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光大控股

EVERBRIGHT LIMITED

中國光大控股有限公司

CHINA EVERBRIGHT LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 165)

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

The board of directors (the “Board” or the “Director(s)”) of China Everbright Limited (the “Company” or “CEL”) announces that the consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2024 together with relevant comparative figures for the previous year are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000
Turnover	3	<u>6,548,605</u>	<u>6,047,280</u>
Income from contracts with customers	3	407,124	792,028
Net loss from investments	3	(53,793)	(489,491)
<i>Interest income</i>		556,038	659,676
<i>Dividend income</i>		1,291,392	991,866
<i>Realised gain/(loss) on investments</i>		151,816	(13,158)
<i>Unrealised loss on investments</i>		(2,050,837)	(2,127,704)
<i>Others</i>		(2,202)	(171)
Income from other sources	3	28,052	1,102,323
Impairment losses		(358,616)	(731,691)
Operating expenses		<u>(823,835)</u>	<u>(907,223)</u>
Loss from operating activities		(801,068)	(234,054)
Finance costs		(1,339,129)	(1,643,691)
Impairment losses on investments in associates		–	(64,151)
Share of profits less losses of associates	8	3,544	230,823
Share of profits less losses of joint ventures	9	<u>(41,272)</u>	<u>25,183</u>
Loss before taxation		(2,177,925)	(1,685,890)
Income tax credit/(expenses)	4	<u>313,266</u>	<u>(76,379)</u>
Loss for the year		<u>(1,864,659)</u>	<u>(1,762,269)</u>
Attributable to:			
Equity shareholders of the Company		(1,909,019)	(1,922,639)
Holders of perpetual capital securities	19	78,993	98,066
Non-controlling interests		<u>(34,633)</u>	<u>62,304</u>
Loss for the year		<u>(1,864,659)</u>	<u>(1,762,269)</u>
Basic and diluted loss per share	7	<u>HK\$(1.133)</u>	<u>HK\$(1.141)</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Loss for the year		(1,864,659)	(1,762,269)
Other comprehensive income for the year:			
Items that will not be reclassified subsequently to profit or loss			
— Net movement in investment revaluation reserve of equity investments designated at fair value through other comprehensive income		1,539,717	(372,285)
Items that may be reclassified subsequently to profit or loss			
— Share of other comprehensive income and effect of foreign currency translation of associates		(204,121)	(145,321)
— Share of other comprehensive income and effect of foreign currency translation of joint ventures		(19,022)	(13,376)
— Other net movement in exchange reserve		(445,337)	(466,737)
		871,237	(997,719)
Total comprehensive income for the year		(993,422)	(2,759,988)
Attributable to:			
Equity shareholders of the Company		(1,008,523)	(2,973,695)
Holders of perpetual capital securities	19	78,993	98,066
Non-controlling interests		(63,892)	115,641
Total comprehensive income for the year		(993,422)	(2,759,988)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

		31 December 2024	31 December 2023
	<i>Notes</i>	HK\$'000	HK\$'000
Non-current assets			
Property, plant and equipment		455,989	463,967
Investment properties		5,329,287	5,584,819
Investments in associates	8	17,017,451	17,709,713
Investments in joint ventures	9	729,803	932,964
Equity investments designated at fair value through other comprehensive income	10	6,572,616	5,032,899
Financial assets at fair value through profit or loss	11	22,032,489	26,496,579
		52,137,635	56,220,941
Current assets			
Financial assets at fair value through profit or loss	11	5,218,394	4,315,462
Advances to customers	12	3,059,342	3,070,573
Inventories	13	1,472,807	1,529,339
Debtors, deposits, prepayments and others	14	1,545,596	1,929,105
Trading securities		2,830,106	2,916,448
Finance lease receivables		–	17,976
Cash and cash equivalents		8,422,125	9,588,078
		22,548,370	23,366,981
Current liabilities			
Trading securities		(378,368)	(237,500)
Creditors, deposits received and accrued charges	15	(2,574,238)	(2,962,495)
Bank loans	16	(9,300,158)	(10,995,928)
Bonds payable	17	(3,239,610)	(6,069,140)
Other financial liabilities		(437,378)	(472,414)
Lease liabilities		(20,473)	(13,273)
Provision for taxation		(672,775)	(582,592)
		(16,623,000)	(21,333,342)
Net current assets		5,925,370	2,033,639
Total assets less current liabilities		58,063,005	58,254,580

		31 December 2024	31 December 2023
	<i>Notes</i>	HK\$'000	HK\$'000
Non-current liabilities			
Bank loans	16	(4,084,395)	(7,607,680)
Bonds payable	17	(13,498,375)	(7,724,360)
Other financial liabilities		(6,441,964)	(6,768,868)
Lease liabilities		(18,049)	(10,593)
Deferred tax liabilities		(1,370,151)	(2,037,293)
		(25,412,934)	(24,148,794)
NET ASSETS		32,650,071	34,105,786
CAPITAL AND RESERVES			
Share capital	18	9,618,097	9,618,097
Reserves		20,108,567	21,371,624
Attributable to:			
Equity shareholders of the Company		29,726,664	30,989,721
Holders of perpetual capital securities	19	2,209,630	2,209,566
Non-controlling interests		713,777	906,499
TOTAL EQUITY		32,650,071	34,105,786

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

		Attributable to equity shareholders of the Company										
		Share capital	Option premium reserve	Investment revaluation reserve	Goodwill reserve	Capital reserve	Exchange reserve	Retained earnings	Total	Perpetual capital securities	Non-controlling interests	Total equity
	Notes	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 1 January 2023		9,618,097	1,242	3,997,995	(664,792)	(87,473)	(1,127,494)	22,751,628	34,489,203	2,341,083	1,046,815	37,877,101
Net movement by non-controlling shareholders		–	–	–	–	(131)	–	–	(131)	–	(255,957)	(256,088)
Dividends paid	6	–	–	–	–	–	–	(505,576)	(505,576)	–	–	(505,576)
Issuance of perpetual medium term notes	19	–	–	–	–	–	–	–	–	2,184,880	–	2,184,880
Redemption of senior perpetual capital securities	19	–	–	–	–	–	–	(21,557)	(21,557)	(2,325,540)	–	(2,347,097)
Distribution to holders of perpetual capital securities	19	–	–	–	–	–	–	–	–	(88,923)	–	(88,923)
Share of capital reserve of associates		–	–	–	–	1,477	–	–	1,477	–	–	1,477
Loss for the year		–	–	–	–	–	–	(1,922,639)	(1,922,639)	98,066	62,304	(1,762,269)
Other comprehensive income for the year		–	–	(372,285)	–	–	(678,771)	–	(1,051,056)	–	53,337	(997,719)
As at 31 December 2023 and as at 1 January 2024		9,618,097	1,242	3,625,710	(664,792)	(86,127)	(1,806,265)	20,301,856	30,989,721	2,209,566	906,499	34,105,786
Net movement by non-controlling shareholders		–	–	–	–	(52)	–	–	(52)	–	(128,830)	(128,882)
Dividends paid	6	–	–	–	–	–	–	(252,788)	(252,788)	–	–	(252,788)
Distribution to holders of perpetual capital securities	19	–	–	–	–	–	–	–	–	(78,929)	–	(78,929)
Share of capital reserve of associates		–	–	–	–	(1,694)	–	–	(1,694)	–	–	(1,694)
Loss for the year		–	–	–	–	–	–	(1,909,019)	(1,909,019)	78,993	(34,633)	(1,864,659)
Other comprehensive income for the year		–	–	1,539,717	–	–	(639,221)	–	900,496	–	(29,259)	871,237
As at 31 December 2024		9,618,097	1,242	5,165,427	(664,792)	(87,873)	(2,445,486)	18,140,049	29,726,664	2,209,630	713,777	32,650,071

CONSOLIDATED STATEMENT OF CASH FLOWS*For the year ended 31 December 2024*

	2024 HK\$'000	2023 HK\$'000
NET CASH INFLOW FROM OPERATING ACTIVITIES	1,691,434	3,176,928
INVESTING ACTIVITIES		
Purchase of property, plant and equipment and investment properties	(14,763)	(4,618)
Proceeds from disposal of property, plant and equipment and investment properties	52,269	291
Proceeds from disposal of an associate	628	–
Investments in an associate	–	(2,042)
Divestment in a joint venture	144,850	–
Decrease in restricted cash	24,854	232,930
Decrease in restricted deposits	–	664,102
Bank interest received	112,229	172,695
Dividends received from investments	299,232	330,656
Dividends received from associates and joint ventures	487,160	309,984
NET CASH INFLOW FROM INVESTING ACTIVITIES	1,106,459	1,703,998
NET CASH INFLOW BEFORE FINANCING ACTIVITIES	2,797,893	4,880,926

	2024 HK\$'000	2023 HK\$'000
FINANCING ACTIVITIES		
Issuance of shares of subsidiaries to non-controlling shareholders	–	2,759
Redemption of non-controlling shareholders' shares	(109,049)	(376,660)
Proceeds from bank loans	21,613,350	19,986,431
Proceeds from issuance of medium term notes	9,363,230	4,374,600
Repayment of bank loans	(26,782,331)	(22,276,922)
Repayment of medium term notes and bonds	(6,042,625)	(2,422,404)
Issuance of perpetual medium term notes	–	2,184,880
Redemption of senior perpetual capital securities	–	(2,325,540)
Repayment of lease liabilities	(31,859)	(38,562)
Dividends paid to non-controlling shareholders	(19,780)	(1,056)
Dividends paid	(252,788)	(505,576)
Distribution to holders of perpetual capital securities	(78,929)	(88,923)
Interest paid	(1,271,296)	(1,625,732)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	(3,612,077)	(3,112,705)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(814,184)	1,768,221
CASH AND CASH EQUIVALENTS		
Beginning of year	9,531,117	7,945,641
Exchange rate adjustments	(326,915)	(182,745)
End of year	8,390,018	9,531,117
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash — general accounts	7,810,665	8,354,387
Non-pledged time deposits with original maturity of less than three months when acquired	611,460	1,233,691
Restricted cash	(32,107)	(56,961)
End of year	8,390,018	9,531,117

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The financial report has been prepared in accordance with Hong Kong Financial Reporting Standard (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standard (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), and the Hong Kong Companies Ordinance.

The financial report, which has been reviewed by the Company’s Audit and Risk Management Committee, is prepared on a basis consistent with the accounting policies and methods adopted in the 2023 annual financial statements except for the changes in accounting policies described in note 2.

The financial information relating to the years ended 31 December 2024 and 2023 included in this preliminary 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 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 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 report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

The accounting estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

Amendments to 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”)

The nature and the impact of the revised HKFRSs that are applicable to the Group are described below:

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 settlement by the transfer of the Group's own equity instruments and that conversion option is accounted for as equity instrument, these terms do not affect the classification of 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 HKAS 1 amendments, the Group has reassessed the classification of its liabilities as current or non-current. The amendments do not have a material impact on the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and cash flows.

3. TURNOVER, INCOME FROM CONTRACTS WITH CUSTOMERS, INVESTMENTS AND OTHER SOURCES

Turnover disclosed in the consolidated statement of profit or loss represents the aggregate of service fee income, sales of inventories, interest income, dividend income, rental income from investment properties, rental income from finance leases and gross sale proceeds from disposal of trading securities of secondary market investments, in which the turnover of derivatives is defined as the absolute net profit or loss.

Income from contracts with customers, investments and other sources recognised during the year is as follows:

	2024 HK\$'000	2023 HK\$'000
Income from contracts with customers		
Recognised over time		
Management fee income	148,795	182,189
Rental income from investment properties	212,998	213,733
Recognised at a point in time		
Consultancy fee and performance fee income	35,062	376,838
Sales of inventories	10,269	19,268
	<u>407,124</u>	<u>792,028</u>
Net loss from investments		
Interest income		
Financial assets not at fair value through profit or loss		
Bank deposits	112,229	172,695
Advances to customers	344,850	361,129
Debt investments	98,959	125,852
Dividend income		
Financial assets at fair value through profit or loss and trading securities	992,160	661,210
Equity investments designated at fair value through other comprehensive income	299,232	330,656
Realised gain/(loss) on investments		
Net realised gain on financial assets at fair value through profit or loss	32,802	129,242
Net realised gain/(loss) on trading securities	119,014	(142,400)
Unrealised loss on investments		
Change of unrealised loss on financial assets at fair value through profit or loss	(2,100,782)	(2,317,516)
Change of unrealised gain on trading securities	49,945	189,812
Others		
Realised loss on disposal of an associate	(2,202)	–
Realised loss on disposal of a joint venture	–	(171)
	<u>(53,793)</u>	<u>(489,491)</u>
Income from other sources		
Net (loss)/gain on revaluation of investment properties	(95,096)	760,263
Written back of impairment loss on inventory	–	179,704
Rental income from finance leases	2,815	4,110
(Loss)/gain on disposal of property, plant and equipment	(3,239)	90
Exchange differences, net	34,708	(2,144)
Others	88,864	160,300
	<u>28,052</u>	<u>1,102,323</u>

4. INCOME TAX (CREDIT)/EXPENSES

The provision for Hong Kong profits tax is calculated at 16.5% (2023: 16.5%) of the estimated assessable profits for the year. Taxation for overseas subsidiaries is calculated at the appropriate current rates of taxation in the relevant tax jurisdictions.

