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美瑞健康国际产业集团  
Meilleure Health International Industry Group

**MEILLEURE HEALTH INTERNATIONAL INDUSTRY GROUP LIMITED**

**美瑞健康國際產業集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 2327)**

**ANNUAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**ANNUAL RESULTS**

The Board is pleased to announce the annual results of the Group for the year ended 31 December 2024 together with the comparative figures for the year ended 31 December 2023 as follows:

# **CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

*For the year ended 31 December 2024*

		<b>2024</b>	2023
	<i>Notes</i>	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
<b>Revenue</b>	4	<b>50,676</b>	129,304
Cost of goods sold and service rendered		<u>(21,771)</u>	<u>(51,214)</u>
<b>Gross profit</b>		<b>28,905</b>	78,090
Fair value gains on investment properties		<b>23,813</b>	20,086
Gain on disposals of investment properties	11	–	481
Gain on disposal of investment at FVTPL		–	3,419
Other income and gains, net	5	<b>53,339</b>	24,868
Selling and distribution expenses		<b>(6,985)</b>	(14,862)
Administrative expenses		<b>(24,615)</b>	(24,474)
Impairment losses of assets	8	<b>(20,224)</b>	(3,962)
Reversal of impairment losses/(impairment losses) of receivables, net	8	<b>4,478</b>	(14,902)
Finance costs	6	<b>(10,294)</b>	(11,408)
Share of losses of associates		<b>(205)</b>	(264)
Share of losses of joint ventures		<u><b>(2,811)</b></u>	<u>(4,089)</u>
<b>Profit before tax</b>		<b>45,401</b>	52,983
Income tax expense	7	<u><b>(13,356)</b></u>	<u>(14,493)</u>
<b>Profit for the year</b>	8	<u><b>32,045</b></u>	<u>38,490</u>
<b>Attributable to:</b>			
Owners of the Company		<b>32,480</b>	40,830
Non-controlling interests		<u><b>(435)</b></u>	<u>(2,340)</u>
		<u><b>32,045</b></u>	<u>38,490</u>
<b>Earnings per share</b>	10		
Basic and diluted		<u><b>HK0.79 cents</b></u>	<u>HK1.00 cents</u>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*For the year ended 31 December 2024*

	<i>Notes</i>	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
<b>Profit for the year</b>	8	<u><b>32,045</b></u>	<u>38,490</u>
<b>Other comprehensive loss for the year, after tax:</b>			
<i>Item that will not be reclassified to profit or loss:</i>			
Fair value changes of equity investments at FVTOCI, net of tax		<u>(15,082)</u>	<u>(15,585)</u>
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations:			
— Subsidiaries		(52,810)	(28,789)
— Associates and joint ventures		<u>(1,900)</u>	<u>(1,720)</u>
		<u>(54,710)</u>	<u>(30,509)</u>
<b>Other comprehensive loss for the year, net of tax</b>		<u>(69,792)</u>	<u>(46,094)</u>
<b>Total comprehensive loss for the year</b>		<u><u>(37,747)</u></u>	<u><u>(7,604)</u></u>
<b>Attributable to:</b>			
Owners of the Company		(37,341)	(5,261)
Non-controlling interests		<u>(406)</u>	<u>(2,343)</u>
		<u><u>(37,747)</u></u>	<u><u>(7,604)</u></u>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*As at 31 December 2024*

		<b>2024</b>	<b>2023</b>
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Non-current assets</b>			
Property, plant and equipment		<b>2,678</b>	3,894
Right-of-use assets		<b>1,245</b>	332
Investment properties	<i>11</i>	<b>610,292</b>	598,509
Goodwill		<b>–</b>	18,500
Other intangible assets		<b>–</b>	–
Investments in associates		<b>4,907</b>	5,706
Investments in a joint venture		<b>49,889</b>	53,449
Investments at FVTPL		<b>47,023</b>	28,099
Equity investments at FVTOCI		<b>6,122</b>	24,470
Derivative financial assets		<b>165</b>	877
Prepayments, loans and other receivables	<i>14</i>	<b>226,571</b>	17,748
Deferred tax assets		<b>31,464</b>	26,845
		<b>980,356</b>	778,429
<b>Current assets</b>			
Inventories		<b>1,862</b>	4,354
Properties held for sale under development	<i>12</i>	<b>255,086</b>	262,485
Trade receivables	<i>13</i>	<b>27,241</b>	101,533
Prepayments, loans and other receivables	<i>14</i>	<b>367,612</b>	432,026
Restricted bank deposit		<b>6,550</b>	12,073
Bank and cash balances		<b>29,944</b>	106,309
		<b>688,295</b>	918,780
<b>Current liabilities</b>			
Trade payables	<i>15</i>	<b>10</b>	20
Contract liabilities		<b>21,838</b>	10,158
Accruals and other payables		<b>36,555</b>	26,577
Amounts due to related parties		<b>7,353</b>	12,245
Bank borrowings		<b>83,176</b>	159,298
Lease liabilities		<b>437</b>	450
Current tax liabilities		<b>8,973</b>	15,246
		<b>158,342</b>	223,994
<b>Net current assets</b>		<b>529,953</b>	694,786
<b>Total assets less current liabilities</b>		<b>1,510,309</b>	1,473,215

	<i>Notes</i>	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
<b>Non-current liabilities</b>			
Accruals and other payables		–	229
Bank borrowings		<b>218,645</b>	137,315
Lease liabilities		<b>806</b>	–
Deferred tax liabilities		<b>89,494</b>	81,350
		<b>308,945</b>	218,894
<b>NET ASSETS</b>		<b>1,201,364</b>	1,254,321
<b>Capital and reserves</b>			
Share capital	16	<b>40,938</b>	40,938
Treasury shares		<b>(335)</b>	(335)
Reserves		<b>1,161,001</b>	1,213,552
Equity attributable to owners of the Company		<b>1,201,604</b>	1,254,155
Non-controlling interests		<b>(240)</b>	166
<b>TOTAL EQUITY</b>		<b>1,201,364</b>	1,254,321

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2024*

## 1. GENERAL INFORMATION

The Company was incorporated in Bermuda with limited liability. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The address of its principal place of business is Unit 2906, Tower 1, Lippo Centre, 89 Queensway, Admiralty, Hong Kong. The Company's shares are listed on the Main Board of the Stock Exchange.

The principal activities of the Group are operations of healthcare-related business, trading of construction materials and renewable energy products, provision of real estate agency services, property investment and leasing, development of residential properties and provision of procurement service of renewable energy products.

In the opinion of the Directors, as at 31 December 2024, Shunda Investment Limited, a company incorporated in the British Virgin Islands, is the ultimate parent of the Company; and Mr. Zhou Xuzhou, a Co-Chairman and the Executive Director, is the ultimate controlling party of the Company.

## 2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2024. HKFRSs comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current year and prior years.

The Group has not early applied any new or revised HKFRSs that is not yet effective for the current accounting year.

