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GLORIOUS SUN ENTERPRISES LIMITED

旭日企業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 393)

Announcement of Results For the year ended 31 December 2024

ANNUAL RESULTS

The board of directors (the “Board”) of Glorious Sun Enterprises Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2024 together with the comparative figures for the year ended 31 December 2023.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2024

	Notes	2024 HK\$'000	2023 HK\$'000
REVENUE			
Revenue from contracts with customers		715,785	771,522
Revenue from other sources:			
Interest income from debt investments at amortised cost		30,590	33,218
Dividend income		163,795	16,497
		<u>910,170</u>	<u>821,237</u>
Cost of sales	(3)	<u>(587,709)</u>	<u>(660,878)</u>
Gross profit		322,461	160,359
Other income and gains		77,502	120,953
Selling and distribution expenses		(16,922)	(16,717)
Administrative expenses		(92,115)	(86,293)
Other expenses		(2,562)	(1,859)
Impairment loss on debt investments at amortised cost, net		(174,689)	(112,971)
Impairment loss on other financial and contract assets, net		(9,590)	(9,112)
Finance costs	(4)	<u>(2,309)</u>	<u>(2,510)</u>
PROFIT BEFORE TAX	(5)	101,776	51,850
Income tax expense	(6)	<u>(28,125)</u>	<u>(7,559)</u>
PROFIT FOR THE YEAR		73,651	44,291
Attributable to:			
Ordinary equity holders of the Company		61,380	43,610
Non-controlling interests		12,271	681
		<u>73,651</u>	<u>44,291</u>
		HK cents	HK cents
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted	(8)		
For profit for the year		<u>4.06</u>	<u>2.86</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	2024 HK\$'000	2023 HK\$'000
PROFIT FOR THE YEAR	73,651	44,291
OTHER COMPREHENSIVE INCOME		
<i>Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences:		
Exchange differences on translation of foreign operations	<u>(1,720)</u>	<u>(895)</u>
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	<u>(1,720)</u>	<u>(895)</u>
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>		
Financial assets at fair value through other comprehensive income:		
Changes in fair value	459,840	4,514
Income tax effect	<u>(60)</u>	<u>(92)</u>
	<u>459,780</u>	<u>4,422</u>
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	<u>459,780</u>	<u>4,422</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	458,060	3,527
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	531,711	47,818
Attributable to:		
Ordinary equity holders of the Company	520,357	47,627
Non-controlling interests	<u>11,354</u>	<u>191</u>
	<u>531,711</u>	<u>47,818</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	Notes	2024 HK\$'000	2023 HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		12,964	14,315
Right-of-use assets		19,888	21,230
Debt investments at amortised cost		28,073	197,167
Financial assets at fair value through other comprehensive income		1,679,490	576,054
Rental deposits		2,416	2,228
Deferred tax assets		3,213	11,386
Total non-current assets		<u>1,746,044</u>	<u>822,380</u>
CURRENT ASSETS			
Inventories		330,065	223,407
Trade and bills receivables	(9)	87,500	192,355
Prepayments, deposits and other receivables		113,622	44,827
Contract assets		7,727	25,860
Due from related companies		9,090	6,216
Debt investment at amortised cost		11,357	-
Financial assets at fair value through profit or loss		51,874	33,393
Tax recoverable		4,641	-
Time deposit with original maturity of over three months when acquired		-	239
Cash and cash equivalents		1,201,518	1,703,918
Total current assets		<u>1,817,394</u>	<u>2,230,215</u>
CURRENT LIABILITIES			
Trade payables	(10)	78,366	139,359
Contract liabilities		398,975	196,743
Other payables and accruals		288,139	295,866
Interest-bearing bank borrowings		-	14,175
Lease liabilities		6,461	6,378
Tax payable		12,663	3,326
Total current liabilities		<u>784,604</u>	<u>655,847</u>
NET CURRENT ASSETS		<u>1,032,790</u>	<u>1,574,368</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,778,834</u>	<u>2,396,748</u>
NON-CURRENT LIABILITIES			
Lease liabilities		13,943	18,039
Deferred tax liabilities		1,467	1,300
Total non-current liabilities		<u>15,410</u>	<u>19,339</u>
Net assets		<u>2,763,424</u>	<u>2,377,409</u>
EQUITY			
Equity attributable to ordinary equity holders of the Company			
Issued capital	(11)	151,024	152,264
Treasury shares	(11)	(6,340)	(4,139)
Reserves		2,606,105	2,228,404
		<u>2,750,789</u>	<u>2,376,529</u>
Non-controlling interests		12,635	880
Total equity		<u>2,763,424</u>	<u>2,377,409</u>

NOTES

(1) BASIS OF PREPARATION

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure provisions of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain investments which have been measured at fair value.

The financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand (HK\$’000) except when otherwise indicated.

(2) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

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

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

The Group has not early adopted any other new or revised HKFRSs that have been issued but are not yet effective for the current accounting year.

(3) OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- (a) the “financial investments” segment engages in treasury management and consulting services;
- (b) the “interior decoration and renovation” segment engages in the interior decoration and renovation, and the sale of furniture business;
- (c) the “export operations” segment engages in exports of apparel; and
- (d) the “retail, franchise and others” segment mainly includes retail operation in Hong Kong and franchise sales under the “Jeanswest” brand in overseas markets within the casual wear and apparel domain.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group’s profit before tax except that interest income, non-leased-related finance costs, as well as head office and corporate income and expenses are excluded from such measurement.

(3) OPERATING SEGMENT INFORMATION *(continued)*

Information regarding the Group's reportable segments, together with their related comparative information, is presented below:

Year ended 31 December 2024					
	Financial investments	Interior decoration and renovation	Export operations	Retail, franchise and others	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue					
Revenue from external parties	194,385	377,891	281,355	56,539	910,170
Other income and gains	6,039	6,468	6,850	5,701	25,058
Total	<u>200,424</u>	<u>384,359</u>	<u>288,205</u>	<u>62,240</u>	<u>935,228</u>
Segment results	<u>(1,005)</u>	<u>36,633</u>	<u>17,726</u>	<u>9,371</u>	<u>62,725</u>
Interest income					48,142
Unallocated income					4,302
Corporate and other unallocated expenses					(11,995)
Finance costs (other than interest on lease liabilities)					<u>(1,398)</u>
Profit before tax					<u>101,776</u>
Year ended 31 December 2023					
	Financial investments	Interior decoration and renovation	Export operations	Retail, franchise and others	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue					
Revenue from external parties	49,715	468,726	244,313	58,483	821,237
Other income and gains	6,393	1,865	4,309	3,753	16,320
Total	<u>56,108</u>	<u>470,591</u>	<u>248,622</u>	<u>62,236</u>	<u>837,557</u>
Segment results	<u>(66,386)</u>	<u>3,588</u>	<u>10,359</u>	<u>10,377</u>	<u>(42,062)</u>
Interest income					96,648
Unallocated income					7,985
Corporate and other unallocated expenses					(9,417)
Finance costs (other than interest on lease liabilities)					<u>(1,304)</u>
Profit before tax					<u>51,850</u>

(4) FINANCE COSTS

An analysis of finance costs is as follows:

	2024 HK\$'000	2023 HK\$'000
Interest on bank loans	1,398	1,304
Interest on lease liabilities	<u>911</u>	<u>1,206</u>
	<u><u>2,309</u></u>	<u><u>2,510</u></u>

(5) PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2024 HK\$'000	2023 HK\$'000
Cost of inventories sold	506,926	529,972
Cost of services rendered	82,478	135,410
Depreciation of property, plant and equipment	3,488	3,494
Depreciation of right-of-use assets	6,890	5,921
Loss on disposal of items of property, plant and equipment, net	52	68
Gains on termination of tenancy agreements, net	(3,110)	(90)
Bank interest income	<u>(48,142)</u>	<u>(96,648)</u>

(6) INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2023: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2023: 8.25%) and the remaining assessable profits are taxed at 16.5% (2023: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	2024 HK\$'000	2023 HK\$'000
Current - Hong Kong		
Charge for the year	3,758	6,028
Overprovision in prior years	<u>(4,329)</u>	<u>(26)</u>
	(571)	6,002
Current - Elsewhere		
Charge for the year	3,894	2,958
Underprovision/(overprovision) in prior years	<u>246</u>	<u>(985)</u>
	4,140	1,973
Withholding tax on dividend income	16,331	1,612
Deferred	<u>8,225</u>	<u>(2,028)</u>
Total tax charge for the year	<u><u>28,125</u></u>	<u><u>7,559</u></u>

