SYMPHONY

SYMPHONY HOLDINGS LIMITED
新 灃 集 團 有 限 公 司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 01223)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the "**Board**") of directors (the "**Directors**") of Symphony Holdings Limited (the "**Company**") is pleased to announce the final results of the Company and its subsidiaries (collectively, the "**Group**" or "**Symphony Group**") for the year ended 31 December 2024 (the "**Year**") together with the comparative figures for the year ended 31 December 2023 (the "**Comparable Year**").

FINANCIAL HIGHLIGHTS

- The Group's overall revenue increased from approximately HKD304.7 million for the Comparable Year to approximately HKD307.6 million for the Year.
- The earnings before interest, taxes, depreciation and amortisation was approximately HKD45.6 million for the Year, a reversal from a loss of approximately HKD16.5 million for the Comparable Year.
- Loss for the year attributable to owners of the Company reduced by approximately 30.5% to approximately HKD143.1 million (2023: approximately HKD205.9 million).
- The Board recommended the payment of a final dividend of HKD0.005 (2023: HKD0.005) per ordinary share for the Year.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

	NOTES	2024 HKD'000	2023 HKD'000
Revenue	5	**307,561**	304,725
Cost of sales		**(26,330)**	(29,128)
Gross profit		**281,231**	275,597
Other income and gains	8(a)	**37,939**	26,612
Distribution and selling expenses		**(61,062)**	(78,370)
Administrative expenses		**(133,796)**	(148,058)
Depreciation and amortisation expenses		**(92,477)**	(92,895)
Finance costs	6	**(94,188)**	(104,000)
Other expenses	8(b)	**(1,101)**	(3,469)
Provision of impairment loss on financial assets		**(9,172)**	(6,533)
Decrease in fair value of investment properties		**(34,905)**	(65,041)
Share of results of joint ventures		**(10,031)**	6,764
Share of results of associates		**185**	(306)
Fair value loss on financial assets at fair value through profit or loss		**(23,648)**	(23,724)
Loss before income tax expense	8	**(141,025)**	(213,423)
Income tax expense	7	**(4,083)**	(543)
Loss for the year		**(145,108)**	(213,966)
Loss for the year attributable to:			
– Owners of the Company		**(143,119)**	(205,913)
– Non-controlling interests		**(1,989)**	(8,053)
Loss for the year		**(145,108)**	(213,966)
Loss per share:			
– Basic loss per share	10	**HK(4.81) cents**	HK(6.92) cents
– Diluted loss per share	10	**HK(4.81) cents**	HK(6.92) cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	NOTE	**2024** HKD'000	2023 HKD'000
Loss for the year	8(c)	**(145,108)**	(213,966)
Other comprehensive income for the year, net of tax			
Items that will not be reclassified to profit or loss:			
Fair value changes arising on revaluation of properties		**23,916**	34,734
Deferred tax charge arising on revaluation of properties		**(6,350)**	(10,060)
		17,566	24,674
Items that may be reclassified subsequently to profit or loss:			
Share of other comprehensive income of a joint venture		**(1,286)**	(975)
Share of other comprehensive income of an associate		**8**	(17)
Exchange differences arising on translation of foreign operations		**(76,646)**	(67,335)
		(77,924)	(68,327)
Other comprehensive income for the year, net of tax		**(60,358)**	(43,653)
Total comprehensive income for the year		**(205,466)**	(257,619)
Total comprehensive income for the year attributable to:			
– Owners of the Company		**(203,122)**	(248,669)
– Non-controlling interests		**(2,344)**	(8,950)
		(205,466)	(257,619)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	NOTES	2024 HKD'000	2023 HKD'000
Non-current assets			
Property, plant and equipment	11	**1,808,309**	1,895,364
Investment properties	11	**624,385**	657,623
Right-of-use assets		**402,875**	429,093
Intangible assets		**109,583**	111,590
Interests in joint ventures		**33,296**	44,613
Interests in associates		**6,572**	6,379
Goodwill		**141,401**	141,401
Deferred tax assets		**12,760**	14,411
Club debenture		**1,876**	1,876
Restricted bank deposits		**–**	30,994
Statutory deposits for financial services business		**200**	200
Total non-current assets		**3,141,257**	3,333,544
Current assets			
Inventories	12	**35,176**	47,852
Trade and other receivables	13	**127,231**	226,367
Amount due from a related party		**–**	2,089
Amounts due from joint ventures		**39,222**	38,935
Amount due from an associate		**652**	1,453
Advances to customers in margin financing	14	**126,610**	135,334
Loans receivable	15	**45,734**	56,537
Financial assets at fair value through profit or loss		**81,709**	103,022
Restricted bank deposits		**–**	20,021
Bank balances and cash – held on behalf of customers		**20,265**	23,927
Bank balances and cash		**77,239**	132,594
		553,838	788,131
Assets classified as held for sale		**720,866**	759,765
Total current assets		**1,274,704**	1,547,896

	NOTE	2024 HKD'000	2023 HKD'000
Current liabilities			
Trade and other payables	16	**349,459**	337,100
Amount due to a related party		**106**	–
Amounts due to directors		**56,555**	59,892
Lease liabilities		**21,526**	17,255
Bank borrowings		**704,534**	813,760
Tax payable		**30,450**	31,079
Total current liabilities		**1,162,630**	1,259,086
Net current assets		**112,074**	288,810
Total assets less current liabilities		**3,253,331**	3,622,354
Non-current liabilities			
Lease liabilities		**166,578**	173,225
Bank borrowings		**435,870**	573,086
Deferred tax liabilities		**331,922**	336,745
Total non-current liabilities		**934,370**	1,083,056
NET ASSETS		**2,318,961**	2,539,298
Equity			
Share capital		**297,422**	297,422
Reserves		**2,015,594**	2,233,587
Total equity attributable to owners of the Company		**2,313,016**	2,531,009
Non-controlling interests		**5,945**	8,289
TOTAL EQUITY		**2,318,961**	2,539,298

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. GENERAL INFORMATION

Symphony Holdings Limited (the "**Company**") was incorporated in Bermuda on 24 November 1993 as an exempted company with limited liability under the Companies Act 1981 of Bermuda (as amended) and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 1 March 1995. Its ultimate controlling party is Mr. Cheng Tun Nei who is the chairman and a director of the Company. The addresses of the Company's registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is 10th Floor, Island Place Tower, 510 King's Road, North Point, Hong Kong.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (together the "**Group**") are mainly consisted of:

– Branding: (i) development and management of "SKINS" trademarks; (ii) sourcing, manufacturing and trading of healthcare products in Hong Kong; and (iii) distribution of Japanese wine;

– Retailing: (i) management and operation of outlet malls; and (ii) property investment and holding; and

– Financial services: provisions of securities brokerage, margin financing, money lending and financial consultancy services.

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards which include Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The consolidated financial statements have been prepared under the historical cost basis except for certain properties and financial instruments, which are measured at fair values.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires the management to make critical accounting judgement, estimation and assumptions based on historical experience and various factors that are believed to be reasonable in the application of the Group's accounting policies, which involved key sources of estimation uncertainty and significant risks of causing material adjustments to the carrying amounts of assets and liabilities presented in the consolidated financial statements when those areas have high degree of judgement or complexity of estimation since the actual results may differ from these judgement and estimation when it is not readily apparent from other sources.

The consolidated financial statements are presented in Hong Kong Dollars ("**HKD**") and rounded to the nearest thousand, unless otherwise stated.

The consolidated financial statements have been approved for issue by the board (the "**Board**") of directors (the "**Directors**") of the Company on 31 March 2025.

