

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



Tomson Group

TOMSON GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 258)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER, 2024

The Board of Directors (the “Board”) of Tomson Group Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31st December, 2024 together with comparative figures for the corresponding year of 2023 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

| | Notes | Year ended 31st December | |
|--|-------|---------------------------------|-----------------|
| | | 2024 | 2023 |
| | | HK\$'000 | HK\$'000 |
| Gross proceeds from operations | 4&5 | 399,633 | 567,364 |
| Revenue | 4 | 393,727 | 513,810 |
| Cost of sales | | (56,978) | (156,303) |
| Gross profit | | 336,749 | 357,507 |
| Net (loss) gain on financial assets at fair value through profit or loss | | (9,156) | 2,287 |
| Other income | | 128,127 | 117,503 |
| Net gain on forfeiture of deposit | | 84,786 | — |
| Other gains and losses | 6 | (7,654) | (5,324) |
| Selling expenses | | (96,536) | (95,578) |
| Administrative expenses | | (115,203) | (134,372) |
| Change in fair value on investment properties | | 23,857 | (109,255) |
| Finance costs | 7 | (12,876) | (18,204) |
| | | 332,094 | 114,564 |
| Share of results of associates | | (1,432) | (2,044) |
| Share of result of a joint venture | | 17,919 | 22,645 |
| Profit before taxation | 8 | 348,581 | 135,165 |
| Taxation | 9 | (174,065) | (90,201) |
| Profit for the year | | 174,516 | 44,964 |
| Profit (loss) for the year attributable to: | | | |
| Owners of the Company | | 176,789 | 42,684 |
| Non-controlling interests | | (2,273) | 2,280 |
| | | 174,516 | 44,964 |
| Earnings per share (HK cents) | 11 | | |
| – Basic | | 8.36 | 2.12 |

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Year ended 31st December | |
|--|---------------------------------|-------------------------|
| | 2024 | 2023 |
| | HK\$'000 | HK\$'000 |
| Profit for the year | 174,516 | 44,964 |
| Other comprehensive expense | | |
| <i>Items that may be subsequently reclassified to profit or loss:</i> | | |
| Exchange difference arising from translation of: | | |
| – subsidiaries | (342,028) | (380,156) |
| – a joint venture | (5,618) | (4,947) |
| – associates | (290) | (175) |
| <i>Item that will not be reclassified to profit or loss:</i> | | |
| Change in value on equity instrument at fair value through other comprehensive income (net of deferred tax) | (46,335) | (6,316) |
| Other comprehensive expense for the year | (394,271) | (391,594) |
| Total comprehensive expense for the year | <u>(219,755)</u> | <u>(346,630)</u> |
| Total comprehensive expense attributable to: | | |
| Owners of the Company | (217,482) | (344,029) |
| Non-controlling interests | (2,273) | (2,601) |
| | <u>(219,755)</u> | <u>(346,630)</u> |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | Notes | As at 31st December | |
|---|-------|---------------------|-------------------|
| | | 2024 | 2023 |
| | | HK\$'000 | HK\$'000 |
| Non-Current Assets | | | |
| Fixed assets | | | |
| – Investment properties | | 7,216,501 | 6,993,381 |
| – Property, plant and equipment | | 325,509 | 357,656 |
| Goodwill | | 33,288 | 33,288 |
| Interests in associates | | 5,281 | 7,003 |
| Interest in a joint venture | | 182,522 | 170,734 |
| Club debentures | | 515 | 515 |
| Equity instrument at fair value through other comprehensive income | | 222,964 | 293,949 |
| Pledged bank deposit | | – | 39,130 |
| Other receivable | | 2,313 | 2,301 |
| | | 7,988,893 | 7,897,957 |
| Current Assets | | | |
| Properties under development | | 5,533,815 | 5,012,781 |
| Properties held for sale | | 1,238,919 | 1,275,663 |
| Trade and other receivables and prepayments | 12 | 243,382 | 137,113 |
| Financial assets at fair value through profit or loss | | 47,540 | 49,257 |
| Inventories | | 2,963 | 3,195 |
| Prepaid taxation | | 232,422 | – |
| Restricted bank balances | | 3,211,355 | – |
| Bank deposit | | 11,561 | 11,934 |
| Cash and bank balances | | 2,130,774 | 3,526,296 |
| | | 12,652,731 | 10,016,239 |
| Assets classified as held for sale | | – | 447,015 |
| | | 12,652,731 | 10,463,254 |
| Current Liabilities | | | |
| Trade and other payables and accruals | 13 | 1,034,000 | 1,065,997 |
| Lease liability | | 7,016 | 6,401 |
| Contract liabilities | | 3,351,115 | – |
| Tax liabilities | | 2,262,323 | 3,749,466 |
| Borrowings | | 1,113,875 | 193,539 |
| | | 7,768,329 | 5,015,403 |
| Liabilities associated with assets classified as held for sale | | – | 84,183 |
| | | 7,768,329 | 5,099,586 |
| Net Current Assets | | 4,884,402 | 5,363,668 |
| Total Assets Less Current Liabilities | | 12,873,295 | 13,261,625 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

| | As at 31st December | |
|--|---------------------|-------------------|
| | 2024 | 2023 |
| | HK\$'000 | HK\$'000 |
| Capital and Reserves | | |
| Share capital | 1,083,198 | 1,026,073 |
| Share premium and reserves | 10,674,761 | 10,980,487 |
| Equity attributable to owners of the Company | 11,757,959 | 12,006,560 |
| Non-controlling interests | 134,338 | 136,611 |
| Total Equity | 11,892,297 | 12,143,171 |
| Non-Current Liabilities | | |
| Other payables | 11,078 | 15,089 |
| Lease liability | 4,068 | 11,084 |
| Borrowing | — | 182,272 |
| Deferred tax liabilities | 965,852 | 910,009 |
| | 980,998 | 1,118,454 |
| | 12,873,295 | 13,261,625 |

