the first green deposit of the Group, injecting new momentum into the sustainable development for itself and the industry. The Company’s achievements in sustainable development have been highly acclaimed by an international rating agency, MSCI, upgrading the Company’s ESG rating to A grade, and domestic well-known institutions such as Wind and SynTao Green Finance, also upgrading the Company’s rating to A grade, while Standard & Poor’s raised the Company’s ESG score, leading approximately 84% of global peers.

## IV. Analysis of Operating Results

### (1) Revenue analysis

#### 1. By nature

Commission and fee income increased by 26% YOY to HK\$872 million (2023: HK\$690 million), mainly due to the recovery in the equity capital market and debt capital market in 2024 as compared to last year. The Group's commission income from placing, underwriting and sub-underwriting increased significantly by 80% to HK\$255 million, driven by the growth of the debt capital market and the scale of funds raised from initial public offerings in the Hong Kong stock market rising to the fourth largest in the world. Moreover, the commission from brokerage business of the Group increased by 17% to HK\$512 million as the Hong Kong stock market rebounded and the turnover increased.

Interest income increased by 28% YOY to HK\$2,314 million (2023: HK\$1,810 million), mainly due to the Group seized market opportunities and gradually increased its asset allocation to fixed income securities with low risk, high ratings and liquidity, resulting in a sharp increase in interest income from fixed income securities of 188% to HK\$553 million.

Net trading and investment income increased significantly by 72% to HK\$1,236 million (2023: HK\$718 million). The Group's trading and investment business mainly supports the development of businesses such as wealth management, institutional investor services, corporate finance and asset management. During the year, the Group vigorously developed its financial products business and actively increased its holdings in fixed income securities with low risk, high ratings and liquidity to enhance asset quality, among which, the net income from financial products increased by 20% YOY to HK\$912 million, and the trading of fixed income securities, unconsolidated investment funds, derivatives and equity investments showed a turn from losses to profits, with net income of HK\$324 million (2023: loss of HK\$43 million).

#### 2. By segment

Income from wealth management segment increased by 3% YOY to HK\$1,919 million (2023: HK\$1,856 million), benefiting from the rebound in Hong Kong stock trading volume and the Group's vigorous development of the US stock trading market, which led to an increase in commission and fee income. On the other hand, interest income decreased YOY due to a decrease in client trust bank balances and the initiation of an interest rate cut cycle by the US Federal Reserve.

Income from institutional investor services segment increased significantly by 90% YOY to HK\$1,921 million (2023: HK\$1,010 million). The Group vigorously developed its financial products business, resulting in an increase in net income from financial products. At the same time, the Group optimized its asset allocation by increasing its holdings in fixed income securities with low risk, high ratings and liquidity, which resulted in an increase in related interest income, bringing stable cash flow to the Group and an overall increase in income from institutional investor services segment.

Income from corporate finance services segment increased significantly by 61% YOY to HK\$319 million (2023: HK\$198 million). Benefiting from factors such as market recovery and rising financing willingness of corporate clients, underwriting commission income from both debt and equity capital market increased, resulting in an overall YOY increase in income from corporate finance services segment.

Income from investment management segment increased significantly by 72% YOY to HK\$264 million (2023: HK\$153 million), mainly due to the Group actively seized market opportunities to increase its holdings in fixed income securities with low risk, high ratings and liquidity, earning stable interest income and cash flow, which drove an increase in the revenue of the investment management segment.

## ***(II) Cost analysis***

During the year, total costs of the Group increased by 34% YOY to HK\$4,060 million, mainly due to the increase in financing costs. During the year, the Group increased the allocation of fixed income assets with low risk, high ratings and liquidity, and the financing needs and the scale of interest bearing liabilities (including obligations under repurchase agreements) also increased correspondingly, which led to an overall rise in financing costs.

## **V. Financial Position Analysis**

### ***(I) Balance sheet summary***

#### ***1. General***

As at 31 December 2024, total assets of the Group were HK\$130.17 billion, representing an increase of 21% as compared to that as at the end of 2023, while total liabilities of the Group were HK\$115.15 billion, representing an increase of 24% as compared to that as at the end of 2023. The total equity amounted to HK\$15.02 billion, representing an increase of 0.4% as compared to that as at the end of 2023.



