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長城環亞控股有限公司*

GREAT WALL PAN ASIA HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 583)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

ANNUAL RESULTS

The board of directors (the “**Board**” or “**Directors**”) of Great Wall Pan Asia Holdings Limited (the “**Company**”) is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2024, together with the comparative figures for the year ended 31 December 2023, as follows:

CONSOLIDATED BALANCE SHEET

		31 December 2024	31 December 2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
ASSETS			
Non-current assets			
Investment properties	4	3,469,900	3,328,900
Investments in associates	5	5,425,218	5,387,008
Property, plant and equipment	3	503,650	510,478
Deferred tax asset		104	104
		9,398,872	9,226,490

* For identification purpose only

CONSOLIDATED BALANCE SHEET (Continued)

		31 December 2024	31 December 2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Current assets			
Accounts receivable	7	4,531	6,179
Prepayments, deposits and other receivables	8	10,502	14,744
Current tax recoverable		–	153
Amount due from an intermediate holding company		162	162
Pledged bank deposits	9(c)	12,419	–
Cash and bank balances		209,268	232,523
		<u>236,882</u>	<u>253,761</u>
Total assets		<u>9,635,754</u>	<u>9,480,251</u>
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		18,227	18,241
Other payables and accrued liabilities	11	1,532	8,682
		<u>19,759</u>	<u>26,923</u>
Current liabilities			
Other payables and accrued liabilities	11	84,512	72,602
Loans from an intermediate holding company	10	4,760,000	5,370,000
Bank borrowing	9	849,457	–
Amount due to an intermediate holding company		1,401	6,710
Current tax liabilities		3,217	2,470
		<u>5,698,587</u>	<u>5,451,782</u>
Total liabilities		<u>5,718,346</u>	<u>5,478,705</u>

CONSOLIDATED BALANCE SHEET (Continued)

		31 December 2024	31 December 2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
EQUITY			
Capital and reserves			
Share capital	<i>12</i>	156,775	156,775
Reserves		<u>3,760,633</u>	<u>3,844,771</u>
Total equity		<u>3,917,408</u>	<u>4,001,546</u>
Total equity and liabilities		<u><u>9,635,754</u></u>	<u><u>9,480,251</u></u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<i>Notes</i>	Year ended 31 December	
		2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue	2	122,056	121,782
Other income and gains or losses		259	309
Rental and utilities		(11,701)	(11,723)
Depreciation	3	(6,828)	(6,937)
Other operating expenses		(31,726)	(34,643)
Fair value gain on investment properties	4	131,648	74,533
Operating profit		203,708	143,321
Net finance cost	13	(338,948)	(279,589)
Share of profits of associates	5	56,351	426,300
(Loss)/profit before income tax		(78,889)	290,032
Income tax expense	14	(5,249)	(5,182)
(Loss)/profit for the year		(84,138)	284,850
Other comprehensive (loss)/income			
Item that may be/has been reclassified subsequently to profit or loss:			
Currency translation difference on consolidation		-	(243)
		-	(243)
Other comprehensive (loss)/income for the year, net of tax		-	(243)
Total comprehensive (loss)/income for the year		(84,138)	284,607

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(Continued)

		Year ended 31 December	
		2024	2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
(Loss)/profit attributable to:			
Equity holders of the Company		<u>(84,138)</u>	<u>284,850</u>
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company		<u>(84,138)</u>	<u>284,607</u>
(Loss)/earnings per share attributable to the equity holders of the Company			
	<i>15</i>		
Basic		<u>HK(5.37) cents</u>	<u>HK18.17 cents</u>
Diluted		<u>HK(5.37) cents</u>	<u>HK18.17 cents</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2024

	Attributable to equity holders of the Company						Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Reserves			
				Merger reserve HK\$'000	Other reserves HK\$'000	Retained profits HK\$'000	
Balance at 1 January 2024	156,775	50,382	310,841	(9,011)	333,445	3,159,114	4,001,546
Comprehensive loss							
Loss for the year	-	-	-	-	-	(84,138)	(84,138)
Other comprehensive loss	-	-	-	-	-	-	-
Total comprehensive loss	-	-	-	-	-	(84,138)	(84,138)
Balance at 31 December 2024	156,775	50,382	310,841	(9,011)	333,445	3,074,976	3,917,408
Balance at 1 January 2023	156,775	50,382	310,841	(9,011)	333,688	2,874,264	3,716,939
Comprehensive income							
Profit for the year	-	-	-	-	-	284,850	284,850
Other comprehensive loss	-	-	-	-	(243)	-	(243)
Total comprehensive income	-	-	-	-	(243)	284,850	284,607
Balance at 31 December 2023	156,775	50,382	310,841	(9,011)	333,445	3,159,114	4,001,546

NOTES

1. MATERIAL ACCOUNTING POLICY INFORMATION

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.

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards. They have been prepared under the historical cost convention, as modified by the revaluation of investment properties, as further explained below.

The Group has prepared the financial statements on the basis of going concern. The Group recorded net current liabilities of HK\$5,461,705,000 as at 31 December 2024. As at 31 December 2024, the Group's current liabilities included loans from an intermediate holding company and bank borrowing amounting to HK\$4,760,000,000 and HK\$849,457,000, respectively.

In view of the Group's net current liabilities position, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of finance when assessing whether the Group will have sufficient financial resources to continue as a going concern and meet its liabilities as and when they fall due in the foreseeable future after considering the following.

- (a) As at 31 December 2024, the Group had obtained a committed undrawn term loan facility offered by a licensed bank in Hong Kong in an aggregate principal amount of up to HK\$850,000,000 with a repayment date at five years from 26 April 2024;

1. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(a) Basis of preparation (Continued)

- (b) The Group obtained letters of undertaking and support (the “Letters of Undertaking and Support”) from the intermediate holding company that the intermediate holding company agreed not to request the Group to repay the loan and corresponding interest payable and amount due to them. Further, the intermediate holding company agreed to provide sufficient funds to the Group so that the Group will be able to meet all the liabilities and financial obligations as and when they fall due in the coming twelve months from 31 December 2024; and
- (c) The Group implemented cost-saving measures to maintain adequate cash flow for the Group’s operation.

The Directors have prepared a cash flow forecast for the Group which covers a period of twelve months from the end of the reporting period. Taking into account the positive cash flows from operation, adequate loan from an intermediate holding company and bank borrowing up to the date of approval of these financial statements and the ability of management in adjusting the pace of its operation expansion, the Directors consider that the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due. Therefore, there are no material uncertainties that may cast significant doubt over the going concern assumption and the Directors have formed a judgement that there is a reasonable expectation that the Group has adequate resources to operate for the foreseeable future.