Notes:

1. The Audit Committee of the Board of the Company has reviewed the consolidated financial statements of the Group for the year ended 31st December, 2024.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

In the current year, the Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1st January, 2024 for the preparation of the consolidated financial statements:

| | |
|------------------------|---|
| Amendments to HKFRS 16 | Lease Liability in a Sale and Leaseback |
| Amendments to HKAS 1 | Classification of Liabilities as Current or Non-Current and related amendments to Hong Kong Interpretation 5 (2020) |

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKAS 1
Amendments to HKAS 7 and
HKFRS 7

Non-Current Liabilities with Covenants
Supplier Finance Arrangements

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

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

Amendments to HKFRS 9
and HKFRS 7

Amendments to the Classification and Measurement of
Financial Instruments³

Amendments to HKFRS 9
and HKFRS 7

Contracts Referencing Nature-dependent Electricity³

Amendments to HKFRS 10
and HKAS 28

Sale or Contribution of Assets between an Investor and
its Associate or Joint Venture¹

Amendments to HKFRS

Annual Improvements to HKFRS Accounting Standards
– Volume 11³

Amendments to HKAS 21
HKFRS 18

Lack of Exchangeability²
Presentation and Disclosure in Financial Statements⁴

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1st January, 2025.

³ Effective for annual periods beginning on or after 1st January, 2026.

⁴ Effective for annual periods beginning on or after 1st January, 2027.

The Directors of the Company anticipate that the application of all above new and amendments to HKFRSs will have no material impact on the Group's consolidated financial statements in the foreseeable future.

4. GROSS PROCEEDS FROM OPERATIONS AND REVENUE

Revenue represents the aggregate of revenue under the following headings:

- (i) Property investment
– represents revenue from property management and rental income
- (ii) Property development and trading
– represents gross revenue received and receivable from sale of properties
- (iii) Leisure
– represents the income from golf club operations and its related services
- (iv) Media and entertainment
– represents the gross revenue received and receivable from investment in the production of live entertainment shows, film distribution and related income

Gross proceeds from operations include the gross proceeds from sale of and dividend income received and receivable from financial assets at fair value through profit or loss ("FVTPL") under the business of securities trading, in addition to the above aggregated revenue.

4. GROSS PROCEEDS FROM OPERATIONS AND REVENUE (continued)

Revenue and gross proceeds from each type of business consist of the following:

| | 2024 HK\$'000 | 2023 HK\$'000 |
|--|------------------|------------------|
| Revenue from sale of properties | 132,295 | 219,606 |
| Revenue from rendering of services from golf club operations | 49,517 | 51,361 |
| Revenue from property management fee | 32,311 | 32,011 |
| Revenue from media and entertainment business | 482 | 2,579 |
| | <hr/> | <hr/> |
| Revenue from contracts with customers | 214,605 | 305,557 |
| Revenue from lease payments that are fixed | 179,122 | 208,253 |
| | <hr/> | <hr/> |
| Total revenue | 393,727 | 513,810 |
| Gross proceeds from sale of and dividend income from financial assets at FVTPL | 5,906 | 53,554 |
| | <hr/> | <hr/> |
| Gross proceeds from operations | 399,633 | 567,364 |
| | <hr/> | <hr/> |

5. SEGMENT INFORMATION

The Group's operating and reportable segments are based on information reported to the chief operating decision makers, the executive Directors of the Company, for the purposes of resources allocation and performance assessment. In addition to those set out in Note 4(i) to (iv), the Group's operating segments under HKFRS 8 "Operating Segments" include securities trading segment which is dealing in financial assets at FVTPL.

| | Property Investment HK\$'000 | Property Development and Trading HK\$'000 | Leisure HK\$'000 | Media and Entertainment HK\$'000 | Securities Trading HK\$'000 | Total HK\$'000 |
|---------------------------------------|------------------------------------|--|---------------------|--|-----------------------------------|-------------------|
| 2024 | | | | | | |
| GROSS PROCEEDS FROM OPERATIONS | | | | | | |
| – SEGMENT REVENUE | <u>211,433</u> | <u>132,295</u> | <u>49,517</u> | <u>482</u> | <u>5,906</u> | <u>399,633</u> |
| RESULTS | | | | | | |
| Segment profit (loss) | <u>145,727</u> | <u>59,324</u> | <u>2,255</u> | <u>225</u> | <u>(9,332)</u> | 198,199 |
| Other unallocated income | | | | | | 214,258 |
| Unallocated expenses | | | | | | (67,487) |
| Finance costs | | | | | | (12,876) |
| | | | | | | <hr/> 332,094 |
| Share of results of associates | | | | | | (1,432) |
| Share of result of a joint venture | | | | | | 17,919 |
| | | | | | | <hr/> |
| Profit before taxation | | | | | | <u>348,581</u> |