The Group has been devoting every effort to optimizing the structure of the balance sheet and improving the quality of the assets. As at 31 December 2024, the Group's current assets accounted for a reasonable proportion with sufficient liquidity reserve. In addition, the Group's financial position structure remained healthy, with assets and liabilities well-matched. Assets of client-driven financial products are supported by note issues, driving net income from financial products. Financial assets held for trading and investment are financed by obligations under repurchase agreements, earning stable interest spreads. During the year, the Group increased its holdings in fixed income securities with low risk, high ratings and liquidity, thereby optimizing asset quality and enhancing shareholder returns.

2. *Assets*

As at 31 December 2024, the Group's total assets increased by 21% as compared to that as at the end of 2023 to HK\$130.17 billion (as at the end of 2023: HK\$107.53 billion), mainly due to the Group seized market opportunities and optimized asset allocation by increasing its investment holdings, resulting in the increase in the balance of financial assets at fair value through profit or loss – financial assets held for trading and investment and financial assets at fair value through other comprehensive income.

3. *Liabilities*

As at 31 December 2024, the Group's total liabilities increased by 24% as compared to that as at the end of 2023 to HK\$115.15 billion (as at the end of 2023: HK\$92.57 billion), mainly due to the increase in debt securities in issue – at amortized cost and obligations under repurchase agreements in order to support the financing needs of the Group's investment positions.

4. *Financial ratios*

As at 31 December 2024, the Group's nominal leverage ratio (defined as total assets less accounts payable to clients divided by total equity) was 7.77 times (as at the end of 2023: 6.39 times). If excluding the financial assets from the financial products held on behalf of the clients, the leverage ratio was 5.09 times (as at the end of 2023: 3.14 times). The gearing ratio (defined as the sum of bank borrowings and debt securities in issue at amortised cost divided by total equity) was 1.10 times (as at the end of 2023: 1.06 times). The Group's current ratio was 1.15 times (as at the end of 2023: 1.15 times).

***(II) Capital commitments, other commitments and contingent liabilities***

Details of capital commitments and other commitments of the Group are set out in Note 15 to the financial information. The Group did not have any contingent liabilities as at 31 December 2024.

***(III) Liquidity and financial resources***

As at 31 December 2024, the current assets of the Group were HK\$123.55 billion, increased by 38% as compared to that as at the end of 2023. The balance of cash and cash equivalents of the Group was HK\$7,204 million (as at the end of 2023: HK\$7,408 million). Net cash outflow of the Group was HK\$204 million (2023: outflow of HK\$349 million).

The Company maintained a medium term note programme of up to HK\$35.0 billion for financing purposes, under which listed and unlisted notes denominated in any currency may be issued from time to time. On 17 July 2024, the Company successfully renewed the medium term note programme of up to HK\$35.0 billion with a period of 12 months. In addition, the Company, through its subsidiary, also maintained a guaranteed structured note programme of up to US\$15.0 billion, under which unlisted notes denominated in any currency may be issued from time to time.

As at 31 December 2024, the medium term notes and structured notes issued and outstanding amounted to HK\$11,200 million (as at the end of 2023: HK\$7,900 million) and US\$5,200 million (as at the end of 2023: US\$6,000 million), respectively.

Save as disclosed above, there were no other debt instruments issued by the Group during the year.

Taking into account the position of liquidity and financial resources of the Group, the Group believes that its operating cash flows are adequate and sufficient to finance the recurring working capital requirements and meet any investment opportunities that may arise in the future.

***(IV) Material acquisitions and disposals***

For the year ended 31 December 2024, the Group had no material acquisition and disposal of subsidiaries, associated companies and joint ventures.

***(V) Significant investment held***

The Group did not hold any significant investment with a value greater than 5% of its total assets as at 31 December 2024.

***(VI) Capital structure and regulatory capital***

For the year ended 31 December 2024, the Company bought back a total of 17,445,000 Shares on the Stock Exchange. Please refer to the paragraph headed “Purchase, Sale or Redemption of the Company’s Listed Securities” for details. As at 31 December 2024, there were 9,539,503,707 Shares in issue.