3. ADOPTION OF HKFRS ACCOUNTING STANDARDS

(a) Adoption of amendments to HKFRS Accounting Standards – effective 1 January 2024

The Group has adopted the following amendments to HKFRS Accounting Standards issued by HKICPA relevant to the Group's accounting policies and business operations adopted for the first time prepared and presented on the consolidated financial statements for the annual period beginning on or after 1 January 2024:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current (the "**2020 Amendments**")
Amendments to HKAS 1	Non-current Liabilities with Covenants (the "**2022 Amendments**")
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRS Accounting Standards in the current period has no material impact on the Group's performance and financial positions for the current and prior years and/or on the disclosures set out in the consolidated financial statements.

Amendments to HKAS 1 "Presentation of financial statements ("2020 and 2022 amendments", or collectively the "HKAS 1 amendments")"

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

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

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

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

Amendments to HKFRS 16 "Leases: Lease liability in a sale and leaseback"

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

Amendments to HKAS 7 "Statement of cash flows and HKFRS 7, Financial instruments: Disclosures – Supplier finance arrangements"

The amendments introduce new disclosure requirements to enhance transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments do not have a material impact on these financial statements as the group has not entered into any supplier finance arrangements.

(b) New and amendments to HKFRS Accounting Standards that have been issued but are not yet effective

The following new and amendments to HKFRS Accounting Standards, potentially relevant to the Group's accounting policies and business operations, have been issued, but are not yet effective and have not been early adopted by the Group:

HKFRS 18	Presentation and Disclosure in Financial Statements[3]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability[1]
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7[2]

1 Effective for the annual period beginning on or after 1 January 2025
2 Effective for the annual period beginning on or after 1 January 2026
3 Effective for the annual period beginning on or after 1 January 2027
4 Effective for the annual period beginning on or after a date to be determined

The Directors do not anticipate that the adoption of these new and amendments to HKFRS Accounting Standards that have been issued but not yet effective will have any material impact on the consolidated financial statements.

HKFRS 18 "Presentation and Disclosure in Financial Statements"

The new standard was issued by the HKICPA in July 2024 supersedes HKAS 1 and will result in major consequential amendments to HKFRS Accounting Standards including HKAS 8 *Basis of Preparation of Financial Statements* (renamed from *Accounting Policies, Changes in Accounting Estimates and Errors*). Even though HKFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

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

The amendments clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 9 and HKFRS 7 "Contracts Referencing Nature-dependent Electricity"

To allow companies to better report the financial effects of nature-dependent electricity contracts, the amendments clarify the application of the 'own-use' requirements; permitting hedge accounting if these contracts are used as hedging instruments; and adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

These amendments are effective for annual reporting periods beginning on or after 1 January 2026. Early application is permitted. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

Amendments to HKFRS 10 and HKAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"

The amendments address an inconsistency between the requirements in HKFRS 10 and HKAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 was removed by the HKICPA. However, the amendments are available for adoption now.

Amendments to HKAS 21 and HKFRS 1 "Lack of Exchangeability"

The amendments specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. Earlier application is permitted. When applying the amendments, an entity cannot restate comparative information. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. The amendments are not expected to have any significant impact on the Group's financial statements.

Annual Improvements to HKFRS Accounting Standards – Volume 11 "Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

Details of the amendments that are expected to be applicable to the Group are as follows:

- HKFRS 7 Financial Instruments: Disclosures: The amendments have updated certain wording in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the Guidance on implementing HKFRS 7 for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the Guidance on implementing HKFRS 7 does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKFRS 9 Financial Instruments: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 HKFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wording in paragraph 5.1.3 of HKFRS 9 and Appendix A of HKFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKFRS 10 Consolidated Financial Statements: The amendments clarify that the relationship described in paragraph B74 of HKFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of HKFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKAS 7 Statement of Cash Flows: The amendments replace the term "cost method" with "at cost" in paragraph 37 of HKAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

4. SEGMENT INFORMATION

In accordance with the Group's internal financial reporting process to both Directors and key management personnel of the Company (together the "**Chief Operating Decision Maker**"), the Group's operating segments are broadly classified into different reportable segments based on the categories of products or services provided in different geographical locations with reference to the requirements under HKFRS 8 "Operating Segments" ("**HKFRS 8**").

The classification of reportable segments is determined by the Chief Operating Decision Maker to monitor the results individually for the purpose of making decisions of resources allocation and performance assessment of the reportable segments. Financial information of the reportable segments is disaggregated into segment revenue and results, segment assets, segment liabilities, other segment information, geographical information and information about major customers, which is regularly provided to the Chief Operating Decision Maker to serve the above purpose.

A summary of the Group's reportable segments under HKFRS 8 is classified as follows:

– Branding: (i) development and management of "SKINS" trademarks; (ii) sourcing, manufacturing and trading of healthcare products in Hong Kong; and (iii) distribution of Japanese wine;

– Retailing: (i) management and operation of outlet malls; and (ii) property investment and holding; and

– Financial services: provisions of securities brokerage, margin financing, money lending and financial consultancy services.

(a) Segment revenue and results (Business segments)

The following table provides an analysis of the reportable segment revenue and reportable segment loss of different reportable segments recognised during the year:

For the year ended 31 December 2024

	Branding *HKD'000*	**Retailing** *HKD'000* *(Note)*	**Financial services** *HKD'000*	**Inter-segment elimination** *HKD'000*	**Consolidated** *HKD'000*
Revenue from external customers	**52,998**	**236,648**	**17,915**	**–**	**307,561**
Inter-segment revenue*	**91**	**5,428**	**–**	**(5,519)**	**–**
Reportable segment revenue	**53,089**	**242,076**	**17,915**	**(5,519)**	**307,561**
Reportable segment loss	**(17,477)**	**(21,770)**	**(26,129)**	**–**	**(65,376)**
Reconciliation:					
Interest income					**4,439**
Central administrative expenses					**(70,242)**
Share of results of joint ventures					**(10,031)**
Share of results of associates					**185**
Loss before income tax expense					**(141,025)**

Note:

Revenue from commission income from concessionaire sales included in retailing segment is analysed as follows:	
Gross revenue from concessionaire sales	**1,074,392**
Commission income from concessionaire sales	**178,794**

For the year ended 31 December 2023

	Branding *HKD'000*	Retailing *HKD'000* *(Note)*	Financial services *HKD'000*	Inter-segment elimination *HKD'000*	Consolidated *HKD'000*
Revenue from external customers	61,123	223,850	19,752	–	304,725
Inter-segment revenue*	74	5,441	–	(5,515)	–
Reportable segment revenue	61,197	229,291	19,752	(5,515)	304,725
Reportable segment loss	(39,394)	(81,417)	(22,008)	–	(142,819)
Reconciliation:					
Interest income					6,692
Central administrative expenses					(83,754)
Share of results of joint ventures					6,764
Share of results of associates					(306)
Loss before income tax expense					(213,423)

Note:

Revenue from commission income from concessionaire sales included in retailing segment is analysed as follows:	
Gross revenue from concessionaire sales	1,068,280
Commission income from concessionaire sales	166,513

* Inter-segment revenue transactions are priced with reference to prices charged to external parties for similar order based on similar terms and conditions of sales agreements entered.