(i) *Amended standards adopted by the Group*

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

- Classification of Liabilities as Current or Non-current – Amendments to HKAS 1
- Non-current Liabilities with Covenants – Amendments to HKAS 1
- Supplier Finance Arrangements – Amendments to HKAS 7 and HKFRS 7

1. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(a) Basis of preparation (Continued)

(i) Amended standards adopted by the Group (Continued)

- Lease Liability in a Sale and Leaseback – Amendments to HKFRS 16

The Group has not early applied any new or amended HKFRS 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.

(ii) 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.

Lack of Exchangeability – Amendments to HKAS 21¹

Amendment to the Classification and Measurement of Financial Instruments – Amendments to HKFRS 9 and HKFRS 7²

Annual Improvements to HKFRS Accounting Standards – Volume 11²

Presentation and Disclosure in Financial Statements – HKFRS 18³

Subsidiaries without Public Accountability – HKFRS 19³

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendment to HKFRS 10 and HKAS 28⁴

Contracts Referencing Nature-dependent Electricity – Amendments to HKFRS 9 and HKFRS 7²

¹ Effective for annual periods beginning on or after 1 January 2025

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

⁴ Effective for annual periods beginning on or after a date to be determined

1. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(a) Basis of preparation (Continued)

(ii) *New and revised standards and interpretations not yet adopted by the Group (Continued)*

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.

2. REVENUE AND SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Chief Executive Officer (“CEO”) of the Group, who reviews the Group’s internal reporting in order to assess performance and allocate resources. The Company’s management has determined the operating segments based on these reports.

The Group has two reportable segments, namely property investment and financial services segments, for the years ended 31 December 2024 and 2023.

Property investment segment holds various retail, commercial and industrial properties and car parking spaces in Hong Kong. It derives revenue through leasing out its properties.

The financial services segment primarily engages in regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”).

In 2023, the Group has ceased to carry on Type 1 (dealing in securities), Type 4 (advising on securities), and Type 6 (advising on corporate finance) regulated activities under the SFO. Requests for the reduction of Type 1 and Type 4 regulated activities and revocation of Type 6 regulated activities have been submitted to the Securities and Futures Commission (the “SFC”).

The SFC has agreed to reduce the Group’s Type 1 and Type 4 regulated activities under section 127(1) of the SFO with effective from 6 June 2023. On 4 January 2024, the SFC agreed to revoke the Group’s license for Type 6 (advising on corporate finance) regulated activities under section 195(1)(d) of the SFO.

During the current reporting period, the Group is licensed to carry on Type 9 (asset management) regulated activity under the SFO. However, the financial services segment did not generate any revenue (2023: nil).

The chief operating decision-maker assesses the performance of the operating segments based on profit or loss for reportable segments. The Group considers that the measurement principles for profit or loss for reportable segments are consistent with those used in measuring the corresponding amounts in the Group’s financial statements. Hence, profit or loss for reportable segments is used for reporting segment profit or loss. Although no segment assets or liabilities is regularly provided to or reviewed by the chief operating decision-maker, monthly updates presenting the Group’s consolidated balance sheet by subsidiaries are provided for the purpose of assessment.

2. REVENUE AND SEGMENT INFORMATION (Continued)

The accounting policies of the operating segments are the same as those described in the material accounting policy information except that interest in the profit or loss of associates is accounted for on the basis of dividend received or receivable in segment profit or loss while such interest is accounted for under the equity method in the Group's consolidated financial statements.

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different marketing strategies. Transactions (if any) between reportable segments are accounted for on arm's length basis.

Revenue recognised during the year comprises:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue arising from leases within scope of HKFRS 16		
– Rental income	111,787	111,989
Revenue within scope of HKFRS 15		
– Service fees and charges	10,269	9,793
	<u>122,056</u>	<u>121,782</u>

Leases with tenants provide for monthly fixed base rent and recovery of certain outgoings. Additional rents were based on business turnover amounted to HK\$230,000 (2023: HK\$414,000) and have been included in the rental income.

Service fees and charges such as air conditioning income and management fee income arising from the provision of services are recognised over time when such services are rendered.

2. REVENUE AND SEGMENT INFORMATION (Continued)

Substantially all the activities of the Group are based in Hong Kong and below is segment information by reportable segments:

(a) Reportable segment profit or loss

For the year ended 31 December 2024

	Property investment <i>HK\$'000</i>	Financial services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue from external customers	<u>122,056</u>	<u>–</u>	<u>122,056</u>
Profit/(loss) for reportable segments	<u>148,193</u>	<u>(46)</u>	<u>148,147</u>
Fair value gain on investment properties	131,648	–	131,648
Net finance (cost)/income	(53,201)	173	(53,027)
Depreciation	(6,297)	–	(6,297)
Income tax expense	<u>(5,213)</u>	<u>(36)</u>	<u>(5,249)</u>

For the year ended 31 December 2023

	Property investment <i>HK\$'000</i>	Financial services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue from external customers	<u>121,782</u>	<u>–</u>	<u>121,782</u>
Profit/(loss) for reportable segments	<u>94,738</u>	<u>(1,141)</u>	<u>83,597</u>
Fair value gain on investment properties	74,533	–	74,533
Net finance (cost)/income	(54,551)	565	(53,986)
Depreciation	(6,299)	(1)	(6,300)
Income tax expense	<u>(5,182)</u>	<u>–</u>	<u>(5,182)</u>

2. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Reconciliation of reportable segment profit or loss to profit for the year

	For the year ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
Profit for reportable segments	<u>148,147</u>	<u>83,597</u>
Reconciling items:		
Share of profits of associates under equity method of accounting	56,351	426,300
Finance cost for financing the Group's investment in an associate (<i>Note</i>)	(289,344)	(227,345)
Other corporate and treasury activities	<u>708</u>	<u>2,298</u>
(Loss)/profit for the year	<u>(84,138)</u>	<u>284,850</u>

Note: The finance cost of HK\$289,344,000 (2023: HK\$227,345,000) is not allocated to the above reportable segments as this finance cost was incurred for financing the Group's investment in an associate.

(c) Geographical information

The Group's operations are located in Hong Kong and the People's Republic of China ("PRC"). The term "PRC", for the purpose of the consolidated financial statements, excludes Hong Kong Special Administrative Region of the PRC.