5. SEGMENT INFORMATION (continued)

| | Property Investment HK\$'000 | Property Development and Trading HK\$'000 | Leisure HK\$'000 | Media and Entertainment HK\$'000 | Securities Trading HK\$'000 | Total HK\$'000 |
|---|------------------------------------|--|---------------------|--|-----------------------------------|-------------------|
| 2023 | | | | | | |
| GROSS PROCEEDS FROM OPERATIONS | | | | | | |
| – SEGMENT REVENUE | <u>240,264</u> | <u>219,606</u> | <u>51,361</u> | <u>2,579</u> | <u>53,554</u> | <u>567,364</u> |
| RESULTS | | | | | | |
| Segment profit (loss) | <u>54,091</u> | <u>44,994</u> | <u>(4,132)</u> | <u>(276)</u> | <u>2,104</u> | 96,781 |
| Other unallocated income | | | | | | 117,503 |
| Unallocated expenses | | | | | | (81,516) |
| Finance costs | | | | | | (18,204) |
| | | | | | | <u>114,564</u> |
| Share of results of associates | | | | | | (2,044) |
| Share of result of a joint venture | | | | | | 22,645 |
| | | | | | | <u>135,165</u> |
| Profit before taxation | | | | | | <u>135,165</u> |

Except for the presentation of segment revenue which is different from the reported revenue in the consolidated statement of profit or loss, the accounting policies of the operating segments are the same as the Group's accounting policies. For details of revenue from each type of business and reconciliation of segment revenue to the Group's revenue of HK\$393,727,000 (2023: HK\$513,810,000), please refer to Note 4.

Segment profit (loss) represents the results by each segment without allocation of central administration costs, directors' salaries, share of results of associates and a joint venture, other non-recurring income and expenses and finance costs. This is the measure reported to the executive Directors of the Company for the purposes of resource allocation and performance assessment.

Segment assets and liabilities are not presented as the chief operating decision makers review the consolidated financial position of the Group as a whole to assess their performance. The management focuses more on the results of the Group.

Geographical Information

The Group's operations are located in Hong Kong, Macau and the Mainland of the People's Republic of China (the "Mainland China").

The Group's revenue from external customers based on the location of the operations and information about its non-current assets (excluding amounts due from an associate and a joint venture, club debentures, other receivable, pledged bank deposit and equity instrument at fair value through other comprehensive income ("FVTOCI")) by geographical location of the assets are detailed below:

5. SEGMENT INFORMATION (continued)

| | Revenue from external customers | | Non-current assets | |
|--------------------|---------------------------------|------------------|--------------------|------------------|
| | 2024 HK\$'000 | 2023 HK\$'000 | 2024 HK\$'000 | 2023 HK\$'000 |
| Hong Kong | 482 | 2,579 | 239,512 | 252,502 |
| Macau | — | — | 2 | 3 |
| The Mainland China | 393,245 | 511,231 | 7,514,086 | 7,299,543 |
| | <u>393,727</u> | <u>513,810</u> | <u>7,753,600</u> | <u>7,552,048</u> |

Analysis of the Group's revenue by each type of business is set out in Note 4.

6. OTHER GAINS AND LOSSES

| | 2024 HK\$'000 | 2023 HK\$'000 |
|---|------------------|------------------|
| Impairment losses on trade and other receivables reversed | 501 | 583 |
| Net exchange loss | (8,155) | (5,907) |
| | <u>(7,654)</u> | <u>(5,324)</u> |

7. FINANCE COSTS

| | 2024 HK\$'000 | 2023 HK\$'000 |
|-----------------------------|------------------|------------------|
| Interest on borrowings | 36,942 | 17,845 |
| Less: interest capitalised | (24,808) | — |
| | <u>12,134</u> | <u>17,845</u> |
| Interest on lease liability | 742 | 359 |
| | <u>12,876</u> | <u>18,204</u> |

8. PROFIT BEFORE TAXATION

| | 2024 HK\$'000 | 2023 HK\$'000 |
|--|------------------|------------------|
| Profit before taxation has been arrived at after charging: | | |
| Depreciation of property, plant and equipment | 31,624 | 36,900 |
| and after crediting: | | |
| Other income | | |
| – Interest income | 77,046 | 72,633 |
| – Dividend from unlisted equity instrument at FVTOCI | 32,719 | 18,470 |
| | <u>77,046</u> | <u>72,633</u> |
| | <u>32,719</u> | <u>18,470</u> |

9. TAXATION

| | 2024 HK\$'000 | 2023 HK\$'000 |
|---|------------------|------------------|
| The charge (credit) comprises: | | |
| Mainland China Enterprise Income Tax ("EIT") | 35,857 | 55,862 |
| Mainland China Land Appreciation Tax | 113,470 | 111,150 |
| Dividend withholding tax | 3,087 | 1,112 |
| (Overprovision) underprovision in prior years – Mainland China EIT | (1,385) | 6,516 |
| | <u>151,029</u> | <u>174,640</u> |
| Deferred tax charge (credit) | 23,036 | (84,439) |
| | <u>174,065</u> | <u>90,201</u> |

The Hong Kong Profits Tax is calculated at 16.5% (2023: 16.5%). No provision for Hong Kong Profits Tax has been made since there was no assessable profit for the year (2023: the assessable profit is wholly absorbed by tax losses brought forward).