(b) Segment revenue and results (Disaggregation of revenue)

The following table provides an analysis of reportable segment revenue recognised during the year is disaggregated by primary geographical markets, major products and services lines and timing of revenue recognition. The following table also includes a reconciliation of disaggregated revenue of different reportable segments recognised during the year, mainly into two categories: (i) revenue from contracts with customers within the scope of HKFRS 15 "Revenue from Contracts with Customers" ("**HKFRS 15**"); and (ii) revenue from other sources not within the scope of HKFRS 15:

For the year ended 31 December 2024

Revenue from contracts with customers within the scope of HKFRS 15

	Branding *HKD'000*	Retailing *HKD'000*	Financial services *HKD'000*	Consolidated *HKD'000*
Primary geographical markets:				
The People's Republic of China (the "**PRC**")	1,970	179,468	–	181,438
Hong Kong (Place of domicile)	24,303	–	6,292	30,595
United States of America	4,159	–	–	4,159
Other Asian countries *(Note)*	6,138	–	–	6,138
Others *(Note)*	16,428	–	–	16,428
Total	52,998	179,468	6,292	238,758
Major products and services:				
Sales of goods	49,313	–	–	49,313
Commission income from concessionaire sales	–	178,794	–	178,794
Royalty income	3,666	–	–	3,666
Securities brokerage commission	–	–	935	935
Financial consultancy income	–	–	5,357	5,357
Other services income	19	674	–	693
Total	52,998	179,468	6,292	238,758
Timing of revenue recognition:				
At a point in time	49,313	–	935	50,248
Transferred over time	3,685	179,468	5,357	188,510
Total	52,998	179,468	6,292	238,758

Revenue from other sources not within the scope of HKFRS 15

	Branding *HKD'000*	**Retailing** *HKD'000*	**Financial services** *HKD'000*	**Consolidated** *HKD'000*
Primary geographical markets:				
The PRC	**–**	**50,259**	**–**	**50,259**
Hong Kong (Place of domicile)	**–**	**6,921**	**11,623**	**18,544**
Total	**–**	**57,180**	**11,623**	**68,803**
Major products and services:				
Rental income	**–**	**57,180**	**–**	**57,180**
Interest income	**–**	**–**	**11,623**	**11,623**
Total	**–**	**57,180**	**11,623**	**68,803**

For the year ended 31 December 2023

Revenue from contracts with customers within the scope of HKFRS 15

	Branding *HKD'000*	Retailing *HKD'000*	Financial services *HKD'000*	Consolidated *HKD'000*
Primary geographical markets:				
The PRC	8,421	167,029	–	175,450
Hong Kong (Place of domicile)	24,301	25	4,001	28,327
United States of America	4,443	–	–	4,443
Other Asian countries *(Note)*	8,123	–	–	8,123
Others *(Note)*	15,835	–	–	15,835
Total	61,123	167,054	4,001	232,178
Major products and services:				
Sales of goods	58,643	25	–	58,668
Commission income from concessionaire sales	–	166,513	–	166,513
Royalty income	2,473	–	–	2,473
Securities brokerage commission	–	–	1,021	1,021
Financial consultancy income	–	–	2,980	2,980
Other services income	7	516	–	523
Total	61,123	167,054	4,001	232,178
Timing of revenue recognition:				
At a point in time	58,643	25	1,021	59,689
Transferred over time	2,480	167,029	2,980	172,489
Total	61,123	167,054	4,001	232,178

Revenue from other sources not within the scope of HKFRS 15

	Branding *HKD'000*	Retailing *HKD'000*	Financial services *HKD'000*	Consolidated *HKD'000*
Primary geographical markets:				
The PRC	–	49,563	–	49,563
Hong Kong (Place of domicile)	–	7,233	15,751	22,984
Total	–	56,796	15,751	72,547
Major products and services:				
Rental income	–	56,796	–	56,796
Interest income	–	–	15,751	15,751
Total	–	56,796	15,751	72,547

Note: The geographical information for the revenue attributed to each country recognised during the year is not available as the associated costs to capture such information would be excessive.

(c) Segment assets

The following table provides an analysis of reportable segment assets of different reportable segments recognised as at 31 December 2024 and 2023:

	2024 ***HKD'000***	2023 *HKD'000*
Branding	**241,604**	315,515
Retailing	**2,956,000**	3,135,617
Financial services	**325,874**	377,176
Total reportable segment assets	**3,523,478**	3,828,308
Unallocated	**171,617**	293,367
Assets classified as held for sale	**720,866**	759,765
Consolidated total assets	**4,415,961**	4,881,440

(d) Segment liabilities

The following table provides an analysis of reportable segment liabilities of different reportable segments recognised as at 31 December 2024 and 2023:

	2024	2023
	HKD'000	*HKD'000*
Branding	**43,595**	53,714
Retailing	**472,271**	448,280
Financial services	**21,688**	25,576
Total reportable segment liabilities	**537,554**	527,570
Unallocated	**1,559,446**	1,814,572
Consolidated total liabilities	**2,097,000**	2,342,142

(e) Other segment information

For the year ended 31 December 2024

	Branding	**Retailing**	**Financial services**	**Corporate and other unallocated**	**Consolidated**
	HKD'000	***HKD'000***	***HKD'000***	***HK$'000***	***HKD'000***
Amounts included in the measures of segment results, segment assets and segment liabilities:					
Capital expenditure *(Note)*	**1,695**	**20,849**	**–**	**–**	**22,544**
Depreciation of property, plant and equipment	**4,653**	**69,996**	**1,630**	**–**	**76,279**
Depreciation of right-of-use assets	**650**	**13,541**	**–**	**–**	**14,191**
Amortisation of intangible assets	**2,007**	**–**	**–**	**–**	**2,007**
Gain on disposal of property, plant and equipment	**–**	**(138)**	**–**	**–**	**(138)**
Loss on revaluation of property, plant and equipment	**–**	**741**	**–**	**–**	**741**
Write off of property, plant and equipment	**–**	**43**	**–**	**–**	**43**
Decrease in fair value of investment properties	**–**	**34,905**	**–**	**–**	**34,905**
Fair value loss on financial assets at fair value through profit or loss	**–**	**–**	**23,648**	**–**	**23,648**
(Reversal)/provision of impairment loss on financial assets	**(210)**	**6,101**	**3,281**	**–**	**9,172**
Reversal of allowance of inventories	**(1,172)**	**–**	**–**	**–**	**(1,172)**
Dividend income	**–**	**–**	**(30)**	**–**	**(30)**
Interest income	**–**	**–**	**(11,623)**	**(4,439)**	**(16,062)**
Interest expenses	**1,049**	**93,139**	**–**	**–**	**94,188**

For the year ended 31 December 2023

	Branding *HKD'000*	Retailing *HKD'000*	Financial services *HKD'000*	Corporate and other unallocated *HKD'000*	Consolidated *HKD'000*
Amounts included in the measures of segment results, segment assets and segment liabilities:					
Capital expenditure *(Note)*	49,897	3,024	3	–	52,924
Depreciation of property, plant and equipment	1,686	73,400	1,635	–	76,721
Depreciation of right-of-use assets	293	13,874	–	–	14,167
Amortisation of intangible assets	2,007	–	–	–	2,007
Loss on revaluation of property, plant and equipment	–	2,225	–	–	2,225
Write off of property, plant and equipment	104	9	–	–	113
Decrease in fair value of investment properties	–	65,041	–	–	65,041
Fair value loss on financial assets at fair value through profit or loss	–	–	23,724	–	23,724
Impairment loss on financial assets	1,497	3,784	1,252	–	6,533
Provision of allowance of inventories	6,709	–	–	–	6,709
Dividend income	–	–	(69)	–	(69)
Interest income	–	–	(15,751)	(6,692)	(22,443)
Interest expenses	1,298	102,702	–	–	104,000

Note: Capital expenditure including purchases of property, plant and equipment and construction costs of outlet malls located in Shenyang of the PRC.

