

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



**英皇資本集團有限公司**  
**Emperor Capital Group Limited**  
*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 717)**

**2023/2024 ANNUAL RESULTS ANNOUNCEMENT**  
**AND**  
**CHANGE IN COMPOSITION OF BOARD COMMITTEE**

**I. ANNUAL RESULTS**

The board of directors (“**Board**” or “**Directors**”) of Emperor Capital Group Limited (“**Company**”) announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as “**Group**”) for the year ended 30 September 2024 (“**Year**”).

<b>FINANCIAL SUMMARY</b>	<b>For the year ended</b>		<b>Changes</b>
	<b>30 September</b>		
	<b>2024</b>	<b>2023</b>	
<i>HK\$'000</i>			
Total revenue	<b>531,628</b>	441,046	<b>+20.5%</b>
<i>Wealth solutions</i>	<b>278,033</b>	104,700	<b>+165.6%</b>
<i>Financing</i>	<b>242,758</b>	323,071	<b>-24.9%</b>
<i>Corporate finance</i>	<b>10,837</b>	13,275	<b>-18.4%</b>
Impairment allowances <sup>1</sup>	<b>158,931</b>	403,638	<b>-60.6%</b>
Net profit/(loss)	<b>66,361</b>	(160,638)	<b>Turnaround</b>
Basic earnings/(loss) per share	<b>HK0.98 cent</b>	HK(2.38) cents	<b>N/A</b>

<sup>1</sup> Represents the net impairment allowances mainly from margin loans, other loans and advances

## MANAGEMENT DISCUSSION AND ANALYSIS

### RESULTS

Despite facing a tough operating business environment, the Group's total revenue increased by 20.5% to HK\$531.6 million (2023: HK\$441.0 million) during the Year. Net impairment allowances mainly from margin loans, other loans and advances ("**Impairment Allowances**") decreased significantly to HK\$158.9 million (2023: HK\$403.6 million), resulting in the Group turning around to a net profit of HK\$66.4 million (2023: net loss of HK\$160.6 million). Basic earnings per share was HK0.98 cent (2023: basic loss per share of HK2.38 cents).

### MARKET REVIEW

Although the macro economy had once seen improvement after the pandemic, the world's major economies – China and the United States – have been facing headwinds during the Year: geopolitical tensions, debt issues, inflationary pressure, high unemployment rates, etc, plus the expectations for delayed Federal Reserve interest rate cut, have all adversely impacted the capital markets as well as business performance of corporations. Turnovers of the Hong Kong stock market remained low, and the initial public offering ("**IPO**") market was sluggish.

In the second half of the Year, investment sentiment improved following the announcement of measures to enhance mutual access between the capital markets of Mainland China and Hong Kong in late April; trading activities picked up and fund raising activities revived to a certain extent. Furthermore, with the Federal Reserve interest rate cut in mid-September serving as a catalyst that had a positive influence on the stock markets, the Hang Seng Index rose markedly, and closed at its highest during the Year at 21,133 on 30 September 2024.

### BUSINESS REVIEW

Established in 1993, the Group is a renowned financial institution providing one-stop financial services including (i) wealth solutions covering global investment, wealth management and asset management; (ii) financing services; and (iii) corporate finance advisory services. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") since April 2007. Currently, the Group's headquarters is located in Hong Kong, and is operating three liaison offices in Mainland China – in Beijing, Shanghai and Guangzhou.

#### Wealth Solutions

The Group's wealth solutions segment comprises the global investment, wealth management and asset management divisions.

The global investment division offers a full range of financial services and investment products to its high net worth clients spanning securities, futures and options traded on exchanges in Hong Kong, Mainland China (via Shanghai and Shenzhen-Hong Kong Stock Connect schemes respectively) and major overseas countries, bonds and fund investments, proprietary trading, etc. The Group's web-based and mobile trading platforms enable real-time transaction and investment portfolio monitoring for its clients.

The wealth management division offers balanced solutions, helping its high net worth clients create customised and robust investment portfolios which comprise a wide array of financial products, including insurance, funds, bonds and stocks.

The asset management division offers customised investment services, ranging from private investment funds, personalised discretionary investment portfolio management services to investment information services, helping its clients to generate stable and substantial returns. It also manages Open-Ended Fund Companies (OFC) and Limited Partnership Funds (LPF), as well as possesses Qualified Foreign Institutional Investor (QFII) and Qualified Foreign Limited Partner (QFLP).

With an aim of expanding its revenue sources, the Group has stepped up efforts in introducing new services and products. During the Year, revenue from the wealth solutions segment increased by 165.6% to HK\$278.0 million (2023: HK\$104.7 million), accounting for 52.3% (2023: 23.7%) of the Group's total revenue, despite an unfavourable stock market environment.

## **Financing**

The Group's financing segment derives interest income from both short-term and long-term loans, including but not limited to personal loans, first and second mortgages loans. Building on its strong reputation for delivering professional and personalised loan services, the Group has developed a niche in the loan market, providing corporate and retail clients with tailored liquidity solutions to meet their corporate goals and personal needs.

