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## CLSA Premium Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6877)

### AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024, PROPOSED CHANGE OF COMPANY NAME, PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION AND ADOPTION OF THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

The board (the “**Board**”) of directors (the “**Director(s)**”) of CLSA Premium Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) presents the audited consolidated annual results of the Group for the year ended 31 December 2024.

#### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024 HK\$'000	2023 HK\$'000
<b>CONTINUING OPERATIONS</b>			
Sales of goods from healthcare business	3	86,489	191,170
Other income	4	16,332	8,513
Total income		102,821	199,683
Cost of sales from healthcare business	10	(52,454)	(151,077)
Referral expenses and other charges		(2,777)	(3,642)
Staff costs		(3,045)	(1,934)
Depreciation		(310)	–
Impairment loss on trade receivables		(625)	–
Other operating expenses	5	(31,021)	(28,455)
Total expenses		(90,232)	(185,108)

	<i>Notes</i>	<b>2024</b> <b><i>HK\$'000</i></b>	2023 <i>HK\$'000</i>
Profit before tax from continuing operations		<b>12,589</b>	14,575
Income tax expense	7	<u>(1,251)</u>	<u>(1,745)</u>
Profit for the year from continuing operations		<u><b>11,338</b></u>	<u>12,830</u>
<b>DISCONTINUED OPERATIONS</b>			
Loss for the year from discontinued operations	6	<u>–</u>	<u>(2,988)</u>
Profit for the year		<u><b>11,338</b></u>	<u>9,842</u>
<b>Other comprehensive income</b>			
<i>Item that may be reclassified to profit or loss</i>			
Currency translation difference		<u>(6,896)</u>	<u>(777)</u>
Other comprehensive loss for the year, net of tax		<u><u>(6,896)</u></u>	<u><u>(777)</u></u>
Total comprehensive income for the year		<u><b>4,442</b></u>	<u>9,065</u>
<b>Profit/(loss) attributable to:</b>			
Continuing operations		<b>11,338</b>	12,830
Discontinued operations		<u>–</u>	<u>(2,988)</u>
		<u><b>11,338</b></u>	<u>9,842</u>
<b>Total comprehensive income/(loss) attributable to:</b>			
Continuing operations		<b>4,442</b>	12,012
Discontinued operations		<u>–</u>	<u>(2,947)</u>
		<u><b>4,442</b></u>	<u>9,065</u>
		<b><i>HK cents</i></b>	<b><i>HK cents</i></b>
<b>Profit/(loss) per share for profit/(loss) attributable to the equity holders of the Company for the year</b>			
Continuing operations		<b>0.56</b>	0.63
Discontinued operations		<u>–</u>	<u>(0.15)</u>
– Basic and diluted ( <i>HK cents per share</i> )	9	<u><u><b>0.56</b></u></u>	<u><u>0.48</u></u>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	<i>Notes</i>	<b>2024</b> <b>HK\$'000</b>	2023 <i>HK\$'000</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<u>77</u>	<u>388</u>
<b>Total non-current assets</b>		<u>77</u>	<u>388</u>
<b>Current assets</b>			
Inventories	<i>10</i>	<b>34,546</b>	11,916
Trade receivables	<i>11</i>	<b>36,720</b>	12,979
Other receivables, prepayments and deposits	<i>12</i>	<b>1,703</b>	2,914
Tax prepayment		–	4
Cash and bank balances and client trust bank balances	<i>13</i>	<u><b>206,336</b></u>	<u>223,574</u>
<b>Total current assets</b>		<u><b>279,305</b></u>	<u>251,387</u>
<b>Total assets</b>		<u><b>279,382</b></u>	<u>251,775</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	<i>15</i>	<b>20,333</b>	20,333
Reserves	<i>15</i>	<u><b>223,974</b></u>	<u>219,532</u>
<b>Total equity</b>		<u><b>244,307</b></u>	<u>239,865</u>
<b>Current liabilities</b>			
Income tax payable		<b>3,093</b>	1,842
Trade and other payables	<i>14</i>	<b>30,861</b>	8,909
Clients' balances		<u><b>1,121</b></u>	<u>1,159</u>
<b>Total current liabilities</b>		<u><b>35,075</b></u>	<u>11,910</u>
<b>Total liabilities</b>		<u><b>35,075</b></u>	<u>11,910</u>
<b>Total equity and liabilities</b>		<u><b>279,382</b></u>	<u><b>251,775</b></u>

# NOTES

## 1 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements of the Company and its subsidiaries (together the “Group”) have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) and applicable requirements of the Hong Kong Companies Ordinance (Chapter 622). In addition, the 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 except for certain financial assets and financial liabilities (including derivative instruments) measured at fair value as explained in the accounting policies set out below.