The application of the new or revised HKFRSs that have been issued but are not yet effective and have not been early adopted by the Group will not have material impacts on the consolidated financial statements of the Group.

### 3. SEGMENT INFORMATION

The Group has four (2023: four) reportable segments as follows:

- (a) healthcare-related business — health management services, aesthetic medical services and sale of healthcare-related and CBD downstream products;
- (b) trading business — trading of construction materials and renewable energy products, provision of procurement services of renewable energy products and healthcare-related products sale agency services;
- (c) property-related business — real estate agency services, leasing of investment properties and development and selling of residential properties; and
- (d) equity investment business — management of investment portfolio.

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

Segment profits or losses do not include interest income, equity-settled share options expenses, reversal of equity-settled share options expenses, net, finance costs as well as other unallocated corporate income and expenses. Segment assets do not include deferred tax assets as well as other unallocated corporate assets. Segment liabilities do not include deferred tax liabilities, current tax liabilities as well as other unallocated corporate liabilities.

## Segment revenues and results

The following is an analysis of the Group's revenues and results from reportable and operating segments:

	Healthcare- related business <i>HK\$'000</i>	Trading business <i>HK\$'000</i>	Property- related business <i>HK\$'000</i>	Equity investment business <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>For the year ended 31 December 2024</b>					
Revenue from external customers	<u>19,613</u>	<u>13,824</u>	<u>17,239</u>	<u>–</u>	<u>50,676</u>
Segment (loss)/profit	<u>(19,314)</u>	<u>7,176</u>	<u>39,575</u>	<u>15,608</u>	<u>43,045</u>
Interest income					22,045
Equity-settled share options expenses					(190)
Finance costs					(10,294)
Unallocated income					33
Unallocated expenses					<u>(9,238)</u>
Profit before tax					<u>45,401</u>
	Healthcare- related business <i>HK\$'000</i>	Trading business <i>HK\$'000</i>	Property- related business <i>HK\$'000</i>	Equity investment business <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>For the year ended 31 December 2023</b>					
Revenue from external customers	<u>48,148</u>	<u>62,568</u>	<u>18,588</u>	<u>–</u>	<u>129,304</u>
Segment profit/(loss)	<u>14,991</u>	<u>11,125</u>	<u>34,792</u>	<u>(4,411)</u>	<u>56,497</u>
Interest income					18,824
Reversal of equity-settled share options expenses, net					1,016
Finance costs					(11,408)
Unallocated income					36
Unallocated expenses					<u>(11,982)</u>
Profit before tax					<u>52,983</u>



## Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

### *Segment assets*

	2024 HK\$'000	2023 HK\$'000
Healthcare-related business	13,134	63,251
Trading business	90,501	350,576
Property-related business	929,544	925,305
Equity investment business	116,418	120,902
	<hr/>	<hr/>
Total assets of reportable segments	1,149,597	1,460,034
Deferred tax assets	31,464	26,845
Unallocated corporate assets	487,590	210,330
	<hr/>	<hr/>
Consolidated total assets	<u>1,668,651</u>	<u>1,697,209</u>

### *Segment liabilities*

	2024 HK\$'000	2023 HK\$'000
Healthcare-related business	41,337	32,465
Trading business	107,532	116,442
Property-related business	217,585	195,200
Equity investment business	122	–
	<hr/>	<hr/>
Total liabilities of reportable segments	366,576	344,107
Deferred tax liabilities	89,494	81,350
Current tax liabilities	8,973	15,246
Unallocated corporate liabilities	2,244	2,185
	<hr/>	<hr/>
Consolidated total liabilities	<u>467,287</u>	<u>442,888</u>

## Other segment information

The following is an analysis of other segment information:

	Healthcare- related business <i>HK\$'000</i>	Trading business <i>HK\$'000</i>	Property- related business <i>HK\$'000</i>	Equity investment business <i>HK\$'000</i>	Reportable segment total <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated total <i>HK\$'000</i>
<b>For the year ended 31 December 2024</b>							
Depreciation and amortisation	(1,543)	-	(83)	-	(1,626)	(5)	(1,631)
Fair value gains on investment properties	-	-	23,813	-	23,813	-	23,813
Gain on disposal of property, plant and equipment	57	-	-	-	57	-	57
Loss on written off of inventories	-	(26)	-	-	(26)	-	(26)
Impairment losses of goodwill	(18,500)	-	-	-	(18,500)	-	(18,500)
Impairment losses of investment in an associate	-	-	-	(795)	(795)	-	(795)
Impairment losses of inventories	-	(929)	-	-	(929)	-	(929)
Impairment losses of trade receivables, net	(1,596)	1,392	-	-	(204)	-	(204)
Reversal of impairment loss/ (impairment losses) of other receivables, net	(43)	5,357	(202)	(430)	4,682	-	4,682
Additions to segment non-current assets*	<u>132</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>132</u>	<u>-</u>	<u>132</u>
<b>As at 31 December 2024</b>							
Investments in associates	-	-	-	4,907	4,907	-	4,907
Investments in a joint venture	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,889</u>	<u>49,889</u>	<u>-</u>	<u>49,889</u>

	Healthcare- related business HK\$'000	Trading business HK\$'000	Property- related business HK\$'000	Equity investment business HK\$'000	Reportable segment total HK\$'000	Unallocated HK\$'000	Consolidated total HK\$'000
<b>For the year ended 31 December 2023</b>							
Depreciation and amortisation	(2,549)	-	(86)	-	(2,635)	(4)	(2,639)
Fair value gains on investment properties	-	-	20,086	-	20,086	-	20,086
Gain on lease termination	239	-	-	-	239	-	239
Loss on written off of property, plant and equipment	(1,544)	-	-	-	(1,544)	-	(1,544)
Loss on written off of inventories	(586)	-	-	-	(586)	-	(586)
Impairment losses of investment in an associate	-	-	-	(3,672)	(3,672)	-	(3,672)
Impairment losses of inventories	(290)	-	-	-	(290)	-	(290)
Impairment losses of trade receivables	(995)	(1,503)	-	-	(2,498)	-	(2,498)
Impairment losses of other receivables	(225)	(5,577)	-	(6,602)	(12,404)	-	(12,404)
Additions to segment non-current assets*	824	1	-	-	825	2	827

**As at 31 December 2023**

Investments in associates	-	-	-	5,706	5,706	-	5,706
Investments in a joint venture	-	-	-	53,449	53,449	-	53,449

This segment information has been included in the measures of segment results or assets.

\* Additions to segment non-current assets consist of additions to property, plant and equipment and intangible assets.

**Geographical information**

	Revenue		Non-current assets	
	2024 HK\$'000	2023 HK\$'000	2024 HK\$'000	2023 HK\$'000
PRC	46,516	110,370	668,983	680,348
Hong Kong	-	-	7	11
Europe	2,868	18,934	21	31
Others	1,292	-	-	-
Consolidated total	50,676	129,304	669,011	680,390

In presenting the geographical information, revenue is based on the locations of the customers and non-current asset is based on the locations of the assets. Non-current assets are excluding financial assets at FVTPL, equity instruments designated at FVTOCI, derivative financial assets, prepayments, loans and other receivables and deferred tax assets.