The revenue for the years ended 31 December 2024 and 2023 are all derived from Hong Kong, amounted to HK\$122,056,000 and HK\$121,782,000 respectively. As at 31 December 2024, the total non-current assets other than deferred tax asset located in Hong Kong and the PRC amounted to HK\$9,398,768,000 (31 December 2023: HK\$9,226,386,000) and HK\$nil (31 December 2023: HK\$nil), respectively.

2. REVENUE AND SEGMENT INFORMATION (Continued)

(d) Information about major customers

During the years ended 31 December 2024 and 2023, revenue from major customers who contributed over 10% of the total revenue of the Group is as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Customer A	14,672	14,672
Customer B	16,677	16,677

Revenue contributed from customer A and B are derived from property investment segment.

3. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment <i>HK\$'000</i>	Office equipment <i>HK\$'000</i>	Office furniture <i>HK\$'000</i>	Leasehold improvement <i>HK\$'000</i>	Buildings <i>HK\$'000</i>	Vehicle <i>HK\$'000</i>	Total <i>HK\$'000</i>
Net book value at 1 January 2024	-	367	210	2,360	507,541	-	510,478
Depreciation	-	(70)	(52)	(409)	(6,297)	-	(6,828)
Net book value at 31 December 2024	-	297	158	1,951	501,244	-	503,650
At 31 December 2024							
Cost	18	1,283	637	5,303	629,750	717	637,708
Accumulated depreciation and impairment losses	(18)	(986)	(479)	(3,352)	(128,506)	(717)	(134,058)
Net book value at 31 December 2024	-	297	158	1,951	501,244	-	503,650
	Computer equipment <i>HK\$'000</i>	Office equipment <i>HK\$'000</i>	Office furniture <i>HK\$'000</i>	Leasehold improvement <i>HK\$'000</i>	Buildings <i>HK\$'000</i>	Vehicle <i>HK\$'000</i>	Total <i>HK\$'000</i>
Net book value at 1 January 2023	-	445	262	2,769	513,838	109	517,423
Depreciation	-	(70)	(52)	(409)	(6,297)	(109)	(6,937)
Written-off	-	(8)	-	-	-	-	(8)
Net book value at 31 December 2023	-	367	210	2,360	507,541	-	510,478
At 31 December 2023							
Cost	18	1,283	637	5,303	629,750	717	637,708
Accumulated depreciation and impairment losses	(18)	(916)	(427)	(2,943)	(122,209)	(717)	(127,230)
Net book value at 31 December 2023	-	367	210	2,360	507,541	-	510,478

4. INVESTMENT PROPERTIES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
At 1 January	3,328,900	3,251,900
Fair value change:		
– Capitalised expenses	9,352	2,467
– Fair value gain	<u>131,648</u>	<u>74,533</u>
At 31 December	<u><u>3,469,900</u></u>	<u><u>3,328,900</u></u>

The Group leases out its investment properties under operating leases. Leases typically run for an initial period of one to four years, with some having the option to renew, at which time all terms are renegotiated.

The Group's investment properties were valued by an independent professional valuer, Sinoappraisal Advisory Limited (“Sinoappraisal”), to determine their fair values as at 31 December 2024 (as at 31 December 2023: Savills Valuation and Professional Service Limited and CBRE Advisory Hong Kong Limited). The Group has adopted such valuation and recognised a fair value gain of HK\$131,648,000 (31 December 2023: fair value gain of HK\$74,533,000) accordingly. The principal assumptions underlying management's estimation of fair values of the investment properties and the basis of valuation are consistent with those applied in the consolidated financial statements for the year ended 31 December 2023. The investment properties have been measured at fair value as at 31 December 2024 by level 3 (31 December 2023: level 3) in the fair value hierarchy into which the fair value treatment is categorised. There is no transfer between levels of the fair value hierarchy used in measuring the fair value of the investment properties during the year.

Security for the Group's banking facilities

As at 31 December 2024, the Group's investment properties in Hong Kong amounting to approximately HK\$2,145 million (2023: Nil) was pledged to secure the Group's banking facilities (2023: Nil).

5. INVESTMENTS IN ASSOCIATES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
At 1 January	5,387,008	4,960,708
Dividend from an associate	(18,141)	–
Share of profits of associates	<u>56,351</u>	<u>426,300</u>
At 31 December	<u><u>5,425,218</u></u>	<u><u>5,387,008</u></u>

As of 31 December 2024 and 2023, the balances included investment in Everwell City Limited (“**Everwell City**”) and Dymocks Franchise Systems (China) Limited (“**Dymocks**”). Everwell City holds commercial properties and shopping centers, plazas and carpark in Hong Kong while Dymocks operated as a bookshop in Hong Kong.

Summarised financial information for the material associate

Set out below is the summarised financial information for Everwell City as at 31 December 2024, which is accounted for using the equity method. In the opinion of the Directors, Everwell City is material to the Group.

Summarised balance sheet

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current assets	32,108,379	31,794,777
Current assets	423,030	442,778
Non-current liabilities	(414,435)	(10,482,549)
Current liabilities	<u>(24,325,493)</u>	<u>(14,090,610)</u>

Summarised statement of comprehensive income

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue	1,257,177	1,218,679
Profit and total comprehensive income for the year	<u><u>187,085</u></u>	<u><u>1,425,215</u></u>

5. INVESTMENTS IN ASSOCIATES (Continued)

Summarised financial information for the material associate (Continued)

Reconciliation of summarised financial information

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Profit and total comprehensive income for the year	187,085	1,425,215
Less: Net profit attributable to non-controlling interest of Everwell City's subsidiaries	<u>(30,152)</u>	<u>(233,768)</u>
	<u>156,933</u>	<u>1,191,447</u>
Group's shareholdings	35.78%	35.78%
Group's share of net profit attributable to equity holders (Note (i))	<u>56,150</u>	<u>426,300</u>
	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Net assets attributable to equity holders of the associate	6,512,297	6,405,506
Group's shareholdings	35.78%	35.78%
Group's share of net assets attributable to equity holders (Note (i))	2,330,155	2,291,945
Shareholders' loan	3,095,063	3,095,063
Carrying amount	<u>5,425,218</u>	<u>5,387,008</u>

Note:

- (i) The effective share of profits of the Group from each of the subsidiaries incorporated in Hong Kong of Everwell City remains at approximately 29.9%.

6. AMOUNT DUE FROM AN INTERMEDIATE HOLDING COMPANY

The amount is unsecured, interest-free, repayable on demand and trading in nature. The Company will demand repayment within twelve months from the balance sheet date.