## 2 ADOPTION OF NEW OR AMENDED HKFRSs

### (a) Adoption of new and amended HKFRSs – effective on or after 1 January 2024

The Group has applied the following amendments to the standards for the first time for its annual reporting year commencing 1 January 2024:

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

The Group has not early applied any new or amended HKFRSs Accounting Standards that is not yet effective for the current accounting period.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

### (b) New and revised standards and interpretations not yet adopted by the Group

Certain new and revised accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. Other than HKFRS 18, the directors of the Company anticipate that the application of these new and revised standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Amendments to HKAS 21	<i>Lack of Exchangeability<sup>1</sup></i>
Amendments to HKFRS 9 and HKFRS 7	<i>Amendment to the Classification and Measurement of Financial Instruments<sup>2</sup></i>
HKFRS 18	<i>Presentation and Disclosure in Financial Statements<sup>3</sup></i>
HKFRS 19	<i>Subsidiaries without Public Accountability: Disclosures<sup>3</sup></i>
Volume 11	<i>Annual Improvements to the HKFRS Accounting standards<sup>2</sup></i>
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity<sup>2</sup></i>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>4</sup></i>

<sup>1</sup> *Effective for annual periods beginning on or after 1 January 2025*

<sup>2</sup> *Effective for annual periods beginning on or after 1 January 2026*

<sup>3</sup> *Effective for annual periods beginning on or after 1 January 2027*

<sup>4</sup> *Effective for annual periods beginning on or after a date to be determined*

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

HKFRS 18 will replace HKAS 1 Presentation of Financial Statements. HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals.

Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

In addition, narrow-scope amendments have been made to HKAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

HKFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. HKFRS 18 will apply retrospectively.

The Directors of the Company anticipate that the application of HKFRS 18 has no impact on the Group's financial position and performance in foreseeable future, but has impact on presentation of the consolidated statement of comprehensive income.

### **3 SEGMENT REPORTING**

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

In accordance with HKFRS 5, the segments of New Zealand, Australia and Hong Kong business for the year ended 31 December 2023 were presented as discontinued operations in the Group's consolidated financial statements.

Summary details of the business segments from geographical and service/product perspective are as follows:

- (a) the healthcare segment engages in the sales of healthcare products;
- (b) the margin dealing segment engages in the provision of leveraged foreign exchange, commodity and index trading services in Australia, Hong Kong and New Zealand; and
- (c) unallocated segment engages in the provision of services other than margin dealing and healthcare business, and the operations of the investment holding companies.

As mentioned above, the operating results from the remaining margin dealing businesses in New Zealand, Australia and Hong Kong are combined and presented as discontinued operation for the year ended 31 December 2023.

The Group has commenced the healthcare business and established an online store through internationally renowned online sale platform in 2022. The Group sells the healthcare products sourced from its suppliers to end-customers and wholesale customers. The healthcare business was organically grown and not as result of a business combination.

Inter-segment transactions, if any, are conducted with reference to the prices charged to third parties and there was no change in the basis during the years ended 31 December 2024 and 2023.

The segment information provided to the management for the reportable segments for the years ended 31 December 2024 and 2023 is as follows:

**For the year ended 31 December 2024**

	Continuing operations		Discontinued operations	Total HK\$'000
	Healthcare business HK\$'000	Unallocated HK\$'000	Margin dealing HK\$'000	
Segment revenue and other income:				
Segment revenue from external customers	86,489	–	–	86,489
Other income	3,220	13,112	–	16,332
Total revenue and other income	<u>89,709</u>	<u>13,112</u>	<u>–</u>	<u>102,821</u>
Segment profit	<u>10,207</u>	<u>2,382</u>	<u>–</u>	<u>12,589</u>
Income tax expense	<u>(1,251)</u>	<u>–</u>	<u>–</u>	<u>(1,251)</u>
Profit for the year	<u>8,956</u>	<u>2,382</u>	<u>–</u>	<u>11,338</u>
Other segment information:				
Depreciation	–	310	–	310
Lease payments	–	346	–	346
Finance cost	–	–	–	–

**For the year ended 31 December 2023**

	Continuing operations		Discontinued operations	Total HK\$'000
	Healthcare business HK\$'000	Unallocated HK\$'000	Margin dealing HK\$'000	
Segment revenue and other income:				
Segment revenue from external customers	191,170	–	218	191,388
Other income	612	7,901	1,587	10,100
Total revenue and other income	<u>191,782</u>	<u>7,901</u>	<u>1,805</u>	<u>201,488</u>
Segment profit/(loss)	<u>13,432</u>	<u>1,143</u>	<u>(2,988)</u>	<u>11,587</u>
Income tax expense	<u>(1,745)</u>	<u>–</u>	<u>–</u>	<u>(1,745)</u>
Profit/(loss) for the year	<u>11,687</u>	<u>1,143</u>	<u>(2,988)</u>	<u>9,842</u>
Other segment information:				
Depreciation	–	–	456	456
Lease payments	–	690	233	923
Finance cost	–	–	1	1

The Company is domiciled in Hong Kong. The Group's major income from external customers is derived from its operations in Hong Kong.