The income tax rate of the subsidiaries in the Mainland China is 25% (2023: 25%).

10. DIVIDEND

In 2024, a dividend of approximately HK\$205,215,000 (2023: HK\$167,537,000) in aggregate was paid to shareholders in respect of the interim dividend for the year ended 31st December, 2023 (2023: interim dividend for the year ended 31st December, 2022). Of the dividend paid during 2024, approximately HK\$174,096,000 (2023: HK\$129,779,000) were settled in fully paid shares under the Company's scrip dividend scheme approved by the Board on 26th March, 2024.

Subsequent to the end of reporting period, the Directors have declared payment of an interim dividend of 13 HK cents per share (2023: 10 HK cents per share) amounting to approximately HK\$281,632,000 (2023: HK\$205,215,000) for the year ended 31st December, 2024.

11. EARNINGS PER SHARE

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

| | 2024 HK\$'000 | 2023 HK\$'000 |
|---|----------------------|----------------------|
| Earnings | | |
| Profit for the year attributable to owners of the Company for the purposes of basic earnings per share | <u>176,789</u> | <u>42,684</u> |
| Number of shares | | |
| Weighted average number of ordinary shares for the purpose of basic earnings per share | <u>2,114,891,804</u> | <u>2,015,253,318</u> |

No diluted earnings per share is presented as there was no potential ordinary share in issue during both years.

12. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

The general credit term of the Group given to trade customers is 60 days. A longer credit period may be granted to customers with long business relationship.

Included in trade and other receivables and prepayments are trade receivables, net of allowance for credit losses and their aged analysis based on invoice date as at the end of the reporting period is as follows:

| | 2024 HK\$'000 | 2023 HK\$'000 |
|--------------|------------------|------------------|
| 0 – 3 months | <u>712</u> | <u>533</u> |

13. TRADE AND OTHER PAYABLES AND ACCRUALS

Included in trade and other payables and accruals are trade payables and their aged analysis based on invoice date as at the end of the reporting period is as follows:

| | 2024 HK\$'000 | 2023 HK\$'000 |
|---------------|------------------|------------------|
| 0 – 3 months | 188,219 | 263,059 |
| 4 – 6 months | 41 | 7 |
| 7 – 12 months | 16 | 1,188 |
| Over 1 year | 53,785 | 56,919 |
| | <u>242,061</u> | <u>321,173</u> |

INTERIM DIVIDEND FOR THE YEAR ENDED 31ST DECEMBER, 2024

The Board of the Company has declared an interim dividend of 13 HK cents per share for the year ended 31st December, 2024 (2023: 10 HK cents per share) to shareholders whose names appear on the register of members of the Company on Tuesday, 6th May, 2025 (the “Record Date”). Shareholders of the Company (the “Shareholders”) will be given an option to elect to receive shares of HK\$0.50 each in the capital of the Company (the “Share(s)”) credited as fully paid in lieu of cash in respect of all or part of the interim dividend (the “Scrip Dividend Scheme”).

The Scrip Dividend Scheme is conditional upon consent of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) to grant listing of and permission to deal in the new Shares to be allotted thereunder. For the purpose of determining the number of new Shares to be allotted under the Scrip Dividend Scheme, the market value of a new Share will be calculated as an amount equal to 95% of the average of the closing prices per Share traded on the Stock Exchange for the five consecutive trading days up to and including the Record Date. A circular providing full details of the Scrip Dividend Scheme, together with a form of election, will be published on the website of the Company at www.tomson.com.hk and HKEXnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk (collectively the “Websites”) in due course. The printed form of election will be sent to the eligible Shareholders by post. Cash dividend warrants and/or share certificates for the scrip dividend are expected to be despatched on Thursday, 12th June, 2025.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed for the following periods:

- (a) For the purpose of determining the Shareholders who qualify for the interim dividend for 2024, the register of members of the Company will be closed from Wednesday, 30th April, 2025 to Tuesday, 6th May, 2025, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with Tricor Investor Services Limited, the Company's share registrar in the Hong Kong Special Administrative Region ("Hong Kong") of the People's Republic of China ("China"), at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Tuesday, 29th April, 2025 for registration; and
- (b) The Board of the Company has resolved to convene the annual general meeting of the Company for Thursday, 5th June, 2025 (the "2025 AGM"). For the purpose of determining the Shareholders who are entitled to attend and vote at the 2025 AGM, the register of members of the Company will be closed from Friday, 30th May, 2025 to Thursday, 5th June, 2025, both days inclusive, during which period no transfer of Shares will be effected. In order to be eligible to attend and vote at the 2025 AGM, all transfer documents accompanied by the relevant share certificates must be lodged with Tricor Investor Services Limited, the Company's share registrar in Hong Kong, at the above address not later than 4:30 p.m. on Thursday, 29th May, 2025 for registration.

GENERAL OVERVIEW

It is reported that there was a considerable increase in the consolidated profit after taxation of the Group for the year under review, which was mainly attributable to the property development and investment business of the Group in Shanghai, China.