7. ACCOUNTS RECEIVABLE

An ageing analysis of accounts receivable as at the end of the reporting year is as follows:

	2024		2023	
	Balance <i>HK\$'000</i>	Percentage %	Balance <i>HK\$'000</i>	Percentage %
Current	3,689	81.0	5,118	82.2
Less than 30 days past due	734	16.1	982	15.8
31 to 60 days past due	105	2.3	39	0.6
61 to 90 days past due	–	–	1	0.1
Over 90 days past due	26	0.6	83	1.3
	<u>4,554</u>	<u>100.0</u>	<u>6,223</u>	<u>100.0</u>
Allowance for impairment	<u>(23)</u>		<u>(44)</u>	
Total	<u><u>4,531</u></u>		<u><u>6,179</u></u>	

Below is an ageing analysis of accounts receivable (net of allowance for impairment) that are past due as at the reporting date but not impaired:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Less than 30 days past due	731	975
31 to 60 days past due	99	38
61 to 90 days past due	–	–
Over 90 days past due	12	48
Total accounts receivable past due but not impaired	<u><u>842</u></u>	<u><u>1,061</u></u>

Accounts receivable past due represent balances that the Group considered not in default based on past experience.

7. ACCOUNTS RECEIVABLE (Continued)

The movements in the allowance for impairment during the year are as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 January	44	560
Reversal provision made	(21)	(39)
Accounts written off as uncollectible	—	(477)
	<u> </u>	<u> </u>
At 31 December	<u> 23</u>	<u> 44</u>

8. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

As at 31 December 2024, the balance represents mainly the utility and management fee deposits of HK\$3,782,000 (as at 31 December 2023: HK\$3,580,000) and rent-free receivables of HK\$6,720,000 (as at 31 December 2023: HK\$11,048,000).

9. BANK BORROWING

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current		
Bank loan (<i>Note (a)</i>)	<u> 849,457</u>	<u> —</u>

Notes:

- (a) The loan is denominated in HK\$ with interest rate at Hong Kong Interbank Offered Rate plus 1.2% per annum and is repayable by April 2025.
- (b) As at 31 December 2024, the Group had obtained another undrawn banking facility with details as set out in note 1(a)(a).
- (c) As at 31 December 2024, the Group has pledged its investment property of carrying amount of HK\$2,145,000,000 and pledged bank deposits of HK\$12,419,000 to the lender, as a collateral of the banking facilities.

9. BANK BORROWING (Continued)

The carrying amount of bank borrowing approximates the fair value, and is denominated in the following currency:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
HK\$	<u>849,457</u>	<u>–</u>

10. LOANS FROM AN INTERMEDIATE HOLDING COMPANY

In November 2023, China Great Wall AMC (International) Holdings Company Limited (“**Great Wall International**”), an intermediate holding company, had agreed to modify and restructure certain existing term loan (“**Term Loan A**”) with accumulated accrued interest and provide a new Term Loan A in principal amount of HK\$4,470,000,000 for one year with interest rate at Hong Kong Interbank Offered Rate plus 2% per annum, and was repayable by November 2024.

In November 2024, Great Wall International and the Company reached an agreement to modify and restructure certain terms of Term Loan A with the outstanding principal and outstanding interest. The new Term Loan A has a principal amount of HK\$4,760,000,000 for one year with interest rate at Hong Kong Interbank Offered Rate plus 2% per annum. The new Term Loan A is denominated in HK\$, unsecured and is repayable by November 2025.

In February 2022, Great Wall International agreed to provide a new term loan (“**Term Loan B**”) in the principal amount of HK\$901,657,000 for one year with interest rate at Hong Kong Interbank Offered Rate plus 1.4% per annum and was repayable in February 2023.

In February 2023, after the partial repayment of the Term Loan B of HK\$1,657,000, Great Wall International and the Company reached an agreement to modify and restructure certain terms of the Term Loan B. The revised Term Loan B has a principal amount of HK\$900,000,000 for one year with interest rate at Hong Kong Interbank Offered Rate plus 1.913% per annum. Term Loan B is denominated in HK\$, unsecured and has been settled in May 2024.

The Directors of the Company consider the loans are on normal commercial terms. The carrying values of the loans approximate their fair values.

11. OTHER PAYABLES AND ACCRUED LIABILITIES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest payable	42,232	38,637
Deposits received from tenants	26,171	26,827
Other payables and accrued expenses	13,585	10,942
Rental received in advance	2,458	3,280
Others	1,598	1,598
	<u>86,044</u>	<u>81,284</u>
Represented by:		
Non-current portion	1,532	8,682
Current portion	84,512	72,602
	<u>86,044</u>	<u>81,284</u>

12. SHARE CAPITAL

	31 December 2024		31 December 2023	
	Number of shares	Amount <i>HK\$'000</i>	Number of shares	Amount <i>HK\$'000</i>
Authorised:				
Ordinary shares of HK\$0.10 each	<u>5,000,000,000</u>	<u>500,000</u>	<u>5,000,000,000</u>	<u>500,000</u>
Issued and fully paid:				
Ordinary shares of HK\$0.10 each	<u>1,567,745,596</u>	<u>156,775</u>	<u>1,567,745,596</u>	<u>156,775</u>

13. NET FINANCE COST

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Finance cost/(income)		
– Interest expense on the loans from an intermediate holding company (<i>Note 10</i>)	313,176	282,093
– Interest expense on bank borrowing	29,476	–
– Interest income from bank	<u>(3,704)</u>	<u>(2,504)</u>
	<u>338,948</u>	<u>279,589</u>

14. INCOME TAX EXPENSE

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current income tax		
– Hong Kong profits tax	5,263	5,160
– Over provision in prior year	–	(20)
Deferred income tax		
– Deferred tax expense	<u>(14)</u>	<u>42</u>
	<u>5,249</u>	<u>5,182</u>

14. INCOME TAX EXPENSE (Continued)

The taxation on the (loss)/profit before income tax differs from the theoretical amount that would arise using the taxation rates applicable to the places of operation of the Company and its subsidiaries as follows:

	2024	2023
	HK\$'000	HK\$'000
(Loss)/profit before income tax	<u>(78,889)</u>	<u>290,032</u>
Calculated at a taxation rate of 16.5% (2023: 16.5%)	(13,017)	47,855
Income not subject to taxation	(15,129)	(7,312)
Effect of share of profit of associates	(9,298)	(70,340)
Tax losses not recognised	9,939	604
Expenses not deductible for taxation purposes	32,754	34,395
Over provision in prior year	<u>–</u>	<u>(20)</u>
Income tax expense	<u>5,249</u>	<u>5,182</u>

15. (LOSS)/EARNINGS PER SHARE

The calculation of basic earnings per share is based on the loss attributable to shareholders for the year ended 31 December 2024 of HK\$84,138,000 (profit attributable to shareholders for the year ended 31 December 2023: HK\$284,850,000) and the weighted average of 1,567,745,596 shares in issue (2023: 1,567,745,596 shares in issue) during the year.