#### 4. REVENUE

	2024 HK\$'000	2023 HK\$'000
Sale of healthcare-related products	7,516	37,791
Healthcare management service income	4,511	3,948
Aesthetic medical service income	7,577	6,368
Sale of CBD downstream products	9	41
Sale of construction materials	10,476	40,944
Procurement service income of renewable energy products	1,006	20,841
Sale of renewable energy products	1,050	783
Healthcare-related products sale agency service income	1,292	—
Property sales and consultancy service income	—	1,484
	<hr/>	<hr/>
Revenue from contracts with customers	33,437	112,200
Rental income	17,239	17,104
	<hr/>	<hr/>
Total revenue	<u>50,676</u>	<u>129,304</u>

#### 5. OTHER INCOME AND GAINS, NET

	2024 HK\$'000	2023 HK\$'000
<b>Other income</b>		
Interest income	22,045	18,824
Dividend income from investments at FVTPL	456	1,048
Government grants	904	610
Compensation income from construction contract	6,030	—
Others	401	128
	<hr/>	<hr/>
	29,836	20,610
	<hr/>	<hr/>
<b>Gains, net</b>		
Fair value gains on investments at FVTPL		
— Designated as such upon initial recognition	20,170	6,024
Gain on lease termination	—	239
Fair value (losses)/gains on derivative financial instruments	(711)	362
Gain on disposal of property, plant and equipment	57	—
Loss on written off of inventories	(26)	(586)
Loss on written off of property, plant and equipment	—	(1,544)
Net foreign exchange gains/(losses)	4,013	(237)
	<hr/>	<hr/>
	23,503	4,258
	<hr/>	<hr/>
	<u>53,339</u>	<u>24,868</u>

## 6. FINANCE COSTS

	2024 HK\$'000	2023 HK\$'000
Interest on bank loans	10,263	11,231
Interest on lease liabilities	31	177
	<u>10,294</u>	<u>11,408</u>

## 7. INCOME TAX EXPENSE

	2024 HK\$'000	2023 HK\$'000
Current tax — PRC		
Provision for the year	270	10,058
Under/(over)-provision in prior years	2	(507)
Current tax — Swiss		
Under-provision in prior year	137	—
Withholding tax on interest income — Australia		
Provision for the year	579	918
Withholding tax on dividend — PRC		
Provision for the year	3,246	—
Deferred tax	<u>9,122</u>	<u>4,024</u>
	<u>13,356</u>	<u>14,493</u>

Hong Kong Profits Tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising from Hong Kong for the year, except for one group entity operating in Hong Kong, which is a qualifying corporate under the two-tiered Profits Tax rate regime. For the qualifying group entity, the first HK\$2 million of assessable profits are taxed at the rate of 8.25% (2023: 8.25%), and the remaining assessable profits are taxed at the rate of 16.5% (2023: 16.5%).

Enterprise Income Tax of the PRC has been provided at the rate of 25% (2023: 25%) on the estimated assessable profits arising from the PRC for the year, except for certain group entities operating in PRC, which are taxed at preferential tax rates. Group entities operating in PRC that are qualified as small and thin-profit enterprises with assessable profits of RMB3 million or less, the assessable profits are taxed at the effective rate of 5% (2023: 5%). In addition, group entities operating in the PRC that are qualified as high and new technology enterprises are subject to income tax at a preferential tax rate of 15% (2023: 15%).

Australia corporate income tax has been provided at the rate of 30% (2023: 30%) on the estimated assessable profits for arising from Australia for the year.

A group entity, which is a non-tax resident enterprise in Australia, is subject to Australia withholding tax at the tax rate of 10% (2023: 10%) on the gross interest income arising from its loans provided to another group entity, which is a tax resident enterprise in Australia.

Corporate income tax in other jurisdictions has been provided at the rates of taxation prevailing in the jurisdictions in which the group entities operate on the estimated assessable profits arising from those jurisdictions for the both years.

## 8. PROFIT FOR THE YEAR

The Group's profit for the year is stated after charging/(crediting) the following:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Amortisation of other intangible assets	–	43
Depreciation of property, plant and equipment	1,189	1,546
Depreciation of right-of-use assets	442	1,050
Gain on lease termination	–	(239)
Gain on disposal of property, plant and equipment	(57)	–
Loss on written off of property, plant and equipment	–	1,544
Loss on written off of inventories	26	586
Gain on disposals of investment properties	–	(481)
Gain on disposal of investment at FVTPL	–	(3,419)
Fair value gains on investment properties	(23,813)	(20,086)
Auditor's remuneration:		
Audit services	1,240	1,240
Non-audit services	100	190
	<u>1,340</u>	<u>1,430</u>
Cost of inventories sold	15,058	43,734
Impairment losses of assets:		
Goodwill	18,500	–
Investment in an associate	795	3,672
Inventories	929	290
	<u>20,224</u>	<u>3,962</u>
(Reversal of impairment losses)/impairment losses of receivables, net:		
Trade receivables	204	2,498
Other receivables	(5,786)	12,404
Loan and interest receivables	1,104	–
	<u>(4,478)</u>	<u>14,902</u>
Staff costs, including directors' emoluments:		
Salaries, bonus and allowances	13,023	14,496
Equity-settled share options expenses, net	190	(1,016)
Retirement benefits scheme contributions	499	666
	<u>13,712</u>	<u>14,146</u>

## 9. DIVIDENDS

	2024 HK\$'000	2023 HK\$'000
Proposed 2024 final dividend of HK0.4 cents (2023: HK0.4 cents) per share	<u>16,375</u>	<u>16,375</u>

The Board recommend the payment of a 2024 final dividend of HK0.4 cents (2023: HK0.4 cents) per share, totalling approximately HK\$16,375,000 (2023: HK\$16,375,000). Such dividend is subject to approval by the shareholders at the forthcoming annual general meeting. These consolidated financial statements do not reflect this dividend payable.

## 10. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the following:

	2024 HK\$'000	2023 HK\$'000
<b>Earnings</b>		
Profit attributable to owners of the Company, used in the basic and diluted earnings per share calculation	<u>32,480</u>	<u>40,830</u>
	2024	2023
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	4,092,562,636	4,093,234,915
Effect of dilutive potential ordinary shares arising from share options ( <i>Note a</i> )	<u>—</u>	<u>—</u>
Weighted average number of ordinary shares used in diluted earnings per share calculation	<u>4,092,562,636</u>	<u>4,093,234,915</u>

*Note:*

- (a) For the year ended 31 December 2024 and 2023, as the average market share price of the Company's share was lower than assumed exercise price including the fair value of any services to be supplied to the Group in the future under the share option arrangement, accordingly, there would be no dilutive impact.