The amount of taxation recognised in the consolidated statement of profit or loss represents:

	2024 HK\$'000	2023 HK\$'000
Current taxation		
— Hong Kong profits tax	27,008	4,012
— Overseas taxation	298,033	166,461
— Under/(over)-provision in prior years	4,103	(4,676)
Deferred taxation		
— Deferred taxation relating to the origination and reversal of temporary differences	(642,410)	(89,418)
Income tax (credit)/expenses	<u>(313,266)</u>	<u>76,379</u>

5. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

Profit for the year of the Company attributable to equity shareholders of the Company of HK\$175,995,000 (2023: profit attributable to equity shareholders of the Company of HK\$1,352,296,000) has been dealt with in the financial statements of the Company.

6. DIVIDENDS

(a) Dividends payable to equity shareholders of the Company attributable to the year

	2024 HK\$'000	2023 HK\$'000
— Interim dividend declared and paid of HK\$0.05 (2023: HK\$0.15) per share	84,263	252,788
— Final dividend proposed after the end of the reporting period date of HK\$0.05 (2023: HK\$0.10) per share	<u>84,262</u>	<u>168,525</u>
	<u>168,525</u>	<u>421,313</u>

The Board proposed a final dividend of HK\$0.05 per share for the year ended 31 December 2024 (2023: HK\$0.10 per share). The proposed final dividend is not reflected as dividend payable in the financial statements.

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2024 HK\$'000	2023 HK\$'000
— Final dividend in respect of the previous financial year, approved and paid during the year, of HK\$0.10 (2023: HK\$0.15) per share	168,525	252,788

7. LOSS PER SHARE

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the year ended 31 December 2024 is based on the loss attributable to equity shareholders of the Company of HK\$1,909,019,000 (2023: loss attributable to equity shareholders of the Company of HK\$1,922,639,000) and the weighted average number of 1,685,253,712 shares (2023: 1,685,253,712 shares) in issue during the year.

8. INVESTMENTS IN ASSOCIATES

(a) Investments in associates

	2024 HK\$'000	2023 HK\$'000
Carrying value, net (<i>note</i>)	17,017,451	17,709,713
Market value of shares listed in Mainland China	20,221,961	17,512,550
Market value of shares listed in Hong Kong	1,017,470	1,028,806

Note:

As at 31 December 2024, the Group's net carrying value of its investment in Everbright Jiabao Co., Ltd ("Everbright Jiabao"), an associate of the Group, amounted to HK\$1,262,039,000 (2023: HK\$1,786,636,000).

The Group has reassessed the recoverable amount of Everbright Jiabao as at 31 December 2024 and concluded that no additional or reversal of impairment loss is required for the year.

During the year ended 31 December 2024, the Group has engaged an external specialist to estimate the value-in-use of Everbright Jiabao using a discounted cash flow model. As at 31 December 2024, the accumulated impairment losses charged to profit or loss in prior years related to Everbright Jiabao amounted to HK\$1,598,827,000 (2023: HK\$1,598,827,000). The pre-tax discount rates applied in the cash flow projection of different key business operations of Everbright Jiabao ranged from 12.9% to 13.2% (2023: 8.0% to 13.0%) and the perpetual growth rate was 1.5% (2023: 1.5%).

(b) As at 31 December 2024, particulars of the principal investments in associates of the Group are as follows:

Name of associate	Place of incorporation/ operation	Principal activities	Percentage of equity interest held by the Company
Everbright Securities Company Limited [#] ("Everbright Securities")	The PRC	Securities operations (<i>note 1</i>)	20.73%
China Aircraft Leasing Group Holdings Limited ^{##} ("CALC")	Cayman Islands	Investment holding (<i>note 2</i>)	38.06%*
Everbright Jiabao ^{###}	The PRC	Real estate development/real estate asset management (<i>note 3</i>)	29.17%*
China Everbright Senior Healthcare Company Limited ("Everbright Senior Healthcare")	Hong Kong	Providing senior health care services (<i>note 4</i>)	49.29%* (<i>note 5</i>)

[#] Market value of the listed shares in Mainland China as at 31 December 2024 was equivalent to HK\$18,696,295,000 (2023: HK\$16,267,262,000).

^{##} Market value of the listed shares in Hong Kong as at 31 December 2024 was HK\$1,017,470,000 (2023: HK\$1,028,806,000).

^{###} Market value of the listed shares in Mainland China as at 31 December 2024 was equivalent to HK\$1,525,666,000 (2023: HK\$1,245,288,000).

* Held indirectly

Note 1: Everbright Securities is the Group's cornerstone investment, with an investment cost of HK\$1,497,149,000 (2023: HK\$1,497,149,000).

Note 2: CALC is the Group's key investee engaged in providing full life-cycle aircraft leasing solutions.

Note 3: Everbright Jiabao is the Group's major investee engaged in real estate development and asset management in Mainland China.

Note 4: Everbright Senior Healthcare is the Group's key investee to provide integrated senior health care services including elderly health care, geriatric treatment, rehabilitation and community services in Mainland China.

Note 5: As at 31 December 2024, the Group did not control the board of directors of Everbright Senior Healthcare. Upon the completion of the procedures of share subscription by an investor with investment amount of RMB50 million, the Group's equity interest in Everbright Senior Healthcare stands at 49.29% on a fully diluted basis.

All of the above associates are accounted for using the equity method in the consolidated financial statements.

9. INVESTMENTS IN JOINT VENTURES

(a) Investments in joint ventures

	2024 HK\$'000	2023 HK\$'000
Carrying value, net	<u>729,803</u>	<u>932,964</u>

(b) As at 31 December 2024, details of the Group's principal investments in joint ventures are as follows:

Name of joint venture	Place of incorporation/ operation	Principal activities	Percentage of equity interest held by the Company
Wuxi Ronghong Guolian Capital Co., Ltd.	The PRC	Venture capital and investment advisory services (<i>note 1</i>)	50.0%*
山東高速光控產業投資基金管理 有限公司	The PRC	Fund management services (<i>note 2</i>)	48.0%*
CEL Capital Prestige Asset Management Co., Ltd.	The PRC	Assets management services (<i>note 3</i>)	49.0%*

* Held indirectly

Note 1: Wuxi Ronghong Guolian Capital Co., Ltd. is a joint venture of the Group to provide investment advisory services to a joint venture fund in Mainland China.

Note 2: 山東高速光控產業投資基金管理有限公司 is a joint venture of the Group to provide fund management services to an industrial sector investment fund in Mainland China.

Note 3: CEL Capital Prestige Asset Management Co., Ltd. is a joint venture of the Group and an asset management institution established under approval of the China Securities Regulatory Commission.

All of the above joint ventures are accounted for using the equity method in the consolidated financial statements.

10. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2024 HK\$'000	2023 HK\$'000
At fair value:		
Listed equity securities		
— outside Hong Kong	<u>6,572,616</u>	<u>5,032,899</u>

The Group designated the investment in China Everbright Bank Company Limited (“China Everbright Bank”) as financial assets at fair value through other comprehensive income because the Group intends to hold for the long-term strategic purposes. The investment cost of the Group’s investment in China Everbright Bank is HK\$1,407,189,000 (2023: HK\$1,407,189,000).

No disposal was made during the year ended 31 December 2024, and there were no transfers of any cumulative gain or loss within equity relating to this investment (2023: Nil).

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 HK\$'000	2023 HK\$'000
Non-current assets		
At fair value:		
Unlisted equity securities/collective investment schemes*		
— outside Hong Kong	15,851,841	20,789,666
Unlisted preference shares		
— outside Hong Kong	5,844,212	5,361,456
Unlisted debt securities		
— outside Hong Kong	<u>336,436</u>	<u>345,457</u>
	<u>22,032,489</u>	<u>26,496,579</u>
Current assets		
At fair value:		
Listed equity securities		
— in Hong Kong	756,031	1,106,006
— outside Hong Kong	785,926	885,741
Unlisted equity securities/collective investment schemes*		
— outside Hong Kong	3,558,998	2,212,737
Unlisted debt securities		
— outside Hong Kong	<u>117,439</u>	<u>110,978</u>
	<u>5,218,394</u>	<u>4,315,462</u>

* Included in the balance of unlisted equity securities/collective investment schemes are the Group’s interests in unconsolidated structured entities amounting to HK\$15,542,694,000 (2023: HK\$18,742,839,000).

As at 31 December 2024, the Group's listed and unlisted equity securities amounting to a fair value of HK\$16,868,249,000 (2023: HK\$19,346,709,000) were investments in associates and joint ventures. The Group was exempted from applying the equity method to these investments and they were measured as financial assets at fair value through profit or loss.

As at 31 December 2024 and 31 December 2023, the Group had certain unlisted financial assets at fair value through profit or loss recorded at a purchase price which was below the fair value at inception that would be determined at that date using a valuation technique. According to the Group's accounting policy, the difference yet to be recognised in the consolidated statement of profit or loss at the beginning and the end of the year is as follows:

	2024 HK\$'000	2023 HK\$'000
As at 1 January	7,129	227,136
Released during the year	–	(216,855)
Exchange adjustment	(19)	(3,152)
	<hr/> 7,110	<hr/> 7,129
As at 31 December	<hr/> 7,110	<hr/> 7,129

12. ADVANCES TO CUSTOMERS

	2024 HK\$'000	2023 HK\$'000
Current assets		
Term loans to customers		
— secured	1,178,525	1,205,585
— unsecured	2,983,517	2,831,273
	<hr/> 4,162,042	<hr/> 4,036,858
Total term loans to customers	4,162,042	4,036,858
Less: Impairment allowance	(1,102,700)	(966,285)
	<hr/> 3,059,342	<hr/> 3,070,573
Net carrying value	<hr/> 3,059,342	<hr/> 3,070,573

Certain term loans to customers are secured by unlisted securities or leasehold land and properties in Hong Kong and Mainland China with third parties guarantees.

Certain advances to customers are provided to related parties.

The movements in the impairment allowance on term loans to customers are as follows:

	Stage 1 HK\$'000	Stage 2 HK\$'000	Stage 3 HK\$'000	Total HK\$'000
As at 1 January 2023	11,220	6,710	584,186	602,116
Other changes (including new assets and derecognised assets)	(11,207)	328,253	50,713	367,759
Exchange difference	(8)	(40)	(3,542)	(3,590)
As at 31 December 2023 and 1 January 2024	5	334,923	631,357	966,285
Other changes (including new assets and derecognised assets)	(5)	(243,479)	391,484	148,000
Exchange difference	–	(4,514)	(7,071)	(11,585)
As at 31 December 2024	–	86,930	1,015,770	1,102,700

Except for the above impairment allowance of HK\$1,102,700,000 (2023: HK\$966,285,000), there were no other significant loans to customers, that were aged, requiring significant impairment provision as at 31 December 2024 and 2023.

13. INVENTORIES

	2024 HK\$'000	2023 HK\$'000
Properties under development	132,189	135,079
Completed properties	1,340,618	1,394,260
	1,472,807	1,529,339

14. DEBTORS, DEPOSITS, PREPAYMENTS AND OTHERS

	2024 HK\$'000	2023 HK\$'000
Accounts receivable	492,122	832,251
Deposits, prepayments, interest and other receivables and others	1,731,198	1,614,138
	2,223,320	2,446,389
Less: Impairment allowance	(677,724)	(517,284)
	1,545,596	1,929,105

Accounts receivable are mainly amounts due from brokers, collectable in cash within one year and divestment proceeds receivable.