Diluted (loss)/earnings per share was the same as basic (loss)/earnings per share as there were no dilutive potential ordinary shares outstanding for the year ended 31 December 2024 (for the year ended 31 December 2023: Nil).

16. DIVIDENDS

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2023 and 2024 or to recommend any final dividend for the years ended 31 December 2024 and 2023.

17. SUBSEQUENT EVENTS

There is no significant subsequent event after the reporting period.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATING RESULTS OF THE GROUP

The Group's consolidated operating results for the years ended 31 December 2024 and 2023 were as follows:

	For the year ended 31 December		
<i>(HK\$ millions, except percentages and per share amounts)</i>	2024	2023	% Change
Revenue	122.1	121.8	0.2%
Rental and utilities	(11.7)	(11.7)	–
Other operating expenses	(31.8)	(34.7)	(8.4%)
Operating costs before depreciation	(43.5)	(46.4)	(6.3%)
Depreciation	(6.8)	(6.9)	(1.4%)
Adjusted operating profit[^]	71.8	68.5	4.8%
Other income and gains or losses	0.3	0.3	–
Fair value gain on investment properties	131.6	74.5	76.6%
Operating profit	203.7	143.3	42.1%
Net finance cost	(338.9)	(279.6)	21.2%
Share of profits of associates	56.3	426.3	(86.8%)
Income tax expense	(5.2)	(5.1)	2.0%
(Loss)/profit for the year	(84.1)	284.9	**
(Loss)/profit attributable to equity holders	(84.1)	284.9	**
(Loss)/earnings per share (HK cents)	(5.4)	18.2	**

[^] *Adjusted operating profit is defined as operating profit before other income and fair value gain on investment properties.*

** *Represents a change in excess of 100%.*

Loss attributable to equity holders for the year ended 31 December 2024 amounted to approximately HK\$84.1 million, representing a decrease of approximately 129.5% as compared with profit attributable to equity holders of approximately HK\$284.9 million for the year ended 31 December 2023. Loss per share was HK5.4 cents for the year ended 31 December 2024, based on weighted average of 1,567,745,596 shares in issue (earnings per share for the year ended 31 December 2023: HK18.2 cents based on 1,567,745,596 shares in issue). Loss for the year ended 31 December 2024 is mainly attributable to the increase in the finance cost incurred in 2024 and the decrease in the share of profits of associates.

Excluding the revaluation gain of investment properties for the year ended 31 December 2024 of approximately HK\$131.6 million (revaluation gain of investment properties for the year ended 31 December 2023: approximately HK\$74.5 million), the net loss attributable to equity holders for the year ended 31 December 2024 was approximately HK\$215.7 million (net profit attributable to equity holders for the year ended 31 December 2023: approximately HK\$210.4 million), representing a year-on-year decrease of approximately HK\$426.1 million or 202.5%. The Group's loss was mainly due to the increased finance cost of approximately HK\$338.9 million for the year ended 31 December 2024 (for the year ended 31 December 2023: finance cost of approximately HK\$279.6 million), resulting from the rise in the Hong Kong Interbank Offered Rates (“**HIBOR**”) on which the borrowing cost of the Group's loans are based, and decreased share of profits of associates of approximately HK\$56.3 million for the year ended 31 December 2024 (for the year ended 31 December 2023: HK\$426.3 million).

BUSINESS REVIEW

The Group principally engages in the operation of two segments, namely, the property investment segment and the financial services segment.

The results of the Group for the year ended 31 December 2024 are primarily attributable to the contribution by the property investment segment. The Group's investment property portfolio had no significant changes during the year and it has maintained a diversified investment property portfolio in Hong Kong which comprises Kwai Fong Plaza, certain floors of the Bank of America Tower in Central, Yue King Building in Causeway Bay, Ko Fai Industrial Building in Yau Tong and Seaview Estate in North Point. The Group has also participated in the investment in the JV Group (as defined in the paragraph headed "Significant Investment in relation to the Investment in an Associate and Share of Profit of an Associate" on page 34 of this announcement) which holds a diversified portfolio of properties in Hong Kong. Details of the said investment in the JV Group have been set out in the paragraph headed "Significant Investment in relation to the Investment in an Associate and Share of Profit of an Associate" in the section headed "Management Discussion and Analysis".

In 2024, the Group's investment property business continued to make good progress against an uncertain economic background. In these challenging times, the Group focused on maintaining the stability of its existing investment property portfolio, engaging with its tenants and improving its balance sheet. Through its diversified property portfolio, the Group's investment properties contributed a relatively steady income stream of approximately HK\$122.1 million for the year ended 31 December 2024, as compared to HK\$121.8 million for the year ended 31 December 2023. For the year ended 31 December 2024, the Group's revenue increased by 0.2% to HK\$122.1 million (for the year ended 31 December 2023: HK\$121.8 million) due to the increase of revenue from property investment segment, despite the above, a loss attributable to equity holders of HK\$84.1 million was recorded (for the year ended 31 December 2023: profit attributable to equity holders of HK\$284.9 million).

The Group recorded a fair value gain on the Group's investment properties of HK\$131.6 million for the year ended 31 December 2024 (for the year ended 31 December 2023: fair value gain of HK\$74.5 million) and the decreased share of profits of the Group's associates of HK\$56.3 million for the year ended 31 December 2024 (for the year ended 31 December 2023: share of profits of associates of HK\$426.3 million). At 31 December 2024, capitalisation rates range from 2.00% to 5.00% (at 31 December 2023: range from 2.50% to 3.90%) are used in the income capitalisation approach for the investment properties which are owned by the Group. With other variable(s) held constant, the higher the rates, the lower the fair value. At 31 December 2024, rental rates of HK\$16.0 psf to HK\$71.0 psf and HK\$3,312.6 per car parking space (at 31 December 2023: HK\$10.0 psf to HK\$80.6 psf and HK\$3,502.0 per car parking space) are used for investment properties and car parking space respectively in the income capitalisation approach which takes into account market information with reference to sales figures as available on the market. With other variable(s) held constant, the lower the rental rates, the lower the fair value. Given the unknown future impact that the hike in interest rate might have on the real estate market, management will keep the valuation under frequent review.