(f) Geographical information

The following table provides an analysis of revenue from external customers by geographical locations based on the services locations or delivery destinations and non-current assets by geographical locations based on the physical locations of the assets operated ("**Specified non-current assets**"):

	Revenue from external customers		**Specified non-current assets** *(Note)*	
	2024	2023	**2024**	2023
	HKD'000	*HKD'000*	***HKD'000***	*HKD'000*
The PRC	**231,697**	225,013	**2,551,538**	2,682,971
Hong Kong (Place of domicile)	**49,139**	51,311	**425,479**	444,441
United States of America	**4,159**	4,443	**42,091**	42,091
Other Asian countries	**6,138**	8,123	**63,434**	72,483
Others	**16,428**	15,835	**45,955**	46,153
Total	**307,561**	304,725	**3,128,497**	3,288,139

Note: Non-current assets located in different geographical locations excluding deferred tax assets and restricted bank deposits which are located across different geographical locations and the costs of capturing such information will be excessive.

(g) Information about major customers

No revenue from transactions with a single external customer, in aggregate, representing 10% or more of the Group's total revenue for the year ended 31 December 2024 and 2023.

5. REVENUE

The amounts of each significant categories of revenue recognised during the year are disaggregated as follows:

	2024	2023
	HKD'000	*HKD'000*
Revenue from contracts with customers within the scope of HKFRS 15:		
Sales of goods	**49,313**	58,668
Commission income from concessionaire sales	**178,794**	166,513
Royalty income	**3,666**	2,473
Securities brokerage commission	**935**	1,021
Financial consultancy income	**5,357**	2,980
Other services income	**693**	523
	238,758	232,178
Revenue from other sources not within the scope of HKFRS 15:		
Rental income	**57,180**	56,796
Interest income	**11,623**	15,751
	68,803	72,547
Total	**307,561**	304,725

6. FINANCE COSTS

An analysis of finance costs recognised during the year is as follows:

	2024	2023
	HKD'000	*HKD'000*
Interest expenses on bank borrowings	**79,266**	89,076
Interest expenses on bank overdrafts	**–**	1
Interest expenses on lease liabilities	**12,685**	12,790
Interest expenses on amounts due to directors	**2,237**	2,133
	94,188	104,000

7. INCOME TAX EXPENSE

The amount of income tax expense recognised in the consolidated statement of profit or loss during the year is as follows:

	2024	2023
	HKD'000	*HKD'000*
Current tax:		
Hong Kong		
– Profits Tax		
– Provision for the year	**(410)**	(495)
– Over/(under) provision in respect of prior years	**231**	(175)
	(179)	(670)
The PRC and other jurisdictions		
– PRC Enterprise Income Tax		
– Provision for the year	**(5,905)**	(3,106)
– Under provision in respect of prior years	**(112)**	–
	(6,017)	(3,106)
– Foreign Tax		
– Provision for the year	**(24)**	(62)
– Over provision in respect of prior years	**36**	103
	12	41
Deferred tax:		
Hong Kong and the PRC		
– Profits Tax and PRC Enterprise Income Tax		
– Credit for the year	**2,101**	3,192
Income tax expense	**(4,083)**	(543)

Hong Kong Profits Tax

The provision for Hong Kong Profits Tax was calculated by applying the statutory tax rate of 16.5% on the estimated taxable profits arising in Hong Kong for both current and prior years. According to the definition of "connected entity" under the Two-tiered Profits Tax Regime, the management has elected one of the Company's subsidiaries to apply for the two-tiered profits tax rates to calculate the provision for Hong Kong Profits Tax for both current and prior years in the following manner.

For this elected subsidiary, the first HKD2,000,000 of the estimated taxable profits arising in Hong Kong was taxed at 8.25% and the remaining estimated taxable profits was taxed at 16.5%. The provision for Hong Kong Profits Tax for this elected subsidiary was calculated on the same basis for the prior year.

PRC Enterprise Income Tax

All of the group entities operating in the PRC were calculated by applying the statutory tax rate of 25% on the estimated taxable profits arising in the PRC for both current and prior years, except for one of the Company's subsidiary incorporated in Hong Kong engaged in the property investment business in the PRC, which is subject to the withholding tax rate of 10% on its gross rental income, net of value-added tax, earned in the PRC for both current and prior years, based on the existing tax legislation, interpretation and practices in respect thereof.

Up to the date of approval and authorisation for issuance of the consolidated financial statements, the above subsidiary engaged in the property investment business in the PRC has not filed any tax returns for reporting its PRC Enterprise Income Tax in respect of its rental income earned in the PRC. The PRC tax authority has the right to levy penalty for any late filing of tax returns. The amount of such potential penalty cannot be reliably estimated as the range of which is wide. However, for all newly signed tenancy agreements between the Group and the tenants since the financial year of 2016, a new clause has been added in the agreements to require the tenants to pay the PRC Enterprise Income Tax based on 10% of its gross rental income, net of value-added tax, earned in the PRC on behalf of the Group, based on the existing tax legislation, interpretation and practices in respect thereof. According to the management experience and the above measures adopted, the amount of such potential penalty, if any, will not be material to the consolidated financial statements. In addition, pursuant to the signed sales and purchase agreement in respect of the acquisition of the above subsidiary in the financial year of 2014, both of the vendor and the guarantor have undertaken to indemnify the Group for any tax liability arising from the late filing of tax returns prior to the completion date of the acquisition.

Foreign tax

Taxation arising in other jurisdictions was calculated by applying the statutory tax rates that were expected to be applicable in the relevant jurisdictions, where those overseas subsidiaries operate, on the estimated taxable profits for both current and prior years.

Pillar Two Rules

The Group is operating in certain jurisdictions where the Pillar Two Rules are effective or enacted but not effective. However, as the Group's estimated effective tax rates of all the jurisdictions in which the Group operates are higher than 15%, after taking into account the adjustments under the Pillar Two Rules based on management's best estimate, the management of the Group considered the Group is not liable to top-up tax under the Pillar Two Rules.

8. LOSS FOR THE YEAR

(a) Other income and gains

	2024	2023
	HKD'000	*HKD'000*
Dividend income	**30**	69
Foreign exchange gain	**1,513**	–
Interest income	**4,439**	6,692
Gain on disposal of property, plant and equipment	**138**	–
Government grants *(Note (i))*	**12,979**	3,142
Reimbursement income of operating outlet malls	**14,570**	13,098
Others	**4,270**	3,611
	37,939	26,612

Note:

(i) For the year ended 31 December 2024 and 2023, government grants were received from the PRC local authorities which provide financial support on the retailing business in the PRC. In addition, the Group received financial support from the Japan local authorities in 2024 in respect of the Sake business in Japan. There was no unfulfilled condition to receive both government grants at the end of reporting period.

(b) Other expenses

	2024	2023
	HKD'000	*HKD'000*
Loss on revaluation of property, plant and equipment	**741**	2,225
Loss on disposal of interests in joint ventures	**–**	996
Write off of property, plant and equipment	**43**	113
Penalty expense	**255**	17
Others	**62**	118
	1,101	3,469

(c) Loss for the year is arrived at:

	2024	2023
	HKD'000	*HKD'000*
After charging:		
Directors' emoluments	**8,319**	7,203
Employees' costs (excluding Directors' emoluments) comprise:		
– Salaries	**45,286**	54,819
– Welfare and other expenses	**2,142**	1,914
– Contributions to defined contribution retirement plans	**6,507**	7,656
	62,254	71,592
Auditor's remuneration	**1,380**	2,100
Amortisation of intangible assets	**2,007**	2,007
Cost of inventories recognised as expenses	**26,330**	29,128
Depreciation of property, plant and equipment	**76,279**	76,721
Depreciation of right-of-use assets	**14,191**	14,167
Decrease in fair value of investment properties	**34,905**	65,041
Provision of allowance of inventories *(note (i))*	**–**	6,709
Short-term leases expenses	**2,776**	3,111

	2024	2023
	HKD'000	*HKD'000*
After crediting:		
Reversal of allowance of inventories *(note (i))*	**(1,172)**	–
Gain on disposal of property, plant and equipment	**(138)**	–
Gross rental income from investment properties	**(57,180)**	(56,796)
Less: Direct operating expenses related to:		
– Investment properties that generate rental income	**16,312**	13,605
– Investment properties that did not generate rental income	**90**	96
	(40,778)	(43,095)
Interest income from:		
– Bank deposits	**(1,473)**	(2,204)
– Loans receivable and advances to customers in margin financing	**(11,623)**	(15,751)
– Others	**(2,966)**	(4,488)
Dividend income	**(30)**	(69)
Reimbursement income of operating outlet malls	**(14,570)**	(13,098)

Note:

(i) The provision/(reversal) of allowance of inventories arising from decrease/(increase) in net realisable value caused by the decrease/(increase) in estimated scrap value.