# 11. INVESTMENT PROPERTIES AND INVESTMENT PROPERTIES HELD FOR SALE

	Investment properties HK\$'000	Investment properties held for sale HK\$'000	Total HK\$'000
As at 1 January 2023	560,149	5,509	565,658
Additions ( <i>Note a</i> )	39,750	–	39,750
Disposals ( <i>Note b</i> )	(5,688)	(5,434)	(11,122)
Fair value gains	20,086	–	20,086
Exchange differences	(15,788)	(75)	(15,863)
As at 31 December 2023 and 1 January 2024	<b>598,509</b>	–	<b>598,509</b>
Additions ( <i>Note c</i> )	<b>8,131</b>	–	<b>8,131</b>
Fair value gains	<b>23,813</b>	–	<b>23,813</b>
Exchange differences	<b>(20,161)</b>	–	<b>(20,161)</b>
As at 31 December 2024	<b>610,292</b>	–	<b>610,292</b>

*Notes:*

- (a) During the year ended 31 December 2023, the Group acquired three investment properties situated in the PRC with a cash consideration of RMB35,640,000 (equivalent to HK\$39,750,000).
- (b) During the year ended 31 December 2023, the Group disposed of three of the investment properties and investment properties held for sale at a consideration (net of tax) of RMB10,404,000 (equivalent to HK\$11,603,000), resulting in a gain on disposal of HK\$481,000.
- (c) During the year ended 31 December 2024, the Group acquired one investment property situated in the PRC with a cash consideration of RMB7,515,000 (equivalent to HK\$8,131,000).

## 12. PROPERTIES HELD FOR SALE UNDER DEVELOPMENT

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
As at 1 January	262,485	256,519
Capitalised expenditure	18,755	6,401
Exchange differences	<u>(26,154)</u>	<u>(435)</u>
As at 31 December	<u><u>255,086</u></u>	<u><u>262,485</u></u>

## 13. TRADE RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	32,363	106,589
Provision for loss allowance	<u>(5,122)</u>	<u>(5,056)</u>
	<u><u>27,241</u></u>	<u><u>101,533</u></u>

The Group generally allows a credit period of 0 to 180 days (2023: 0 to 180 days) to its customers in trading business and agency service business. Overdue balances are reviewed regularly by the management of the Group. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

The ageing analysis of the trade receivables, based on the invoice date, and net of allowance, is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
0 to 30 days	4,480	25,945
31 to 90 days	14,886	24,456
Over 90 days	<u>7,875</u>	<u>51,132</u>
	<u><u>27,241</u></u>	<u><u>101,533</u></u>

Reconciliation of loss allowance for trade receivables:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
As at 1 January	5,056	2,638
Increase in loss allowance for the year	204	2,498
Exchange differences	<u>(138)</u>	<u>(80)</u>
As at 31 December	<u><u>5,122</u></u>	<u><u>5,056</u></u>

#### 14. PREPAYMENTS, LOANS AND OTHER RECEIVABLES

	2024 HK\$'000	2023 HK\$'000
Loan receivables ( <i>Note a</i> )	452,285	203,556
Loan interest receivables	15,927	5,713
	<u>468,212</u>	<u>209,269</u>
Provision for allowance ( <i>Note b</i> )	(1,086)	—
	<u>467,126</u>	<u>209,269</u>
Loan and interest receivables, net		
Prepayments to suppliers ( <i>Note c</i> )	32,412	224,582
Prepayments for acquisition of an investment property	7,513	—
Consideration receivables in relation to:		
— Partial disposal of investment in an associate	7,461	9,805
— Partial disposal of investment in a joint venture	6,169	6,267
Deposits in escrow account ( <i>Note d</i> )	15,982	4,009
Other receivables	3,671	2,434
Performance bond receivables ( <i>Note e</i> )	58,531	5,501
Other tax receivables	2,918	1,641
Deposits paid	178	183
	<u>601,961</u>	<u>463,691</u>
Provision for loss allowance ( <i>Note f</i> )	(7,778)	(13,917)
	<u>601,961</u>	<u>463,691</u>
TOTAL PREPAYMENTS, LOANS AND OTHER RECEIVABLES	<u>594,183</u>	<u>449,774</u>
Analysed as:		
Current assets	367,612	432,026
Non-current assets	226,571	17,748
	<u>594,183</u>	<u>449,774</u>

#### Notes:

- (a) As at 31 December 2024, a loan receivable with the carrying amount of approximately HK\$212,840,000 (2023: Nil) was made to U-light Energy, which is denominated in RMB, bears interest rate based on the one-year LPR plus 3.05% per annum and repayable in full in or before 2026. The loan receivable is secured by a personal guarantee provided by Mr. Zhou Xuzhou.

The remaining loan receivables with a total carrying amount of approximately HK\$239,445,000 (2023: HK\$203,556,000) were made to third parties, which are denominated in RMB, bear fixed interest rates ranging from 3% to 8% per annum (2023: 4% per annum) and repayable in full within one year from the date of the respective loan agreements.

- (b) The movements in the loss allowance for loan and interest receivables during the year are as follows:

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
As at 1 January	–	–
Increase in loss allowance for the year	<b>1,104</b>	–
Exchange differences	<b>(18)</b>	–
	<hr/>	<hr/>
As at 31 December	<b>1,086</b>	–
	<hr/> <hr/>	<hr/> <hr/>

- (c) The amounts mainly represented the advance payment to suppliers for renewable energy products (2023: advance payment to suppliers for renewable energy products and construction materials).
- (d) The amount represented deposits held in an escrow account for the pre-sale of properties held for sale under development received from customers.
- (e) The amount of performance bond receivables is paid to suppliers of renewable energy products to secure more favorable pricing over the next two to three years. The Company has a right to demand repayment at its discretion.
- (f) The movements in the loss allowance for prepayments and other receivables during the year are as follows:

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
As at 1 January	<b>13,917</b>	2,844
Amounts written off	–	(1,106)
(Decrease)/increase in loss allowance for the year	<b>(5,786)</b>	12,404
Exchange differences	<b>(353)</b>	(225)
	<hr/>	<hr/>
As at 31 December	<b>7,778</b>	13,917
	<hr/> <hr/>	<hr/> <hr/>

## 15. TRADE PAYABLES

The ageing analysis of trade payables, based on the invoice date, is as follows:

	<b>2024</b> <b>HK\$'000</b>	<b>2023</b> <b>HK\$'000</b>
0 to 90 days	–	16
Over 90 days	<u>10</u>	<u>4</u>
	<u><b>10</b></u>	<u><b>20</b></u>

## 16. SHARE CAPITAL

	<b>Number of shares</b>	<b>Amount</b> <b>HK\$'000</b>
Authorised:		
Ordinary shares of HK\$0.01 each		
As at 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	<u>10,000,000,000</u>	<u>100,000</u>
Issued and fully paid:		
Ordinary shares of HK\$0.01 each		
As at 1 January 2023	4,094,548,636	40,945
Cancellation of shares	<u>(792,000)</u>	<u>(7)</u>
As at 31 December 2023, 1 January 2024 and 31 December 2024	<u><u>4,093,756,636</u></u>	<u><u>40,938</u></u>