(7) DIVIDENDS

	2024 HK\$'000	2023 HK\$'000
Interim - HK4.00 cents (2023: HK2.00 cents) per ordinary share	60,410	30,453
Adjustment on interim dividend	<u>(13)</u>	<u>(1)</u>
	<u>60,397</u>	<u>30,452</u>
Proposed final – HK5.80 cents (2023: HK4.80 cents) per ordinary share	87,158	72,807
Adjustment on final dividend	<u>-</u>	<u>(122)</u>
	<u>87,158</u>	<u>72,685</u>

The proposed final dividend for the year ended 31 December 2024 calculated by reference to the 1,502,732,000 shares in issue on 27 March 2025 has not been recognised as a liability at the end of the reporting period and is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

(8) EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of HK\$61,380,000 (2023: HK\$43,610,000) and the weighted average number of ordinary shares of 1,511,876,011 (2023: 1,524,438,630) outstanding during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2024 and 2023.

(9) TRADE AND BILLS RECEIVABLES

	2024 HK\$'000	2023 HK\$'000
Trade receivables	87,500	191,485
Bills receivables	<u>-</u>	<u>870</u>
	<u>87,500</u>	<u>192,355</u>

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2024 HK\$'000	2023 HK\$'000
Less than 4 months	54,807	143,530
4 to 6 months	21,875	33,360
7 to 12 months	6,599	3,686
Over 1 year	<u>4,219</u>	<u>11,779</u>
	<u>87,500</u>	<u>192,355</u>

The credit period is generally 15 days to 90 days. The trade and bills receivables are non-interest-bearing.

(10) TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2024 HK\$'000	2023 HK\$'000
Less than 4 months	78,366	138,760
4 to 6 months	-	549
Over 6 months	-	50
	<u>78,366</u>	<u>139,359</u>

The trade payables are non-interest-bearing and are normally settled on 90-day (2023: 90-day) terms.

(11) SHARE CAPITAL AND TREASURY SHARES

	Number of ordinary shares		2024	2023
	2024	2023	HK\$'000	HK\$'000
	'000	'000		
Issued and fully paid: Ordinary shares of HK\$0.10 each	<u>1,510,240</u>	<u>1,522,644</u>	<u>151,024</u>	<u>152,264</u>

A summary of movements in the Company's issued share capital is as follows:

	Number of issued shares '000	Issued capital HK\$'000	Share premium account HK\$'000	Total HK\$'000
At 1 January 2023	1,527,984	152,798	738,818	891,616
Cancellation of shares repurchased	<u>(5,340)</u>	<u>(534)</u>	<u>(3,675)</u>	<u>(4,209)</u>
At 31 December 2023	1,522,644	152,264	735,143	887,407
Cancellation of shares repurchased	<u>(12,404)</u>	<u>(1,240)</u>	<u>(9,574)</u>	<u>(10,814)</u>
At 31 December 2024	<u>1,510,240</u>	<u>151,024</u>	<u>725,569</u>	<u>876,593</u>

(11) SHARE CAPITAL AND TREASURY SHARES *(continued)*

A summary of movements in the Company's treasury shares is as follows:

	Number of ordinary shares			
	2024	2023	2024	2023
	'000	'000	HK\$'000	HK\$'000
At 1 January	4,972	-	(4,139)	-
Treasury shares repurchased	13,332	10,312	(13,015)	(8,348)
Cancellation of shares repurchased	<u>(12,404)</u>	<u>(5,340)</u>	<u>10,814</u>	<u>4,209</u>
At 31 December	<u>5,900</u>	<u>4,972</u>	<u>(6,340)</u>	<u>(4,139)</u>

As at 31 December 2024, there were 5,900,000 outstanding repurchased shares not yet cancelled. Subsequent to the reporting date, the Company repurchased 1,608,000 own shares through the Stock Exchange with consideration of approximately HK\$1,946,000 (before expenses) in January 2025 and February 2025. At the date of approval of these financial statements, all outstanding repurchased shares of 7,508,000 were cancelled.