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Continuing operations</b>		
Hong Kong	<u>86,489</u>	<u>191,170</u>
<b>Discontinued operations</b>		
Hong Kong	<u>–</u>	<u>218</u>
	<b><u>86,489</u></b>	<b><u>191,388</u></b>

The locations of its non-current assets are as follows:

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Discontinued operations</b>		
Hong Kong	–	357
Australia	<u>–</u>	<u>31</u>
	<b><u>–</u></b>	<b><u>388</u></b>

#### Major customers

During the year ended 31 December 2024 and 2023, the following external customers contributed more than 10% of the total revenue of the Group.

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Customer A	24,557	22,117
Customer B	N/A	28,000
Customer C	<u>10,841</u>	<u>18,221</u>

Information on segment assets and liabilities are not disclosed as this information is not presented to the Board as they do not assess performance of reportable segments using information on assets and liabilities.

#### 4 OTHER INCOME

Other income from continuing operations:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest income	9,282	7,770
Gain on disposal of property, plant and equipment	202	–
Net foreign exchange gain	6,848	743
	<u>16,332</u>	<u>8,513</u>

#### 5 OTHER OPERATING EXPENSES

Other operating expenses from continuing operations:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Auditors' remuneration		
– Audit services	1,558	1,342
– Non-audit services	51	30
Marketing, advertising and promotion expenses	12,436	9,876
Professional and consultancy fees	6,133	7,177
Personal postal articles tax	3,674	3,404
Postage and courier expenses	1,959	3,744
Information services expenses	653	521
Storage expenses	520	244
Lease payments under land and building (note)	346	690
Bank charges	268	452
Repair and maintenance (including system maintenance)	206	33
Insurance	6	591
Others	3,211	351
	<u>31,021</u>	<u>28,455</u>

*note:* The office occupation expenses were included in lease payments under land and building.

## 6 DISCONTINUED OPERATIONS

In 2022, the Group had ceased its margin dealing business in New Zealand and Australia due to future uncertainties in this business. In 2023, the Group had ceased its remaining margin dealing business in Hong Kong. The analysis of the results of discontinued operations is as follows:

	2023 <i>HK\$'000</i>
Leverage foreign exchange and other trading income	218
Other income	<u>1,587</u>
Total income	<u><u>1,805</u></u>
Referral expenses and other charges	(113)
Staff costs	(2,311)
Depreciation – property, plant and equipment	(456)
Other operating expenses	<u>(1,912)</u>
Total expenses	<u><u>(4,792)</u></u>
Operating loss from discontinued operations	(2,987)
Finance cost	<u>(1)</u>
Loss before tax from discontinued operations	(2,988)
Income tax	<u>–</u>
Loss for the year from discontinued operations	<u><u>(2,988)</u></u>
Net cash flows from discontinued operations are as follows:	
	2023 <i>HK\$'000</i>
Operating cash outflows	(5,042)
Investing cash inflows	1,870
Financing cash outflows	<u>(1)</u>
Total cash outflows	<u><u>(3,173)</u></u>

## 7 INCOME TAX EXPENSE

Hong Kong profits tax on continuing operations has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profit during the years. Taxation on overseas profits has been calculated on the estimated assessable profit during the years at the rates of taxation prevailing in the countries in which the Group operates. The income tax expenses of the Group are charged at a tax rate of 28% in New Zealand and 30% in Australia (2023: 28% in New Zealand and 30% in Australia) in accordance with the local tax law.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax:		
Hong Kong income tax	<u>1,251</u>	<u>1,745</u>
Income tax expense	<u><u>1,251</u></u>	<u><u>1,745</u></u>
	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Profit before income tax from continuing operations	<u>12,589</u>	<u>14,575</u>
Tax at the Hong Kong statutory tax rate	2,077	2,405
Tax effect of income not subject to tax	(53,827)	(1,539)
Effect of different taxation rate in other countries	6,391	–
Tax effect of expenses not deductible for tax	46,482	955
Over-provision in prior years	–	(76)
Utilisation of tax loss	(179)	–
Temporary differences not recognised	36	–
Tax loss not recognised	<u>271</u>	<u>–</u>
Income tax expense	<u><u>1,251</u></u>	<u><u>1,745</u></u>

## 8 DIVIDENDS

The Board does not recommend the payment of any dividend for the year ended 31 December 2024 (2023: Nil).

## 9 PROFIT/(LOSS) PER SHARE

The calculation of the basic and diluted profit/(loss) per share attributable to the equity holders of the Company is based on the following data:

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Profit from continuing operations	11,338	12,830
Loss from discontinued operations	–	(2,988)
	<u>11,338</u>	<u>9,842</u>
	<b>No. of shares</b>	No. of shares
Weighted average number of ordinary shares in issue	<u>2,033,290,000</u>	<u>2,033,290,000</u>
	<b>2024</b> <i>HK cents</i>	2023 <i>HK cents</i>
Basic and diluted profit/(loss) per share ( <i>HK cents</i> )		
Continuing operations	0.56	0.63
Discontinued operations	–	(0.15)
	<u>0.56</u>	<u>0.48</u>
Total basic and diluted profit per share ( <i>HK cents</i> )	<u>0.56</u>	<u>0.48</u>

For the years ended 31 December 2024 and 2023, basic profit/(loss) per share is the same as diluted profit/(loss) per share.