## 17. CAPITAL COMMITMENTS

The Group's capital commitments at the end of the Reporting Period are as follows:

	<b>2024</b> <b>HK\$'000</b>	<b>2023</b> <b>HK\$'000</b>
Contracted, but not provided for:		
Capital contribution to associates	<b>10,163</b>	10,893
Construction cost commitments to properties held for sale under development	<u><b>86,030</b></u>	<u>–</u>
	<u><b>96,193</b></u>	<u><b>10,893</b></u>

## RECENT DEVELOPMENT

The health industry is one of the most dynamic and promising industries, and it is also a hotspot for global industrial competition in the future. It is not only related to the physical and mental health of people, the happiness of millions of families, but also an important part of the national strategic emerging industries, which is related to the future of the nation. The PRC government has always placed great importance on the development of the healthcare industry. Since the 18th National Congress of the Communist Party of China, a unique health policy system with Chinese characteristics has gradually been established. In 2015, ‘Healthy China’ was included in the government work report for the first time. In October 2016, the release of Healthy China 2030 provided direction for the development of the health industry, with the goal of significantly improving the overall health level of the population by 2030, substantially enhancing medical service capabilities and establishing the health industry as an important component of the national economy. The Opinions on Implementing the Healthy China Action and the Healthy China Action (2019-2030) were successively issued in 2019, making the path and tasks for building a healthy China clearer. In 2022, the report of the 20th National Congress of the Communist Party emphasised advancing the construction of healthy China and put forward specific requirements for several key areas. At the National People’s Congress and the National Committee of the Chinese People’s Political Consultative Conference in March 2024, the Government Work Report outlined the top-level planning for the tasks in the big health sector for the new year. With the continuous launch of new policies, China’s healthcare industry is exhibiting a thriving development trend. First, the market scale continues to expand. Data shows that by 2030, the scale of China’s health industry is expected to exceed RMB16 trillion, providing a broad stage for the industry where we operate.

In recent years, changes in the economic situation and population structure have posed new demands on the health industry, while also bringing more opportunities. On one hand, China has a large ageing population. By the end of 2024, the population aged 60 or above in China has exceeded 290 million. China has entered a moderately ageing society, and the increasing number of aged population has driven huge downstream demand for the healthcare industry. The market size of “silver economy” has exceeded RMB9 trillion. At the same time, the demand for preventive medicine and personalised health management among the young people has surged, with segments such as nutritional health and genetic testing also experiencing sustained rapid growth. On the other hand, with the improvement in quality of life and changes in health awareness of residents, consumers’ demands for a high-quality healthy lifestyle have become more prominent. Health, nutrition, and convenience have become hot topics of the public. Driven by multiple favourable factors, the healthcare industry is making great strides towards high-quality development.

Since the beginning of this year, global economic growth has been sluggish and trade protectionism has been on the rise. In 2025, the United States has initiated a tariff trade war again, putting pressure on our country’s economy to forge ahead. In the face of a complex and severe external environment, the downward pressure on China’s economy has increased, however, the support from government policy measures continues to strengthen. Therefore, our country’s economy seeks progress while maintaining stability and the fundamental long-term positive trend has not changed. The central government has proposed to strengthen extraordinary counter-cyclical adjustments, prioritising “vigorously boosting consumption, improving investment efficiency and comprehensively expanding domestic demand” as the primary focus, which injects vitality into economic development. On the other hand, a series of policy measures including interest rate cuts, new policies on the management of local government special bonds, promoting the entry of medium and long-term funds into the Chinese stock market as well as the invention of DeepSeek, are all facilitating the recovery of investment, capital markets and consumer spending. With the improvement in expected household income and consumer confidence, consumption momentum is continuously released and the healthcare industry will also benefit. The Group will still actively seek for new opportunities and breakthroughs, and believes that the health sector has a long-term potential and remains committed to being a long-termist. During the Reporting Period, the Group had continuously consolidated and enhanced its foundation to promote the development of cell therapy and health management businesses through a combination of production and investment. Meanwhile, leveraging its extensive experience accumulated over years in the field of skin health management, the Group continued to optimise its products and business model of integrating skincare products with efficacy and cosmetic medicine for skin health management.

## OVERVIEW OF OPERATIONS

### **Healthcare-related Business Segment — Cell Treatment and Health Management Business**

Cell therapy is one of the most promising fields in the health industry. “Cell therapy and clinical translation” is a major topic in the development of health security in “14th Five-Year Plan” of China. In 2024, the Chinese government at various levels are still continuously introducing new policies to support the cell industry and promote the development of cell therapy, creating a favourable policy environment. On 18 January 2024, seven government departments including the Ministry of Industry and Information Technology, Ministry of Education and Ministry of Science and Technology jointly issued the Implementation Opinions on Promoting the Innovative Development of Future Industries, mentioning the acceleration of the industrialisation of frontier technologies such as cell and gene technology. The National Development and Reform Commission, together with relevant departments, jointly revised and implemented the Industrial Structure Adjustment Guidance Catalogue (2024 Edition) with effect from 1 February 2024, in which cell culture and cell therapy drugs are listed in the encouraged industry catalogue. On 28 February 2024, the Guangdong Provincial Department of Science and Technology, the Guangdong Provincial Development and Reform Commission, and the Guangdong Provincial Department of Industry and Information Technology issued the Action Plan for Guangdong Province to Cultivate Future Life and Health Industry Clusters, proposing to focus on key projects in 5 major areas, including gene technology and cell therapy. During the National People’s Congress and the Chinese People’s Political Consultative Conference in March 2024, stem cells became an important topic. Several members put forward various suggestions for the development of the stem cell industry, including strengthening policy support, promoting international cooperation, and nurturing professional talent. In July 2024, the website of the General Office of the Shenzhen Municipal People’s Government released the Notice on Issuing the Implementation Measures for Further Increasing the Attraction and Utilisation of Foreign Investment by the Shenzhen Municipal People’s Government, encouraging foreign-invested enterprises to legally conduct overseas-launched cell and gene therapy drug clinical trials in Shenzhen. In September 2024, the “Notice on Carrying Out Pilot Work for Expansion of the Medical Field” was jointly issued by the Ministry of Commerce, the National Health Commission and the National Medical Products Administration, marking a further acceleration of opening in the fields of stem cell and gene therapy in the PRC. The notice permits foreign-invested enterprises to engage in the development and application of human stem cell, gene diagnosis and treatment technologies in the four major free trade zones in China (Beijing, Shanghai, Guangdong and Hainan) for product registration, market launch and production. In January 2025, the General Office of the State Council issued the “Opinions on Comprehensively Deepening the Reform of Drug and Medical Device Regulation to Promote High-Quality Development of the Pharmaceutical Industry,” which set out specific requirements for deepening pharmaceutical regulatory reform and accelerating the approval and market



launch of urgently needed cell and gene therapy drugs. The Chinese government has increased support for the R&D and innovation of pharmaceuticals and medical devices, enhanced the quality and efficiency of the review and approval of pharmaceuticals and medical devices and accelerated the approval and market launch of urgently needed pharmaceuticals and medical devices. Priority review and approval will be given to cell and gene therapy drugs in high demand in clinical settings, overseas marketed drugs, combined vaccines, radiopharmaceuticals, substitute products for rare and endangered medicinal materials, as well as high-end medical equipment and high-end implantable and interventional medical devices such as medical robots, brain-machine peripheral equipment, radiotherapy equipment, medical imaging equipment and innovative traditional Chinese medicine diagnostic and treatment equipment.