DIVIDEND

The Board has resolved to recommend the payment of a final dividend of HK5.80 cents (2023: HK4.80 cents) per share for the year ended 31 December 2024 at the forthcoming annual general meeting to be held on Monday, 19 May 2025. The final dividend amounting to approximately HK\$87,158,000, if approved by the shareholders of the Company, will be paid on Tuesday, 10 June 2025, to those shareholders whose names appear on the register of members of the Company on Tuesday, 27 May 2025.

RESULTS

Despite the many geopolitical twists and turns over the past year, global economic conditions remained generally stable. The economic environment was more resilient than markets expected. As inflation remained moderate, the US Federal Reserve and other major central banks continued to cut interest rates, and global stock markets were benefited. In addition to the strong upward trend of the US stock market, the Hang Seng Index returned 18% last year. It was the best annual performance since 2018. Since Trump was re-elected as the President of the United States, he continued implementing relevant policies with "America First", including trade tariffs against different countries and tightening immigration policies. His remarks heightened the uncertainty risk in global politics. As protectionism spread, international trade and supply chains were affected, and the trend of "de-globalization" was expected to continue. On the other hand, the "great integration" of China's Guangdong-Hong Kong-Macao Greater Bay Area was gradually taking shape. This cross-regional living and working model also accelerated economic, living and cultural exchanges among the three places.

In 2024, China's economic growth was 5%, slightly slower than in 2023. Although the Mainland's real estate, consumption and exports were still weak, and facing external unstable factors such as global trade protectionism and the China-US trade war, the central government expanded exports and investment to non-US markets including Europe and Southeast Asia to offset the negative impact from Trump's tariff policies. The Mainland central government implemented various economic stimulus plans to boost consumption and stabilised foreign trade, from lowering interest rates, relaxing real estate policies, and providing diversified financial support. The central government emphasised the sustainability and effectiveness of the measures. China currently has the world's largest trade surplus, which reached about US\$1 trillion last year. In addition, China's national debt was at a low level. We believed that other targeted policies would be introduced in the future.

In Hong Kong, foreign trade and economic growth still faced many challenges due to the impact of the Mainland's economy and international geopolitics. The “great integration” between Hong Kong and the Greater Bay Area was accelerating. In addition to the habit of Hong Kong people going to Mainland for consumption, Shenzhen resumed the “Multiple-entry Endorsement” policy, allowing more than 10 million Mainland residents to visit Hong Kong at any time, bringing considerable impetus to the local economy and accelerating the integration of residents from different regions into each other's living circles. Hong Kong was in a period of economic transformation. Enterprises had to learn to adapt to changes and actively adjust their strategies to remain successful.

The Group adhered to the strategy set last year, continued to implement “persistence in high-quality development” and firmly pursued “effectivism”, focusing on core businesses, doing what we could, and concentrating resources, time and energy on the most effective and potential businesses. Over the past year, we diligently deepened each business and restructured our investment portfolio to deliver satisfactory returns to our shareholders.

Last year, as the global interest rate cut cycle began and Mainland consumption slowed down, the Group's turnover for the year was HK\$910,170,000, which grew by 10.83% compared with the previous year. The Group invested in high-quality, high-yield blue-chip stocks and fixed time deposits resulting in substantial returns. Therefore, the attributable profit to shareholders was HK\$61,380,000, increased by 40.75% compared with the previous year.

The following are the primary operating data of the Group during the year under review:

	2024	2023	Change
<hr/>			
(Unit: HK\$'000)			
Consolidated revenue	910,170	821,237	+10.83%
of which:			
A. Financial investments	194,385	49,715	+291.00%
B. Interior decoration and renovation	377,891	468,726	-19.38%
C. Export operations	281,355	244,313	+15.16%
D. Hong Kong retailing and overseas franchising	56,296	58,291	-3.42%
Profit attributable to ordinary equity holders of the Company	61,380	43,610	+40.75%
<hr/>			
(Unit: HK cents)			
Earnings per share (basic)	4.06	2.86	+41.96%
Dividend per share			
— Final	5.80	4.80	+20.83%
— Total	9.80	6.80	+44.12%
<hr/>			
	As at	As at	
	31 December	31 December	
	2024	2023	Change
<hr/>			
(Unit: HK\$'000)			
Net cash and near cash in hand*	2,968,709	2,488,966	+19.27%

* “Net cash and near cash in hand” consists of debt investments at amortised cost after impairment provision, listed equity investments designated at fair value through other comprehensive income, financial assets at fair value through profit or loss, time deposit with original maturity of over three months when acquired, cash and cash equivalents, net of interest-bearing bank borrowings.