The carrying amount of debtors, deposits, prepayments and others approximated to their fair value as at 31 December 2024 and 2023.

Their impairment allowance was assessed with reference to the credit status of the debtors, and impairment allowance of HK\$677,724,000 was recognised as at 31 December 2024 (2023: HK\$517,284,000).

Interest receivable from advances to customers of HK\$837,959,000 (2023: HK\$608,593,000) is included within “Debtors, deposits, prepayments and others”. Impairment allowance on interest receivable from advances to customers as at 31 December 2024 was HK\$267,911,000 (2023: HK\$122,348,000). The Group applies a three-stage approach to measure the expected credit loss allowance for interest receivable in accordance with HKFRS 9.

The movements in the impairment allowance for debtors, deposits, and others are as follows:

	Stage 1 HK\$'000	Stage 2 HK\$'000	Stage 3 HK\$'000	Total HK\$'000
As at 1 January 2023	1,790	1,634	154,170	157,594
Other changes (including new assets and derecognised assets)	(1,790)	28,724	333,311	360,245
Exchange difference	—	(5)	(550)	(555)
As at 31 December 2023 and 1 January 2024	—	30,353	486,931	517,284
Other changes (including new assets and derecognised assets)	—	1,278	159,162	160,440
As at 31 December 2024	—	31,631	646,093	677,724

15. CREDITORS, DEPOSITS RECEIVED AND ACCRUED CHARGES

	2024 HK\$'000	2023 HK\$'000
Creditors, deposits received and accrued charges	2,574,238	2,962,495

16. BANK LOANS

	2024 HK\$'000	2023 HK\$'000
Maturity details are as follows:		
Within 1 year	9,300,158	10,995,928
1 to 2 years	120,290	5,701,040
2 to 5 years	3,604,161	1,480,539
Over 5 years	359,944	426,101
	13,384,553	18,603,608

As at 31 December 2024, the bank loans were secured as follows:

	2024 HK\$'000	2023 HK\$'000
Bank loans:		
— secured	891,969	2,161,399
— unsecured	12,492,584	16,442,209
	13,384,553	18,603,608

As at 31 December 2024, the bank loans were secured by:

- (a) Mortgage over certain investment properties with carrying value of approximately HK\$2,289 million (31 December 2023: approximately HK\$4,542 million);
- (b) There were no mortgage over certain inventories (31 December 2023: approximately HK\$230 million); and
- (c) There were no pledge of equity interests in subsidiaries (31 December 2023: approximately HK\$1,475 million).

17. BONDS PAYABLE

	2024 HK\$'000	2023 HK\$'000
As at 1 January	13,793,500	11,996,728
New issuance during the year	9,363,230	4,374,600
Repayments during the year	(6,042,625)	(2,422,404)
Exchange adjustment	(376,120)	(155,424)
	<u>16,737,985</u>	<u>13,793,500</u>
As at 31 December		
	2024 HK\$'000	2023 HK\$'000
Maturity details are as follows:		
Within 1 year	3,239,610	6,069,140
1 to 2 years	4,319,480	3,310,440
2 to 5 years	9,178,895	4,413,920
	<u>16,737,985</u>	<u>13,793,500</u>

All the bonds payable of HK\$16,737,985,000 were unsecured as at 31 December 2024 (2023: 13,793,500,000).

18. SHARE CAPITAL

	2024		2023	
	No. of shares (‘000)	HK\$’000	No. of shares (‘000)	HK\$’000
Ordinary shares issued and fully paid:				
At 1 January and at 31 December	1,685,254	9,618,097	1,685,254	9,618,097

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All ordinary shares rank equally with regard to the Company’s residual assets.

19. PERPETUAL CAPITAL SECURITIES

	Principal HK\$’000	Distribution HK\$’000	Total HK\$’000
As at 1 January 2023	2,325,540	15,543	2,341,083
Issuance of perpetual medium term notes	2,184,880	–	2,184,880
Redemption of senior perpetual capital securities	(2,325,540)	–	(2,325,540)
Profit attributable to holders of perpetual capital securities	–	98,066	98,066
Distribution to holders of perpetual capital securities	–	(88,923)	(88,923)
As at 31 December 2023 and 1 January 2024	2,184,880	24,686	2,209,566
Profit attributable to holders of perpetual capital securities	–	78,993	78,993
Distribution to holders of perpetual capital securities	–	(78,929)	(78,929)
As at 31 December 2024	2,184,880	24,750	2,209,630

In 2020, the Company issued senior perpetual capital securities with the principal amount of US\$300,000,000 (equivalent to approximately HK\$2,325,540,000). The distribution rate for the senior perpetual capital securities is 3.80% per annum 3 years from the date of issuance (i.e., 27 October 2023), and subsequently the distribution rate will be reset in every 3 calendar years. On 27 October 2023, the Company redeemed all of the outstanding senior perpetual capital securities of the principal amount of US\$300,000,000. The distribution of senior perpetual capital securities is accrued in accordance with the distribution rate as set out in the subscription agreement, and such distribution shall be payable semi-annually in arrears on 27 April and 27 October of each year.

In 2023, the Company issued perpetual medium term notes with the principal amount of RMB 2,000,000,000 (equivalent to approximately HK\$2,184,880,000). The distribution rate for the perpetual medium term notes is 3.60% per annum 3 years from the date of issuance (i.e., 8 September 2026), and subsequently the distribution rate will be reset in every 3 calendar years. The distribution of perpetual medium term notes is accrued in accordance with the distribution rate as set out in the subscription agreement, and such distribution shall be payable annually in arrears on 11 September of each year.

The senior perpetual capital securities and perpetual medium term notes have no maturity and the payments of distribution can be deferred into perpetuity at the discretion of the Company. The instruments could only be redeemed at the option of the Company. In substance, the senior perpetual capital securities and perpetual medium term notes were considered as perpetual capital securities.

20. MATURITY PROFILE

The maturity profile of the Group's certain financial instruments as at the end of the financial year, based on the contractual discounted payments, is as follows:

As at 31 December 2024

	Indefinite HK\$'000	On demand HK\$'000	Less than 3 months HK\$'000	3 to less than 12 months HK\$'000	1 to 5 years HK\$'000	Over 5 years HK\$'000	Total HK\$'000
Liabilities							
— Bank loans	—	—	—	(9,300,158)	(3,724,451)	(359,944)	(13,384,553)
— Other financial liabilities	—	(437,378)	—	—	(2,394,774)	(4,047,190)	(6,879,342)
— Trading securities	(378,368)	—	—	—	—	—	(378,368)
— Bonds payable	—	—	—	(3,239,610)	(13,498,375)	—	(16,737,985)
— Lease liabilities	—	—	(7,439)	(13,034)	(18,049)	—	(38,522)
	<u>(378,368)</u>	<u>(437,378)</u>	<u>(7,439)</u>	<u>(12,552,802)</u>	<u>(19,635,649)</u>	<u>(4,407,134)</u>	<u>(37,418,770)</u>

As at 31 December 2023

	Indefinite HK\$'000	On demand HK\$'000	Less than 3 months HK\$'000	3 to less than 12 months HK\$'000	1 to 5 years HK\$'000	Over 5 years HK\$'000	Total HK\$'000
Liabilities							
— Bank loans	—	—	(1,139,468)	(9,856,460)	(7,181,579)	(426,101)	(18,603,608)
— Other financial liabilities	—	(436,688)	(35,726)	—	(2,766,029)	(4,002,839)	(7,241,282)
— Trading securities	(237,500)	—	—	—	—	—	(237,500)
— Bonds payable	—	—	—	(6,069,140)	(7,724,360)	—	(13,793,500)
— Lease liabilities	—	—	(3,312)	(9,961)	(10,593)	—	(23,866)
	<u>(237,500)</u>	<u>(436,688)</u>	<u>(1,178,506)</u>	<u>(15,935,561)</u>	<u>(17,682,561)</u>	<u>(4,428,940)</u>	<u>(39,899,756)</u>

21. SEGMENT INFORMATION

The Group manages and conducts the majority of its business activities by business units. Operating segments are reported in a manner consistent with the way in which information is reported internally to the Group's senior management for the purposes of resource allocation and performance assessment.

Fund Management Business

Fund management business refers to the business that the Group raises funds from external investors and deploys the Group's seed capital into specific clients, applies its professional knowledge and experience to make investment decisions on the capital according to laws, regulations and the fund's prospectus, while seeking to maximise gains for investors. The fund management business is comprised of primary market investment, secondary market investment and Fund of Funds investment ("FoF").

- **Primary market investment:** Investment in unlisted equity securities or equity derivatives with equity position for participating in the ongoing management of these companies, and with an ultimate objective of capital gain on investee's equity listing or through other exit channels. Areas of investments include new economy, artificial intelligence and advanced manufacturing, new energy, medical care and senior healthcare, overseas acquisition and infrastructure, real estate, aircraft industry chain, consumer market, wealth management and others.
- **Secondary market investment:** Provides a diversified range of financial services, including asset management, investment management and investment advisory activities. Products include absolute return funds, bond funds and equity funds.
- **Fund of Funds investment or "FoF":** FoF invested in both funds initiated and managed by the Group as well as external funds with proven track records of performance and governance. FoF can provide one-stop solution that offers liquidity and potential returns for mega-size institutions.

Principal Investments Business

The Group makes full use of its own capital to make the following three types of investments to promote the development of the fund management business and to optimise its income structure. They are:

- **Key investee companies:** Focusing on aircraft leasing, artificial intelligence of things (AIoT) and elderly care industry platforms;
- **Financial investments:** Investing in equity, debts, structured products and other products; and
- **Cornerstone investments:** The Group's stake in China Everbright Bank and Everbright Securities contributing relative stable earnings and dividend income.

(a) Business segments

For the year ended 31 December 2024:

	Fund Management Business			Principal Investments Business			Reportable segments total HK\$'000	Total HK\$'000
	Primary Market Investments HK\$'000	Secondary Market Investments HK\$'000	Fund of Funds Investments HK\$'000	Key Investee Companies HK\$'000	Financial Investments HK\$'000	Cornerstone Investments HK\$'000		
Income from contract with customers	98,069	30,252	62,334	–	216,469	–	407,124	407,124
Income from investments	(185,500)	302,005	(75,190)	391,323	(785,663)	299,232	(53,793)	(53,793)
Income from other sources	–	27,946	–	–	106	–	28,052	28,052
Total income	(87,431)	360,203	(12,856)	391,323	(569,088)	299,232	381,383	381,383
Segment operating results	(366,809)	242,062	(32,386)	353,287	(1,027,727)	299,232	(532,341)	(532,341)
Unallocated head office and corporate expenses*								(1,607,856)
Share of profits less losses of associates	(509,236)	–	–	(81,242)	(13,647)	607,669	3,544	3,544
Share of profits less losses of joint ventures	(41,245)	–	–	–	(27)	–	(41,272)	(41,272)
(Loss)/profit before taxation	(917,290)	242,062	(32,386)	272,045	(1,041,401)	906,901	(570,069)	(2,177,925)
Less: Non-controlling interests	73,694	(89,310)	–	–	50,249	–	34,633	
Segment results	(843,596)	152,752	(32,386)	272,045	(991,152)	906,901	(535,436)	
Other segment information:								
Interest income	243,853	100,500	22,022	49,925	139,738	–	556,038	
Impairment losses recognised in the statement of profit or loss	165,551	–	–	40,238	152,827	–	358,616	

* *The unallocated head office and corporate expenses mainly included unallocated finance costs, employee expenses and other operating expenses. The segment expenses and the unallocated head office and corporate expenses are measured on the same basis as HKFRS.*

For the year ended 31 December 2023:

	Fund Management Business			Principal Investments Business			Reportable segments total	Total
	Primary Market Investments HK\$'000	Secondary Market Investments HK\$'000	Fund of Funds Investments HK\$'000	Key Investee Companies HK\$'000	Financial Investments HK\$'000	Cornerstone Investments HK\$'000		
Income from contract with customers	455,972	26,588	75,211	–	234,257	–	792,028	792,028
Income from investments	689,927	169,906	193,228	(396,881)	(1,476,327)	330,656	(489,491)	(489,491)
Income from other sources	825	1,567	–	–	1,099,931	–	1,102,323	1,102,323
Total income	<u>1,146,724</u>	<u>198,061</u>	<u>268,439</u>	<u>(396,881)</u>	<u>(142,139)</u>	<u>330,656</u>	<u>1,404,860</u>	<u>1,404,860</u>
Segment operating results	667,348	70,126	241,288	(528,002)	(887,986)	330,656	(106,570)	(106,570)
Unallocated head office and corporate expenses*								(1,835,326)
Share of profits less losses of associates	(638,126)	–	–	(12,616)	693	880,872	230,823	230,823
Share of profits less losses of joint ventures	<u>25,580</u>	<u>–</u>	<u>31</u>	<u>–</u>	<u>(428)</u>	<u>–</u>	<u>25,183</u>	<u>25,183</u>
(Loss)/profit before taxation	<u>54,802</u>	<u>70,126</u>	<u>241,319</u>	<u>(540,618)</u>	<u>(887,721)</u>	<u>1,211,528</u>	<u>149,436</u>	<u>(1,685,890)</u>
Less: Non-controlling interests	<u>(1,374)</u>	<u>(88,803)</u>	<u>–</u>	<u>–</u>	<u>27,873</u>	<u>–</u>	<u>(62,304)</u>	
Segment results	<u>53,428</u>	<u>(18,677)</u>	<u>241,319</u>	<u>(540,618)</u>	<u>(859,848)</u>	<u>1,211,528</u>	<u>87,132</u>	
Other segment information:								
Interest income	234,020	139,379	41,852	51,025	193,400	–	659,676	
Impairment losses recognised in the statement of profit or loss	<u>335,389</u>	<u>–</u>	<u>–</u>	<u>131,121</u>	<u>329,332</u>	<u>–</u>	<u>795,842</u>	

* The unallocated head office and corporate expenses mainly included unallocated finance costs, employee expenses and other operating expenses. The segment expenses and the unallocated head office and corporate expenses are measured on the same basis as HKFRS.