9. DIVIDEND

	2024	2023
	HKD'000	*HKD'000*
2023 final dividend of HKD0.005 (2023: 2022 final dividend of HKD0.005) per ordinary share declared and paid	**14,871**	14,871

No interim dividend was declared and paid to the shareholders of the Company (the "**Shareholders**") for both current and prior years.

The Directors recommended the payment of a final dividend to the Shareholders in respect of the financial year ended 31 December 2024 of HKD0.005 (2023: HKD0.005) per ordinary share of the Company, in total of approximately HKD14,871,000 (2023: HKD14,871,000). The final dividend proposed after the end of reporting period was not reflected as dividend payable in the consolidated financial statements as at 31 December 2024 and 2023.

10. LOSS PER SHARE

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

	2024 *HKD'000*	2023 *HKD'000*
Loss:		
Loss for the year attributable to owners of the Company	**(143,119)**	(205,913)

	2024 Number of shares *'000*	2023 Number of shares *'000*
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating the basic and diluted loss per share	**2,974,225**	2,974,225

	HK cents	*HK cents*
Loss per share:		
Basis and diluted	**(4.81)**	(6.92)

The Company did not have any dilutive potential ordinary shares for the year ended 31 December 2024 and 2023. Accordingly, the diluted loss per share is the same as the basic loss per share.

11. PROPERTY, PLANT AND EQUIPMENT/INVESTMENT PROPERTIES

Property, plant and equipment

The carrying amount of the property, plant and equipment decreased during the year was mainly due to the depreciation of Renminbi ("**RMB**") against HKD for the properties located in the PRC.

Investment properties

The investment properties (including investment properties classified as held for sale) located in Hong Kong, Beijing, Shanghai, Chongqing and Tianjin, the PRC are held either medium or long-term leases and for the purpose of either earning rental income or capital appreciation.

The carrying amount of the investment properties decreased during the year was mainly due to the effect of the decrease in fair value of investment properties and the depreciation of RMB against HKD.

12. INVENTORIES

	2024	2023
	HKD'000	*HKD'000*
Raw materials	**3,125**	4,026
Work-in-progress	**566**	870
Finished goods	**38,883**	46,100
Goods-in-transit	**2,333**	8,225
	44,907	59,221
Provision of allowance	**(9,731)**	(11,369)
	35,176	47,852

A reversal of allowance of inventories of approximately HKD1,172,000 (2023: provision of allowance of approximately HKD6,709,000) was recognised in profit or loss during the year due to the increase (2023: decrease) in estimated net realisable value of certain categories of inventories as a result of increase (2023: decrease) in estimated scrap value.

13. TRADE AND OTHER RECEIVABLES

	2024	2023
	HKD'000	*HKD'000*
Trade receivables arising from:		
– Other than financial services segment	**24,728**	35,570
– Financial services segment	**6,696**	8,494
Total gross carrying amount	**31,424**	44,064
Less: Loss allowance	**(5,611)**	(3,015)
Total net carrying amount after loss allowance	**25,813**	41,049
Prepayments, deposits and other receivables:		
Total gross carrying amount	**110,677**	191,377
Less: Loss allowance	**(9,259)**	(6,059)
Total net carrying amount after loss allowance	**101,418**	185,318
Total trade and other receivables	**127,231**	226,367

The following is an ageing analysis of trade receivables, net of loss allowance, which is presented based on the invoice date or transaction date, where applicable, at the end of reporting period:

	2024	2023
	HKD'000	*HKD'000*
0 to 30 days	**15,218**	26,678
31 to 60 days	**1,045**	1,737
61 to 90 days	**631**	787
Over 90 days	**8,919**	11,847
	25,813	41,049

14. ADVANCES TO CUSTOMERS IN MARGIN FINANCING

	2024 *HKD'000*	2023 *HKD'000*
Directors and their associates	**26,033**	16,011
Other margin clients	**100,577**	119,323
	126,610	135,334

At 31 December 2024 and 2023, the carrying amount of advances to customers in margin financing arising from the margin financing business in Hong Kong was secured by listed equity securities, carried at average interest rates from Hong Kong Dollar Prime Rate ("**Prime Rate**") to Prime Rate plus 3% per annum and repayable on demand.

Based on the result of the expected credit loss calculation with reference to the discounted market value of listed equity securities, no provision of loss allowance was recognised for both current and prior years given that no significant default events of failure to repay the margin calls from any margin clients and the discounted market value of listed equity securities pledged were sufficiently covered the outstanding loan balances as at 31 December 2024 and 2023.

No ageing analysis is disclosed for advances to customers in margin financing, as in the opinion of the Directors, an ageing analysis is not meaningful in the view of the business nature of margin financing. The maximum exposure of credit risk against the Group is the carrying amount at the end of reporting period.

15. LOANS RECEIVABLE

	2024 *HKD'000*	2023 *HKD'000*
Secured:		
Total gross carrying amount	**51,187**	59,251
Less: Loss allowance	**(5,453)**	(2,714)
	45,734	56,537

Movement of loss allowance of loans receivable during the year is as follows:

	2024 *HKD'000*	2023 *HKD'000*
At 1 January	**2,714**	2,077
Provision of loss allowance	**2,739**	637
At 31 December	**5,453**	2,714

At 31 December 2024 and 2023, the carrying amount of loans receivable arising from the money lending business in Hong Kong was secured by mortgages over the borrowers' properties and listed equity securities in Hong Kong, carried at interest rates from 5% to 18% (2023: 12% to 18%) per annum and repayable within one year from the dates of advances to the borrowers or on demand.

16. TRADE AND OTHER PAYABLES

	2024	2023
	HKD'000	*HKD'000*
Trade payables arising from:		
– Other than financial services segment	**172,419**	148,519
– Financial services segment	**20,224**	23,979
Total trade payables	**192,643**	172,498
Accruals, receipts in advance, temporary receipts and other payables	**156,816**	164,602
Total trade and other payables	**349,459**	337,100

The following is an ageing analysis of trade payables arising from other than financial services segment, which is presented based on the invoice date or transaction date, where applicable, at the end of reporting period:

	2024	2023
	HKD'000	*HKD'000*
0 to 30 days	**136,600**	121,248
31 to 60 days	**31,792**	21,940
61 to 90 days	**3,310**	3,239
Over 90 days	**717**	2,092
	172,419	148,519

The settlement terms of trade payables arising from the ordinary course of business of dealing in securities are either one or two trading days after the trade date depending on the categories of the underlying securities transactions are executed. No ageing analysis is disclosed for the trade payables arising from financial services segment, as in the opinion of the Directors, an ageing analysis is not meaningful in the view of the business nature of dealing in securities and margin financing.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Over the past year, the macroeconomic environment was full of challenges. Factors such as the restructuring of the real estate market, sluggish consumer demand and trade disputes have dampened economic growth. Despite these obstacles, Symphony Group has remained committed to promoting steady development of its business by leveraging its diversified business portfolio and proactive approach for increasing flexibility.