REVIEW OF BUSINESSES

Financial Investments

Regarding the Group's financial investment, Trump's return to the White House with his unpredictable policy stance created uncertainty in the global economy. The outcome of Hong Kong stocks in the year to come will depend on the effectiveness of the central government's economic policies and the relationship between China and the US. Fortunately, the Group invested in high-quality and high-yield domestic bank stocks at the time when the stock market was at the low level. These investments are expected to contribute stable and handsome dividend income to protect shareholder returns. At the same time, we will continue to look for more suitable investment opportunities.

At the beginning of the year under review, the Group's securities investment portfolio was HK\$766,375,000. Because of the holdings of blue-chip stocks and the income from the US Dollar bond, for the year ended 31 December 2024, the total income of the financial investment business was HK\$194,385,000 (2023: HK\$49,715,000), showing an increase of 291.00% over the same period last year. As at 31 December 2024, the Group's securities investment holding had a net carrying amount of HK\$1,715,955,000.

Interior Decoration and Renovation

The Group adhered to the "continuing to implement high-quality development" policy and strived to build an efficient process-oriented organisation of "simplifying with precision and taking responsibility for symbiosis". Also, we optimised customer structure and services, insisted on being customer-centric, continued to provide customers with high-quality services, and were rewarded by customers. Last year, we won the Huawei China Terminal "Supply Assurance Award" and the Honor's Marketing and Service Category "Quality Management Gold Award". The business focused on the commercial store and exhibition industries, realising digital customer service and improved supply chain management efficiency.

For the year ended 31 December 2024, the total turnover of the interior design and decoration business was HK\$377,891,000 (2023: HK\$468,726,000), representing a drop of 19.38% compared with last year.

Export Operations

The export operations of the Group were mainly composed of "import & export trading" and "design centers". For import & export trading, we were committed to promoting big data management systems, quality monitoring and supply chain. Also, we effectively promoted the development of brands in the direction of high technology and high quality. The design centre's primary market was still the US. Although overall US consumption remained weak, customer inventories improved significantly over the past two years. In addition, the products recently launched by the business were well received, resulting in good sales contributions. We anticipated that the business would continue to grow in the future.

For the year ended 31 December 2024, the total export turnover rose from HK\$244,313,000 last year to HK\$281,355,000, representing an increase of 15.16%.

Hong Kong Retailing and Overseas Franchising

Hong Kong's retail market was affected by changes in local consumption patterns, and sales performance remained fragile. As the reduction in operating costs failed to offset the impact of declining sales, the strategy was to adopt a prudent operating approach and flexible leasing conditions to maintain store scale. Regarding overseas franchise business, physical store operations faced heavy operational challenges because of price and product competition from Mainland e-commerce platforms and geopolitical issues, negatively impacting franchisees' business growth. During the year, the total turnover was HK\$56,296,000 (2023: HK\$58,291,000), representing a decrease of 3.42%.

FINANCIAL POSITION

Liquidity and Financial Resources

During the year, the financial position of the Group was solid. As at 31 December 2024, the Group held net cash and near cash in hand of HK\$2,968,709,000 (31 December 2023: HK\$2,488,966,000).

As of 31 December 2024, the Group held cash and cash equivalents of HK\$1,201,518,000 (31 December 2023: HK\$1,703,918,000), of which US dollars accounted for 75.04%, Hong Kong dollars accounted for 9.32%, and RMB accounted for 15.63% (31 December 2023: US dollars accounted for 89.37%, Hong Kong dollars accounted for 5.41%, and RMB accounted for 5.21%). The Group had no bank borrowings (31 December 2023: HK\$14,175,000, which were RMB bank loans with fixed interest rates).