No share option was granted during the years ended 31 December 2024 and 2023. The Company's outstanding share options have no dilution effect for the years ended 31 December 2024 and 2023 because the exercise price of the Company's share options were higher than the average market price of the share for the years.

## 10 INVENTORIES

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Finished goods – merchandise	<u>34,546</u>	<u>11,916</u>

The cost of goods recognised as cost of sales amounted to approximately HK\$52,454,000 for the year ended 31 December 2024 (2023: HK\$151,077,000).

## 11 TRADE RECEIVABLES

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	37,345	12,979
Less: provision for impairment allowance	<u>(625)</u>	<u>–</u>
	<u>36,720</u>	<u>12,979</u>

The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management.

An aging analysis of the trade receivables based on invoice date is as follows:

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Current	<b>9,514</b>	5,865
Less than 3 months past due	<b>15,480</b>	7,114
3-6 months past due	<b>4,619</b>	–
6-12 months past due	<b>7,732</b>	–
Less: impairment allowance	<b>(625)</b>	–
	<b><u>36,720</u></b>	<u>12,979</u>

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which use a lifetime expected loss allowance for all trade receivables.

The Group determines the expected loss rates based on the credit default rates of the trade receivables of these financial assets with reference to the corresponding credit ratings from internationally renowned credit rating agencies. The rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers. The Group has identified the gross domestic product, unemployment rate and inflation rate as the key macroeconomic factors in the countries where the Group operates. HK\$625,000 provision was made as at 31 December 2024 (2023: Nil).

The movements in the loss allowance for impairment of trade receivables are as follows:

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
At beginning of year	–	–
Impairment losses	<b>625</b>	–
	<b><u>625</u></b>	<u>–</u>

Trade receivables are denominated in the following currencies:

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
HK\$	<b>28,607</b>	4,167
RMB	<b>6,667</b>	8,812
US	<b>1,446</b>	–
	<b><u>36,720</u></b>	<u>12,979</u>

All trade receivables carrying amounts approximate to their fair values.

**12 OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS**

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Interest receivables	947	902
Prepayments	551	1,771
Other receivables	141	145
Rental and utility deposits	41	41
Right-of-return assets	23	55
	<u>1,703</u>	<u>2,914</u>

The carrying amounts of the other receivables and deposits approximate to their fair values.

**13 CASH AND BANK BALANCES AND CLIENT TRUST BANK BALANCES**

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Cash and bank balances	9,353	33,766
Fixed deposits with banks	195,818	188,620
Client trust bank balances	1,165	1,188
	<u>206,336</u>	<u>223,574</u>

For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprises of the following:

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Cash and bank balances	9,353	33,766
Fixed deposits with bank with original maturity within three months	195,818	188,620
	<u>205,171</u>	<u>222,386</u>

**14 TRADE AND OTHER PAYABLES**

		<b>2024</b>	2023
	<i>notes</i>	<b>HK\$'000</b>	HK\$'000
Trade payables	<i>(b)</i>	28,606	6,536
Accrued audit fees		1,400	1,405
Other accruals		796	604
Refund liabilities		52	141
Contract liabilities		–	216
Other payables		7	7
	<i>(a)</i>	<u>30,861</u>	<u>8,909</u>

*notes:*

- (a) The carrying amounts of the Group's trade and other payables approximate to their fair values.
- (b) The credit terms of merchandise payables granted by the suppliers are usually current to 90 days. At 31 December 2024 and 2023, the aging analysis of the merchandise payables based on invoice date is as follows:

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
30 to 90 days	<u>28,606</u>	<u>6,536</u>

## 15 SHARE CAPITAL AND RESERVES

### (a) Share capital

	31 December 2024		31 December 2023	
	Number of shares	HK\$'000	Number of shares	HK\$'000
Authorised:				
Ordinary shares of HK\$0.01 each	<u>4,000,000,000</u>	<u>40,000</u>	<u>4,000,000,000</u>	<u>40,000</u>
Issued and fully paid:				
At beginning and end of the reporting period	<u>2,033,290,000</u>	<u>20,333</u>	<u>2,033,290,000</u>	<u>20,333</u>

*note:* As at the date hereof, the Company does not hold any treasury shares (whether in the Central Clearing and Settlement System, or otherwise).

### (b) Reserves

Reserves includes capital reserves which represents the difference between the book value of the net assets of CA Premium New Zealand Limited (formerly known as CLSA Premium New Zealand Limited, w.e.f. 28 February 2025), CA Premium Pty Limited (formerly known as CLSA Premium Pty Limited, w.e.f. 28 February 2025) and CA Premium International (HK) Limited (formerly known as CLSA Premium International (HK) Limited, w.e.f. 7 March 2025) over the par value of the shares issued in exchange for these subsidiaries as part of the reorganisation completed in 2012.