During the Year, the Group continued adhering to its cautious approach and adopted a stringent credit risk management and control mechanism, in order to minimise default risks. The Group adjusted the interest rate and loan-to-value ratio on a timely basis, according to the market situation. During the Year, revenue from the financing segment was HK\$242.8 million (2023: HK\$323.1 million), accounting for 45.7% (2023: 73.3%) of the Group's total revenue.

## **Corporate Finance**

The corporate finance segment offers professional advisory services on corporate transactions comprising IPOs, mergers and acquisitions, spin-offs, project investment, asset sales, corporate restructuring, issuance, placement and underwriting of shares and bonds. The Group holds a full corporate finance advisory licence under the Securities and Futures Ordinance.

During the Year, the Group continued to partake in fundraising projects, with involvement in multiple roles. Revenue from the corporate finance segment was HK\$10.8 million (2023: HK\$13.3 million), accounting for 2.0% (2023: 3.0%) of the Group's total revenue.

## **OUTLOOK**

Subsequent to the Year, sentiment across various sectors such as financial, property and retail have revived as a result of the Federal Reserve interest rate cut, contributing to the increase in transactions and consumption within these sectors. The further interest rate cuts in November and December, as well as the stimulus measures launched by the Central Government subsequent to the Year are expected to exert a positive influence on the market environments and trading turnovers, which will also help boost the demand for monetary and financial services.

That said, factors including but not limited to geopolitical tensions and interest rate volatility may weigh on business confidence and asset markets; the Group will therefore continue adopting a cautious yet pragmatic approach to combat the uncertainties. The local government has been strengthening its economic links with overseas economies and Mainland China; with its strategic role as an international financial centre and within the Greater Bay Area, Hong Kong is well placed to attract foreign investments from around the world, and the Group will implement appropriate strategies in order to seize the market opportunities.

## **FINANCIAL INFORMATION**

### **Capital Structure, Liquidity and Financial Resources**

The Group financed its business operations by cash mainly generated from business operations and borrowings. As at 30 September 2024, the Group's current assets and current liabilities were HK\$4,977.1 million (2023: HK\$4,712.5 million) and HK\$1,813.5 million (2023: HK\$1,792.0 million) respectively. As at 30 September 2024, aggregate of bank balances, cash and pledged bank deposits of the Group amounted to HK\$1,520.8 million (2023: HK\$1,162.3 million), which were mainly denominated in Hong Kong dollar.

As at 30 September 2024, the Group did not have any bank borrowings (2023: HK\$210.0 million), hence the gearing ratio was zero (2023: 6.2%; calculated as a percentage of total borrowings over total equity of the Group). The Group did not have any material foreign exchange exposure as at 30 September 2024.

With the Group's sufficient bank balances and cash, as well as its available unutilised banking facilities of HK\$1,205 million (2023: HK\$1,765.0 million) as at 30 September 2024, the Board considers the Group has sufficient working capital for its operation and future development.

### **Pledge of Assets**

As at 30 September 2024, bank deposit of the Group with aggregate carrying amount of HK\$260.0 million (2023: HK\$160.0 million) was pledged to a bank as security for banking facilities.

### **Impairment Allowances**

An Impairment Allowances of HK\$158.9 million (2023: HK\$403.6 million) was recognised this Year. The Impairment Allowances was made in respect of certain margin clients and borrowers in commercial, mortgage and personal loans. Details of the reasons for the recognition of majority of the Impairment Allowances are set out below:

**1. Net provision for impairment of accounts receivable arising from margin financing amounted to approximately HK\$4.0 million**

- a. During the Year, advances to twenty customers in margin financing with the total gross carrying amount of approximately HK\$562.4 million as at 30 September 2024 were assessed as credit-impaired stage mainly due to decline in the market price of listed securities pledged as collateral in the Year and failure of the margin borrowers to fully make up the margin shortfall by providing additional collaterals or repayment. The impairment provision of these twenty exposures for the Year was determined by assessing the future cash flows expected to be recoverable from the borrowers and the listed securities pledged as collateral for each of the margin borrowers on an individual assessment basis. Impairment provision with a total amount of approximately HK\$112.4 million was made for the Year for these twenty exposures.
- b. During the Year, an impairment provision of approximately HK\$9.1 million was made on advances to two customers in margin financing with the total gross carrying amount of approximately HK\$34.2 million as at 30 September 2024 were assessed as credit-impaired stage due to suspension of trading of the listed securities pledged as collateral in the Year and failure of the margin borrowers to fully make up the margin shortfall by providing additional collateral or repayment.
- c. During the Year, an impairment reversal of approximately HK\$99.4 million was made on advances to ten customers in margin financing with the total gross carrying amount of approximately HK\$649.9 million as at 30 September 2024, which were classified as credit-impaired stage, due to settlement received upon repayment and/or enforcement of collateral in the Year.
- d. During the Year, an impairment reversal of approximately HK\$18.3 million was made on advances to four customers in margin financing with the total gross carrying amount of approximately HK\$155.9 million as at 30 September 2024, which were classified as credit-impaired stage, due to resumption of trading and/or increase in market price of the listed securities pledged as collateral in the Year.