The Group had neither material capital commitment nor contingent liabilities as of 31 December 2024.

Financial investments held

The significant investments held by the Group were debt instruments and stocks of listed companies. On 31 December 2024, the net carrying amount of the Group's investments was HK\$1,715,955,000 (31 December 2023: HK\$766,375,000), an increase of HK\$949,580,000. The change in total investments was mainly due to the acquisitions and disposals of blue-chip high-yield stocks with net increase of investment costs of approximately HK\$713,954,000, the net increase of fair value gains on the stock investments by approximately HK\$393,510,000, and the impact of additional impairment provisions for bonds.

HUMAN RESOURCES

As of 31 December 2024, the Group employed 413 members of staff (31 December 2023: 464). Furthermore, incentives were granted to employees depending on the Group's overall and employees' individual performance.

SOCIAL RESPONSIBILITY

It was the commitment of the Management that while maximising returns for shareholders, the Group would take up its social responsibilities. The Group adhered to the tenet of "Keep personal virtues when in distress and benefit the public when in power". We focused on implementing "helping people in crisis". We demanded our sub-contractors to adhere strictly to stringent environmental protection policies and regulations in their production process as well. We also supported and sponsored charitable activities to serve the society.

PROSPECTS

It is expected that the US government will continue to push along the strategy of “America First”. The world will inevitably face the aftereffects of “deglobalisation” and the current geopolitical situation is most challenging in recent years. We have to identify and isolate risks in the present political environment. The Chinese social media platform TikTok is in danger of being banned in the US and the outcome is still unknown. Unexpectedly, hundreds of thousands of “TikTok refugees” in America have moved to another platform, RedNote. Today, Western users are actively entering the Chinese cyber world. This phenomenon, in turn, encourages more exchanges among the people, promotes mutual understanding, and helps telling China’s story well. It has been a positive progress in many Chinese politics and cultural aspects.

Hong Kong’s future still faces many challenges from economic and political issues. However, we believe that the “Lion Rock Spirit” can overcome the current difficulties. Various facilities have been opened last year in the Kai Tak area overlooking the Lion Rock. The Kai Tak Development Area, which runs approximately 2,000 metres from north to south, includes public and private housing, Kai Tak Sports Park, complex buildings, and retail landmarks for lifestyle. It is Hong Kong’s first development area embracing culture, community and sports. Since the end of last year, there has been a constant flow of people in the Kai Tak District. Kai Tak is gradually becoming a new landmark in Hong Kong and a new attraction to attract foreign tourists. Hong Kong is in a period of economic transformation. We will benefit from adapting to changes and proactively responding to adjustments.

Combining the domestic and international situation, the Group’s strategy for 2025 is “fully implement high-quality development”. The Group has adhered to the “high-quality development” goal since five years ago. We are persevering “results-oriented”, focusing on core business, seeking truth from facts, and acting within our capabilities. We concentrate human resources, money, time and energy on the most profitable and promising businesses and continue to close, stop, merge and transform all unproductive companies and businesses. We also constantly maintain and enhance our competitiveness, aiming for comprehensive, sustainable, high-quality development and expecting to deliver better returns for shareholders.

ANNUAL GENERAL MEETING

The annual general meeting of the Company for the year 2025 will be held on Monday, 19 May 2025. For details of the annual general meeting, please refer to the notice of annual general meeting of the Company which is expected to be published on the websites of the Company (www.glorisun.com) and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (www.hkexnews.hk) on or around Tuesday, 22 April 2025.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 14 May 2025 to Monday, 19 May 2025, both days inclusive, during which period no transfer of shares shall be effected. In order to qualify for the entitlement to attend and vote at the forthcoming annual general meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 13 May 2025.

The register of members of the Company will also be closed from Friday, 23 May 2025 to Tuesday, 27 May 2025, both days inclusive, during which period no transfer of shares shall be effected. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 22 May 2025.

CORPORATE GOVERNANCE

The Company has complied with the code provisions set out in the Corporate Governance Code in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange throughout the year ended 31 December 2024.

SCOPE OF WORK OF THE COMPANY'S AUDITOR ERNST & YOUNG ("EY")

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Company's auditor to the amounts set out in the Group's draft consolidated financial statements for the year. 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 the preliminary announcement.