## 16 LITIGATION AND CONTINGENT LIABILITIES

### Contingent liabilities from litigation with Banclogix System Co., Limited

On 6 May 2020, the Company received a writ of summons together with an endorsement of claim dated 6 May 2020 issued in the High Court of The Hong Kong Special Administrative Region by Banclogix System Co., Limited (“**Banclogix**”, the Group’s then IT service provider) against the Company and claims (i) that the termination of the IT service agreement by the Company was wrongful; (ii) alleged termination payment of HK\$2.5 million, software maintenance fee of approximately HK\$450,000 and IT infrastructure fee of HK\$1.5 million; and (iii) alleged loss and damages to be assessed. The Company has been contesting the claims made by Banclogix.

The above-mentioned proceedings were heard together with the High Court legal action started in 2019 by the Company (joined subsequently by its three licensed subsidiaries as plaintiffs) against Banclogix claiming for, among others, repudiatory breach of the IT service agreement by Banclogix; return of the plaintiffs’ data, costs and damages. The Company and Banclogix had a mediation on 23 June 2021. The parties did not reach an agreement.

These two legal proceedings with Banclogix are still ongoing at the end of the reporting period and as at the date of this announcement, and the court hearing has been fixed for January 2026. While the outcome and the potential financial impact are subject to uncertainties and are not practically able to be estimated, the Company’s directors consider that no provision is required at this stage of the proceedings as the legal adviser of the Company is cautiously optimistic about the outcome of the two cases with Banclogix.

## 17 SUBSEQUENT EVENTS

On 18 February 2025, Beijing Tong Ren Tang (Cayman) Limited became the Company’s shareholder holding of 40% of the issued shares of the Company and CITIC Securities International Company Limited became the Company’s shareholder holding of 19.03% of the issued shares of the Company.

Save as disclosed, the Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2024 and up to the date of this announcement.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Business Review and Financial Performance

### *Business review*

The healthcare business industry in 2024 continued to evolve rapidly, driven by advancements in technology, regulatory changes, and shifting consumer expectations. This growth was attributed to several factors, including the increasing demand for personalized healthcare solutions, the heightened emphasis on the enforcement of healthcare fraud enhancing consumer confidence in purchasing products and the significant mergers and acquisitions activities in the market.

Having navigated the challenges of the COVID-19 pandemic and the ongoing flu season, consumers in 2024 are more health-conscious than ever. As a result, they are increasingly willing to invest in healthcare products and services to prioritize their well-being and maintain a healthy lifestyle.

China continues to be a leading indicator in the e-commerce sector, boasting one of the largest populations of digital buyers globally. Technology has also brought about changes to the sectors as live streaming, tailor-made advertising by the artificial intelligent technology, and the rapid courier services, the Group is expecting a positive outcome in both the customer experience and also the business profitability. Management believes there could be more opportunities in the future in the sector.

In 2024, the Group successfully kept the expansion of its B2C model by establishing a presence on several popular short-form video hosting platforms in the People's Republic of China ("PRC"). This expansion resulted in approximately HK\$40 million in revenue in the B2C business for the year. In the upcoming year, our plan is to broaden the reach of our popular products, including but not limited to various dietary supplements, American ginseng slices, Arctic cod maw, Indonesian and Malaysian bird's nests, by expanding to additional platforms.

Benefited from the above-mentioned strategies, the healthcare business achieved promising results for the year 2024, with profit before tax from the healthcare business amounting to over HK\$10 million. Under the business models as mentioned above, the Group had recorded the net profit of HK\$11 million for the year 2024.

### *Total income*

The total income of the Group for the continuing operations was approximately HK\$102.8 million for the year ended 31 December 2024, when compared to approximately HK\$199.7 million for the year ended 31 December 2023.

#### **A. Revenue from healthcare business**

The revenue from healthcare business of the Group was approximately HK\$86.5 million for the the year ended 31 December 2024 when compared with HK\$191.2 million for the year ended 31 December 2023. The financial results demonstrate that the healthcare business is both profitable and sustainable, showcasing its solid foundation.

#### **B. Other income**

The other income for the continuing operations of the Group was approximately HK\$16.3 million for the year ended 31 December 2024 when compared with HK\$8.5 million for the year ended 31 December 2023.

The increase is mainly due to the increase in interest income from HK\$7.8 million for the year ended 31 December 2023 to HK\$9.3 million for the year ended 31 December 2024, and the foreign exchange gain of HK\$6.8 million when compared to the HK\$0.7 million due to the appreciation of USD against other currencies.

### ***Cost of sales***

The cost of sales for the continuing operations of the Group was HK\$52.5 million for the year ended 31 December 2024 when compared to HK\$151.1 million for the year ended 31 December 2023, which includes the cost of sales of the healthcare products. The change is consistent with the drop in revenue during the year.

### ***Total expenses***

The total expense of the continuing operations of the Group excluding the cost of sales was approximately HK\$37.8 million for the year ended 31 December 2024, increased by approximately 11% from HK\$34.0 million for the year ended 31 December 2023.

### ***Referral expenses and other charges***

The referral expenses and other charges for the continuing operations of the Group decreased to HK\$2.8 million for the year ended 31 December 2024 from HK\$3.6 million for the year ended 31 December 2023. The change is consistent to the change in revenue during the year.