Other Information

As at 31 December 2024

	Fund Management Business			Principal Investment Business			Reportable segments total HK\$'000	Total HK\$'000
	Primary Market Investments	Secondary Market Investments	Fund of Funds Investments	Key Investee Companies	Financial Investments	Cornerstone Investments		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
Segment assets	17,936,342	3,308,559	9,387,545	2,965,019	16,406,076	6,572,732	56,576,273	56,576,273
Investments in associates	1,303,681	-	-	2,200,058	325,498	13,188,214	17,017,451	17,017,451
Investments in joint ventures	724,263	-	5,540	-	-	-	729,803	729,803
Unallocated head office and corporate assets								362,478
Total assets								74,686,005
Segment liabilities	2,432,840	1,045,453	4,664,160	-	2,181,641	-	10,324,094	10,324,094
Unallocated head office and corporate liabilities								29,668,914
Provision for taxation								672,775
Deferred tax liabilities								1,370,151
Total liabilities								42,035,934

As at 31 December 2023

	Fund Management Business			Principal Investment Business			Reportable segments total HK\$'000	Total HK\$'000
	Primary Market Investments	Secondary Market Investments	Fund of Funds Investments	Key Investee Companies	Financial Investments	Cornerstone Investments		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
Segment assets	20,334,629	3,589,116	9,945,210	2,530,207	19,138,897	5,032,899	60,570,958	60,570,958
Investments in associates	1,850,277	-	-	2,217,162	482,638	13,159,636	17,709,713	17,709,713
Investments in joint ventures	927,296	-	5,668	-	-	-	932,964	932,964
Unallocated head office and corporate assets								374,287
Total assets								79,587,922
Segment liabilities	2,497,268	1,206,826	5,052,041	-	3,510,386	-	12,266,521	12,266,521
Unallocated head office and corporate liabilities								30,595,730
Provision for taxation								582,592
Deferred tax liabilities								2,037,293
Total liabilities								45,482,136

(b) Geographical segments

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment and investment properties, right-of-use assets, interests in associates and joint ventures ("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 locations of the asset. For interests in associates and joint ventures, the geographical location is based on the locations of operations.

	For the year ended 31 December 2024			For the year ended 31 December 2023		
	Hong Kong & Others HK\$'000	Mainland China HK\$'000	Total HK\$'000	Hong Kong & Others HK\$'000	Mainland China HK\$'000	Total HK\$'000
Segment Revenue						
Income from contracts with customers	111,290	295,834	407,124	291,251	500,777	792,028
Income from investments	27,571	(81,364)	(53,793)	223,329	(712,820)	(489,491)
Income from other sources	85,572	(57,520)	28,052	(2,260)	1,104,583	1,102,323
	<u>224,433</u>	<u>156,950</u>	<u>381,383</u>	<u>512,320</u>	<u>892,540</u>	<u>1,404,860</u>
	31 December 2024			31 December 2023		
	Hong Kong & Others HK\$'000	Mainland China HK\$'000	Total HK\$'000	Hong Kong & Others HK\$'000	Mainland China HK\$'000	Total HK\$'000
Specified non-current assets	<u>2,493,088</u>	<u>21,039,442</u>	<u>23,532,530</u>	<u>2,498,392</u>	<u>22,193,071</u>	<u>24,691,463</u>

22. LITIGATION

Reference is made to the announcements of the Company made through The Stock Exchange of Hong Kong Limited dated 2 February 2021, 11 April 2023, 1 June 2023, 9 September 2024 and 11 November 2024 (the "Announcements") which have disclosed, among others, matters pertaining to the litigation filed by Fang Ming (the "Plaintiff") against the Group relating to equity transfer dispute of Ying Li International Real Estate Limited (the "Legal Proceedings"). Certain amount of the Group's assets insignificant to its daily operations were preserved under the Legal Proceedings.

Following the appeal filed by the Company, on 5 September 2024, the Company received a civil judgment issued by the High People's Court of Chongqing Municipality which ruled that, among other things, the civil judgment issued by the Fifth Intermediate People's Court of Chongqing Municipality (the "First Instance Court") shall be revoked and the case shall be remanded to the First Instance Court for retrial. The Company subsequently received a civil complaint (the "Civil Complaint") against the Company in respect of the Legal Proceedings in which the Plaintiff alleged that there was disagreement over the consideration of the equity transfers, and demanded the Company to retribute and compensate for the Plaintiff's properties, financial loss and other related losses and certain subsidiaries of the Company as the other defendants to be jointly responsible for restitution and compensation obligations. According to the Civil Complaint, the amount involved in the relevant properties and related losses is yet to be ascertained.

The Company continues to firmly believe that the above allegations against the Group are without merit. The Group will take every possible step to defend the claim vigorously, and reserve the rights to take legal action(s) against the Plaintiff for any damages. The Company is of the view that the Legal Proceedings will not have a material adverse impact on the operations and debt-paying ability of the Group. The Company will continue to closely monitor the progress of the Legal Proceedings and use its best endeavours to safeguard the legitimate rights and interests of the Company and its shareholders. The Company will provide further information as and when appropriate in accordance with the applicable listing rules, laws and regulations.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

CEL is a leading cross-border asset management and private equity investment company in China, and a listed company in Hong Kong with management and investment of private funds as the core business. With more than 27 years of experience in cross-border asset management and private equity investment, CEL has been assessed as one of the top PE firms in China several times. China Everbright Group Ltd. (“Everbright Group”), the largest shareholder of the Company, indirectly holds 49.74% of the shares of CEL.

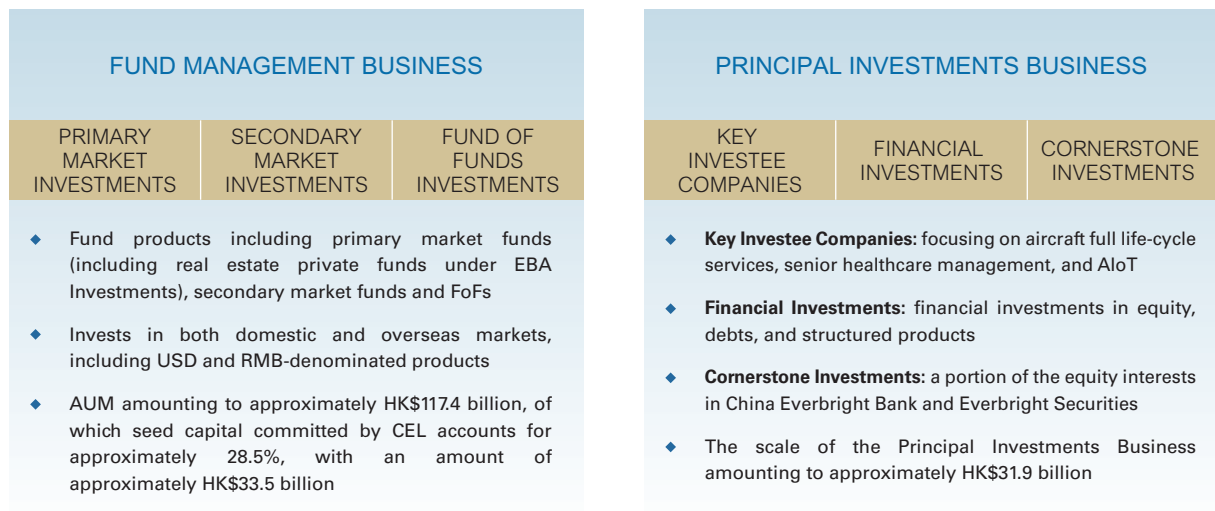
For Fund Management Business, as at 31 December 2024, total assets under management (“AUM”)¹ of CEL reached approximately HK\$117.4 billion, with 71 funds. By forming a rich asset management product line covering primary market funds, secondary market funds, FoFs, S funds, etc., CEL has nurtured many promising enterprises with high growth potential alongside with investors. CEL fully capitalised its role as a cross-border investment platform to support strategic emerging industries, prospective industries and scientific and technological innovation, foster new quality productivity and contribute to the development of the real economy.

For Principal Investments Business, CEL has nurtured China Aircraft Leasing Group Holdings Limited (“CALC”), the largest independent aircraft operating lessor in China; nurtured China Everbright Senior Healthcare Company Limited (“Everbright Senior Healthcare”), a renowned senior healthcare industrial group in China with consolidating multiple mid-to-high-end senior healthcare enterprises; and invested in Terminus Technology Co., Ltd. (“Terminus”) in the artificial intelligence and Internet of Things (“AIoT”) industry. CEL also invests in financial assets to achieve a balanced return and liquidity in its Principal Investments in due course. In addition, the Company holds a portion of the equity interests of China Everbright Bank Company Limited (“China Everbright Bank”) and Everbright Securities Company Limited (“Everbright Securities”) as Cornerstone Investments.

¹ Total assets under management refer to the committed capital of fund investors (including CEL as an investor) for primary market funds and FoFs, and refers to the net worth of funds for secondary market investments.



49.74%



REVIEW AND ANALYSIS

Macro-economic and Industry Review

Despite numerous uncertainties in 2024, the world showed resilience in economic growth as inflation cooled down and the monetary policy of major economies became more accommodative. According to the International Monetary Fund (“IMF”) and the Organisation for Economic Co-operation and Development (“OECD”), global GDP growth is projected to be 3.2% in 2024, the same as in 2023. Following a strong start in the first quarter of 2024, China’s economic growth slowed in the second and third quarters. In September, the Political Bureau of the Central Committee actively implemented a basket of policies to stabilise growth, including incremental measures such as monetary easing, reducing hidden debt, boosting consumption and stabilising property and stock markets. These efforts successfully led to a 5.4% growth in the fourth quarter, enabling China to meet its annual GDP growth target of 5%.

The year 2024 posed challenges for Asian markets. Non-USD currencies were generally under pressure due to the impact of a strong US dollar (“USD”), with Japanese Yen, Euro, Pound Sterling depreciated by 11.46%, 6.2% and 1.74% against the USD respectively. In contrast, Renminbi (“RMB”) remained generally strong compared to other major international currencies. Despite a slight depreciation of 2.92% against the USD, the RMB Exchange Rate Index of the China Foreign Exchange Trade System, which tracks the exchange rate of RMB against a basket of currencies, experienced an annual appreciation of 4.2%. Meanwhile, Asian stock markets were also affected in varying degrees. The Japanese and Indian stock markets experienced a surge in the first half of the year but saw significant volatility in the second half, while China’s A-share market faced a slow start but recovered, with all key indices showing an upward trend, as reflected by the annual growth of 12.67%, 13.23% and 16.07% in the SSE Composite Index, the ChiNext Index and the SSE Science and Technology Innovation Board 50 Index respectively. The Hong Kong stock market also reversed from its continuous downward trend in the past four years, with the Hang Seng Index and the Hang Seng Technology Index rising by 17.67% and 18.70% during the year respectively.