**2. Net provision for impairment of loans and advances amounted to approximately HK\$149.2 million**

- a. During the Year, loans and advances to forty-six borrowers with the total gross carrying amount of approximately HK\$337.1 million as at 30 September 2024 were assessed as credit-impaired stage mainly due to failure of these borrowers to repay the interest and/or the principal and decline in the market price of pledged properties. The impairment provision of these forty-six exposures for the Year was determined by assessing the future cash flows expected to be recoverable from the borrowers and the pledged properties for each of the borrowers on an individual assessment basis taking into account of current market conditions and forward looking factors. Impairment provision with a total amount of approximately HK\$162.4 million was made for the Year for these forty-six exposures.

- b. During the Year, loans and advances to thirteen borrowers with the total gross carrying amount of approximately HK\$133.3 million as at 30 September 2024 were assessed as credit-impaired stage mainly due to failure of these borrowers to repay the interest and/or the principal on time in the Year. The impairment provision of these thirteen exposures for the Year was determined by assessing the future cash flow expected to be recoverable from the borrowers including an assessment of cash flows expected to be recovered taking account of the current conditions affecting the borrower, past collection history, and consideration of forward looking factors. Impairment provision with a total amount of approximately HK\$24.5 million was made for the Year for these thirteen exposures.
- c. During the Year, an impairment reversal of approximately HK\$39.1 million was made to twenty-six borrowers in loans and advances, which were classified as credit-impaired stage, due to settlement received and/or enforcement of pledged properties upon full or partial repayment in the Year. The total gross carrying amount was approximately HK\$79.6 million as at 30 September 2024.

### **Follow-up and Debt Collection Actions on Overdue and Defaulted Loans**

The Group has debt recovery procedures in place. For any loans with shortfall and/or overdue payments, demand letters and legal letters will be issued. If the borrower does not respond, the Group will engage external legal advisors for legal actions. Meanwhile, the Group will contact the borrower for additional collateral and/or settlement plan. The Group may engage debt collection agents for such loan where appropriate. If the negotiation is not successful, or additional collateral is not sufficient or default in settlement plan, external legal advisers will issue final warning to the borrower. Subsequently, writs of summon will be served to the borrower to take proceedings to court.

Debt recovery actions had been taken on the credit-impaired loans. Some legal proceedings on such credit-impaired loans were still in progress.

### **EMPLOYEES AND REMUNERATION POLICY**

As at 30 September 2024, the Group had 90 (2023: 83) account executives and 126 (2023: 139) employees. Total staff costs (including Directors' remuneration) were approximately HK\$73.9 million (2023: HK\$72.0 million) for the Year. Each employee's remuneration was determined in accordance with individual's responsibilities, competence and skills, experience and performance as well as market pay levels. Staff benefits include medical and life insurance, provident funds and other competitive fringe benefits.

To provide incentives or rewards to the staff, the Company has adopted a share option scheme, particulars of which are set out in the section headed "Share Options" of the annual report of the Company.

### **FINAL DIVIDEND**

The Board has resolved not to recommend any final dividend for the Year (2023: Nil).

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

For the year ended 30 September 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Revenue			
Commission and fee income	4	236,981	77,357
Interest income	4	294,647	363,689
		<u>531,628</u>	<u>441,046</u>
Other income and gains or losses	5	(133,957)	9,249
Impairment allowances on financial assets, net of reversal	6	(158,931)	(403,638)
Impairment allowance on right-of-use assets		–	(15,753)
Staff costs		(73,884)	(71,982)
Commission and fee expenses		(21,134)	(30,848)
Other expenses	8	(74,088)	(73,998)
Finance costs	7	(3,504)	(14,871)
		<u>66,130</u>	<u>(160,795)</u>
Profit (loss) before tax	8	66,130	(160,795)
Income tax credit	9	231	157
		<u>66,361</u>	<u>(160,638)</u>
<b>Profit (loss) for the year attributable to owners of the Company</b>		<b><u>66,361</u></b>	<b><u>(160,638)</u></b>
<i>Other comprehensive income (expense)</i>			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		174	(158)
		<u>174</u>	<u>(158)</u>
Total comprehensive income (expense) for the year attributable to owners of the Company		<u>66,535</u>	<u>(160,796)</u>
<b>Profit (loss) per share</b>			
Basic	11	<b><u>HK0.98 cent</u></b>	<b><u>HK(2.38) cents</u></b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