During the year 2024, the Group recorded a net gain on forfeiture of deposit in the amount of HK\$84,786,000 upon termination of a disposal of 100% equity interest in a wholly owned subsidiary of the Company which is in possession of the legal title to Tomson Waigaoqiao Industrial Park situated in Shanghai. In addition, there was an unrealized net gain on fair value changes of the investment properties of the Group in Shanghai of HK\$23,857,000 (2023: net loss of HK\$109,255,000) upon market valuation as at year end pursuant to applicable accounting standards. Hence, the segment profit of the property development and investment business amounted to HK\$205,051,000 for the year under review (2023: HK\$99,085,000).

Whilst the Group recorded a net loss on trading securities investment of HK\$9,156,000 (2023: net gain of HK\$2,287,000), it received dividend from its long-term equity investment of HK\$32,719,000 (2023: HK\$18,470,000). The interest income increased to HK\$77,046,000 (2023: HK\$72,633,000) and the finance costs were reduced to HK\$12,876,000 (2023: HK\$18,204,000), but there was an increment in net exchange loss.

As a result, excluding the aforesaid unrealized net gain on fair value changes of the investment properties, the operating profit before taxation of the Group amounted to HK\$308,237,000 for the year under review (2023: HK\$223,819,000).

In addition, the Group shared a net profit of a joint venture of HK\$17,919,000 (2023: HK\$22,645,000).

Taking account of taxation of HK\$174,065,000 (2023: HK\$90,201,000), it was reported a consolidated profit after taxation attributable to shareholders of the Company of HK\$176,789,000 for the year ended 31st December, 2024, a considerable increase of approximately 3.14 times as compared with that of HK\$42,684,000 for the corresponding period in 2023. Basic earnings per share amounted to 8.36 HK cents (2023: 2.12 HK cents).

OPERATIONS REVIEW

The Mainland of China, particularly Shanghai, is the principal base of the Group's operations.

For the year ended 31st December, 2024, the property investment segment was the Group's primary profit maker by contributing a segment profit of HK\$145,727,000 (2023: HK\$54,091,000), which was derived from the rental and property management fee from the investment properties of the Group in Shanghai in addition to the unrealized net gain on fair value changes of these investment properties upon revaluation at year end.

The property development and trading segment was the secondary profit contributor of the Group and this generated a segment profit of HK\$59,324,000 (2023: HK\$44,994,000) which was attributable to the properties sales in Shanghai.

The operation of golf club business in Shanghai reported a segment profit of HK\$2,255,000 (2023: loss of HK\$4,132,000). This business ranked third in terms of profit contribution amongst the operating segments of the Group.

Media and entertainment business contributed a slight segment profit of HK\$225,000 to the Group (2023: loss of HK\$276,000) which was attributable to the investment in the production of live entertainment shows.

Securities trading business reported segment loss of HK\$9,332,000 during the year under review (2023: profit of HK\$2,104,000) which was mainly attributable to the unrealized loss on fair value changes of the trading securities held by the Group in Hong Kong.

Property Development and Investment

Property development and investment remained the core business and the principal source of profit of the Group for the year ended 31st December, 2024 by contributing a total segment profit of HK\$205,051,000 (2023: HK\$99,085,000). Tomson Riviera was the prime source of operating profit of the Group.

This property segment as a whole generated revenue of HK\$343,728,000 which accounted for approximately 86.01% of the gross proceeds from operations of the Group for the year 2024 and was solely derived from the projects in Pudong of Shanghai, China. In addition, an unrealized net gain on fair value changes of the investment properties of the Group in Shanghai of HK\$23,857,000 was recorded at year end. The property projects in Hong Kong and the Macao Special Administrative Region ("Macao") of China did not record any revenue.

Tomson Riviera, Shanghai

Tomson Riviera is a notable high-rise residential development along the riverfront of Lujiazui of Pudong and right opposite the Bund. There are four residential towers of which two towers are earmarked for sale while the other two towers are for leasing to maximize the return on investment.

As at 31st December, 2024, the total residential gross floor area available for sale of Towers A and C was approximately 2,600 square meters while of the total residential gross floor area of Towers B and D of approximately 58,400 square meters, about 63% was leased.

For the year 2024, total revenue of HK\$257.92 million was recognized and this accounted for approximately 64.54% of the gross proceeds from operations of the Group. The revenue was principally attributable to sale proceeds recognized with the rest derived from rental income and property management fee. In addition, the Group recorded an unrealized gain on fair value change of this project of HK\$31.53 million in the annual results of the Group for the year 2024.

Commercial and Industrial Buildings, Shanghai

Rental income and property management fee from the Group's commercial and industrial property portfolio in Pudong, which comprised, inter alia, Tomson Commercial Building, Tomson International Trade Building, Tomson Waigaoqiao Industrial Park, the commercial podium of Tomson Business Centre and the office premises on the entire 72nd Floor of Shanghai World Financial Center, provided a steady recurrent revenue of HK\$84.63 million to the Group and this accounted for approximately 21.18% of the gross proceeds from operations of the Group for the year under review. Nevertheless, the Group recorded an unrealized net loss on fair value changes of the aforesaid investment properties of HK\$7.67 million in the annual results of the Group for the year 2024.

Tomson Foresta, Shanghai

The Group holds three land lots with aggregate site area of approximately 328,687.5 square meters located in Jinqiao Town of Pudong and to the north of a stream named Zhangjiabang for residential purpose. The project is known as "Tomson Foresta" and it is scheduled to complete the development in six phases over the coming three years.