In recent years, China’s private equity sector faced severe challenges and has yet shaken off such weak momentum due to rising uncertainties in the macro environment and economy. Market participants, who have been struggling with difficulties in fundraising and exiting, have grown increasingly cautious about establishing new funds. Zero2IPO data indicates that 3,981 new funds were raised in China’s private equity market in 2024, with a fund size of RMB1.44 trillion, reaching the lowest level in recent years in terms of both fund size and number. Exiting barriers have posed another difficulty in circulating the vast amount of exited funds into new funds, which has, to a certain extent, undermined investor confidence and affected their investment decisions. The ever-increasing difficulties in fundraising and exiting barriers exerted further pressure on the investment side. According to Zero2IPO data, there were a total of 8,408 investment cases in 2024, with a disclosed amount (excluding outliers) of RMB603.6 billion, representing a year-on-year decrease of approximately 10%. To revitalise the market, China has been focusing on the private equity sector’s development quality and promulgating favourable policies to guide investors to make early and small-amount investments, with a long-term focus on science and technology. China was also encouraging the development of venture capital and equity investment. The industry is expected to usher in more new funds, which will serve as a key source of capital to promote science and technology innovation and industrial innovation.

BUSINESS HIGHLIGHTS IN 2024

In 2024, although the policy synergies helped propel China’s economy toward general stability and structural optimisation, challenges such as insufficient effective demand, weak social expectations and structural adjustment persisted. During the reporting period, generally unfavourable conditions in the primary market and the volatility of the real estate sector caused some projects to record unsatisfactory results and encounter difficulty in exit. Our results are affected by the relatively large unrealised investment loss recorded during the reporting period. Nevertheless, the Company managed to maintain positive cash inflow from operating activities and investing activities due to the stable operation of our core business and our effective measures in enhancing cost control. During the reporting period, CEL proactively adopted a series of initiatives to cope with various challenges posed by the market and coordinated transformation and development, seizing the opportunities arising from the gradually recovering capital market, enabling the Group to focus on increasing revenue and controlling cost, thereby successfully turning around certain business segments from the loss position in the first half of the year. Furthermore, certain core indexes have shown improvements, achieving the anticipated operating quality.

Committed to cultivating our major business to achieve steady development. During the reporting period, focusing on Fund Management Business, we successfully established CEL Liaoning Fund (光控遼寧基金) (RMB700 million) and CEL Ganzhou Guohui Industrial Development Fund (光控贛州國惠產業發展基金) (RMB400 million). We also completed investments in, amongst others, Xiaomi Industry Fund (小米產業基金), Hongjun Microelectronics (鴻鈞微電子), Yizhuang Automobile Fund (亦莊汽車基金), supporting the growth of domestic industries such as Artificial Intelligence (AI) computing infrastructure, semiconductor, electronic equipment, domestic new energy vehicles, and automated driving. Our secondary market funds promptly seized opportunities presented by market recovery, yielding satisfactory results with substantial increase in income. In particular, Everbright Convertible Opportunities Fund recorded an annual net return rate of 19.64%. Regarding exit, we completed exit such as Shuyi Tealicious (書亦燒仙草), Liaoji Food (廖記食品) and JD Logistics (京東物流). The total exit amount of funds and principal investments exceeded HK\$3.8 billion, with a multiple on invested capital (MOIC) of 1.54 times. During the reporting period, our Principal Investments Business has managed to reverse losses while one of our Key Investee Companies, Terminus, filed a listing application with HKEx. Our cornerstone investments have performed well and provided stable income for the Company.

Optimise operation and management through reform and innovation. During the reporting period, the Company achieved remarkable results in reducing costs and increasing efficiency. We had been actively replacing existing loans, optimising debt maturity and currency structure, which resulted in reduction of financial expenses by over HK\$300 million compared to the previous year, and successfully lowered the leverage ratio by nearly 3% compared to the end of the previous year. By refining cost control measures, operating costs were reduced by more than 9%. At the same time, we actively promoted the classification of risky assets, strengthened valuation management and implemented rigid risk monitoring. Further, we continued to establish and improve our risk prevention mechanism, maintaining proper daily monitoring of the risks associated with invested projects, and developed a new risk mechanism to monitor, alert and address risks in a timely manner. The Company attaches great importance to ESG (Environmental, Social and Governance) initiatives. During the reporting period, the Company attained an A grade in MSCI ESG rating, marking our third successive ascension.

Develop forward-looking strategies to guide actions. During the reporting period, the Company overcame difficulties and was calmly responding to challenges, adhering to our general principal of seeking progress in stability, accurately and effectively capitalising on favourable incremental policies and fully leveraging our strengths to increase investment returns. We proactively developed a “15th Five-Year” strategic plan (“十五五”戰略規劃) according to the guidance of the “Executive Meeting of State Council” (國常會) and the “17 Provisions on Policy for Promoting Venture Capital Development” (創投十七條). Leveraging on our advantages as a cross-border platform, in synergistic collaboration, and with state-owned background, we formulated strategic plans aimed at enhancing the Company’s intrinsic value in key industries and strategic regions. At the same time, we strengthened our presence in Hong Kong through partnering with the city’s industrial parks and six universities to promote the construction of the Everbright Hong Kong Innovation Centre, while contributing to cultivation and incubation of local technological ventures, assisting domestic enterprises from mainland China in expanding overseas, and reinforcing our brand influences.

A summary of the Group's medium-term note issuance in 2024 is as follows:

Bond abbreviation	Date of issuance	Size of issuance	Use of proceeds
24 Everbright Limited MTN002	May 2024	RMB4.5 billion	Repayment of domestic maturing medium-term notes and corporate bonds, net of underwriting fees.
24 Everbright Limited MTN001	March 2024	RMB4.0 billion	Repayment of foreign bank loans and domestic medium-term notes, net of underwriting fees.

FINANCIAL PERFORMANCE ANALYSIS OF 2024

Income

Key income items

(in HK\$ hundred million)

	2024	2023	Change
Income from contracts with customers, mainly including:	4.07	7.92	(49%)
— Management fee income	1.49	1.82	(18%)
— Performance fee and consultancy fee income	0.35	3.77	(91%)
Loss from investments, mainly including:	(0.54)	(4.89)	89%
— Interest income	5.56	6.60	(16%)
— Dividend income	12.91	9.92	30%
— Realised income/(loss) from investments	1.52	(0.13)	N/A
— Unrealised loss from investments	(20.51)	(21.28)	4%
Income from other sources	0.28	11.02	(97%)
Share of profits less losses of associates	0.04	2.31	(98%)
Share of profits less losses of joint ventures	(0.41)	0.25	N/A
Total amount of income	3.44	16.61	(79%)

During the year, total amount of income of the Group was HK\$344 million, representing a year-on year decrease of HK\$1,317 million as compared to HK\$1,661 million for last year. Its income from contracts with customers decreased by HK\$385 million year-on-year, mainly due to the lower-than-expected performance fee and consultancy fee income. In respect of loss from investments, with pressure on project valuations in general, our unrealised loss from investments remained more or less on par with that of last year. However, benefiting from increase in dividend income, overall loss from investments narrowed significantly to HK\$54 million for the current year from HK\$489 million for last year.

The year-on-year change in income was mainly due to the following factors:

- (1) In 2024, the Group's income from contracts with customers was HK\$407 million, representing a decrease of HK\$385 million from last year. During the year, the Group realised management fee income of HK\$149 million, decreased moderately by HK\$33 million from that of last year. The effects of cyclical fluctuations in the industry have caused the scale of asset management to decline from its peak. However, in the face of a complex and volatile market environment, the Group had adhered to a prudent approach in its operations, proactively optimising its asset allocation structure and striving to improve the quality of its core assets. These efforts had provided a stable source of income for the Group. Meanwhile, performance fee and consultancy fee income decreased by HK\$342 million from last year to HK\$35 million, primarily due to a periodical reduction in relevant income resulting from the prudent management of exit pace in line with the philosophy of value investing.
- (2) The Group recorded a loss from investments of HK\$54 million, compared to HK\$489 million for last year, representing a year-on-year improvement of HK\$435 million, amongst which dividend income was HK\$1.291 billion, representing a year-on-year increase of HK\$299 million, mainly due to the significant increase in dividends received from Fund Management Business. The Group achieved a turnaround in its realised income/(loss) from investments from a loss of HK\$13 million for last year to a gain of HK\$152 million, mainly driven by the timely exit of mature projects by the Group's investment team, resulting in satisfactory returns.

Unrealised loss from investments was HK\$2,051 million, reduced by HK\$77 million as compared to last year, with volatility narrowing. This was mainly due to a rebound in the valuation of Key Investee Companies within the Principal Investments Business, resulting in an unrealised gain of HK\$344 million (the carrying value of Key Investee Companies as at the end of 2023 was HK\$2.162 billion), representing a significant improvement compared to the unrealised loss of HK\$448 million last year. Unrealised loss from financial investments amounted to HK\$1,012 million, slashed by HK\$787 million from a loss of HK\$1.799 billion last year, mainly due to the stabilisation of valuation fluctuations in financial investment projects as the market slowly rebounded (the carrying value of Financial Investments as at the end of 2023 was HK\$6.313 billion). In Fund Management Business, unrealised loss from primary market investments was HK\$1.054 billion, mainly attributable to the loss in primary market funds resulting from the decrease in market value or valuation of invested projects (the carrying value of primary market investments as at the end of 2023 was HK\$15.083 billion). Benefiting from market recovery, we recorded an unrealised gain from secondary market investments of approximately HK\$40 million (the carrying value of secondary market investments as at the end of 2023 was HK\$2.859 billion), and an unrealised loss from FoFs investments of HK\$369 million (the carrying value of FoFs investments as at the end of 2023 was HK\$7.074 billion).

- (3) During the year, the Group's income from other sources was HK\$28 million, compared to HK\$1,102 million in last year. The income from other sources last year was mainly non-recurring from Financial Investments. During the year, the Group's share of profits less losses of associates was HK\$4 million, representing a decrease of HK\$227 million when compared with last year. In particular, the share of profit from Everbright Securities decreased by HK\$273 million compared with last year, and the share of profit from CALC increased by HK\$83 million compared with last year.

Income from key business segments

(in HK\$ hundred million)

	2024	2023
— (Loss)/income from Fund Management Business	(2.90)	10.01
— Income from Principal Investments Business	6.34	6.60
	<hr/>	<hr/>
Total amount of income	3.44	16.61
	<hr/>	<hr/>

By business segments, the loss from Fund Management Business of the Group during the year was HK\$290 million, compared with a gain of HK\$1.001 billion last year. The main reasons for the change include: (1) the Group used seed capital to invest in the managed funds, and with the reduction in investment valuations of certain projects, its unrealised gain and loss from investments changed from an unrealised gain of HK\$119 million last year to an unrealised loss of HK\$1.383 billion in the reporting period; and (2) during the year, the dividend income of the Fund Management Business segment was HK\$823 million, representing an increase of 69% compared with HK\$488 million last year, which partly offset the impact of the unrealised loss from investments. Additionally, during the year, the Group's income from Principal Investments Business was HK\$634 million, which substantially remained stable compared to HK\$660 million last year. Although the market price and annual valuation result of principal investment projects further dropped due to market conditions, the improved performance of certain investment projects, such as the year-on-year increase of HK\$83 million in the share of profits from CALC, contributed to the stable performance of the Group's principal investment.

Profit and Loss

Profit in Key Business Segments

<i>(in HK\$ hundred million)</i>	2024	2023	Change
(Loss)/profit from Fund Management Business	(7.23)	2.76	N/A
Profit/(loss) from Principal Investments Business:	1.88	(1.89)	N/A
— Key investee companies	2.72	(5.41)	N/A
— Financial investments	(9.91)	(8.60)	(15%)
— Cornerstone investments	9.07	12.12	(25%)
Less: Unallocated corporate expenses, taxes and profit attributable to holders of senior perpetual capital securities	(13.74)	(20.10)	32%
Loss attributable to shareholders of the Company	(19.09)	(19.23)	1%

During the year, the net loss attributable to shareholders of the Company was HK\$1.909 billion, compared to a loss of HK\$1.923 billion last year, achieving an overall slight decrease in loss:

- (1) Loss from Fund Management Business was HK\$723 million, mainly due to the underperformance of certain investment projects in this segment and unrealised loss arising from further valuation adjustments. During the year, unrealised income/loss from investment projects slumped to a loss of HK\$1.383 billion from profit of HK\$119 million last year. Additionally, realised income saw significant growth during the year, improving from HK\$31 million last year to HK\$234 million this year. This demonstrates the effectiveness of our active management of investment portfolio, which helped effectively offset the impact of unrealised loss on the statement of profit or loss.
- (2) Profit from Principal Investments Business was HK\$188 million, representing a turnaround from a loss of HK\$189 million last year, mainly attributable to the improvement in the overall performance of Key Investee Companies. Profit from Key Investee Companies shifted from a loss of HK\$541 million last year to a profit of HK\$272 million in the year, effectively offsetting part of the downside risk and generating revenue to the Group.