The Group monitors its capital structure regularly to ensure the compliance of the capital requirements set by the Securities and Futures Commission of Hong Kong, the Monetary Authority of Singapore, the State Securities Commission under the Ministry of Finance of Vietnam and the Monetary Authority of Macao for the licensed subsidiaries of the Company in respective jurisdictions and to support the development needs of new businesses. All licensed subsidiaries within the Group have complied with respective applicable capital requirements during the year.

***(VII) Foreign exchange risk***

Foreign exchange risk refers to the risk that movements in foreign currency exchange rates will affect the Group’s financial results and its cash flows.

The Group’s foreign exchange risk principally arises from its leveraged foreign exchange dealing and broking business as well as the Group’s transactions which are denominated in currencies other than Hong Kong dollars. For the leveraged foreign exchange brokerage business, the Group hedges the fluctuation arising from the majority of the client positions through back-to-back transactions with external counterparties. The Group adopts a stringent control over its positions to minimize its exposure to foreign exchange risk.

The Group’s principal operations are transacted and recorded in Hong Kong dollar, US dollar and Renminbi. The Group is not exposed to material foreign exchange risk as HK dollar is pegged with US dollar. When the exchange rate of Renminbi or other currencies fluctuates, the Group will take appropriate hedging measures if necessary. The impact of other foreign currency exposure is relatively minimal to its total assets and liabilities.

## VI. Prospects

Looking ahead to 2025, the global economic recovery process continues to face challenges. Factors such as China-US trade relations and geopolitical situations may bring uncertainties to global economic growth, which will inevitably affect Hong Kong capital market. On the other hand, according to the deployment of the Central Economic Work Conference, China will adopt a series of robust policy measures to stabilize economic growth in 2025, which is expected to support and promote economic development in multiple dimensions. The Mainland China and Hong Kong are also actively introducing policies and measures to promote the development of the capital market, such as the optimization of the listing approval process by the Securities and Futures Commission and the Stock Exchange in Hong Kong, the implementation of severe weather trading arrangements by the Stock Exchange, and the support of the leading mainland enterprises to list in Hong Kong from the China Securities Regulatory Commission. These initiatives have injected vitality into Hong Kong capital market. At the same time, the continuous deepening of the interconnectivity between the capital markets of the Mainland China and Hong Kong, from the ongoing expansion of Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect to the continuous improvement of Bond Connect, will undoubtedly help enhance the overall competitiveness, and further promote the prosperous development of the capital markets.

In the complex and ever-changing financial market, the Group will precisely seize the market opportunities and adhere to a stable and pragmatic business development strategy. On one hand, the Group will continue to deepen the expansion of diversified businesses, and leverage synergies with its parent company to comprehensively enhance core competitiveness, on the other hand, it will proactively optimize its revenue structure to lay a solid foundation for achieving high-quality sustainability. The Group will adhere to take financial services for the real economy as its fundamental direction, with meeting clients' needs as the strategy for business development, spare no effort to build a leading wealth management platform in the industry, comprehensively enhance cross-border financial service capabilities, assist high-net-worth clients in achieving global asset allocation and wealth preservation and appreciation goals, provide one-stop investment solutions for institutional clients, and serve the overseas financing needs of high-quality enterprises. At the same time, the Group will fully tap the great potential of regional collaboration by harnessing the unique strengths of its subsidiaries in Singapore, Vietnam, and Macao to continuously enhance professional competence in international business development and strengthen its influence in the global financial market, thereby providing more comprehensive and high-quality integrated financial services to clients.

On the basis of enhancing operating efficiency and profitability, the Group will continuously strengthen market value management, maintain the stability and growth of the Company's market value through reasonable capital operations, transparent and efficient information disclosure, and proactive interaction with investors, thereby creating greater value for investors.

## **DIVIDEND**

The Board recommends a final dividend of HK\$0.020 per Share for the year ended 31 December 2024 (the “Proposed Final Dividend”), subject to the approval by shareholders of the Company (the “Shareholder(s)”) at the annual general meeting of the Company (the “AGM”), which is expected to be held on Thursday, 22 May 2025, and will be payable on Tuesday, 17 June 2025 to Shareholders whose names appear on the register of members of the Company on Friday, 30 May 2025. Together with an interim dividend of HK\$0.012 per Share which was paid on 30 September 2024, the total dividends for the year ended 31 December 2024 will amount to HK\$0.032 per Share (2023: an interim dividend of HK\$0.010 per Share, and a final dividend of HK\$0.010 per Share, total dividends for the year amounted to HK\$0.020 per Share).