The first phase of the project is comprised of 43 units of detached houses with total gross floor area of approximately 25,500 square meters, of which 41 units were sold at a total consideration of HK\$2,794 million. The occupation permits of these sold properties have been granted. It is expected that the whole sum of the said sale proceeds will be recognized as revenue during the year 2025 after delivery of the properties to the buyers.

Construction of the second and the third phases of the project is under way and is expected for completion in 2026. For the second phase, there will be 196 residential units in fourteen low-rise apartment buildings with total gross floor area of approximately 61,700 square meters. Up to 31st December, 2024, 83 residential units were contracted for sale and pre-sale proceeds of HK\$557 million were received. It is targeted to launch further units of the second phase for sale in April 2025. The third phase will provide 58 units of townhouses with total gross floor area of approximately 38,300 square meters. Subject to the policies of and approval from the local government, it is planned to launch the third phase for sale in the fourth quarter of 2025.

The Group has started the construction of the fourth phase of the project in 2024 and completion is scheduled for 2028. There will be low-rise apartment buildings with total gross floor area of approximately 103,300 square meters.

At the year end of 2025, it targets to not only resume the construction of a low-density residential development with total residential gross floor area of approximately 29,300 square meters, where the superstructure has been topped out, but also commence the construction works of the last phase of the project which will comprise townhouses with total gross floor area of approximately 55,600 square meters.

Miscellaneous Residential Developments in Shanghai

Tomson Golf Villas and Garden have been developed in phases around the periphery of Tomson Shanghai Pudong Golf Club in Pudong since 1996 and there are now less than ten residential units and ninety plus car parking spaces available for sale. During the year under review, the project recognized revenue of HK\$1.18 million generated from sale of car parking spaces and leasing of the residential units and this represented approximately 0.29% of the gross proceeds from operations of the Group.

In addition, the Group holds less than ten car parking spaces at Xingguo Garden, a residential development in Puxi, for sale.

One Penha Hill, Macau

The Group holds a 70% interest in the development of a residential condominium, namely One Penha Hill, at Penha Hill within a designated World Heritage Zone of Macau.

The project is earmarked for sale purpose and no revenue was generated during the year under review under the impact of poor market sentiment. As at 31st December, 2024, residential units with saleable area of approximately 6,700 square meters were available for sale.

Office premises in Tower II, Admiralty Centre, Hong Kong

The Group holds an office premises situated at the whole 13th Floor of Tower II, Admiralty Centre, Hong Kong as a strategic long-term investment having considered that the property is situated in a Grade A commercial-cum-office building in a strategic location in the key financial and commercial district in Hong Kong. The property was vacant during the year under review. To maximize the benefit to the Group, it has decided to lease out the property instead of using as the Company's headquarter in Hong Kong in the coming years. The property will be leased out for six years starting from mid-2025 and it expects that a stable recurring rental income will be generated.

Hospitality and Leisure Industry

Tomson Shanghai Pudong Golf Club, Shanghai

The Group operates an 18-hole golf course of international standards, Tomson Shanghai Pudong Golf Club, in Pudong of Shanghai. The Club generated revenue of HK\$49,517,000, being approximately 12.39% of the gross proceeds from operations of the Group, and reported gross profit of HK\$23.68 million for the year ended 31st December, 2024. The revenue was mainly attributable to golfing activities of the Club and the annual membership fee was the secondary source of income. After making provision for depreciation of fixed assets, the Club reported a segment profit of HK\$2,255,000 for the year under review (2023: loss of HK\$4,132,000).

The land use right of the Club expired in April 2024 and the Group has applied to the relevant local government authorities for renewal. The Club remains normal operation pending terms and conditions of the renewal of the land use right.

InterContinental Shanghai Pudong, Shanghai

The Group holds a 50% interest in InterContinental Shanghai Pudong hotel in Lujiazui of Pudong. The hotel reported an average occupancy rate of approximately 77.29% during the year under review and the Group shared a net profit of HK\$17,919,000 from this investment (2023: HK\$22,645,000). There was an improvement in the operation performance of the hotel in the year 2024 whilst the decrease in net profit was attributable to a one-off receipt from the local government in 2023 of the rental for provision of quarters to the medical professionals from other provinces in the first half of 2022 when the COVID-19 spread in Shanghai. The hotel management is planning for renovation of the hotel by phases and continues to focus on controlling operating costs as well as increasing marketing efforts on guest rooms operations and food and beverage operations to maintain the profitability of the hotel.

Media and Entertainment Business

The Group has participated in the production of live entertainment shows for years and has also set up its film distribution business. Gross revenue received and receivable from this segment for the year ended 31st December, 2024 amounted to HK\$482,000 and this accounted for approximately 0.12% of the Group's gross proceeds from operations. The revenue for the year under review was solely derived from investments in the production of live entertainment shows in Hong Kong and Macau and a segment gain of HK\$225,000 (2023: loss of HK\$276,000) was recorded. The Group intends to continue in participating in investments in various live performances under appropriate conditions in the future.