	Notes	2024 HK\$'000	2023 HK\$'000
<b>Non-current assets</b>			
Property and equipment		7,696	6,498
Right-of-use assets		2,307	5,753
Intangible assets		–	–
Other assets		9,635	7,695
Loans and advances	12	276,546	461,219
Deferred tax assets		590	590
		<u>296,774</u>	<u>481,755</u>
<b>Current assets</b>			
Accounts receivable	13	699,774	511,917
Loans and advances	12	1,263,046	1,615,488
Other debtors, deposits and prepayments		7,099	12,511
Tax recoverable		8,278	3,447
Pledged bank deposits – general accounts		260,000	160,000
Bank balances and cash – general accounts		1,260,778	1,002,263
Bank balances and cash – segregated accounts		1,478,077	1,406,891
		<u>4,977,052</u>	<u>4,712,517</u>
<b>Current liabilities</b>			
Accounts payable	14	1,750,576	1,537,710
Other creditors and accrued charges		53,261	33,137
Tax liabilities		1,491	1,804
Lease liabilities		8,193	9,320
Short-term bank borrowings		–	210,000
		<u>1,813,521</u>	<u>1,791,971</u>
<b>Net current assets</b>		<u>3,163,531</u>	<u>2,920,546</u>
Total assets less current liabilities		<u>3,460,305</u>	<u>3,402,301</u>
<b>Non-current liabilities</b>			
Lease liabilities		<u>4,225</u>	<u>12,756</u>
<b>Net assets</b>		<u>3,456,080</u>	<u>3,389,545</u>
<b>Capital and reserves</b>			
Share capital	15	67,408	67,408
Reserves		3,388,672	3,322,137
<b>Total equity</b>		<u>3,456,080</u>	<u>3,389,545</u>



Notes:

## 1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (the “**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods or services.

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

### New and amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the annual periods beginning on or after 1 October 2023 for the preparation of the consolidated financial statements:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two model Rules

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

### New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>4</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 <sup>4</sup>
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback <sup>2</sup>
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) <sup>2</sup>
Amendments to HKAS 1	Non-current Liabilities with Covenants <sup>2</sup>
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements <sup>2</sup>
Amendments to HKAS 21	Lack of Exchangeability <sup>3</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>5</sup>

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

### New and amendments to HKFRSs in issue but not yet effective (Continued)

- <sup>1</sup> Effective for annual periods beginning on or after a date to be determined.
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2024.
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2025.
- <sup>4</sup> Effective for annual periods beginning on or after 1 January 2026.
- <sup>5</sup> Effective for annual periods beginning on or after 1 January 2027.

Except for the amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

### *Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments*

The amendments to HKFRS 9 clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met.

The amendments also provide guidance on the assessment of whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments specify that an entity should focus on what an entity is being compensated for rather than the compensation amount. Contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost. The amendments state that, in some cases, a contingent feature may give rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs. Furthermore, the description of the term “non-recourse” is enhanced and the characteristics of “contractually linked instruments” are clarified in the amendments.

The disclosure requirements in HKFRS 7 in respect of investments in equity instruments designated at fair value through other comprehensive income are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent event not directly relating to basic lending risks and cost. The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and amendments to HKFRSs in issue but not yet effective (Continued)

### *HKFRS 18 Presentation and Disclosure in Financial Statements*

HKFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group’s consolidated financial statements.

## 3. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers, for the purposes of resources allocation and assessment of segment performance focuses on types of services provided.

According to HKFRS 8, the Group has the following operating and reportable segments:

- |                       |   |
|-----------------------|---|
| (a) Wealth solutions  | – Provision of global investment, wealth management and asset management services |
| (b) Financing         | – Provision of margin financing and money lending services                        |
| (c) Corporate finance | – Provision of corporate finance advisory services                                |

### 3. SEGMENT INFORMATION *(Continued)*

#### Segment revenue and results

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

*For the year ended 30 September 2024*

	Wealth solutions <i>HK\$'000</i>	Financing <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>REVENUE</b>					
Segment revenue – external customers					
Commission and fee income	226,144	–	10,837	–	236,981
Interest income	51,889	242,758	–	–	294,647
Inter-segment sales	–	267,622	–	(267,622)	–
	<u>278,033</u>	<u>510,380</u>	<u>10,837</u>	<u>(267,622)</u>	<u>531,628</u>

Inter-segment sales are charged at prevailing market rates.

	Wealth solutions <i>HK\$'000</i>	Financing <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>RESULTS</b>				
Segment results	<u>29,215</u>	<u>66,572</u>	<u>(1,175)</u>	<u>94,612</u>
Unallocated other income and gains or losses				2,584
Unallocated corporate expenses				
– Staff costs (including directors' remuneration but excluding staff commission expenses)				(3,702)
– Service charge to related companies				(22,041)
– Others				<u>(5,323)</u>
Profit before tax				66,130
Income tax credit				<u>231</u>
Profit for the year				<u><u>66,361</u></u>

### 3. SEGMENT INFORMATION *(Continued)*

#### Segment revenue and results *(Continued)*

*For the year ended 30 September 2023 (Restated)*

	Wealth solutions <i>HK\$'000</i>	Financing <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>REVENUE</b>					
Segment revenue – external customers					
Commission and fee income	64,082	–	13,275	–	77,357
Interest income	40,618	323,071	–	–	363,689
Inter-segment sales	–	310,323	–	(310,323)	–
	<u>104,700</u>	<u>633,394</u>	<u>13,275</u>	<u>(310,323)</u>	<u>441,046</u>

Inter-segment sales are charged at prevailing market rates.