The Group is operating outlets and community malls in mainland China under the brand name of "Park Outlets". During the Year, "Park Outlets", especially the outlets located in Shenyang and Xiamen, achieved satisfying performance. Driven by brand upgrading and adjustment as well as a wide variety of well-planned events organised by the Group throughout the year, these outlets recorded growth in revenue, and customer traffic flow even recorded high double-digit growth year on year. "Park Outlets" in Xiamen achieved monthly performance of exceeding RMB100 million for the first month of the year for three consecutive years. Outlet has attracted a number of prestigious international brands to expand their business, and set up its first outlet in Fujian province. "Park Outlets" in Shenyang has introduced the largest global coffee chain brand, creating greater synergies with other brands. The renovation and upgrading works in some zones of the outlet have been completed, creating a more premium shopping environment. Through online and offline promotion campaign efforts, the abundance of original content has successfully attracted consumers to spend in our outlets. For the community malls located in Chongqing and Tianjin, with the merchants mainly engaging in the catering and service industries such as education centres, gymnasiums, barbershops, etc., the demands for necessary consumption by the residents in the neighbouring areas brought stable foot traffic. In recognition of its performance by the industry, "Park Outlets" received several awards and honours during the Year, including "Top 50 China Outlets Index 2023–2024" by the organizing committee of the 11th Outlet Summit, the "2024 Peak Navigatior Award" (2024巔峰領航獎) by Douyin Life Service (抖音生活服務), etc. After years of operating history in a pursuit of excellence, "Park Outlets" has achieved business growth in terms of comprehensive strength, and has become the first-choice retail brand for the consumers and brand customers.

The Group's branding business covers different fields. It currently operates the world's first compression sportswear brand "SKINS", health care business Supremium Bio-Technology Limited ("**SBT**") and Japanese wine brand "Hakuryu". Products of SKINS are sold to many countries across the world, mainly targeting on end-user base of professional athletes. However, in light of the intensifying competition in the compression sportswear market currently, the Group underwent brand re-planning and took proactive measures to adapt to the new market environment, including enhancing brand and product innovation, exploring suitable distributors in some regions and strengthening cooperation with business partners. Meanwhile, the Group improved product quality and enrich collection mix, and sponsored Olympics golden medal winners, internet celebrities and international games, in an effort to increase brand exposure.

As for SBT, which focuses on the local health care market, is mainly engaged in R&D, production and distribution of health care products. Its products include self-owned brands and client brands, and its sales network covers pharmacies, retail chain stores and duty-free shops in Hong Kong. With the increasing healthcare awareness of the consumers, we witnessed growing demands in the health care product market. SBT further strengthened relationship with its business partners over the past year, including selling its products on the leading e-commerce platforms in the Mainland, and exploring business in Southeast Asia, etc.

The Group invested in Japan's 200-year-old Yoshida Brewery Limited. Following the production line having commenced production in the second half of 2023, the business has made steady progress. The Group proactively carried out promotion via a number of platforms and expanded cooperation networks, laying a solid foundation for business development.

The Group has been operating financial business in Hong Kong for a number of years now, mainly providing margin financing, underwriting and sales, consulting services and lending, and focusing on serving long-term customers. Driven by increasing fundraising activities and a positive market atmosphere in the second half of the year, the Group's financial business has remained healthy and stable growth.

FINANCIAL REVIEW

Overview of Annual Results

During the Year, the Group's overall revenue increased by approximately 0.9% to approximately HKD307.6 million (2023: approximately HKD304.7 million).

Gross profit for the Year amounted to approximately HKD281.2 million, representing an increase of approximately HKD5.6 million or approximately 2.0% as compared with approximately HKD275.6 million for the Comparable Year. Gross profit margin for the Year was approximately 91.4% (2023: approximately 90.4%).

The Group recorded loss for the year attributable to owners of the Company of approximately HKD143.1 million for the Year, compared with loss of approximately HKD205.9 million for the Comparable Year, representing a decrease in loss of approximately 30.5% or approximately HKD62.8 million. The reduction in loss for the year attributable to owners of the Company for the Year was mainly attributable to the combined effect of, among others, (i) an increase in other income and gains; (ii) the implementation of cost control measures to reduce the distribution and selling costs and administrative expenses; and (iii) a reduction in fair value loss of investment properties.

Overall, the Group recorded basic and diluted loss per share of approximately HK4.81 cents for the Year, as compared with basic and diluted loss per share of approximately HK6.92 cents for the Comparable Year.

Revenue and operating results

Segment information

Branding

The branding segment comprised of: (i) development and management of "SKINS" trademarks; (ii) sourcing, manufacturing and trading of healthcare products in Hong Kong; and (iii) distribution of Japanese wine. Revenue for the Year amounted to approximately HKD53.0 million (2023: approximately HKD61.1 million), representing a decrease of approximately 13.3%.

The segment gross profit margin decreased to approximately 50.3% for the Year (2023: approximately 52.3%). The reportable segment loss of the branding segment was approximately HKD17.5 million for the Year (2023: reportable segment loss of approximately HKD39.4 million). The decrease in reportable segment loss was mainly due to an increase in other income and gains and the enhancement in operation efficiency.

Retailing

The retailing segment comprised of: (i) management and operation of outlet malls located in Xiamen, Shenyang and Anyang of the PRC; and (ii) investment properties including commercial premises located in Hong Kong, Beijing and Shanghai of the PRC and community malls located in Chongqing and Tianjin of the PRC. The investment properties are held either medium or long-term leases and for the purpose of either earning rental income or capital appreciation.

Revenue for the Year amounted to approximately HKD236.6 million (2023: approximately HKD223.9 million), representing an increase of approximately 5.7%. The segment gross profit margin was 100.0% for the Year (2023: 100.0%). The reportable segment loss of the retailing segment was approximately HKD21.8 million for the Year (2023: reportable segment loss of approximately HKD81.4 million). The decrease in reportable segment loss was mainly due to the reduction in fair value loss of investment properties.

Financial Services

The financial services segment continues to generate service income or interest income from the provisions of securities brokerage, margin financing, money lending and financial consultancy services in Hong Kong.

Revenue for the Year amounted to approximately HKD17.9 million (2023: approximately HKD19.8 million), representing a decrease of approximately 9.3%. The segment gross profit margin was 100.0% for the Year (2023: 100.0%). The reportable segment loss was approximately HKD26.1 million for the Year (2023: reportable segment loss of approximately HKD22.0 million). The increase in reportable segment loss was mainly due to the increase in provision of impairment loss on financial assets.

Other income and gains

Other income and gains mainly comprised of the reimbursement income of outlet malls, government grants and interest income. Other income and gains increased from approximately HKD26.6 million for the Comparable Year to approximately HKD37.9 million for the Year, representing an increase of approximately 42.6%. The increase was mainly due to an one-off government grant in respect of the Sake business in Japan that was received during the Year.

Distribution and selling expenses

Distribution and selling expenses mainly comprised of the advertising and promotion expenses and employees' costs. Distribution and selling expenses decreased from approximately HKD78.4 million for the Comparable Year to approximately HKD61.1 million for the Year, representing a decrease of approximately 22.1%. The decrease was due to strict control on advertising and promotion spending during the Year.

Administrative expenses

Administrative expenses mainly comprised of employees' costs, PRC tax surcharges and levies, professional fees and utilities expenses. Administrative expenses decreased from approximately HKD148.1 million for the Comparable Year to approximately HKD133.8 million for the Year, representing a decrease of approximately 9.6%. The decrease was due to the cost control measures implemented during the Year.