### ***Depreciation***

Depreciation of property, plant and equipment for the Group decreased to approximately HK\$0.3 million for the year ended 31 December 2024 from approximately HK\$0.4 million for the year ended 31 December 2023. The depreciation expense has decreased as some of the assets became fully depreciated in 2024.

### ***Other operating expenses***

Consistent with the growth of healthcare business, the other operating expenses for the continuing operations of the Group increased by approximately 9% to HK\$31.0 million for the year ended 31 December 2024 from HK\$28.5 million for the year ended 31 December 2023. This was mainly due to the increase in marketing, advertising and promotion expenses, and personal postal articles tax for the continuing operations for HK\$2.6 million and HK\$0.3 million respectively when compared to that of the year ended 31 December 2023.

The rise in marketing, advertising and promotion expenses, and personal postal articles tax corresponds to the increased level of activity in the healthcare business.

### ***Net profit***

The healthcare business continues to prosper in 2024. The Group recorded consolidated net profit of approximately HK\$11.3 million, as compared with the audited consolidated net profit of approximately HK\$9.8 million for the year ended 31 December 2023. The net profit was mainly attributable to the performance of healthcare business in the year 2024.

### **Liquidity and Financial Resources**

During the year under review, the operations of the Group were financed principally by equity capital, cash generated by the Group's business operations and cash and bank deposits.

As at 31 December 2024, cash and bank balances held by the Group amounted to HK\$205.2 million (2023: HK\$222.4 million).

### **Gearing Ratio**

The gearing ratio calculated on the basis of net debts (lease liabilities) over the total shareholders' equity as at 31 December 2024 was zero (2023: zero).

## **Treasury Policies**

The Group generally financed its operations with internally generated resources and funds. All other financing methods will be considered as long as such methods are beneficial to the Group. Bank deposits mainly are in HK\$, US\$, AUD and RMB.

## **Foreign Currency Exposure**

During the year under review, the Group recorded a net foreign exchange gain of approximately HK\$6.8 million (2023: net foreign exchange loss of approximately HK\$0.2 million). In addition, the Group recorded a currency translation loss of approximately HK\$6.9 million (2023: currency translation loss of approximately HK\$0.8 million), mainly due to the year-end translation of net assets (denominated in local currency) of the Australia and New Zealand subsidiaries, into the Group's reporting currency (HK dollar). The foreign currency risk is managed proactively by regular reviews of the currency positions in the basket of currency mix. To minimize the risk exposure, the Group has a hedging strategy based on prevailing market conditions and working capital requirements of subsidiaries.

## **Capital Structure**

During the year under review, the Group's capital structure consists of equity attributable to owners of the Company, comprising issued share capital and reserves.

## **Significant Investments, Material Acquisitions and Disposals of Subsidiaries during the year under review**

During the year ended 31 December 2024, the Group did not have any significant investments held, material acquisitions and disposals.

## **Employees and Remuneration Policies**

The Group's remuneration policies are in line with the prevailing market practices and are determined on the basis of performance and experience of individual employees. The Group provides retirement benefits in accordance with the relevant laws and regulations in the place where the staff is employed. As at 31 December 2024, the Group engaged a total number of 13 staff (including employees, consultants and directors).

## **Charges on the Group's Assets**

As at 31 December 2024, there was no bank balance of the Group used to secure the banking facilities (as at 31 December 2023: Nil).

## **Contingent Liabilities**

Details of the Group's contingent liabilities as at 31 December 2024 are set out in the Notes to the consolidated financial statements (the "Notes").

## **Subsequent Events**

References are made to the Company's announcements dated 15 July, 29 December 2024, 14 January, 28 January and 18 February 2025 regarding the potential disposal of certain ordinary shares of the Company by CITIC Securities International Company Limited, after the Completion (as defined in the Company's announcement dated 18 February 2025), Beijing Tong Ren Tang (Cayman) Limited became the Company's shareholder holding of 40% of the issued shares of the Company and CITIC Securities International Company Limited became the Company's shareholder holding of 19.03% of the issued shares of the Company.

Save as disclosed, the Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2024 and up to the date of this announcement.

## **AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS**

The Company established an audit committee (the “**Audit Committee**”) on 18 December 2012 with written terms of reference in compliance with the code provisions set out in the Corporate Governance Code (the “**CG Code**”) contained 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**”).

As at the date of this announcement, the Audit Committee currently comprises three independent non-executive Directors, namely, Ms. Hu Zhaoxia, Mr. Wu Jianfeng and Mr. Ma Anyang. Ms. Hu Zhaoxia is the chairman of the Audit Committee.

The Audit Committee meets at least twice a year to review (i) the annual and interim results and the accompanying auditor’s reports, (ii) the accounting policies and practices adopted by the Company, and (iii) the financial reporting matters, risk management and internal control systems of the Company.

The Audit Committee had reviewed the Group’s audited consolidated financial statements for the year ended 31 December 2024 and had submitted its views to the Board.