Dividends

Per share

(HK\$)	2024	2023	Change
Loss per share	(1.13)	(1.14)	1%
Interim dividend per share	0.05	0.15	(67%)
Final dividend per share	0.05	0.10	(50%)
Total dividend per share	0.10	0.25	(60%)

Loss attributable to shareholders of the Company for the year was HK\$1.909 billion, and net cash inflows from operating activities and investing activities amounted to HK\$1.691 billion and HK\$1.106 billion, respectively. During the year, the Group narrowed the loss slightly, with sufficient liquidity and solid overall financial, business and operating conditions. Following the practice of sharing the Group's operating results with shareholders, the Board declared final dividend of HK\$0.05 per share for 2024 (2023 final dividend: HK\$0.10 per share).

KEY FINANCIAL RATIOS

Key financial data ¹	2024	2023	Change
Gearing ratio ²	92%	95%	-3 ppt
Net gearing ratio ³	86.8%	86.4%	+0.4 ppt
Debt-to-asset ratio ⁴	56.3%	57.1%	-0.8 ppt
Current ratio ⁵	135.6%	109.5%	+26.1 ppt

The Group implemented refined cost control through wider technology and electronic application to boost operational efficiency. Operating costs⁶ for this year amounted to HK\$824 million, representing a year-on-year decrease of 9.2%. This reduction highlights the positive impact of the Group's efforts in cost control and efficiency improvement.

¹ The Gearing ratio, net gearing ratio, debt-to-asset ratio and current ratio are the measures used by the management of the Group for monitoring business performance and financial position. These may not be comparable to similar measures presented by other companies

² The gearing ratio is calculated as interest-bearing debt (including bank loans + bonds payable)/total equity x 100%

³ The net gearing ratio is calculated as (interest-bearing debt - available cash)/total equity x 100%

⁴ The debt-to-asset ratio is calculated as (total liabilities/total assets) x 100%

⁵ The current ratio is calculated as current assets/current liabilities x 100%

⁶ Operating costs include staff costs, depreciation and amortisation expenses and other operating expenses

Due to the losses incurred during the year, the Group's total equity decreased from HK\$34.1 billion at the end of last year to HK\$32.7 billion at the end of the year, which had a negative impact on the gearing ratio. However, the Group took proactive measures on deleveraging, successfully reducing its interest-bearing liabilities by over HK\$2 billion, from HK\$32.4 billion at the beginning of the year to HK\$30.1 billion at the end of the year. As at the end of December 2024, the Group's gearing ratio was 92%, a decrease of 3 percentage points as compared to the end of 2023, reflecting the effectiveness of our deleveraging efforts. The Group's available cash reserves at the end of December 2024 amounted to HK\$1.786 billion (as at the end of 2023: HK\$2.927 billion). Excluding the impact of available cash, the net gearing ratio was 86.8%, representing an increase of 0.4 percentage points as compared to the end of 2023.

As at the end of December 2024, the Group had cash and cash equivalents of approximately HK\$8.4 billion, with available and unutilised bank facilities of approximately HK\$8 billion, representing sufficient liquidity and a strong financial position.

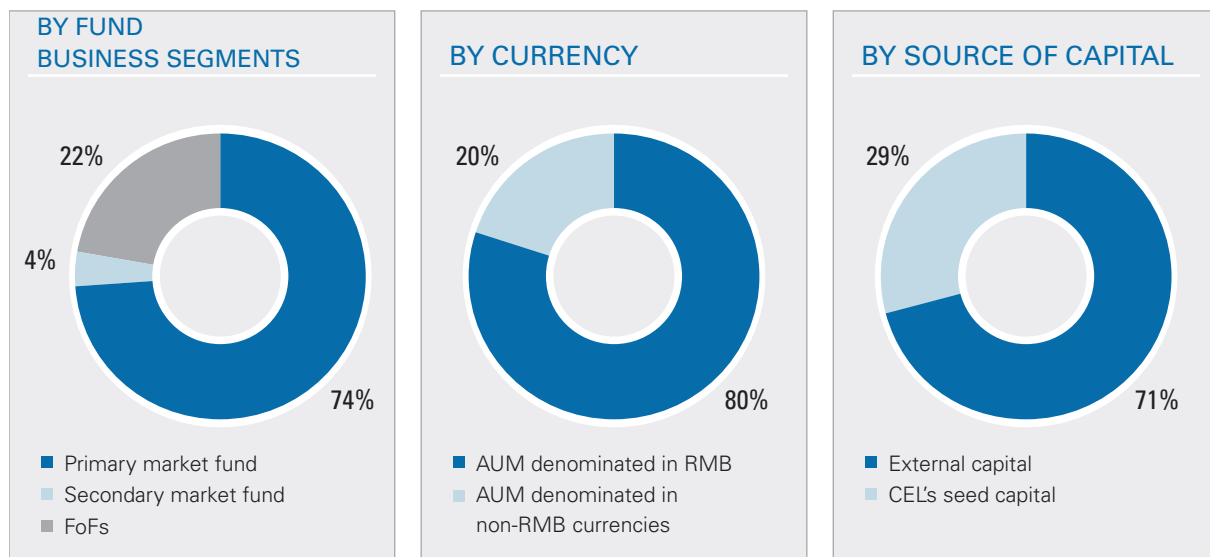
BUSINESS PERFORMANCE ANALYSIS

Fund Management Business

As at 31 December 2024, the total AUM of CEL's funds amounted to approximately HK\$117.4 billion, representing a decrease of approximately HK\$8.8 billion as compared to the end of last year. The decrease in AUM was mainly attributable to 1) the withdrawal of certain funds due to maturity; 2) some investors of secondary market funds and discretionary accounts took profits and redeem their investments following the maturity of certain funds and accounts; and 3) the depreciation of RMB against HKD, which resulted in a decrease in AUM when converted into Hong Kong dollar.

CEL's funds have extensive source of funding, where external investors are primarily institutional investors, with a diversified mix of institutions covering, amongst others, commercial banks, insurance companies, family offices and government agencies. In terms of currency, funds denominated in RMB and all other currencies were equivalent to approximately HK\$93.9 billion and HK\$23.5 billion, accounting for 80% and 20% of the total amount, respectively. In terms of nature of funds, the Company's Fund Management Business included 42 primary market funds, 20 secondary market funds and discretionary accounts, and 9 FoFs products.

During the reporting period, CEL tailored to the circumstances to make prudent investment decisions, and to exit from prevailing projects. The Fund Management Business made capital contributions of approximately HK\$310 million to a total of 13 projects, and exited, fully or partially, from 73 projects, recording a cash inflow of approximately HK\$3.123 billion.



Primary Market Funds

As at 31 December 2024, there were 42 primary market fund products under the management of CEL, with an aggregate AUM equivalent to approximately HK\$86.5 billion and scope of investment covering various industries including semiconductors, Industrial Internet and high-end manufacturing. CEL also actively explored potential opportunities in artificial intelligence, new energy and other sectors. By currency, amounts equivalent to approximately HK\$67.4 billion were denominated in RMB and approximately HK\$19.1 billion were denominated in other currencies, accounting for 78% and 22% respectively. During the reporting period, CEL achieved strong investment returns and cash flow recovery through a combination of disposal of shares of listed companies and other diversified exit channels (such as transfer). The projects CEL had exited included Shuyi Tealicious (書亦燒仙草), Liaoji Food (廖記食品) and JD Logistics (京東物流).

Leveraging the diversified fund structure and leading integrated capabilities, CEL's primary market fund maintained a cross-border portfolio from the "Perspective of China", developed and expanded patient capital by focusing on "Five Major Articles" and financial support for "New Quality Productivity Forces", and invested in new industries and fields.

Secondary Market Funds

As at 31 December 2024, CEL's secondary market business managed a total of 20 funds and discretionary accounts with AUM in terms of net worth of approximately HK\$4.7 billion.

With years of cross-border experience and by leveraging on its investment capabilities, CEL's secondary market funds have built a one-stop portfolio, which covers Asian credit bond hedge funds, Asian convertible bond hedge funds, offshore Greater China equity hedge funds, onshore A+H shares long-only strategies funds (including private fund managers and institutional investors) and investment advisory business.

CEL has well diversified fixed income products covering offshore funds, QFII managed accounts, offshore managed accounts and asset securitisation products. Everbright Convertible Opportunities Fund, a flagship Asian convertible bond product, delivered superior results during the reporting period. The fund received the "Best Asian Ex-Japan Fixed-Income Hedge Fund (10-year)", "Best Asian Ex-Japan Fixed-Income Hedge Fund (5-year)", "Best Asian Ex-Japan Fixed-Income Hedge Fund (3-year)", "Best Asian Ex-Japan Multi-Strategy Hedge Fund (10-year)" and "Best Asian Ex-Japan Multi-Strategy Hedge Fund (5-year)" awards by the 2024 I&M Professional Investment Award, demonstrating the recognition of the team's investment capability and comprehensive strength by independent ranking agencies. Everbright Income Focus Fund, a public bond fund in Hong Kong and being an investment advisor, was awarded a five-star rating (the highest rating) by an authoritative fund rating agency, for overall rating and in five-year rating, for its superior performance and risk-adjusted returns.

Fund of Funds

CEL's FoFs not only invested in external funds with proven track records and robust governance, but also invested in funds launched and managed by the Company, and coinvested or directly invested in equity projects. As at 31 December 2024, the FoFs team managed 9 FoFs with an AUM equivalent to approximately HK\$26.2 billion. The Company's FoFs business has established an investment matrix primarily targeting information technology, biopharmaceuticals, consumption and entertainment, and technology manufacturing, with active collaborations with well-established major (white horse) managers, emerging and promising (dark horse) managers, and leading managers in specialised sectors both domestically and internationally. As at 31 December 2024, there were 98 invested projects (sub-funds and direct investment projects) under the FoFs, and a total of 166 investees in the underlying projects of invested sub-funds and direct investment projects under the FoFs were listed. During the reporting period, 13 new enterprises were listed, all of which came from the underlying projects of sub-funds. CEL's FoFs team also promoted the listing application and exit of direct investment projects, dedicating to bring excellent returns to investors.

CEL's FoFs have won numerous industry recognitions and awards, further enhancing its brand and influence in the industry. During the reporting period, with their outstanding performance, the Company's FoFs were awarded the "2024 New Quality Productive Financial Institutions TOP20" and "2024 Best State-owned Market-oriented FoFs TOP13" by FoF Research Centre, the "2023-2024 Best Market-Oriented Chinese FoFs TOP20" by Chinese Venture and the "2024 Top 50 Influential State-owned Investment Institutions in China" by China Venture Capital Research Institute ("CVCRI").

Real Estate Investment and Asset Management Business

As at 31 December 2024, CEL held 29.17% equity interest in Everbright Jiabao, an A-share listed company (stock code: 600622.SH), as its largest shareholder. Everbright Jiabao managed 56 projects through the platform under EBA Investments, including 21 investment management projects being under management, with total fund size under management of approximately RMB22.1 billion (equivalent to approximately HK\$24.0 billion) and AUM of approximately RMB46.9 billion (equivalent to approximately HK\$50.7 billion). During the reporting period, Everbright Jiabao/EBA Investments took the opportunity of building a new development model for the real estate industry to accelerate the creation of a leading real estate asset management platform in China, while continuing to optimise the operating conditions of projects under management, endeavouring to boost the operating and management standards of projects. As at the end of the reporting period, EBA Investments and its subsidiaries managed a total of 20 consumption infrastructure projects of IMIX Parks in mainland China through fund investment or entrusted management, primarily located in core consumer spending cities in various municipalities and provinces in China. In addition, during the reporting period, EBA Investments continued to expand the business of real estate construction and management projects under the brand of “安石建管”, and expanded and reserved a number of projects. During the reporting period, EBA Investments was ranked first in the “Excellent Enterprises in terms of Comprehensive Strength among China Real Estate Funds” jointly announced by the China Enterprise Evaluation Association, Property Research Institute of Tsinghua University and Beijing China Index Academy for the tenth consecutive year.