The Group continues to leverage on the successful strategy in diversifying its portfolio of investment properties as outlined in its previous Annual Reports. This strategy has proven to be successful in year 2024 and we are confident that it will continue to succeed in the future so as to generate sustainable return for our shareholders.

The Group also operates in the financial services segment which comprises provision of asset management services (licensed by the SFC to carry out Type 9 regulated activity). Although there was no revenue derived from asset management service for the years ended 31 December 2024 and 2023 which particularly discussed in the paragraph headed "Financial Services" below, the Group will continue to explore and seize opportunities to develop its financial services segment.

Revenue

The consolidated revenue for the years ended 31 December 2024 and 2023 by business segments and for the Group were as follows:

<i>(HK\$ millions, except percentages)</i>	For the year ended 31 December		
	2024	2023	% Change
Property investment	122.1	121.8	0.2%
Financial services	<u>—</u>	<u>—</u>	<u>—</u>
Total revenue	<u>122.1</u>	<u>121.8</u>	<u>0.2%</u>

FINANCIAL REVIEW BY OPERATING SEGMENTS

The Group's reportable and operating segments during the year ended 31 December 2024 are as follows:

- (a) property investment segment which comprises the investment in retail shops, office buildings, industrial properties and car parking spaces for rental income; and
- (b) financial services segment which comprises provision of asset management services (licensed to carry out Type 9 regulated activities) under the SFO.

Property Investment

<i>(HK\$ millions, except percentages)</i>	For the year ended 31 December		
	2024	2023	% Change
Revenue	122.1	121.8	0.2%
Adjusted EBITDA[^]	66.6	60.5	10.1%
Depreciation	(6.3)	(6.3)	–
Adjusted operating profit	60.3	52.4	15.1%
Fair value gain on investment properties and other income	146.3	89.0	64.4%
Net finance cost	(53.2)	(54.5)	(2.4%)
Income tax expense	(5.2)	(5.1)	2.0%
Profit attributable to equity holders[#]	<u>148.2</u>	<u>83.6</u>	<u>77.3%</u>

[^] *Adjusted EBITDA is defined as earnings before interest, tax, depreciation, other income and fair value gain on investment properties.*

[#] *Including fair value gain on investment properties of approximately HK\$131.6 million for the year ended 31 December 2024 and fair value gain on investment properties of approximately HK\$74.5 million for the year ended 31 December 2023.*

Revenue of property investment segment for the year ended 31 December 2024 was approximately HK\$122.1 million, compared with approximately HK\$121.8 million for the year ended 31 December 2023. The rental income is steady for years 2024 and 2023.

The increase in profit attributable to shareholders from property investment segment was mainly due to the fair value gain on investment properties for the year ended 31 December 2024. An adjusted operating profit of approximately HK\$60.3 million was recorded for the year ended 31 December 2024, compared to an adjusted operating profit of approximately HK\$52.4 million for the year ended 31 December 2023, which was mainly attributable to the decrease in operating expenses.

As at the date of this announcement, the Group's diversified investment property portfolio in Hong Kong comprises Kwai Fong Plaza, certain floors of the Bank of America Tower in Central, Yue King Building in Causeway Bay, Ko Fai Industrial Building in Yau Tong and Seaview Estate in North Point.

Revaluation gain on investment properties for the year ended 31 December 2024 was approximately HK\$131.6 million, compared with the revaluation gain of approximately HK\$74.5 million for the year ended 31 December 2023. The revaluation gain for the year ended 31 December 2024 was mainly caused by the increase in fair value of Kwai Fong Plaza of around HK\$75.6 million, certain floors of Yue King Building of around HK\$51.0 million, certain floor of Ko Fai Industrial Building of around HK\$13.0 million respectively and the decrease in fair value of certain floor of Seaview Estate of around HK\$8.0 million. The increase in appraised value of the investment properties of the Group was attributable to the recovery of economic activities in Hong Kong in 2024.

The Group's investment properties were revalued as at 31 December 2024 by independent professionally qualified valuer, Sinoappraisal Advisory Limited (31 December 2023: Savills Valuation and Professional Services Limited and CBRE Advisory Hong Kong Limited), which holds recognised relevant professional qualification and has recent experience in the locations and segments of the investment properties being valued. For all investment properties of the Group, their current use equates to the highest and best use. The revaluation gains or losses are shown as "Fair value gain or loss on investment properties" in the consolidated statement of comprehensive income. Fair values of the retail shops, office buildings, industrial properties and car parking spaces are derived using the income capitalisation approach. There were no major changes to the valuation techniques during the year.

Financial Services

<i>(HK\$ millions, except percentages)</i>	For the year ended 31 December		
	2024	2023	% Change
Revenue	–	–	–
Adjusted EBITDA[^]	(0.2)	(1.7)	(88.2%)
Depreciation	–	–	–
Adjusted operating loss	(0.2)	(1.7)	(88.2%)
Net finance income	0.2	0.6	(66.7%)
Income tax credit	–	–	–
Loss attributable to equity holders	–	(1.1)	**

[^] *Adjusted EBITDA is defined as earnings before interest, tax, depreciation and other income.*

****** *Represents a change in excess of 100%.*

There was no revenue derived from financial services segment for the years ended 31 December 2024 and 2023 following the cessation of Type 6 (advising on corporate finance) regulated activity under the SFO in year 2023.

Significant Investment in relation to the Investment in an Associate and Share of Profit of an Associate

Significant investment in an associate represents the Group's 35.78% equity interests in a joint venture, Everwell City Limited (together with its subsidiaries, collectively the "**JV Group**"), which owns 16 diversified commercial properties and shopping centres, plazas and carparks across Hong Kong at Cheung Hang Shopping Centre, Kai Yip Commercial Centre, Kam Tai Shopping Centre, Lei Cheng Uk Shopping Centre, On Ting Commercial Complex, Shek Lei Shopping Centre I & II, Tai Wo Hau Commercial Centre, Tsz Ching Shopping Centre, Yau Oi Commercial Centre, Yung Shing Shopping Centre, Kwai Shing East Shopping Centre, Lai Kok Shopping Centre, Lee On Shopping Centre, retail and car park within Shun Tin Estate, Tsing Yi Commercial Complex and Lions Rise Mall. The initial investment was HK\$3,123.4 million in 2018. The fair value of the investment was HK\$5,425.2 million as at 31 December 2024 (31 December 2023: HK\$5,387.0 million) and represented around 56.3% of the total assets of the Group as at 31 December 2024 (31 December 2023: 56.8%). The Group's share of profit of an associate from JV Group was approximately HK\$56.3 million in 2024 (share of profit for the year ended 31 December 2023: HK\$426.3 million). The share of profit of an associate of the Group for the year ended 31 December 2024 is mainly due to the fair value gain on revaluations of the investment properties of the JV Group (which comprised of commercial properties), which was attributable to the continued recovery of the Hong Kong economy in early 2024. Yet the unpredictable road to recovery market condition, the Group intends to hold the abovementioned equity interests in the JV Group as long-term investment in order to generate sustainable return for our shareholders.