	Wealth solutions <i>HK\$'000</i>	Financing <i>HK\$'000</i>	Corporate finance <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>RESULTS</b>				
Segment results	<u>19,597</u>	<u>(145,575)</u>	<u>(4,028)</u>	<u>(130,006)</u>
Unallocated other income and gains or losses				3,426
Unallocated corporate expenses				
– Staff costs (including directors' remuneration but excluding staff commission expenses)				(4,585)
– Service charge to related companies				(22,168)
– Others				<u>(7,462)</u>
Loss before tax				(160,795)
Income tax credit				<u>157</u>
Loss for the year				<u>(160,638)</u>

The accounting policies of the reportable segments are the same as the Group's accounting policies used in consolidated financial statements of the Group. Segment results represents the profit (loss) earned by each segment without allocation of central administration costs (including directors' remuneration but excluding staff commission expenses), unallocated other income and gains or losses and service charge to related companies. This is the measure reported to the executive directors of the Company for the purpose of resources allocation and performance assessment. No analysis of segment asset and segment liability is presented as the chief operating decision maker does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

### 3. SEGMENT INFORMATION (Continued)

#### Other segment information

	Wealth solutions HK\$'000	Financing HK\$'000	Corporate finance HK\$'000	Total HK\$'000
<b>For the year ended 30 September 2024</b>				
Additions of property and equipment	4,124	–	–	4,124
Additions of right-of-use assets	160	–	–	160
Depreciation of property and equipment	2,567	329	4	2,900
Depreciation of right-of-use assets	1,096	1,060	381	2,537
Impairment allowances on accounts receivable, net of reversal	3,038	3,951	2,731	9,720
Impairment allowances on loans and advances, net of reversal	–	149,211	–	149,211
Finance costs	667	2,837	–	3,504
	<u>4,124</u>	<u>2,837</u>	<u>–</u>	<u>3,504</u>
<b>For the year ended 30 September 2023</b>				
<b>(Restated)</b>				
Additions of property and equipment	3,432	–	–	3,432
Additions of right-of-use assets	6,354	14,995	4,066	25,415
Depreciation of property and equipment	3,248	572	7	3,827
Depreciation of right-of-use assets	1,384	2,603	705	4,692
Impairment allowances on accounts receivable, net of reversal	182	204,407	1,545	206,134
Impairment allowances on loans and advances, net of reversal	–	197,504	–	197,504
Impairment allowances on right-of-use assets	–	12,392	3,361	15,753
Finance costs	576	14,295	–	14,871
	<u>3,432</u>	<u>14,995</u>	<u>4,066</u>	<u>25,415</u>

#### Geographical information

The following illustrates the geographical analysis of (i) the Group's revenue from its external customers, based on the country from which the trades are derived in relation to wealth solutions revenue from overseas products trading or/and based on the country in which the customers are located in relation to wealth solutions, financing and corporate finance revenue, and (ii) the Group's non-current assets, based on the geographical location of the assets:

	Revenue		Non-current assets	
	2024 HK\$'000	2023 HK\$'000	2024 HK\$'000	2023 HK\$'000
Hong Kong	529,040	436,686	18,881	18,553
United States	2,586	4,358	–	–
Others	2	2	757	1,393
	<u>531,628</u>	<u>441,046</u>	<u>19,638</u>	<u>19,946</u>

Note: Non-current assets excluded financial instruments and deferred tax assets.

### 3. SEGMENT INFORMATION (Continued)

#### Information about major customer

For the years ended 30 September 2024 and 30 September 2023, there was no single customer who contributed 10% or more of the Group's revenue.

### 4. REVENUE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue		
Commission and fee income ( <i>note (i)</i> ):		
Commission and fees income on dealing in securities ( <i>note (ii)</i> )	55,138	49,491
Commission and fees income on dealing in futures and options contracts ( <i>note (ii)</i> )	5,239	7,240
Commission from insurance brokerage and wealth management ( <i>note (ii)</i> )	1,187	879
Placing and underwriting commission ( <i>note (ii)</i> )	164,580	6,472
Corporate finance advisory services fee income ( <i>note (iii)</i> )	10,837	13,275
	<u>236,981</u>	<u>77,357</u>
Interest income:		
Interest income from margin and IPO financing ( <i>note (iv)</i> )	43,549	72,444
Interest income from loans and advances ( <i>note (iv)</i> )	199,209	250,627
Interest income from bank deposits ( <i>note (ii)</i> )	51,158	39,905
Others ( <i>note (ii)</i> )	731	713
	<u>294,647</u>	<u>363,689</u>
	<u><u>531,628</u></u>	<u><u>441,046</u></u>

#### Notes:

- (i) The commission and fee income is the only revenue arising under the scope of HKFRS 15, while interest income is under the scope of HKFRS 9.