Principal Investments Business

The Company strives to achieve the following 3 objectives through principal investments: (1) Key Investee Companies: investing in and fostering enterprises with synergy between industry and finance and promising development prospects; (2) Financial Investments: maintaining flexible liquidity management through investment in structured financing products and obtaining stable interest income; capitalising on co-investment opportunities brought by the Fund Management Business and participating in equity and related financial investments to obtain investment returns; (3) Cornerstone Investments: holding a portion of the equity interest in China Everbright Bank and Everbright Securities to obtain stable dividends and investment returns.

As at the end of December 2024, the Principal Investments Business managed 50 post-investment projects with an aggregate carrying value of approximately HK\$31.9 billion. Among these projects, the total carrying amount of equity interest held in CALC, Everbright Senior Healthcare and Terminus was approximately HK\$5.0 billion; the fair value of Financial Investments was approximately HK\$7.1 billion; the fair value of the Cornerstone Investments in China Everbright Bank was HK\$6.6 billion, and the carrying amount of Everbright Securities accounted for as an associate was HK\$13.2 billion.

Principal investments*(in HK\$ hundred million)*

	2024	2023
— Key Investee Companies	50	47
— Financial Investments	71	92
— Cornerstone Investments	198	182
	<hr/>	<hr/>
Total	319	321
	<hr/>	<hr/>

Key Investee Companies*CALC*

As at 31 December 2024, CEL held 38.06% of the equity interest in CALC (stock code: 1848.HK) and was its largest shareholder. CALC is a one-stop full life-cycle solutions provider for the global aviation sector. CALC's scope of business includes regular operations such as aircraft operating leasing, leaseback after purchase, aircraft asset package transactions and asset management, and value-added services such as fleet upgrading, aircraft maintenance, aircraft disassembling and parts selling. CALC has the advantages of dual-platform financing, leasing and sales channels, as well as a strong capability and rich experience in both domestic and overseas financing. Meanwhile, CALC is also a “pioneer” in advocating the commercialisation of overseas operations of domestically-produced aircraft and firmly adheres to the national civil aviation strategy. In 2024, the core business of CALC progressed steadily with remarkable improvements in operating quality, and the net profit attributable to shareholders achieved a significant year-on-year increase. During the reporting period, the profit of CALC attributable to the Group increased by HK\$83 million as compared to the same period of last year. As at 31 December 2024, CALC had a fleet of 189 aircraft, consisting of 159 owned aircraft and 30 managed aircraft. CALC's owned and managed aircraft are leased to 40 airlines in 21 countries and regions.

Everbright Senior Healthcare

Everbright Senior Healthcare has been seizing development opportunities in China's healthcare industry. Building on the core business of institutional elderly care, it has expanded into CCRC, nursing homes, rehabilitation hospitals, home elderly care and other highly related businesses. Targeting elderly customers of advanced age who have care needs, and focusing on seniors' rigid demands on rehabilitation, it provides a portfolio of elderly care services comprise of medical and nursing care, which serve as its core products, and supplemented by other services such as elderly catering, mental care and entertainment. With its strong presence and competitiveness in the senior healthcare segment, it is one of the most influential healthcare service providers in China. As at 31 December 2024, Everbright Senior Healthcare has 234 institutions of various types which include institutional and community service centres, forming a deployment covering the Beijing-Tianjin-Hebei region, Yangtze River Delta, and Chengdu-Chongqing Economic Circle. Riding on its professional senior healthcare services, stringent quality control, convenient services and diversified senior healthcare experiences, Everbright Senior Healthcare has garnered a good brand reputation in the market, which has earned it high recognitions from customers, peers and governments, and a regular spot among the top industry players.

Terminus

During the reporting period, based on the five-layer architecture of Artificial Intelligence Internet of Things (AIoT), Terminus continued to promote the framework concept of industrial intelligent transformation and built an AIoT industry cluster to strengthen the overall competitiveness of the Company. Terminus was deeply involved in the green, digital and intelligent upgrading of Taohuatan Station and Chang'anji Station on the South Extension of Hefei Metro Line 4; reached a cooperation with Ethara, a large-scale sports venue and major event management company in the United Arab Emirates (UAE), to create a full-stack AIoT-driven digital and intelligent solution for the Abu Dhabi National Sports Centre in the UAE; collaborated with Chongqing Institute of Green and Intelligent Technology under the Chinese Academy of Sciences to build the first “Key Laboratory of Edge Intelligence Computing (Chongqing)” in Chongqing Hi-Tech Industrial Development Zone. Terminus was awarded the “2024 APEC Award for Science, Technology and Innovation (APSTI)” and the “New Quality Productivity Industry Leader Award of the Year” by Asia-Pacific Economic Cooperation (APEC).

Financial Investments

The Company's Financial Investments funded by its own capital cover the following aspects: (1) based on the investment/co-investment opportunities brought by the Company's funds and extensive business network, investing in the equity or debt of unlisted companies; (2) investing in structured financing products with a balance in return and liquidity. As at 31 December 2024, the Company's financial investments amounted to HK\$7.1 billion in various sectors including real estate, new economy and technology, artificial intelligence and advanced manufacturing, and green investments, with the aggregate carrying value of the top 10 projects amounting to HK\$5.1 billion.

Cornerstone Investments

As at 31 December 2024, the carrying amount of a certain portion of equity interests in Everbright Securities and China Everbright Bank held by the Group as Cornerstone Investments each accounted for more than 5% of the Group's total assets and the two investments were regarded as significant investments of the Group. These two Cornerstone Investments held by the Group accounted for in aggregate 60.5% and 26.5% of the Group's net assets and total assets, respectively.

Everbright Securities (601788.SH)

Established in 1996 with its headquarters in Shanghai, Everbright Securities is one of the first 3 innovative pilot securities firms approved by the China Securities Regulatory Commission. As at the end of December 2024, the Group held 956 million A-shares in Everbright Securities, representing 20.73% of its total share capital, with an investment cost of HK\$1,497 million. Everbright Securities is accounted for as an associate of the Group. The carrying value of the shares held by the Group was HK\$13.2 billion, accounting for 40.4% and 17.7% of the Group's net assets and total assets respectively. Based on the closing price of RMB18.11 per share as at 31 December 2024, the fair value of the shares held by the Group was HK\$18.7 billion. During the reporting period, the Group's share of profit from an investment in associate attributable to Everbright Securities was HK\$608 million, representing a year-on-year decrease of 31.0%.

China Everbright Bank (601818.SH)

Established in August 1992, China Everbright Bank is a national joint-stock commercial bank approved by the State Council and the People's Bank of China. As at the end of December 2024, the Group held 1.57 billion A-shares in China Everbright Bank, representing 2.66% of the total share capital of China Everbright Bank, with an investment cost of HK\$1,407 million. The shares in China Everbright Bank held by the Group are accounted for as equity investments designated at fair value through other comprehensive income. Based on the closing price of RMB3.87 per share as at 31 December 2024, the carrying amount and fair value of the shares in China Everbright Bank held by the Group amounted to HK\$6.6 billion, accounting for 20.1% and 8.8% of the Group's net assets and total assets respectively. During the year, the Group's income from China Everbright Bank was HK\$299 million, representing a year-on-year decrease of 9.5%.

OUTLOOK

At present, despite the complex international situation and the great challenges faced by China, the fundamentals of long-term economic development remain unchanged. The global situation is turbulent with ongoing regional conflicts and rising trade protectionism, while the road to global economic recovery is full of unexpected difficulties with increasing uncertainties, all of which have had a spillover effect on China's economy. 2025 marks the conclusion of the "14th Five-Year Plan", which also bears great significance to carry on success and chart the future. With the introduction of more proactive fiscal policies and moderately loose monetary policies domestically, the momentum of economic upturn has been further strengthened. Domestic demand such as household consumption will remain the key driver for economic growth. Artificial intelligence technology is rapidly iterating and being applied to multiple industries. The cultivation and development of new quality productive forces will provide support for high-quality economic development.

China has attached great importance to the venture capital industry. In 2024, the State introduced a number of favourable policies to guide capital towards initial investments, small size investments, investments on hard science and technology, long-term investments, encouraging development of venture capital and equity investments. With more long-term capital with greater patience entering the market, it may gradually invigorate social capitals, and the fundraising environment is expected to improve in 2025. Changes brought about by new policies on venture capital funds of central State-owned enterprises, such as extending the duration of the funds and improving the assessment mechanism, may further improve the investment ecology. The characteristics of market bottoming are gradually emerging. With the increasing policy support and deepening of capital market reforms, the private equity industry may be presented with broader development opportunities. In view of this, CEL will step up efforts in research and planning on macro economy, industry development trends and new opportunities for venture capital, deepen its development in Hong Kong, and insist on focusing on private equity fund investment management business. CEL will forge core capabilities around "fund-raising, investment, management, exit and transfer", improve investment and research capabilities, focus on long-term value, and comprehensively serve and engage with the "Dual Circulation" new development pattern, further consolidating the foundation for transformation and development.

In terms of fund-raising, we will optimise the management mechanism and fully mobilise resources to strengthen fund-raising. We will further optimise the fund establishment process and encourage our teams to actively raise external funds by refining the management mechanism. At the same time, we will actively explore collaborations on business innovation and leverage the synergy and coordination advantages of Everbright Group's asset management segment. We will continue to promote the cross-border dual-circulation business by leveraging the Company's potential in the cross-border financial management market, to strengthen the expansion of overseas customers, and explore the expansion in scale of secondary market funds and other products with good performance. **In terms of investment, we will leverage our cross-border investment advantages and seize new opportunities in strategic industries.** We will strengthen industry research and the construction of investment and research systems, encourage initial investments, small size investments and investments on hard science and technology, seize investment opportunities such as new energy development, domestic substitution of integrated circuit (CPU/GPU), artificial intelligence, biomedicine, and overseas expansion of domestic products, and encourage investment in high-quality projects, especially focus on the deep integration of artificial intelligence technology in traditional industries. **In terms of management, we will strengthen post-investment management and empower investee companies to foster high-quality development.** We will improve comprehensive post-investment service capabilities, help investee companies to strengthen and optimise their operations, and strive to meet the demands of LP investors on investment attraction, upstream and downstream integration, industry guidance, etc. to create a good post-investment management brand. We will continue to optimise management of our self-owned funds, strengthen the look-through post-investment management of our key fund projects, and enhance our internal control capabilities. **In terms of exit, we will seek diversified exit methods and expedite precise exit.** It is crucial to seize the opportunity of recovery of the secondary market for listed projects and expedite the precise exit of listed projects on the premise of complying with national strategies and legal regulations. We will simultaneously explore exit strategies such as mergers and acquisitions, restructuring, round-by-round transfer of shares, and transfer of S shares to optimise exit paths and speed up fund recovery.

Looking ahead, CEL will focus on its main businesses, keep abreast of the development trend of the industry, increase tracking and research on cutting-edge technologies, and give full play to the advantages of cross-border platforms. With its strong foundation in Hong Kong and global perspective, CEL will focus on key core technology areas in the high-tech field and actively explore the development of angel investment and venture capital fund products to further enhance core competitiveness. The Company is committed to enhancing its intrinsic value and continuing to share the results of development with shareholders.

FINANCIAL POSITION

As at 31 December 2024, the Group's total assets amounted to HK\$74.686 billion (31 December 2023: HK\$79.588 billion) with net assets amounting to HK\$32.650 billion (31 December 2023: HK\$34.106 billion). Equity attributable to the Company's shareholders was HK\$29.727 billion (31 December 2023: HK\$30.990 billion) and equity attributable to shareholders of the Company per share was HK\$17.64 (31 December 2023: HK\$18.39).

FINANCIAL RESOURCES

The Group adopts a prudent approach in liquidity management to ensure liquidity risk control and reduce the cost of funds. The Group finances its operations primarily with internally generated cash flow and loan facilities from banks. As at 31 December 2024, the Group had cash and bank balances of HK\$8.422 billion (31 December 2023: HK\$9.588 billion). Currently, most of the Group's cash is denominated in Hong Kong dollars and Renminbi.