## **SCOPE OF WORK OF THE AUDITOR**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of comprehensive income and the related Notes thereto for the year ended 31 December 2024 as set out in this announcement have been agreed by the Company’s auditor, BDO Limited, to the amounts set out in the Group’s audited consolidated financial statements for the year ended 31 December 2024. The work performed by the Company’s auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Company’s auditor on this announcement.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS, CAPITAL ASSETS AND BUSINESS DEVELOPMENT**

In the aftermath of the COVID-19 pandemic and the on-going influenza, personal well-being continues to be prioritized. People are more health-conscious and inclined to allocate their resources towards purchasing healthcare products as a means to safeguard their health. The pandemic and the influenza have made huge impacts to consumer’s value and lifestyle which has also shifted the dynamics in the healthcare value chain globally. With the robust partnerships and positive relationships with other stakeholders in the industry, the Group is confident in the future sustainability of the healthcare business.

In 2025, the Group will endeavor to develop its healthcare business as it did in 2024. The Group will take advantage of Hong Kong’s unique position as a global supply chain center and its strong relation with the PRC. Together with our strong bonding with our business partners, our experience in the healthcare industry and the usage of the artificial intelligent technology, we will identify appropriate products globally with local characteristics of each country for our target customers.

In the future, the Group targets to speed up the process for extending its business via famous offline channels in the PRC and will launch of its original design manufacturing (“**ODM**”) products in the PRC and Hong Kong.

After the extension of business via the famous channel in the PRC having become mature, the Group will adopt that business model with other offline domestic sales channels.

The ODM products will be sold through the established e-commerce cross-border channels. It is also expected that the products will be distributed in the Hong Kong market through various sales channels such as online channels, self-platforms and offline distributors.

As mentioned, the Group is in possession of all necessary wholesale licenses. The Group, as obtained the wholesale dealer licence issued by the Drug Office of the Department of Health in Hong Kong, is planning to cooperate with the medicine enterprises in Japan and will distribute the relevant medicine in its e-commerce sales channels. In the meantime, the Group is planning to launch other ODM products in its e-commerce sales channels, with an aim to expand its product range.

The Group is also in negotiations with local famous chain stores for cooperation. It is contemplated that a counter will be set up in the offline stores, which will sell the Group's products in the counter.

The Group plans to set up official accounts on popular social media sites to promote its products. The Group plans to set up official accounts on popular social media sites in Hong Kong to promote our products locally. Additionally, given the Group's success in leveraging on some Key Opinion Leaders (also known as KOLs) to generate revenue in the PRC, the Group plans to extend this business model in Hong Kong to endorse and promote our products in the local market soon.

With such efforts, the Group is confident in its success in the future healthcare product market. With the rise of awareness of wellbeing amongst people, the Company believes that it is on the right track of a sustainable business with substance.

## **DIRECTORS' COMPETING INTERESTS**

As at 31 December 2024, none of the Directors and their respective associates (as defined under the Listing Rules) had any business or interest in a business which competes or may compete with the business of the Group.

## **FINAL DIVIDEND**

The Board does not recommend the payment of final dividend for the year ended 31 December 2024 (2023: Nil).

## **SUFFICIENCY OF PUBLIC FLOAT**

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained sufficient public float of not less than 25% of the Company's total issued share capital as required under the Listing Rules throughout the year ended 31 December 2024 and as at the date of this announcement.

## **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

The Company has complied with the CG Code contained in Appendix C1 of the Listing Rules in a whole year of 2024. The Board will continue to review and monitor the Company's corporate governance practices to ensure compliance with the CG Code.

The Directors acknowledge their responsibility for the preparation of the Company's financial statements and that the financial statements are prepared in accordance with statutory requirements and applicable accounting standards. It is also the responsibility of the Directors to ensure the timely publication of the Company's financial statements. During the year, the Company's management has provided sufficient explanation and information to the Board to enable it to make an informed assessment of the financial and other information put before it for approval including the monthly updates on the Company's performance, position and prospects.

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

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

## SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) during the year ended 31 December 2024 as the code of conduct regarding Directors’ dealing in securities of the Company. In response to specific enquiry by the Company, all the Directors have confirmed that they have complied with the Model Code at all applicable times during the year ended 31 December 2024.

## DISCLOSURE OF DIRECTORS’ INFORMATION PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

As advised by Mr. Wu Jianfeng, one of the Company’s independent non-executive Directors, that Accertify, where he serves as the Chief Engineer, a subsidiary of American Express Company (listed on the New York Stock Exchange with stock code: AXP), was spun off and is now operating independently as of 1 May 2024.

The director service agreements entered into between Mr. Li Jiong, Mr. Xu Jianqiang, and the Company were renewed on 21 May 2024. The term of service is three years and is subject to rotational retirements under the Company’s articles of association. Mr. Li Jiong and Mr. Xu Jianqiang are entitled to receive a remuneration of HK\$120,000 per annum. However, on 10 March 2023, the Company received notices from Mr. Li Jiong, Mr. Xu Jianqiang, and Mr. Yuan Feng, respectively, stating their intention to waive the director’s fee. The director’s fee for Mr. Li Jiong and Mr. Xu Jianqiang is HK\$120,000 per annum, and for Mr. Yuan Feng is HK\$20,000 per month. These waivers have been effective from 1 April 2023 until the termination of their appointment as the Company’s non-Executive Director/Executive Director.