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Monday, 19 May 2025 to Thursday, 22 May 2025 (both days inclusive) for ascertaining Shareholders’ entitlement to attend and vote at the AGM, during which period, no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, all duly completed transfer documents accompanied by the relevant share certificates, must be lodged with the Company’s Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, No. 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 16 May 2025.

The register of members of the Company will be closed on Friday, 30 May 2025 for ascertaining Shareholders’ entitlement to the Proposed Final Dividend (subject to the approval of the Proposed Final Dividend by Shareholders at the AGM). No transfer of Shares will be registered on that date. In order to qualify for the Proposed Final Dividend, all duly completed transfer documents accompanied by the relevant share certificates, must be lodged with the Company’s Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, No. 183 Queen’s Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 29 May 2025.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES**

During the year, the Company bought back a total of 17,445,000 Shares on the Stock Exchange at an aggregate consideration of HK\$14,725,267 (inclusive all expenses) under the general mandate granted by the Shareholders at the general meeting to buy back Shares. Among which, 14,491,000 Shares were cancelled during the year, and the remaining 2,954,000 Shares were subsequently cancelled in January 2025.

Details of the Shares bought back during the year are as follows:

Month	Number of Shares bought back	Price paid per Share		Aggregate consideration (inclusive of transaction costs)
		Highest	Lowest	
		<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
July 2024	6,019,000	0.63	0.60	3,718,780
August 2024	1,860,000	0.64	0.62	1,171,008
September 2024	1,996,000	0.63	0.61	1,245,036
October 2024	4,616,000	1.19	1.05	5,276,925
November 2024	1,000,000	1.08	1.03	1,060,871
December 2024	1,954,000	1.22	1.11	2,252,647

Saved as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2024.

#### **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

The Company has adopted the code provisions set out in the Corporate Governance Code (the "Corporate Governance Code") contained in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as its own code of corporate governance. The Company has complied with all code provisions set out in the Corporate Governance Code throughout the year of 2024.

#### **COMPLIANCE WITH THE MODEL CODE**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules (the "Model Code") regarding securities transactions by directors. On specific enquiry made by the Company, all directors of the Company confirmed that they have fully complied with the required standard set out in the Model Code throughout the year of 2024.

#### **AUDIT COMMITTEE**

The Audit Committee comprises Mr. LIU Chung Mun (chairman), Dr. FU Tingmei, and Professor CHAN Ka Keung Ceajer, all of them are independent non-executive directors. The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including review of the annual results announcement and the consolidated financial statements of the Group for the year ended 31 December 2024.

The financial figures in this announcement of the Group's results for the year ended 31 December 2024 have been compared by KPMG, the external auditor of the Company, to the amounts set out in the Group's audited consolidated financial statements for the year and the amounts were found to be in agreement. The work performed by KPMG 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 KPMG on this announcement.

## **BOARD OF DIRECTORS**

As at the date of this announcement, the Board comprises two executive directors, being Dr. YIM Fung (Chairman) and Ms. QI Haiying; three non-executive directors, being Ms. YU Xuping, Mr. DONG Boyang and Mr. HAN Zhida; and three independent non-executive directors, being Dr. FU Tingmei, Professor CHAN Ka Keung Ceajer and Mr. LIU Chung Mun.

## **APPRECIATION**

The Board would like to take this opportunity to express its gratitude to the Shareholders and clients for their trust and support and to thank the Board members and the staff members of the Group for their hard work, loyal service and great contributions during the year.

## **PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

This announcement of final results for the year ended 31 December 2024 is published on the websites of the Stock Exchange at <http://www.hkexnews.hk> and the Company at <http://www.gtjai.com>. The annual report of the Company for the year ended 31 December 2024 will be despatched to Shareholders and published on the aforesaid websites in due course.

By order of the Board  
**Guotai Junan International Holdings Limited**  
**YIM FUNG**  
*Chairman*

Hong Kong, 26 March 2025