Finance costs

Finance costs mainly comprised of interest expenses on bank borrowings. Finance costs decreased from approximately HKD104.0 million for the Comparable Year to approximately HKD94.2 million for the Year, representing a decrease of approximately 9.4%. The decrease was primarily due to repayment of bank borrowings and the decrease in Hong Kong Interbank Offered Rate during the Year.

Provision of impairment loss on financial assets

Provision of impairment loss on financial assets for the Year amounted to approximately HKD9.2 million, as compared with approximately HKD6.5 million for the Comparable Year. Impairment loss on financial assets comprised of impairment loss on trade and other receivables and loans receivable.

Decrease in fair value of investment properties

Decrease in fair value of investment properties for the Year amounted to approximately HKD34.9 million, as compared with decrease of approximately HKD65.0 million for the Comparable Year. The reduction in fair value loss of investment properties reflects the stabilisation of the commercial property market of Hong Kong and the PRC during the Year.

Fair value loss on financial assets at fair value through profit or loss

Fair value loss on financial assets at fair value through profit or loss for the Year amounted to approximately HKD23.6 million, as compared with loss of approximately HKD23.7 million for the Comparable Year.

Income tax expense

Income tax expense for the Year amounted to approximately HKD4.1 million, representing an increase of approximately 652.1% as compared with the income tax expense of approximately HKD0.5 million for the Comparable Year. The increase was due to the rise in taxable profits during the Year.

Loss for the year attributable to owners of the Company

The Group reported loss for the year attributable to owners of the Company of approximately HKD143.1 million for the Year as compared with loss of approximately HKD205.9 million for the Comparable Year. The reduction in loss was mainly attributable to the combined effect of, among others, (i) an increase in other income and gains; (ii) the implementation of cost control measures to reduce the distribution and selling costs and administrative expenses; and (iii) a reduction in fair value loss of investment properties.

MARKET INFORMATION

During the Year, revenue from the PRC, Hong Kong and other Asian countries comprised of approximately 93.3% (2023: approximately 93.3%) of the total revenue and the remaining of approximately 6.7% (2023: approximately 6.7%) shared between the United States of America and other countries.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2024, the Group had bank balances and cash amounted to approximately HKD77.2 million (2023: approximately HKD132.6 million). The Group was offered banking facilities amounted to approximately HKD1,720.0 million (2023: approximately HKD1,731.1 million).

As at 31 December 2024, the Group's bank borrowings amounted to approximately HKD1,140.4 million (2023: approximately HKD1,386.8 million). The Group had variable interest-rate bank borrowings carried at interest rates from approximately 1.92% to 7.11% (2023: approximately 1.92% to 7.87%) per annum. The weighted average effective interest-rate was approximately 5.4% (2023: approximately 6.2%) per annum. The Group's gearing ratio was expressed as a percentage of total outstanding net debt (being the total bank borrowings less bank balances and cash) to total equity was approximately 45.8% (2023: approximately 49.4%). Bank borrowings of approximately HKD704.5 million (2023: approximately HKD813.8 million) must be repaid within one year, while the remaining balance must be repaid from two to eighteen years (2023: two to nineteen years).

As at 31 December 2024, the Group's current assets and current liabilities were approximately HKD1,274.7 million (2023: approximately HKD1,547.9 million) and approximately HKD1,162.6 million (2023: approximately HKD1,259.1 million) respectively. Accordingly, the Group's current ratio that expressed as current assets to current liabilities was approximately 1.10 (2023: approximately 1.23).

PLEDGE OF ASSETS

As at 31 December 2024, the Group pledged: (i) certain of its leasehold land and buildings, outlet mall buildings, investment properties, right-of-use assets, asset classified as held for sale and restricted bank deposits, with the respective carrying amounts of approximately HKD235.0 million, HKD1,480.9 million, HKD477.8 million, HKD401.3 million, HKD720.9 million and HKDnil million as at 31 December 2024 (2023: approximately HKD250.0 million, HKD1,532.9 million, HKD493.9 million, HKD428.3 million, HKD759.8 million and HKD51.0 million); (ii) shares of certain of the Company's subsidiaries; (iii) corporate guarantees provided by the Company and certain of its subsidiaries and a related party; and (iv) personal guarantee provided by a director of the Company, to secure the banking facilities offered to the Group.

CAPITAL COMMITMENTS

As at 31 December 2024, the Group's capital commitments amounted to approximately HKD8.1 million in respect of construction costs of outlet mall buildings located in Shenyang of the PRC (2023: approximately HKD9.1 million).

CAPITAL EXPENDITURE

Capital expenditure including purchases of property, plant and equipment and construction costs of outlet mall buildings located in Shenyang of the PRC was approximately HKD22.5 million for the Year (2023: approximately HKD52.9 million).

CONTINGENT LIABILITIES

Details of potential tax liabilities in connection with the potential tax penalty arising from the late filing of the PRC tax returns for reporting the PRC Enterprise Income Tax to the PRC tax authority are disclosed in Note 7 of this announcement.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2024, the Group's total number of employees was 217 (2023: 206). Employees' costs (excluding directors' emoluments) comprise of salaries, welfare and other expenses and contribution to defined contribution retirement plans amounted to approximately HKD53.9 million (2023: approximately HKD64.4 million).

In addition to competitive remuneration packages, discretionary bonus and employee share options are offered to the Group's eligible staff based on their performance and individual merits. The Group also provides other benefits including insurance, medical scheme and retirement plans to its employees.

SHARE OPTION SCHEME

During the Year and the Comparable Year, no share option was granted, exercised, expired, or lapsed and as at the date of this announcement, there was no outstanding share option under any share option scheme adopted by the Company.

TREASURY POLICY

Several principal subsidiaries of the Group are exposed to foreign currency risk primarily through sales and purchases which give rise to monetary assets and monetary liabilities that are denominated in Renminbi and United States Dollars. During the Year, the Group did not enter into any financial derivatives for hedging purpose. However, the management monitors foreign exchange exposure from time to time. Appropriate measures would be undertaken by the management when the exchange rate fluctuations become significant.

DIVIDEND

The Board recommended the payment of a final dividend of HKD0.005 (2023: HKD0.005) per ordinary share for the Year, which is subject to the approval of the shareholders of the Company at the annual general meeting (the "**AGM**") to be held on 20 June 2025. The final dividend is proposed to be paid on or about 8 September 2025 to the shareholders whose names appear on the register of members of the Company at the close of business on 15 August 2025.

CLOSURE OF REGISTER OF MEMBERS

(1) The AGM is scheduled to be held on 20 June 2025. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from 16 June 2025 to 20 June 2025 (both days inclusive), during which period no transfer of shares of the Company will be registered. Shareholders whose names appear on the register of members of the Company on 20 June 2025 will be entitled to attend and vote at the AGM. In order for a shareholder of the Company to be eligible to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 13 June 2025.

(2) For determining the entitlement to the final dividend for the Year, the register of members of the Company will be closed from 11 August 2025 to 15 August 2025 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order for a shareholder of the Company to qualify for the final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 8 August 2025.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, SIGNIFICANT INVESTMENTS AND FUTURE PLANS OF MATERIAL INVESTMENT

Save as disclosed herein, the Group had no material acquisitions and disposals of subsidiaries, associates and joint ventures, significant investments and future plans of material investment during the Year.