BORROWING

As at 31 December 2024, the Group's interest-bearing borrowings amounted to HK\$30.123 billion (31 December 2023: HK\$32.397 billion). The Group will review and ensure sufficient banking facilities to reserve resources to support its business development. As at 31 December 2024, the Group had banking facilities of HK\$21.415 billion (31 December 2023: HK\$32.694 billion), of which HK\$8.030 billion (31 December 2023: HK\$14.090 billion) had not been utilised. The banking facilities were of one to eleven years terms. The Group had outstanding bank loans of HK\$13.385 billion (31 December 2023: HK\$18.604 billion), which decreased by HK\$5.219 billion compared with 31 December 2023, of which HK\$12.493 billion (31 December 2023: HK\$16.442 billion) was unsecured. The Group had issued corporate bonds with an outstanding principal amount of HK\$16.738 billion (31 December 2023: HK\$13.793 billion). The interest bearing borrowings were denominated in Renminbi and Hong Kong dollars, representing 64%, 36% of the total respectively. As at 31 December 2024, approximately 38% of the Group's total principal amount of borrowing were at floating rates and the remaining 62% were at fixed rates. The maturity profile of the Group's borrowings is set out in note 20 of the Notes to the Financial Statements in this announcement.

PLEDGE OF ASSETS

As at 31 December 2024, Restricted bank balances of HK\$32 million (31 December 2023: HK\$57 million) were pledged to the banks for sales of mortgaged properties to customers and interest reserve account on borrowings. Investment properties with carrying values of HK\$2,289 million (31 December 2023: HK\$4,542 million) were mortgaged to secure certain bank loans granted to the Group. No inventory or stocks were mortgaged to secure certain bank loans granted to the Group (31 December 2023: HK\$230 million and HK\$1,475 million respectively). Pursuant to the prime brokerage agreements entered with the prime brokers of a fund held by the Group, cash and securities deposited with the prime brokers were secured against liabilities to the prime brokers. As at 31 December 2024, assets deposited with the prime brokers included HK\$1,238 million (31 December 2023: HK\$1,417 million) and HK\$111.4 million (31 December 2023: HK\$16.4 million) which formed part of the Group's trading securities and debtors respectively. Analysis on collateral of the Group's bank loans is set out in note 16 of the Notes to the Financial Statements in this announcement.

EBA YIDA

In August 2020, Zhuhai EBA Yida Management Centre, L.P. (“EBA Yida”) was established by EBA Investments to use appropriate channels and methods to invest in real estate projects, primarily for urban renewal, focusing on investing in first-tier cities in China as well as second- and third-tier cities with a healthy and well-developed real estate market in China. The following table sets forth information on the major projects invested by EBA Yida during the reporting period:

Name of Key Project	Business Type	Location	Investment Type
Beijing Zhongguancun Project	Commercial	Beijing	Convertible bonds
Chongqing Chaotianmen Project	Commercial complex	Chongqing	Fund interest investment
EBA Centre Project	Commercial complex	Shanghai	Fund interest investment
Parkview Place	Commercial office	Beijing	Fund interest investment
EBA Centre Hongqiao Project	Commercial complex	Shanghai	Fund interest investment

EMPLOYEES

As at 31 December 2024, the Group’s headquarters and wholly owned subsidiaries had 242 (31 December 2023: 255) full-time employees. The Group ensures that the remuneration packages for employees are fair and competitive and are determined by position, duties, experience and performance of employees. Other benefits to employees include medical insurance, retirement scheme and training programmes.

PRINCIPLE RISKS AND UNCERTAINTIES

Risk management is of fundamental importance to the business operation of the Group. The major types of risk inherent in the Group’s business are credit risk, liquidity risk, interest rate risk, currency risk and equity price risk. The Group’s risk management objectives are to maximise shareholders’ value and to reduce volatility in earnings while maintaining risk exposures within acceptable limits.

The Group’s work in the area of risk management is executed by the Risk Management, Legal and Compliance Department and is led by the Vice President of the Group in charge of Risk Management, Legal and Compliance Department. This functional structure can assess, identify and document the Group’s risk profile to ensure that the business units focus, control and systematically avoid potential risks in various business areas. The following is a brief description of the Group’s approach in managing these risks.

(a) Credit risk

The Group’s credit risk is primarily attributable to advances to customers, accounts receivable, debt investments and unlisted derivative financial instruments.

Credit risk management framework

The Group has formulated a comprehensive set of credit risk management policies and procedures, and appropriate credit risk limits to manage and control credit risk that may arise. These policies, procedures and credit risk limits are regularly reviewed and updated to cope with the changes in market conditions and business strategies.

The Group's organisational structure establishes a clear set of authority and responsibility for monitoring compliance with policies, procedures and limits.

The Vice President of the Group in charge of Risk Management, Legal and Compliance who reports directly to the Audit and Risk Management Committee, takes charge of credit risk management and is also responsible for the control of credit risk exposures of the Group in line with the credit risk management principles and requirements set by the Group.

Credit risk management is embedded within all business units of the Group. The first line of defense against undesirable outcomes is the business function and the respective line managers. Department heads of their own business areas take the lead role with respect to implementing and maintaining appropriate credit risk controls. Risk Management, Legal and Compliance Department, which is independent from the business units, is responsible for the management of credit risks and it is an ongoing process for identifying, measuring, monitoring and controlling credit risk to ensure effective checks and balances, as well as drafting, reviewing and updating credit risk management policies and procedures. It is also responsible for the design, development and maintenance of the Group's internal rating system and it ensures that the system complies with the relevant regulatory requirements. Credit risk is approved by the Vice President of the Group in charge of Risk Management, Legal and Compliance Department and reported to Audit and Risk Management Committee quarterly.

For advances to customers, generally collaterals would be advised to be pledged before advances are granted the amount of advances permitted depends on the quality and value of collateral provided by the customer. Any subsequent change in value as well as quality of collateral is closely monitored in order to determine whether any corrective action is required.

Accounts receivable mainly arise from the Group's investment activities. Receivables from brokers and counterparties are normally repayable on demand. The Group has established procedures in the selection of brokers/counterparties with sound credit ratings and/or reputation.

Investments in debt instruments and unlisted derivative financial instruments are also governed by whether the issuers and the trade counterparties respectively have sound credit ratings.

The Group has well-defined policies in place on the setting and approval of trading, credit and investment position limits in order to manage its credit risk exposure and concentration. As at the end of the reporting period, the Group did not have a significant concentration of credit risk.

The maximum exposure to credit risk without taking into account any collateral held is represented by the carrying amount of each financial asset, including derivative financial instruments, at the end of the reporting period, deducting any impairment allowance.

(b) Liquidity risk

The Group's policy is to regularly assess current and expected liquidity requirements and to ensure that it maintains reserves of cash, readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

For subsidiaries with statutory liquidity requirements, the Group closely monitors their liquidity positions. To ensure strict compliance, the Group maintains adequate cash reserves to prepare for immediate fund injection if required. If there is a medium to long-term operational need, management would also consider adjusting those subsidiaries' capital structure. Subsidiaries with external equity stakeholders are generally responsible for their own liquidity management.

(c) Interest rate risk

The Group monitors its interest rate exposure regularly to ensure that the underlying risk is monitored within an acceptable range.

The Group's interest rate positions arise from treasury and operating activities. Interest rate risk arises from treasury management, customer financing and investment portfolios. Interest rate risk primarily results from the timing differences in the repricing of interest-bearing assets, liabilities and commitments. Interest rate risk is managed by the Finance and Accounting Department under the delegated authority of the Board and is monitored by the Risk Management, Legal and Compliance Department. The instruments used to manage interest rate risk include time deposits and interest rate linked derivatives, if necessary.

The Group is exposed to the risk that the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. In respect of the Group's interest-bearing financial instruments, the Group's policy is to mainly transact in financial instruments that mature or reprice in the short to medium term. Accordingly, the Group would be subject to limited exposure to fair value or cash flow interest rate risk due to fluctuations in the prevailing levels of market interest rates.

(d) Currency risk

The Group's exposure to currency risk primarily stems from holding of monetary assets and liabilities denominated in foreign currencies, other than Hong Kong dollars and net investment in foreign operations. As most of the Group's monetary assets and liabilities and net investment in foreign operations are denominated in Hong Kong dollars, Renminbi, United States dollars and Singapore dollars, management is aware of the likely increase in volatility in these currencies and takes a balanced view when considering the management of currency risk.

Overall, the Group monitors its currency exposure closely and would consider hedging significant currency exposure should the need arise.

(e) Equity price risk

The Group is exposed to equity price changes arising from equity investments classified as trading securities, equity investments designated at fair value through other comprehensive income (note 10) and financial assets at fair value through profit or loss (note 11). Other than unlisted securities held for medium to long-term purposes, all of these investments are listed.

The Group's investments in listed equity instruments are mainly listed on the Stock Exchange of Hong Kong, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, Nasdaq and the New York Stock Exchange. Decisions to buy or sell trading securities rest with assigned investment team professionals and each investment portfolio is governed by specific investment and risk management guidelines. Independent daily monitoring of each portfolio against the corresponding guidelines is carried out by the Risk Management, Legal and Compliance Department. Listed equity instruments held in the equity investments designated at fair value through other comprehensive income and financial assets at fair value through profit or loss portfolio have been chosen based on their medium to long-term growth potential and are monitored regularly for performance against expectations.

The performance of the Group's investments in unquoted equity instruments is assessed periodically, based on the information available to the Group.

FINAL DIVIDEND

The Board has resolved to recommend the payment of a final dividend of HK\$0.05 per share for the year ended 31 December 2024 (2023: HK\$0.10 per share). Together with the interim dividend of HK\$0.05 per share already paid, the aggregate amount of dividends for the year is HK\$0.10 per share (2023: HK\$0.25 per share).

The final dividend, subject to approval at the forthcoming annual general meeting, is expected to be paid on Thursday, 12 June 2025 to those shareholders whose names appear on the register of members of the Company on Friday, 30 May 2025.

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, during which no transfer of shares will be registered. In order to be eligible to attend, speak and vote at the annual general meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Friday, 16 May 2025.

The register of members of the Company will also be closed from Thursday, 29 May 2025 to Friday, 30 May 2025, both days inclusive, during which no transfer of shares will be registered. In order to qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Wednesday, 28 May 2025.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held on Thursday, 22 May 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the year ended 31 December 2024.

CORPORATE GOVERNANCE CODE

The Company has complied with all code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") for the year ended 31 December 2024, save for the deviation from code provision F.2.2 of the CG Code which stipulates that the chairman of the board should attend annual general meeting. Mr. Yu Fachang, the Chairman of the Board, did not attend the annual general meeting held on 23 May 2024 ("2024 AGM") due to other important business commitments and Mr. Lin Chun, an Executive Director and the President, was elected as the chairman of 2024 AGM by the Directors presented pursuant to the Articles of Association of the Company. Other Directors, including the chairman of each of the Audit and Risk Management Committee, Remuneration Committee and Nomination Committee, as well as the external auditor, attended 2024 AGM and were of sufficient calibre for answering questions at 2024 AGM.

DIRECTORS' SECURITIES TRANSACTION

The Company has adopted its own "Code for Securities Transactions by Directors and Relevant Employees" (the "Code") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 of the Listing Rules to govern the securities transactions of the Directors and relevant employees of the Company. Following a specific enquiry made by the Company, all Directors confirmed that they have complied with the required standard set out in both the Code and the Model Code throughout the year ended 31 December 2024.

REVIEW BY AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee comprises Mr. Wong Chun Sek Edmund, Dr. Lin Zhijun and Mr. Law Cheuk Kin Stephen. The committee is chaired by Mr. Wong Chun Sek Edmund. All members of the committee are independent non-executive Directors.

The Audit and Risk Management Committee and the management have reviewed the accounting policies and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the financial statements of the Group for the year ended 31 December 2024.

By Order of the Board
China Everbright Limited
Wan Kim Ying Kasina
Company Secretary

Hong Kong, 27 March 2025

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

Executive Directors:

Mr. Lin Chun (*President*)
Mr. An Xuesong
Ms. Wang Yun
Mr. Yin Yanwu

Non-executive Directors:

Mr. Yu Fachang (*Chairman*)
Dr. Qin Hongyuan

Independent Non-executive Directors:

Dr. Lin Zhijun
Mr. Law Cheuk Kin Stephen
Mr. Wong Chun Sek Edmund