Securities Trading

For the year under review, the Group's securities trading business in Hong Kong reported revenue of HK\$5,906,000 and this accounted for approximately 1.48% of the gross proceeds from operations of the Group. The revenue was mainly attributable to the dividend income from trading securities while gross proceeds from sale of those securities was the secondary source. After taking account of an unrealized loss on changes in fair value, the Group recorded a net loss on its trading securities investments of HK\$9,156,000 (2023: net gain of HK\$2,287,000).

As at 31st December, 2024, the aggregate fair value of the Group's listed securities investments held for trading amounted to HK\$47,540,000, representing approximately 0.23% of the Group's total assets. Those securities are in the property development and investment industry.

Investment Holding

In addition to its own property development projects, the Group holds a 13.483% interest in the registered capital of Shanghai Zhangjiang Micro-electronics Port Co. Ltd. ("SZMP") as a long-term equity investment and the fair value of this investment amounted to HK\$222,964,000, representing approximately 1.08% of the Group's total assets, as at 31st December, 2024. SZMP is an unlisted company established in Shanghai and is principally engaged in property development and investment in Shanghai. Dividend of HK\$32,719,000 (2023: HK\$18,470,000) was received from SZMP during the year under review and an unrealized loss on change in fair value of such investment of HK\$61,780,000 was charged to the investment reserve of the Group in 2024 (2023: HK\$8,421,000) pursuant to applicable accounting standards.

Discloseable Transaction

As disclosed in the interim report for 2024 of the Company, the Group had entered into an equity transfer agreement as amended and supplemented by two supplemental agreements (the "Equity Transfer Agreement"), pursuant to which the Group had agreed to sell and transfer 100% equity interest in Shanghai Cheng Qi Technology Limited, which is an indirect wholly owned subsidiary of the Company and holds the entire interests in a non-core project of the Group, Tomson Waigaoqiao Industrial Park, to an independent third party at a consideration of RMB405.84 million (the "Disposal"). Pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), the Disposal constituted a discloseable transaction of the Company.

As stated in the announcement of the Company on 17th April, 2024, the purchaser had failed to pay the consideration for the Disposal and any other accrued payment in full pursuant to the Equity Transfer Agreement. The Group has therefore given a notice to the purchaser to terminate the Equity Transfer Agreement with effect from 17th April, 2024 and has forfeited the deposit of the Disposal. After deducting the deposit of the Disposal and its entitlement to liquidated damages calculated pursuant to the Equity Transfer Agreement, the Group has returned without interest the balance of the consideration received to the purchaser (or to its related parties depending on the original payment arrangement). After the return of the aforesaid sums, all obligations and responsibilities of the Group against the purchaser under the Equity Transfer Agreement have been discharged. A net gain on forfeiture of deposit of HK\$84,786,000 was recorded in the annual results of the Group for 2024.

FINANCIAL REVIEW

Share Capital

The Company issued 114,251,393 new Shares on 13th June, 2024 at a price of HK\$1.5238 per Share to the Shareholders who have elected to receive Shares, credited as fully paid, in lieu of cash dividend of HK\$174,096,000 in aggregate under scrip dividend scheme in respect of the interim dividend for the year ended 31st December, 2023. There were 2,166,398,580 issued Shares in the capital of the Company as at 31st December, 2024.

Liquidity and Financing Position

As at 31st December, 2024, total assets of the Group increased by approximately 12.42% to HK\$20,641,624,000 (2023: HK\$18,361,211,000). The significant increase is attributable to the pre-sale proceeds received from the sale of Tomson Foresta. Equity attributable to owners of the Company was HK\$11,757,959,000 (2023: HK\$12,006,560,000) in total, representing a decrease of approximately 2.07% which was mainly attributable to depreciation in value of Renminbi during the year under review, while the equity attributable to owners of the Company per Share amounted to approximately HK\$5.43 (2023: HK\$5.85).

The Group's operations and investments for the year ended 31st December, 2024 were funded by cash on hand, revenue from operating and investing activities, and bank borrowings.

At the end of the reporting period, the cash and cash equivalents of the Group amounted to HK\$2,130,774,000 (2023: HK\$3,541,040,000), a decrease of approximately 39.83%. During the year under review, the Group achieved net cash inflows of HK\$144,106,000 and HK\$669,384,000 from its investing and financing activities respectively. Taking account of net cash outflow of HK\$2,124,577,000 from its operating activities, the Group recorded a net decrease in cash and cash equivalents of HK\$1,311,087,000 during the year under review (2023: HK\$297,696,000). The net cash outflow was mainly attributable to the payment of land appreciation tax by a subsidiary and the construction cost of the properties under development of the Group both in Shanghai, but this was partly offset by the Group's new bank borrowings raised.

Cash and cash equivalents of the Group are mainly denominated in the local currencies of the jurisdictions in which it operates. Hence, of the Group's cash and cash equivalents of HK\$2,130,774,000 as at 31st December, 2024, around 83.53% and 13.73% were denominated in Renminbi and Hong Kong Dollar respectively.

As at 31st December, 2024, excluding contract liabilities which represented the pre-sale proceeds received from sale of properties, of the liabilities of the Group of HK\$5,398,212,000 (2023: HK\$6,218,040,000), about 41.91% were tax payables under current liabilities, about 20.63% were borrowings, about 19.36% were trade and other payables and accruals, about 17.89% were deferred tax liabilities and the remainder was lease liability.