According to the “2024 Market Research Report on Chinese Stem Cell Industry” by Qianzhan Industry Research Institute, the size of stem cell market in China in 2024 is expected to be approximately RMB26.5 billion. Recently, a report titled “Stem Cell Market Expected to Exceed RMB25 billion, with Over 30 Companies Entering the Market,” published by the People’s Daily Health of the People’s Daily, comprehensively showcasing the robust momentum of the development of stem cell market in China.

The Group made its deployment in the field of cell therapy through the strategic acquisition of equity interest in Wingor Bio in 2019, a state-level high-tech enterprise, and the establishment of Mei Ai Kang in 2020.

As the leading enterprise in Shenzhen’s local cell treatment industry, Wingor Bio has powerful R&D innovation strength and leading professional technology in the industry after engagement in the cell therapy industry. It was accredited with the honour of “National High-Tech Enterprise”, “Science and Technology based Small and Medium-Sized Enterprise” in China and “Professional, Specialised and New Small and Medium-sized Enterprise in Shenzhen”. During the Reporting Period, in terms of R&D, Wingor Bio achieved significant breakthroughs in the Investigational New Drug (IND) application for new stem cell drugs, with the clinical trial applications for four cell drugs accepted by the National Medical Products Administration, including two cell drugs that received approval for clinical trials. During the Reporting Period, in terms of technology, Wingor Bio’s patents for blood preservation solution and its preparation method and application, preparation method of human umbilical cord mesenchymal stem cells, preparation method and application of mesenchymal stem cells, a dental pulp mesenchymal stem cell culture method, and a monitoring method and system for AI-assisted automated equipment have been authorised by the National Intellectual Property Administration. In addition, Wingor Bio’s “Drug Conjugate Delivery Platform Construction Project Based on Extracellular Vesicles” has received support from Shenzhen’s strategic emerging industries. In terms of the formulation of enterprise-related policies, Wingor Bio, as a participating unit, made a positive contribution to the formulation of the “Regulations for the Preparation and Inspection of Human Mesenchymal Stem Cell Exosomes”, which was approved for publication in February

2024 and came into effect on 6 March 2024. Further, Wingor Bio has also carried out clinical collaborations with several medical institutions, including the Affiliated Hospital of Guilin Medical University, Zhongda Hospital Southeast University and Shenzhen University General Hospital, to accelerate the translation of scientific and technological findings into clinical applications. In February 2025, the launch meeting for the clinical research project on W-iNKT cell-assisted therapy for gastrointestinal tumors was successfully held at Changzhou First People's Hospital (hereinafter referred to as "**Changzhou First Hospital**"). Wingor Bio, in collaboration with Changzhou First Hospital, officially applied W-iNKT cell therapy to clinical research. This initiative aims to scientifically evaluate the efficacy of this therapy, whether combined with chemotherapy or not, in the adjuvant treatment of gastrointestinal tumors (esophageal cancer, gastric cancer and colorectal cancer) and to accumulate clinical data, thereby advancing the progress of clinical research in cell therapy of the field of tumor.

Mei Ai Kang has also had several achievements since its inception. In 2022, it cooperated with the Fifth Medical Centre of the General Hospital of the Chinese People's Liberation Army, the Fourth People's Hospital of Nanning, Shanghai Public Health Clinical Centre and Yunnan Provincial Infectious Disease Hospital to conduct clinical studies, and it overcame the adverse effect brought forth by the COVID-19 epidemic. It enrolled 17 cases in the study, improved clinical proposals, and detailed the experimental process. At the same time, Mei Ai Kang is currently applying for a relevant patent cluster related to the project's core technology, and a patent for a self-transfusion injector has been approved. Meanwhile, its related patents for cell processing are currently in the process of application review.

In terms of downstream products and services as well as high-end health management, the Shenzhen clinic and Nanjing clinic of the Group provide international high-end health management services based on the theory of functional medicine. They pass an experienced professional team and a group of loyal users. During the Reporting Period, the clinics operated steadily while continuously optimising management systems, improving service quality, and expanding the new customer base.

With the continuous introduction of relevant policies and regulations for the cell industry in China, and the gradual increase in cell and gene therapy clinical research conducted domestically over years, the demand for the industrialisation and clinical application of related products is also getting higher and higher. Although the development model and regulatory policies of the industry are not entirely clear, the huge potential of the cell industry in the field of disease treatment is undeniable, and there is considerable room for market demand to be unleashed. The Group will continue to deepen its planning in the field of cell therapy research and development and its application, and explore the commercialisation path of cell therapy products, so as to realise the coordinated development between the health management business and other segments.

## **Healthcare-related Business Segment — Skin Health Management Business**

In recent years, people's higher pursuit of beauty has ushered a beauty era, triggering various related emerging consumption scenarios. With its low cost, obvious effects, and short recovery period, light aesthetic medicine fully meets the beauty demands of modern people. While rapidly penetrating the market, it also brings users high-quality service and experience. With that in mind, based on its advantages in product R&D, medical care team, operation management, brand and channel for skin health management, the Group has launched a brand of "Jixiaojian" (肌小簡), a highlighted brand combining medical aesthetics and skincare in the second half of 2021.

Adhering to the philosophy of "Extremely Professional, Ultra Effective and Zero Routines", and pioneering the integration of the two fields: aesthetic medicine and effective skincare, Jixiaojian uses skincare technology innovation as its guiding principle, to create a new concept of smart skin care. With complementary integration of aesthetic medicine projects and products, Jixiaojian combined the "treatment" of cosmetic medicine and "prevention" of skincare products, and launched the combination of "60% light aesthetic medicine + 40% effective streamlined and effective skincare", providing a more cost-effective and streamlined integrated skincare solution for users. Meanwhile, the Group has established close cooperations with DSM and Ashland, being internationally renowned raw material companies, and successively launched multiple product lines under the brand of Jixiaojian — photoelectric repair series, skin repair series, revitalising series and more. Products under the brand of Jixiaojian are available for sale on WOW COLOUR, the offline trendy makeup collection store, with simultaneous launches on 120 stores nationwide. At the same time, they are also featured in BeauCare Clinics (聯合麗格), a well-known offline chain medical aesthetics group. Jixiaojian has established online cooperation with some of the top broadcasters on Taobao, Douyin and Xiaohongshu.