AUDIT COMMITTEE

The Audit Committee has reviewed the Group's consolidated financial statements for the year ended 31 December 2024, including the accounting principles adopted by the Group, with the Company's management. The Audit Committee is to assist the Board to fulfill the functions of reviewing and monitoring the financial reporting procedures, risk management and internal control systems of the Group. The Audit Committee currently consists of three Independent Non-executive Directors, namely Mr. Lau Hon Chuen, Ambrose (Committee Chairman), Mr. Ng Wing Ka, Jimmy and Mr. Choi Tak Shing, Stanley.

POSSIBLE VERY SUBSTANTIAL ACQUISITIONS

By ordinary resolutions passed at a special general meeting of the Company held on 21 February 2024, the Board was authorised in advance to acquire shares of China Construction Bank Corporation ("CCB Shares") and shares of Industrial and Commercial Bank of China Limited ("ICBC Shares") for an aggregate amount not exceeding HK\$200 million (excluding stamp duty and related expenses) respectively in open market transactions during a period of 12 months from the date of passing of the ordinary resolutions (the "Original Acquisition Mandates"). Subsequently, by ordinary resolutions passed at a special general meeting of the Company held on 24 May 2024, the Original Acquisition Mandates were revised to authorise the Board in advance to acquire CCB Shares and ICBC Shares for an aggregate amount not exceeding HK\$400 million (excluding stamp duty and related expenses) respectively in open market transactions during a period of 12 months from the date of passing of the ordinary resolutions (the "Revised Acquisition Mandates"). Details of the Original Acquisition Mandates and the Revised Acquisition Mandates are set out in the Company's circulars dated 5 February 2024 and 3 May 2024 respectively.

During the year ended 31 December 2024 and up to the date of this announcement, the Group acquired CCB Shares and ICBC Shares for an aggregate amount of HK\$199,295,100 and HK\$200,990,000 (excluding stamp duty and related expenses) respectively in open market transactions under the Revised Acquisition Mandates.

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

During the year, the Company repurchased a total of 13,332,000 shares of the Company on the Stock Exchange.

Details of the repurchases of shares are as follows:

Month of repurchase	Number of shares repurchased	Price per share		Aggregate price (before expenses) HK\$'000
		Highest HK\$	Lowest HK\$	
January	808,000	0.84	0.82	668
February	56,000	0.84	0.83	47
March	28,000	0.84	0.84	24
April	1,396,000	0.85	0.83	1,174
May	1,496,000	0.96	0.84	1,347
June	2,952,000	0.94	0.88	2,683
July	696,000	1.01	0.99	693
August	284,000	1.03	1.01	290
September	1,888,000	1.05	0.99	1,907
October	1,260,000	1.09	1.04	1,327
November	1,456,000	1.14	1.09	1,631
December	1,012,000	1.24	1.12	1,167
	13,332,000			12,958

Subsequently, the Company repurchased a total of 1,608,000 shares in January and February 2025 at the aggregate price of approximately HK\$1,946,000 (before expenses).

All the repurchased shares were subsequently cancelled by the Company.

The above repurchases of the Company's shares were effected by the Directors, pursuant to the mandate from shareholders received at the annual general meeting of the Company for the years 2023 and 2024, with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share of the Company.

Save as disclosed above, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

APPRECIATION

The Board would like to take this opportunity to express its sincere appreciation to the shareholders for their support, and to the Management and staff for their dedicated efforts.

By Order of the Board
Glorious Sun Enterprises Limited
Dr. Charles Yeung, GBS, JP
Chairman

Hong Kong, 27 March 2025

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

Executive Directors:

Dr. Charles Yeung, GBS, JP, Yeung Chun Fan, BBS, Hui Chung Shing, Herman, GBS, MH, JP, Ms. Cheung Wai Yee and Yeung Yin Chi, Jennifer, JP

Independent Non-executive Directors:

Lau Hon Chuen, Ambrose, GBS, JP, Dr. Chan Chung Bun, Bunny, GBM, GBS, JP, Ng Wing Ka, Jimmy, BBS, JP and Choi Tak Shing, Stanley, JP