LIQUIDITY AND CAPITAL RESOURCES

The Group's main source of liquidity is recurring cash flows from the property investment and financial services businesses. The Group's financial position as at 31 December 2024 and 2023 were as follows:

<i>(HK\$ millions, except percentages)</i>	31 December 2024	31 December 2023	% Change
Cash and bank balances	209.3	232.5	(10.0%)
Shareholders' funds	3,917.4	4,001.5	(2.1%)
Current ratio	0.04	0.05	(20.0%)
Gearing ratio	58.0%	56.2%	3.2%

The Group's cash and bank balances are held predominantly in Hong Kong dollars. The Group has no significant exposure to foreign exchange fluctuations. The Group has maintained a strong cash position and expects its cash and cash equivalents, and cash generated from operations to be adequate to meeting its working capital requirements.

As at 31 December 2024, the Group had total cash and bank balances of approximately HK\$209.3 million, as compared to approximately HK\$232.5 million as at 31 December 2023. The Group's gearing ratio as at 31 December 2024 was 58.0% (as at 31 December 2023: 56.2%), being calculated as total debts (which includes the loans from an intermediate holding company, bank borrowing and amount due to an intermediate holding company) less cash and bank balances ("**net debt**"), over the Company's total capital employed. Total capital employed is equivalent to the sum of net debt and shareholders' funds. The increase in gearing ratio is mainly due to the decrease in shareholder's funds and increase in bank borrowing as a result of the restructure of financing structure. As at 31 December 2024, the Group had outstanding principal of unsecured shareholder loans of HK\$4,760.0 million (as at 31 December 2023: HK\$5,370.0 million). As at 31 December 2024, the Group has no undrawn bank facility (as at 31 December 2023: no undrawn bank facility) and the Group has outstanding bank borrowing of approximately HK\$850.0 million as at 31 December 2024 (as at 31 December 2023: nil). The Group actively and regularly reviews and manages its liquidity position and financial resources and makes adjustments in light of changes in economic conditions and business development needs.

For the SFC licensed corporation under the Group, the Group has ensured that the licensed corporation maintains a liquidity level adequate to support the level of activities with a sufficient buffer to accommodate increases in liquidity requirements arising from potential increases in the level of business activities. During the years ended 31 December 2024 and 2023, all the licensed subsidiaries have complied with the liquidity requirements under the Securities and Futures (Financial Resources) Rules.

Charges on Assets

As at 31 December 2024, an investment property of the Group with fair value of approximately HK\$2,145.0 million and bank deposit of HK\$12.4 million were pledged to secure the mortgage loan granted to the Group.

As at 31 December 2023, there were no charges over assets of the Group.

Operating Activities

Net cash generated from operating activities for the year ended 31 December 2024 was HK\$81.6 million, compared with net cash generated from operating activities of HK\$79.4 million in 2023. The increase in operating cash flows was mainly due to decrease in accounts receivable by HK\$1.6 million during the year ended 31 December 2024 while there was an increase in such balance by HK\$0.2 million during the year ended 31 December 2023.

Investing Activities

Net cash generated from investing activities was HK\$74,000 and HK\$37,000 for the years ended 31 December 2024 and 2023 respectively.

Financing Activities

Net cash used in financing activities for the year ended 31 December 2024 was HK\$104.9 million, compared with the net cash used in financing activities of HK\$56.4 million in 2023. The cash outflow was mainly due to repayment of loans to an intermediate holding company of HK\$900.0 million and proceed from bank borrowing of HK\$850.0 million and interest paid of HK\$53.9 million in 2024.

Employees and Remuneration Policy

As at 31 December 2024, the Group had a total of 9 employees (as at 31 December 2023: 12). As the Group's businesses will continue to grow, its remuneration philosophy is designed to provide its employees with the opportunity to excel and grow, while aligning with our business strategies and values.

The Group's remuneration and benefit policies, which are structured in accordance with market terms and statutory requirements, aim to recognise employees with outstanding performance, motivate and reward employees in order to achieve its business performance targets, retain and attract key talents and ensure alignment with the interests of our businesses, and thereby enhancing shareholder value. In addition, other staff benefits such as medical insurance, medical check-up scheme, mandatory and voluntary provident fund scheme and rental reimbursement scheme are offered to eligible employees.

The Group's employee recruitment and promotion are primarily based on individuals' merits, relevant experiences, development potentials for the positions offered and performance.

OUTLOOK

The rebound of Hong Kong economy continued in 2024, the real gross domestic product is expected to grow 2.5% for 2024 since the relaxing of the borders pandemic measures in early 2023. Despite a challenging economic backdrop and changing consumer behaviour, Hong Kong has performed steadily, supported by a portfolio of strategically located community commercial assets. Nonetheless, the overall financial and business positions of the Group remain healthy.

The trend of shopping up north poses serious challenges for us but has not yet had a material impact on our entire portfolio since 2023. To cope with such challenges, the Board and management of the Company will fully leverage on the competitive edges of the Group to drive the performance of core businesses at a steady pace and will also actively seize investment opportunities prudently and thoroughly in order to generate favourable returns for our shareholders while maintaining strong cash position. The Board considers that the overall financial and business positions of the Group remain healthy.

This fiscal period has been full of challenges and uncertainty in view of the global macroeconomy. While signs of recovery in economy have been seen, it is still confronted with complicated internal and external situations. Numerous uncertainties in the investment sentiment in the financial market have presented us with severe challenges.

Currently, the Group's investment properties continue to contribute stable stream of income and create value through asset enhancement. During this fiscal period, the Group has successfully diversified its tenant mix and enhanced the rental performance.

Looking ahead, in the complicated and constantly-changing macro-economic environment with fierce competition, the Group will seize the development opportunities arising from the China's Guangdong-Hong Kong-Macao Greater Bay Area strategic plan and further strengthen the synergy effect by leveraging on the substantial resources from China Great Wall Asset Management Co., Ltd. ("GWAMCC"), our controlling shareholder, through the integration of domestic and foreign capital markets, and aggressively expanding its domestic business, to ensure the Group can make full use of its role as the sole overseas listed platform of the GWAMCC Group.