The flagship store of our light medical beauty brand “Jixiaojian” has been operating for years. Based on the photoelectric repair series from Jixiaojian, “Jixiaojian × Super Photon”, the exclusive project launched by the flagship store, provides an integrated skincare solution for the whole process of super photon aesthetic medical beauty project before, during and after surgery, which was widely recognised and recommended by customers. In terms of aesthetic medical devices, the Group has reached a strategic cooperation relationship with Lumenis, a world-renowned laser beauty leader, and has become its clinical demonstration base. Furthermore, the Group has cooperated with Bandao (半島), a prominent brand in medical equipment, to create the Bandao Soothing Treatment Device Special Project (半島舒敏治療儀特色項目) called “Light Medical Beauty Golder Partner (輕醫美黃金搭檔)”. In terms of R&D, the Group has established a close cooperation with Shenzhen Xuanjia (深圳萱嘉), a laboratory equipped with CNAS testing standards, to establish a supramolecular laboratory for the development of skincare product lines with supramolecular technology as the core. The Group has also successfully partnered with the world’s largest producer of recombinant collagen, Jland Biotech, to establish a strategic partnership in the field of recombinant collagen.

The Group will continue to increase investment in the field of skin health management, adhere to the professional and efficient business philosophy and promote the effective improvement of products and services with a customer-oriented mindset, striving to create a scientific skincare brand that combines online and offline integration, aesthetic medicine and effective skincare. Besides, it is committed to recalibrating the skincare habits of the new generation and reshaping the landscape of the skincare industry with the help of this skincare revolution arising from the iteration of people, cognition and technology.

## **Overseas Business**

The Group proactively implemented its international business strategies and established a localised management team to expand overseas business. In terms of the European business, as early as 2019, the Group established its subsidiary in Switzerland and organised a local professional team to expand the markets in Europe. In 2021, the high-end CBD health consumption brand independently developed and produced in Switzerland, AlpReleaf, was formally launched in the markets in Europe. AlpReleaf products, based on high-quality CBD as the core technology, have been launched under a number of series such as soothing, sleep aid and easing muscle soreness, aiming to provide users with a better quality of life. The products have been officially certified by the European Union and the United Kingdom and are available for sale in 22 European countries. During the Reporting Period, AlpReleaf launched a new product series, introduced new strategic partners, and leveraged the market influence and expertise of multiple distributors to push products into new national markets, reaching more potential customer groups. Relying on the local European team and the existing mature sales network, the Group believes that these strategic initiatives can maximise the advantages of the Swiss brand, helping the brand achieve sustained success in an ever-changing market environment.

For the business in Australia, the boutique townhouse project located in Yarrabend, Australia was developed and wholly-owned by the Group, in collaboration with Level 10 Pty Ltd., a leading construction company in Australia, and Rothelowman, a renowned design firm. It is located on the banks of the Yarra River in Melbourne with mature commercial facilities and convenient transportation. Since its initial launch in 2022, sales work and subsequent construction have been progressing steadily.

As at the end of the Reporting Period, the Group's overseas business had been growing steadily. The Group will continue to strengthen its international business strategies, accelerate the expansion of its international business, deepen its brand building, and focus on channel expansion, so as to expand and optimise its overseas business, bringing sustained internal vitality to the Group's growth.

## **PROSPECTS**

In 2024, the Chinese government intensified macroeconomic regulation, consolidated and enhanced the positive trend of the Chinese economic recovery. Looking ahead to next year, the favourable conditions supporting high-quality development are continuously accumulating, and the recovery trend is expected to continue. In terms of assets, as at 31 December 2024, the Group had net current assets of approximately HK\$530.0 million. On the business front, the Group continued to focus on the health and medical field, continuously optimising skin health management products and their business models, while actively expanding sales channels, strengthening cooperation, and consolidating its business foundation. Besides, the Group will explore any good business opportunities, which can provide good cash flow. Meanwhile, the Group's overseas business scale is also steadily expanding, distribution channels are widening, and brand building continues to improve. The improving Chinese economic environment, the long-term accumulation of resources such as talents, brands, and channels, the strengthening of internal management, and the determination to embrace changes are the foundation for the Group to overcome cycles and achieve steady growth. The Group remains confident and optimistic about its future business development.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL REVIEW

Below is a summary of the financial information of the Group:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue	<b>50,676</b>	129,304
Gross profit	<b>28,905</b>	78,090
Gross profit margin	<b>57.0%</b>	60.4%
Other income and gains, net	<b>53,339</b>	24,868
Total operating expenses ( <i>Note</i> )	<b>31,600</b>	39,336
Finance costs	<b>10,294</b>	11,408
Profit before tax	<b>45,401</b>	52,983
Profit after tax	<b>32,045</b>	38,490
Profit attributable to owners of the Company	<b>32,480</b>	40,830

*Note:* Total operating expenses included (i) selling and distribution expenses; and (ii) administrative expenses.

#### Revenue

Revenue for the year ended 31 December 2024 was approximately HK\$50.7 million (2023: HK\$129.3 million), mainly generated by (i) sale of healthcare-related products; (ii) sale of construction materials; (iii) sale of renewable energy products; (iv) rental income; (v) property sales and provision of consultancy service; (vi) provision of healthcare management service income; (vii) provision of healthcare-related products sale agency service; (viii) provision of aesthetic medical service income; (ix) sale of CBD downstream products; and (x) provision of procurement service of renewable energy products.

Revenue decreased by approximately 60.8% from approximately HK\$129.3 million for the year ended 31 December 2023 to approximately HK\$50.7 million for the year ended 31 December 2024. The decrease in revenue of approximately HK\$78.6 million was mainly due to (i) a decrease in sale of construction materials of approximately HK\$30.4 million and sale of healthcare-related products of approximately HK\$30.3 million as a result of adverse market condition; and (ii) a decrease in procurement service income of renewable energy products of approximately HK\$19.8 million due to the decrease in international trade sales.



## **Gross Profit and Gross Profit Margin**

The Group's gross profit for the year ended 31 December 2024 was approximately HK\$28.9 million (2023: approximately HK\$78.1 million), representing a decrease of approximately 63.0% as compared to that for the year ended 31 December 2023. The gross profit margin for the year ended 31 December 2024 decreased to approximately 57.0% from approximately 60.4% for the year ended 31 December 2023.

The decrease in gross profit of approximately HK\$49.2 million was mainly due to (i) a decrease in gross profit of the healthcare-related business of approximately HK\$26.9 million, mainly resulting from a decrease in the sale of healthcare-related products; and (ii) a decrease in gross profit of the trading business of approximately HK\$21.5 million, mainly resulting from a decrease in procurement service income of renewable energy products.

In addition, the decrease in gross profit margin was mainly due to a decrease in the proportion of the revenue derived from the provision of procurement service of renewable energy products as compared to that for the year ended 31 December 2023, which has higher gross profit margin and is included in the trading business segment to the Group's total revenue for the year ended 31 December 2024.