Included in revenue, revenue arising from contracts with customers recognised at a point in time and over time were HK\$226,144,000 (2023: HK\$64,082,000) and HK\$10,837,000 (2023: HK\$13,275,000), respectively.

All services provided to customers are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

- (ii) Amounts are reported under wealth solutions services segment as set out in Note 3.
- (iii) Amounts are reported under corporate finance segment as set out in Note 3.
- (iv) Amounts are reported under financing segment as set out in Note 3.

## 5. OTHER INCOME AND GAINS OR LOSSES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Other income	9,587	8,472
Exchange gains or losses, net	2,354	777
Loss incurred under wealth solutions business	<u>(145,898)</u>	<u>–</u>
	<u><b>(133,957)</b></u>	<u><b>9,249</b></u>

## 6. IMPAIRMENT ALLOWANCES ON FINANCIAL ASSETS, NET OF REVERSAL

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Net impairment allowances on:		
Accounts receivable from the business of dealing in securities		
Secured margin loans	3,951	204,408
Others	<u>3,220</u>	<u>–</u>
	7,171	204,408
Accounts receivable from the business of corporate finance	<u>2,549</u>	<u>1,726</u>
	9,720	206,134
Loans and advances	<u>149,211</u>	<u>197,504</u>
	<u><b>158,931</b></u>	<u><b>403,638</b></u>

## 7. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest on:		
Bank overdrafts and loans	2,818	14,279
Lease liabilities	666	576
Others	<u>20</u>	<u>16</u>
	<u><b>3,504</b></u>	<u><b>14,871</b></u>



## 8. PROFIT (LOSS) BEFORE TAX

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit/(loss) before tax has been arrived at after charging:		
Other expenses:		
Auditor's remuneration	2,420	2,835
Legal and professional fee	3,450	3,657
Advertising and promotion expenses	2,627	2,805
Information technology services and communication expenses	27,927	26,233
Depreciation of property and equipment	2,900	3,827
Depreciation of right-of-use assets	2,537	4,692
General and administrative expenses	15,244	15,466
Rates and building management fee	2,322	2,494
Settlement expenses	2,144	2,195
Miscellaneous expenses	12,517	9,794
	<u>74,088</u>	<u>73,998</u>

## 9. INCOME TAX CREDIT

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current year:		
Hong Kong Profits Tax	–	(278)
PRC Enterprise Income Tax	(15)	(17)
Over under provision in prior year:		
Hong Kong	246	452
Deferred tax:		
Current year	–	–
	<u>231</u>	<u>157</u>

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate for the PRC subsidiaries is 25%.

## 10. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of Company during 2024, nor has any dividend been proposed since the end of the reporting period (2023: Nil).

## 11. PROFIT (LOSS) PER SHARE

The calculation of the basic earnings (loss) per share attributable to owners of the Company is based on the following data:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Profit (Loss)</b>		
Profit (Loss) for the purpose of basic earnings (loss) per share	<u>66,361</u>	<u>(160,638)</u>
	2024 '000	2023 '000
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purposes of basic earnings (loss) per share	<u>6,740,846</u>	<u>6,740,846</u>
<b>Basic earnings (loss) per share</b>	<u>HK0.98 cent</u>	<u>HK(2.38) cents</u>

No diluted earnings (loss) per share for the years ended 30 September 2024 and 30 September 2023 were presented as there were no potentially dilutive ordinary shares in issue during the years.

## 12. LOANS AND ADVANCES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Fixed-rate loans receivable	2,188,495	2,575,923
Variable-rate loans receivable	<u>191,358</u>	<u>197,076</u>
	2,379,853	2,772,999
Less: provision for impairment	<u>(840,261)</u>	<u>(696,292)</u>
	<u>1,539,592</u>	<u>2,076,707</u>
Analysed as:		
Current	1,263,046	1,615,488
Non-current	<u>276,546</u>	<u>461,219</u>
	<u>1,539,592</u>	<u>2,076,707</u>

## 12. LOANS AND ADVANCES (Continued)

The carrying amounts of the Group's fixed-rate and variable-rate loans receivable together with their remaining contractual maturity dates are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Fixed-rate loans receivable:		
Within one year	722,686	1,071,674
In more than one year but no more than five years	25,238	174,334
Over five years	<u>127,164</u>	<u>150,376</u>
	875,088	1,396,384
Past due	<u>492,062</u>	<u>493,958</u>
	<u><u>1,367,150</u></u>	<u><u>1,890,342</u></u>
Variable-rate loans receivable:		
Within one year	4,532	4,612
In more than one year but no more than five years	21,262	21,069
Over five years	<u>102,882</u>	<u>115,440</u>
	128,676	141,121
Past due	<u>43,766</u>	<u>45,244</u>
	<u><u>172,442</u></u>	<u><u>186,365</u></u>