CORPORATE GOVERNANCE

The Board and the Company's management are committed to upholding the Group's obligations to shareholders. We regard the promotion and protection of shareholders' interests as one of our priorities and keys to success.

The Board believes that good corporate governance standards are essential to safeguard the interests of shareholders and enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Board is of the view that, throughout the year ended 31 December 2024, the Company has complied with the applicable principles and code provisions set out in the Corporate Governance Code (the "**Corporate Governance Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (the "**Listing Rules**"), save for the deviation from the code provision C.5.7 as explained below. The Company also adheres to certain recommended best practices set out in the Corporate Governance Code insofar as they are relevant and practicable.

A detailed Corporate Governance Report setting out the Group's framework of governance and explanations about how the provisions of the Corporate Governance Code have been applied will be included in the Company's 2024 Annual Report to be published.

Code provision C.5.7

Code provision C.5.7 provides that if a substantial shareholder or a director has a conflict of interest in a matter to be considered by the board which the board has determined to be material, the matter should be dealt with by a physical board meeting rather than a written resolution. Independent non-executive directors who, and whose close associates, have no material interest in the transaction should be present at that board meeting. During the year ended 31 December 2024, the Board approved the continuing connected transactions in relation to the proposed new tenancy of 20th Floor and a carpark space of the Group's premises in the Bank of America Tower to its controlling shareholder, Great Wall International, by way of circulation of written resolutions in lieu of physical board meeting on 14 November 2024, for which certain Directors who are nominated by the controlling shareholder of the Company, was regarded as having material interests therein. However, the Directors (including the independent non-executive Directors) are of the view that such proposed new tenancy and the transactions contemplated thereunder are fair and reasonable, are on normal commercial terms or better, are in the ordinary and usual course of business of the Company and are in the interests of the Company and the shareholders of the Company as a whole. In addition, each of Mr. Wang Hai and Mr. Wang Zuomin, being the Director of the Company and a director of Great Wall International, had abstained from voting on the relevant written resolutions of the Board in approving the proposed new tenancy and the transactions contemplated thereunder pursuant to the Company's Bye-Laws and the Listing Rules. Before formal execution of the written resolutions, the Directors had discussed the matters via electronic means and the Board considers that adoption of written resolutions would facilitate and maximise the effectiveness of its operation. The Board shall nevertheless review its board meeting arrangement from time to time to ensure appropriate arrangement is being taken to comply with the requirements under the Corporate Governance Code.

AUDIT COMMITTEE

The Audit Committee was established in 1998 with its defined written terms of reference (which was revised in August 2018). The Audit Committee currently comprises two independent non-executive Directors, namely Ms. Liu Yan (Chairlady of the Audit Committee) and Dr. Song Ming, and a non-executive Director, Mr. Ren Zhiqiang. A majority of the Audit Committee members are independent non-executive Directors, with Ms. Liu Yan and Dr. Song Ming possessing the appropriate professional qualifications and accounting and related financial management expertise. Three meetings were held by the Audit Committee during the year ended 31 December 2024.

The audited consolidated annual results of the Group for the year ended 31 December 2024 were reviewed by the Audit Committee, which was of the opinion that the preparation of such annual results complied with the applicable accounting standards and requirements and the Listing Rules, and that adequate disclosures have been made.

REMUNERATION COMMITTEE

The Remuneration Committee was established in 2000 with its defined written terms of reference (which was revised in January 2023). A majority of its members are independent non-executive Directors. The Remuneration Committee currently comprises two independent non-executive Directors, namely Dr. Song Ming (Chairman of the Remuneration Committee) and Dr. Sun Mingchun, and an executive Director, Mr. Wang Zuomin. One meeting was held by the Remuneration Committee during the year ended 31 December 2024.

NOMINATION COMMITTEE

The Nomination Committee was established in 2005 with its defined written terms of reference (which was revised in March 2017). A majority of its members are independent non-executive Directors. The Nomination Committee currently comprises an executive Director, Mr. Wang Hai (Chairman of the Nomination Committee) and two independent non-executive Directors, namely Dr. Song Ming and Dr. Sun Mingchun. One meeting was held by the Nomination Committee during the year ended 31 December 2024.

COMPLIANCE WITH THE MODEL CODE AND THE COMPANY'S GUIDELINES

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules as the Company’s code of conduct for securities transactions by its Directors. Having made specific enquiry with all Directors, all Directors have confirmed their compliance with the required standards set out in the Model Code throughout the year ended 31 December 2024 and up to the date of this announcement.

The Company has adopted written guidelines (the “**Company’s Guidelines**”), which are equally stringent as the Model Code, in respect of securities transactions by relevant employees of the Company who are likely to be in possession of unpublished inside information of the Company pursuant to code provision C.1.3 of the Corporate Governance Code. No incident of non-compliance against the Model Code or the Company’s Guidelines by the Company’s relevant employees has been noted after making reasonable enquiry.

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

During the year ended 31 December 2024, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities.

FINAL DIVIDEND

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

2025 ANNUAL GENERAL MEETING (THE “2025 AGM”)

The 2025 AGM of the Company will be held on Wednesday, 18 June 2025. A circular containing, among other matters, further information relating to the 2025 AGM will be despatched to the shareholders of the Company as soon as practicable.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the eligibility of shareholders to attend and vote at the 2025 AGM to be held on Wednesday, 18 June 2025, the register of members of the Company will be closed from Thursday, 12 June 2025 to Wednesday, 18 June 2025, both dates inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the 2025 AGM, all duly completed and signed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 11 June 2025.

PUBLICATION OF ANNUAL RESULTS ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.gwpaholdings.com). The Annual Report of the Company for the year ended 31 December 2024 containing the information required by Appendix D2 to the Listing Rules will be despatched to the shareholders of the Company and published on the websites of the Stock Exchange and the Company in due course.

SCOPE OF WORK OF BDO LIMITED

The figures in respect of the Group's consolidated balance sheet, consolidated statement of comprehensive income, consolidated statement of changes in equity and the related notes thereto for the year ended 31 December 2024 as set out in this annual results 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 this annual results announcement.

By Order of the Board
Great Wall Pan Asia Holdings Limited
WANG Hai
Chairman and Executive Director

Hong Kong, 28 February 2025

As at the date of this announcement, the Board of the Company consists of Mr. Wang Hai and Mr. Wang Zuomin as executive directors of the Company, Mr. Ren Zhiqiang as non-executive director of the Company, and Dr. Song Ming, Dr. Sun Mingchun and Ms. Liu Yan as independent non-executive directors of the Company.

* *For identification purpose only*