FUTURE PROSPECTS

Looking ahead, the external economic environment remains surrounded with uncertainties, such as ongoing international trade disputes, restructure of global supply chain, debt risks, etc. Faced up with challenges, Chinese government is actively expanding domestic demand and enhancing market confidence, and has introduced a series of well-targeted and diverse policy measures to further optimise the economic structure and development momentum. The Group firmly believes that under the forward-looking planning and policy support of the Chinese government, China's economic will underpinned by robust fundamentals and maintains a sustained positive growth trajectory. The Group will continue to enhance its own advantages and seize the opportunities brought by the government to promote the strength of each business segment.

For the retailing segment, by seizing the policy opportunity arising from the national initiative of "Special Initiatives to Boost Consumption", and taking into consideration of the business opportunities brought by the trade-in subsidy and service-based pro-consumption policies, "Park Outlets" will leverage on its existing advantages to unleash market potential. The Group will proactively invite international brands and local quality merchants to join us to establish a diversified mix of consumption brands, and organise all kinds of promotion campaigns at different festivals throughout the year, translating favourable policies into market growth. Upholding the concept of asset-light operation, the Group will actively explore the new blue ocean market, and provide solutions to the industry by leveraging the extensive operation experiences of our team and standardised management system. The Group will also seek to form strategic cooperation alliance with other developers, with an aim to achieve win-win results for business partners through co-branding and entrusted management models. Furthermore, the retail business will optimise operation efficiency with application of big data and artificial intelligence technology, gain an in-depth understanding of users' needs through in-time analysis of consumption trend, in an effort to offer consumers a more customised and scenario-based shopping experience and developing each outlet into a new hub for quality lifestyle.

In terms of branding business, the Group will further optimise the compression sportswear business and consolidate its resources to develop key markets. Continuous efforts will be made to improve product competitiveness and end-user experience, aiming to enhance brand advantage. While continuing to focus on the Hong Kong market, the health care product business SBT will explore new business opportunities in the surrounding regions, and will enhance product development and sale. For the Japanese wine business, with the increase in production capacity, it will proactively step up effort in marketing promotion in the future to accelerate business development. The Group is cautiously optimistic about its future development and will continue to strive for progress with its own business, facilitating steady development and ushering in a brighter future.

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

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

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") comprises of three independent non-executive Directors, namely Mr. Chow Yu Chun Alexander (the chairman of Audit Committee), Mr. Shum Pui Kay and Mr. Wah Wang Kei Jackie, has reviewed the final results for the Year.

SCOPE OF WORK OF BDO LIMITED

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

CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") throughout the Year except for the following deviations:

– Under code provision C.2.1 of the CG Code, the roles of the chairman and chief executive should be separated and should not be performed by the same individual. Mr. Cheng Tun Nei ("**Mr. Cheng**") currently serves as both the Chairman and Chief Executive Officer of the Company. In view of the evolving business environment in which the Group operates, the Board is of the view that vesting the roles of both the Chairman and Chief Executive Officer of the Company on Mr. Cheng will provide the Group with strong and consistent leadership while enabling more effective and timely business planning and decision-making process.

– As at the date of this announcement, all independent non-executive Directors have served on the Board for more than nine years. Pursuant to code provision B.2.4(b) of the CG Code, the Company should appoint a new independent non-executive director on the Board. The independence of the independent non-executive Directors had been assessed in accordance with the applicable Listing Rules. After considering the confirmations of independence of the independent non-executive Directors, their skills, knowledge, professionalism and experience and their commitment to their role as independent non-executive Directors in the past years, the Board (including the nomination committee of the Board) is of the view that (a) the long tenure of the existing independent non-executive Directors has not undermined their abilities to provide independent, balanced and objective views to the Board and, on the contrary, has been instrumental in facilitating communication among board members since they are able to provide unbiased opinion and tailored advice as they have gained a deep understanding of the Group's business and operation over time by virtue of their long tenure; (b) their commitment to the responsibilities of the independent non-executive Directors, valuable business experience, knowledge and professionalism are tremendous assets of the Board, which had fostered and will continue to foster the sharing of diverse perspectives in the boardroom and the generation of new ideas and business strategies; and (c) all the existing independent non-executive Directors remain independent pursuant to Rule 3.13 of the Listing Rules. Whilst the Board does not have any current arrangement to appoint a new independent non-executive director on the Board, it will review on an on-going basis to propose new or additional appointment of independent non-executive director(s) as and when appropriate.

EVENT AFTER THE REPORTING PERIOD

Connected transaction in relation to the acquisition of the remaining 15% interest in a non-wholly owned subsidiary

On 25 February 2025, the Company (as purchaser) and ITOCHU Corporation ("**ITOCHU**") (as seller) entered into a share sale and purchase agreement pursuant to which the Company agreed to purchase, and ITOCHU agreed to sell, 600,000 shares of SYM ITO Sales and Distribution Company Limited ("**SYM ITO**", together with its subsidiaries, "**SYM ITO Group**"), representing 15% of the total issued shares of SYM ITO for a consideration of USD600,000 (equivalent to approximately HKD4,680,000) (the "**Acquisition**"). Upon completion of the Acquisition on 28 February 2025, the Company holds 100% interest in SYM ITO and SYM ITO has become as a wholly owned subsidiary of the Company.

As ITOCHU was a connected person of the Company at the subsidiary level by virtue of being a substantial shareholder of SYM ITO, the Acquisition constituted a connected transaction for the Company under Chapter 14A of the Listing Rules. The connected transaction under the Acquisition fell within the de minimis threshold under Rule 14A.76(2) of the Listing Rules and therefore was only subject to the reporting and announcement requirements, but exempted from the circular, independent financial advice and independent shareholders' approval requirements contemplated under Chapter 14A of the Listing Rules.

SYM ITO Group is principally engaged in the designing, manufacturing, marketing and distributing of the compression and high-performance sportswear and apparels of "SKINS".

The Board is of the view that the Acquisition will enable the Group to gain full control over SYM ITO Group and greater flexibility in the strategic directions and day-to-day management of SYM ITO Group, and hence, to achieve operational and management efficiency of the Group.

Going forward, by fully controlling SYM ITO through the Acquisition, the Company intends to continue to grow the "SKINS" business. The Group believes that there is potential in the further expansion of the "SKINS" business and therefore intends to launch brand image rebuilding campaign to enhance the brand awareness, and upgrade the collection mix through product development and innovation, in order to realise its potential. The Group has also been exploring potential opportunities and development, and upgrading the distribution network of "SKINS" products.

All in all, the Acquisition is conducive to the development of SYM ITO Group and the "SKINS" business, which will enable the Group to broaden its revenue base in long run by securing more opportunities throughout the development process.

Please refer to the announcement of the Company dated 25 February 2025 for further details.

Save as disclosed in this announcement, there was no other significant event affecting the Group that had occurred after 31 December 2024 and up to date of this announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers (the "**Model Code**") as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding securities transactions by directors of the Company. Having made specific inquiries with all Directors, it is confirmed that all Directors have complied with the required standards set out in the Model Code throughout the Year.

The Company has also adopted a code on no less exacting terms than the Model Code to regulate dealings in the securities of the Company by certain employees of the Group who are considered to be likely in possession of inside information in relation to the Company or its securities.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.symphonyholdings.com. The annual report for the Year containing all the information required by Listing Rules will be despatched to shareholders of the Company and will be made available on the above websites by the end of April 2025.

By order of the Board
Symphony Holdings Limited
Cheng Tun Nei
Chairman

Hong Kong, 31 March 2025

As at the date of this announcement, the Directors are:

Executive Directors:	Mr. Cheng Tun Nei *(Chairman and Chief Executive Officer)* Mr. Chan Kar Lee Gary Mr. Lee Cheung Ming Ms. Fung Kim Wan Ewim
Independent non-executive Directors:	Mr. Shum Pui Kay Mr. Wah Wang Kei Jackie Mr. Chow Yu Chun Alexander

* *For identification purpose only*