The Group's borrowings as at 31st December, 2024 amounted to HK\$1,113,875,000 (2023: HK\$375,811,000), equivalent to approximately 9.47% (2023: 3.13%) of the equity attributable to owners of the Company at the same date. Approximately 84.92% of the borrowings were denominated in Renminbi while the rest was denominated in Hong Kong Dollar. All of these borrowings were under security and subject to floating interest rates, and due for repayment within one year from the end of the reporting period. The Group did not employ any other financial instruments for financing and treasury management.

At the end of the reporting period, the Group had commitments in relation to expenditure on properties under development of HK\$2,123,477,000 (2023: HK\$2,308,957,000) which were contracted but not provided for. The commitments were mainly attributable to the development of Tomson Foresta in Shanghai. The Group anticipates that these commitments will be funded from its future operating revenue, bank borrowings and other sources of finance where appropriate.

As at 31st December, 2024, the Group recorded a current ratio of 1.63 (2023: 2.05 times) and a gearing ratio (total liabilities to equity attributable to the owners of the Company) of 74.41% (2023: 51.79%). The drop in the current ratio and the rise in the gearing ratio were both mainly attributable to an increase in contract liabilities which represented the pre-sale proceeds received from sale of the first and second phases of Tomson Foresta as well as the raising of new borrowings. Should the contract liabilities be excluded, the gearing ratio will become 45.91% (2023: 51.79%).

Charge on Assets

As at 31st December, 2024, assets of the Group with an aggregate carrying value of HK\$2,289,796,000 (2023: HK\$648,980,000) were pledged for securing the Group's bank borrowings of HK\$1,113,875,000 (2023: HK\$375,811,000).

Foreign Exchange Exposure

The majority of the Group's assets and liabilities are denominated in Renminbi, and the liabilities are well covered by the assets. Should there be a depreciation in value of Renminbi, there may be an adverse impact on the Group's results and net asset value. The other assets and liabilities of the Group are denominated in either Hong Kong Dollar or United States Dollar. Hence, the Group anticipates that the exchange risk exposure is manageable.

Contingent Liabilities

The Group had no material contingent liabilities as at 31st December, 2024 (2023: Nil).

PROSPECTS

The geo-political tensions and trade wars have dealt a severe blow to the global economic development as well as the financial and political situation. The unsolved war in Gaza and prolonged Russia-Ukraine war have intensified the worldwide uncertainties. The Group would keep monitoring the international situation closely especially when contemplating any future development, and any financial impact on the operations of the Group, should this happen, would be reflected in the financial statements of the Group for the year 2025. Whilst property sector will remain the focus of the Group's business and investment strategies, the Board would regularly review the business portfolio of the Group and prudently explore and evaluate other potential investment opportunities. It will be the objective of the Group to maintain an optimum balance in the allocation of its resources both geographically and in different business segments.

Though the property market will remain volatile in the short term under the weight of high interest rates and subdued sentiment, the Board is cautiously optimistic about the economic development of the Mainland of China in the long run. The Group has built up its reputation as a developer of high-end residential properties in the Mainland and will endeavour to maintain the momentum in its sale and leasing plans for the property portfolio in Shanghai and Macau. It is anticipated that Tomson Foresta and Tomson Riviera will be the Group's principal sources of profit in the year 2025. The construction works of Tomson Foresta are on schedule and this project not only forms an important component of the Group's property development and investment segment but will also be the major profit contributor in next few years.

Considering volatility in the Hong Kong and global financial markets and economic conditions, the management will continue to adopt a conservative approach in managing the securities trading portfolio of the Group, with an emphasis on securities with steady recurrent yield.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31st December, 2024, there was no purchase, sale or redemption made by the Company, or any of its subsidiaries, of the Company's listed securities (including sale of treasury shares).

CORPORATE GOVERNANCE PRACTICES

The Board of the Company has reviewed the Company's corporate governance practices and considers that the Company has complied with all the applicable code provisions set out in Part 2 of Appendix C1 to the Listing Rules, the Corporate Governance Code (the "CG Code"), during the year ended 31st December, 2024 and up to the date of this annual results announcement, except that:

- (a) Madam Hsu Feng takes up both the posts of Chairman of the Board and Managing Director of the Company. While this is a deviation from the CG Code, dual role leadership provides the Group with a strong and consistent leadership and allows for more effective operation of the business. The Board is of the view that adequate check and balance of power is in place. Responsibilities for the Company's daily business management are shared amongst Madam Hsu and other members of the Executive Committee of the Board. Besides, all major decisions are made in consultation with members of the Board or appropriate committees of the Board in accordance with the provisions of the code on risk management and internal control of the Group.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT FOR THE YEAR 2024

This annual results announcement is published on the Websites. The Annual Report 2024 of the Company will be published on the Websites by the end of April 2025, and a notice of publication will be sent to the Shareholders in electronic form by email or in printed form by post (as the case may be).

On behalf of the Board of
TOMSON GROUP LIMITED
Hsu Feng
Chairman and Managing Director

Hong Kong, 27th March, 2025

As at the date of this announcement, the Board of the Company comprises three executive Directors, Madam Hsu Feng (Chairman and Managing Director), Mr Albert Tong (Vice-Chairman) and Mr Tong Chi Kar Charles (Vice-Chairman), and three independent non-executive Directors, Mr Cheung Siu Ping, Oscar, Mr Lee Chan Fai and Mr Ng Chi Him.