The effective interest rates of the Group's loans receivable are as follows:

	2024	2023
Effective interest rates:		
Fixed-rate loans receivable	<b>0.67% per month to 3.83% per month</b>	0.67% per month to 3.83% per month
Variable-rate loans receivable	<b>Prime rate – 2.5% per annum to prime rate per annum</b>	Prime rate – 2.5% per annum to prime rate per annum

As at 30 September 2024, 178 (2023: 241) secured loans with the aggregate gross amount of approximately HK\$1,184,437,000 (2023: HK\$1,596,228,000) were secured by first legal charges in respect of respective properties located in Hong Kong and Canada. They were advanced to various independent borrowers and will be due for repayment within 1 to 30 years (2023: 1 to 30 years).

## 12. LOANS AND ADVANCES (Continued)

As at 30 September 2024, loans receivable amounting to approximately HK\$548,230,000 (2023: HK\$738,581,000) provided to independent third parties of the Group, were with second or third legal charges in respect of properties located in Hong Kong and Canada and will be due for repayment within 1 to 30 years (2023: 1 to 30 years) from the respective loans' date of advance.

As at 30 September 2024, there is one secured term loan (2023: two) with the aggregate gross amount of approximately HK\$93,345,000 (2023: HK\$93,085,000). The borrower holds Hong Kong listed marketable securities under the securities account in one of the Group entities. The Group has the right to sell or require a sale of all these securities and use the proceeds to repay the outstanding loan in the event that the borrowers fail to pay the amount due on due date when the value of marketable securities is sufficient to cover the margin loan amount under the securities account. Subsequent to the year end date, all these securities have been sold with proceeds used to partially repay the outstanding loan. The remaining gross balance of loans of approximately HK\$302,777,000 (2023: HK\$345,105,000) were unsecured.

As at 30 September 2024 and 30 September 2023, there are no individual loans with net carrying amount, on an individual basis, being more than 10% of the net carrying amount of the total loans and advances.

## 13. ACCOUNTS RECEIVABLE

	2024 HK\$'000	2023 HK\$'000
Accounts receivable from the business of dealing in securities:		
Clearing houses, dealers, brokers and cash clients	294,439	65,133
Secured margin loans	1,570,343	2,006,820
IPO margin loans	–	1,110
Accounts receivable from the business of dealing in futures contracts:		
Clearing houses, brokers and margin clients	65,503	74,045
Accounts receivable from the business of corporate finance	<u>67,865</u>	<u>6,173</u>
	1,998,150	2,153,281
Less: provision for impairment	<u>(1,298,376)</u>	<u>(1,641,364)</u>
	<u><u>699,774</u></u>	<u><u>511,917</u></u>

The settlement terms of accounts receivable, except for secured margin loans and IPO margin loans, arising from the business of dealing in securities are two days after trade date, and of accounts receivable arising from the business of dealing in futures contracts are one day after trade date.

Normal settlement terms of accounts receivable from the business of corporate finance and placing and underwriting are determined in accordance with the contractual terms. The Group seeks to maintain tight control over its outstanding accounts receivable from the business of corporate finance in order to minimise the credit risk.

### 13. ACCOUNTS RECEIVABLE (Continued)

As at 30 September 2024, accounts receivable from foreign brokers denominated in Australian dollar, Renminbi, Singapore dollar, British Pound, Euro and United States dollar were approximately HK\$212,000 (2023: HK\$199,000), HK\$59,567,000 (2023: HK\$1,000), HK\$Nil (2023: HK\$14,000), HK\$47,000 (2023: HK\$43,000), HK\$88,000 (2023: HK\$84,000) and HK\$79,387,000 (2023: HK\$50,846,000) respectively.

As at 30 September 2024 and 30 September 2023, no individual account represented more than 10% of the total balance of accounts receivable.

No ageing analysis of secured margin loans and IPO margin loans is disclosed as in the opinion of the executive directors of the Company, the ageing analysis does not give additional value in view of the nature of this business.

The ageing analysis of the remaining of the accounts receivable (before impairment) are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Past due:		
0 – 30 days	6,223	1,395
31 – 60 days	1,261	988
61 – 90 days	531	620
Over 90 days	4,224	3,386
	<hr/>	<hr/>
Accounts receivable which were past due	12,239	6,389
Accounts receivable which were not past due	415,568	138,962
	<hr/>	<hr/>
	<b>427,807</b>	<b>145,351</b>
	<hr/> <hr/>	<hr/> <hr/>

### 14. ACCOUNTS PAYABLE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Accounts payable from the business of dealing in securities:		
Clearing houses and brokers	6,163	20,345
Margin and cash clients	1,484,863	1,330,000
Accounts payable from the business of dealing in futures contracts:		
Margin clients	259,550	187,365
	<hr/>	<hr/>
	<b>1,750,576</b>	<b>1,537,710</b>
	<hr/> <hr/>	<hr/> <hr/>

The settlement terms of accounts payable, except for margin clients, arising from the business of dealing in securities are two days after trade date and accounts payable arising from the business of dealing in futures contracts are one day after trade date. No ageing analysis is disclosed as in the opinion of the executive directors of the Company, the ageing analysis does not give additional value in view of the nature of this business.