On 26 September 2024, the Company received further notice from Mr. Yuan for waiving the annual remuneration HK\$789,600 with effect from 30 September 2024 till the termination of his appointment as the Company’s deputy Chief Executive Officer.

The basis for determining the Directors’ emoluments (including bonus payments) remained unchanged during the year 2024.

Save as disclosed, during the year ended 31 December 2024 and up to the date of this announcement, there were no other changes to the Directors’ information that are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

## PUBLICATION OF ANNUAL REPORT

The Company’s 2024 annual report containing all the financial and other related information of the Company as required by the Listing Rules will be available on the respective websites of the Company ([www.clsapremium.com](http://www.clsapremium.com)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and printed copies will be despatched to the shareholders of the Company (the “**Shareholders**”) in due course.

## PROPOSED CHANGE OF COMPANY NAME

The Board proposed to put forward a proposal to the Shareholders to approve the change of the name of the Company from “CLSA Premium Limited” to “Top Eminent Healthcare Group Limited” (the “**Change of Company Name**”).

### Conditions for the Change of Company Name

The Change of Company Name is subject to the following conditions:

- (i) the passing of a special resolution by the Shareholders approving the Change of Company Name at a general meeting of the Company (the “**Meeting**”); and
- (ii) the issuance by the Registrar of Companies in the Cayman Islands of a certificate of incorporation on change of name with respect to the Change of Company Name.

The Change of Company Name will take effect after satisfaction of the above conditions and from the date of entry of the new name of the Company into the register of companies maintained by the Registrar of Companies in Cayman Islands in place of the existing name. The Registrar of Companies in Cayman Islands shall issue a certificate of incorporation on change of name thereafter. The Company will then carry out all necessary filing or registration procedures with the Companies Registry in Hong Kong pursuant to Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

#### **Reasons for the Change of Company Name**

The Board considers that the proposed new name of the Company will provide the Company with a new corporate image which will enable the Group to better identify itself and capture potential business opportunities for its future development. Accordingly, the Board is of the view that the Change of Company Name is in the interests of the Company and the Shareholders as a whole.

#### **Effect of the Change of Company Name**

The Change of Company Name will not affect any of the rights of the Shareholders and the trading of the shares of the Company (the “**Shares**”) on the Stock Exchange. After the Change of Company Name has become effective, any new issue of share certificates of the Company will be issued in the new name of the Company. All existing share certificates of the Company in issue bearing the existing name of the Company will, after the Change of Company Name has become effective, continue to be valid evidence of title to the Shares and will continue to be valid for trading, settlement, registration and delivery purposes. Accordingly, there will not be any arrangement for free exchange of the existing share certificates of the Company for new share certificates bearing the new name of the Company.

Subject to the confirmation of the Stock Exchange, the stock short name of the Company for trading of the Shares on the Stock Exchange will also be changed after the Change of Company Name has become effective.

The Company will make further announcement(s) to inform the Shareholders of the poll results of the Meeting, the effective date of the Change of Company Name, the new stock short name of the Company for trading of the Shares on the Stock Exchange and other relevant changes as and when appropriate.

### **PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION AND ADOPTION OF THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION**

In view of the proposed Change of Company Name, the Board also proposed to make certain amendments (the “**Proposed Amendments**”) to the existing amended and restated memorandum of association and amended and restated articles of association of the Company (the “**Existing M&A**”), in order to reflect the Change of Company Name, and to adopt the new amended and restated memorandum of association and articles of association (the “**Amended and Restated M&A**”) of the Company incorporating the Proposed Amendments, in substitution for and to the exclusion of the Existing M&A.

The Proposed Amendments and the adoption of the Amended and Restated M&A are subject to the approval of the Shareholders by way of a special resolution at the Meeting and shall become effective upon the Change of Company Name having become effective.

## **GENERAL**

The Meeting will be convened and held for the Shareholders to consider and, if thought fit, with or without amendments, approve the Change of Company Name and the adoption of the Amended and Restated M&A.

A circular containing, among other things, details of the proposed Change of Company Name, the Proposed Amendments brought about by the adoption of the Amended and Restated M&A, together with the notice of the Meeting and the related proxy form will be despatched to the Shareholders as soon as practicable.

By Order of the Board  
**CLSA Premium Limited**  
**Yuan Feng**  
*Executive Director*

Hong Kong, 17 March 2025

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

***Executive Directors***

Mr. Yuan Feng (*Deputy Chief Executive Officer*)

Mr. Chung Cheuk Fan Marco

***Non-executive Directors***

Mr. Li Jiong (*Chairman*)

Mr. Xu Jianqiang

***Independent non-executive Directors***

Mr. Wu Jianfeng

Ms. Hu Zhaoxia

Mr. Ma Anyang