#### 14. ACCOUNTS PAYABLE (Continued)

Accounts payable to margin and cash clients arising from the business of dealing in securities bear variable interest at commercial rates, and are repayable on demand subsequent to settlement date.

Included in accounts payable, amounts of approximately HK\$1,478,077,000 and HK\$1,406,891,000 as at 30 September 2024 and 30 September 2023 respectively were payable to clients and other institutions in respect of the segregated bank balances received and held for clients and other institutions in the course of conducting the regulated activities. However, the Group currently does not have an enforceable right to offset these accounts payable with the deposits placed.

As at 30 September 2024, accounts payable denominated in Australian dollar, Japanese Yen, United States dollar, Singapore dollar and Renminbi were approximately HK\$2,000 (2023: HK\$71,000), HK\$4,000 (2023: HK\$3,000), HK\$313,295,000 (2023: HK\$222,945,000), HK\$32,000 (2023: HK\$162,000), and HK\$6,802,000 (2023: HK\$4,460,000) respectively.

#### 15. SHARE CAPITAL

	Number of shares '000	HK\$'000
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 October 2023 and 30 September 2024	<u>500,000,000</u>	<u>5,000,000</u>
Issued and fully paid:		
At 1 October 2023	<u>6,740,846</u>	<u>67,408</u>
At 30 September 2024	<u>6,740,846</u>	<u>67,408</u>

#### 16. FAIR VALUE MEASUREMENT ON FINANCIAL INSTRUMENTS

The executive directors of the Company consider that the carrying amounts of all financial assets and financial liabilities recorded at amortised cost at the respective reporting period ends approximate their corresponding fair values.

## **SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Company's independent auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the Year as approved by the Board on 19 December 2024. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

## **REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR**

The Audit Committee of the Company reviewed the audited consolidated financial statements of the Group for the Year in conjunction with the Company's independent auditor, Messrs. Deloitte Touche Tohmatsu. Based on this review and discussion with the management of the Company, the Audit Committee was satisfied that the audited consolidated financial statements were prepared in accordance with applicable accounting standards and fairly presented the Group's financial position as at 30 September 2024 and the annual results for the Year.

## **CORPORATE GOVERNANCE**

### **Corporate Governance Code**

The Company complied throughout the Year with the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, except with the deviation from code provision C.2.1 which requires the roles of chairman and chief executive officer should be separate and not be performed by the same individual. Ms. Daisy Yeung serves as the Chairperson of the Board as well as the Chief Executive Officer of the Group. Ms. Daisy Yeung has extensive management experience in financial industry. The Board considers that the combination of the roles of Chairperson and Chief Executive Officer can promote the efficient formulation and implementation of the Company's strategies to grasp business opportunities efficiently and effectively. The Board believes that the balance of power and authority of the Board is adequately ensured by the current Board which comprises experienced and high calibre individuals, with half of them being independent non-executive Directors, and the independent mechanism.

### **Model Code for Securities Transactions**

The Company has adopted its own code of conduct regarding securities transactions by Directors ("**ECG Securities Code**") on no less exacting terms than the required standards as set out in Appendix C3 to the Listing Rules regarding the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**"). Having made specific enquiry to all Directors, all of them confirmed that they had complied with the required standard of dealings as set out in the ECG Securities Code throughout the Year.

Relevant employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with written guidelines in line with the Model Code. No incident of non-compliance by relevant employees was noted throughout the Year.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year.

## **PUBLICATION OF THE ANNUAL RESULTS AND ANNUAL REPORT**

The annual results announcement is published on the websites of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.EmperorCapital.com>). The annual report of the Company will be published on the aforesaid websites in due course.

## **II. CHANGE IN COMPOSITION OF BOARD COMMITTEE**

The Board announces that with effect from 1 January 2025, Ms. Fan Man Seung, Vanessa, currently an Executive Director, will be appointed as a member of the Remuneration Committee of the Company in place of Mr. Wong Chi Fai who remains as an Executive Director and a member of the Executive Committee of the Company.

By order of the Board  
**Emperor Capital Group Limited**  
**Daisy Yeung**  
*Chairperson*

Hong Kong, 19 December 2024

As at the date of this announcement, the Board comprises:

*Executive Directors:*

Ms. Daisy Yeung  
Ms. Fan Man Seung, Vanessa  
Mr. Wong Chi Fai

*Independent Non-executive Directors:*

Mr. Wong Tak Ming, Gary  
Mr. Yu King Tin  
Ms. Chan Sim Ling, Irene