## **Other Income and Gains, Net**

Other income and gains, net for the year ended 31 December 2024 was approximately HK\$53.3 million (2023: approximately HK\$24.9 million), representing an increase of approximately HK\$28.4 million or approximately 114.1% as compared to that for the year ended 31 December 2023. Such increase was mainly due to (i) an increase in fair value gains on investments at FVTPL of approximately HK\$14.1 million as a result of the increase in revenue from and profit of equity-invested entities; (ii) an increase in compensation from construction contract of approximately HK\$6.0 million; (iii) a positive financial impact arising from foreign exchange rate changes, which changed from an exchange loss of approximately HK\$0.2 million for the year ended 31 December 2023 to an exchange gain of approximately HK\$4.0 million for the year ended 31 December 2024; and (iv) an increase in interest income of approximately HK\$3.2 million.

## **Total Operating Expenses**

Total operating expenses for the year ended 31 December 2024 were approximately HK\$31.6 million (2023: approximately HK\$39.3 million), representing a decrease of approximately HK\$7.7 million or approximately 19.6% as compared to that for the year ended 31 December 2023. Such decrease was mainly due to decrease in selling and distribution expenses of approximately HK\$7.9 million, mainly attributable to the decrease in e-commerce platform service fee for healthcare-related products as well as decrease in transportation expenses incurred for procurement service of renewable energy products.

## **Finance Costs**

Finance costs for the year ended 31 December 2024 were approximately HK\$10.3 million (2023: HK\$11.4 million), representing a decrease of approximately HK\$1.1 million or approximately 9.6% as compared to that for the year ended 31 December 2023. Such decrease was mainly due to a decrease in interest on bank loans of approximately HK\$0.9 million, primarily resulting from a decrease in the interest rate of bank borrowings in PRC during the year ended 31 December 2024 as compared to that for the year ended 31 December 2023.

## **Profit After Tax**

Profit after tax for the year ended 31 December 2024 was approximately HK\$32.0 million (2023: HK\$38.5 million), representing a decrease of approximately HK\$6.5 million or approximately 16.9% as compared to that for the year ended 31 December 2023. Such decrease was mainly due to:

- (i) the decrease in gross profit of the healthcare-related business and trading business of approximately HK\$26.9 million and HK\$21.5 million, respectively; and
- (ii) the increase in impairment loss of assets of approximately HK\$16.3 million.

Such decreases were partially offset by (i) a favourable financial impact arising from movements of loss allowance for trade and other receivables, which changed from an impairment loss of approximately HK\$14.9 million for the year ended 31 December 2023 to reversal of impairment loss of approximately HK\$4.5 million for the year ended 31 December 2024; (ii) an increase in fair value gains on investments at FVTPL of approximately HK\$14.1 million as a result of the increase in revenue from and profit of equity-invested entities; (iii) a decrease in operating expenses of approximately HK\$7.7 million resulting from effective expenses control; (iv) an increase in compensation from construction contract of approximately HK\$6.0 million; (v) a favourable financial impact arising from foreign exchange rate changes, which changed from an exchange loss of approximately HK\$0.2 million for the year ended 31 December 2023 to an exchange gain of approximately HK\$4.0 million for the year ended 31 December 2024 ; (vi) an increase in fair value gains on investment properties of approximately HK\$3.7 million; and (vii) an increase in interest income of approximately HK\$3.2 million as the Group has granted U-light Energy a revolving loan facility up to a maximum of RMB200 million, commencing on 31 January 2024.



## **BUSINESS REVIEW**

### **Healthcare-related Business**

The revenue derived from the healthcare-related business for the year ended 31 December 2024 was approximately HK\$19.6 million, representing a decrease of approximately 59.3% as compared to approximately HK\$48.1 million for the year ended 31 December 2023. The result for this segment changed from a profit of approximately HK\$15.0 million for the year ended 31 December 2023 to a loss of approximately HK\$19.3 million for the year ended 31 December 2024. Such change was mainly due to (i) a decrease in gross profit of approximately HK\$26.9 million, primarily resulting from a decrease in the sale of healthcare-related products; and (ii) the recognition of impairment loss of goodwill of approximately HK\$18.5 million, which were partially offset by a decrease in operating expenses of HK\$9.5 million, resulting from a decrease in marketing and promotion expenses which was in line with a decrease in revenue during the year ended 31 December 2024.

### **Trading Business**

The revenue derived from the trading business for the year ended 31 December 2024 was approximately HK\$13.8 million, representing a decrease of approximately 78.0% as compared to approximately HK\$62.6 million for the year ended 31 December 2023. The profit derived from this segment for the year ended 31 December 2024 was approximately HK\$7.2 million, representing a decrease of approximately 35.1% as compared to approximately HK\$11.1 million for the year ended 31 December 2023, which was mainly due to a decrease in gross profit of approximately HK\$21.5 million, mainly resulting from a decrease in international trade sales. Such decrease was partially offset by (i) a favourable financial impact arising from the movements of loss allowance for trade and other receivables, which changed from an impairment loss of approximately HK\$7.1 million for the year ended 31 December 2023 to a reversal of impairment loss of approximately HK\$6.7 million for the year ended 31 December 2024; and (ii) a decrease in operating expenses of approximately HK\$3.8 million, resulting from a decrease in transportation expenses incurred for procurement service of renewable energy products for the year ended 31 December 2024.

## **Property-related Business**

The revenue derived from the property-related business for the year ended 31 December 2024 was approximately HK\$17.2 million, representing a decrease of approximately 7.5% as compared to approximately HK\$18.6 million for the year ended 31 December 2023. The profit derived from this segment for the year ended 31 December 2024 was approximately HK\$39.6 million, representing an increase of approximately 13.8% as compared to approximately HK\$34.8 million for the year ended 31 December 2023, which was mainly due to (i) an increase in other income and gains, net of approximately HK\$5.7 million mainly resulting from an increase in compensation from construction contract; and (ii) an increase in fair value gains on investment properties of HK\$3.7 million. Such increase was partially offset by an increase in operating expenses of approximately HK\$3.3 million, resulting from an increase in commission expenses incurred for pre-sale of the residential development project in Australia.

The Group has a 100% interest in a residential development project located at Lot A & B, 626 Heidelberg Road, Alphington, VIC, 3078, Australia. The project covers a total site area of approximately 11,488 sq.m.. Advantageously located just 6.5 kilometres from Melbourne's central business district, the site provides a gross floor area of approximately 18,752 sq.m. to be developed into 109 residential units of townhouses.

As at 31 December 2024, the project was still in progress. As at the date of this announcement, the project's civil works have already been completed. The pre-sale of part of the project commenced in November 2022, which is expected to rapidly realise the value of the land reserve, deliver business growth for the Group and boost the Group's brand value.

## **Equity Investment Business**

The result for this segment changed from a loss of approximately HK\$4.4 million for the year ended 31 December 2023 to a profit of approximately HK\$15.6 million for the year ended 31 December 2024. Such change was mainly due to (i) an increase in fair value gains on investments at FVTPL of approximately HK\$14.2 million as a result of the increase in revenue from and profit of equity-invested entities; (ii) a decrease in loss allowance for other receivables of approximately HK\$6.2 million; and (iii) a decrease in impairment of loss of assets of approximately HK\$2.9 million.

## REVIEW OF FINANCIAL POSITION

	2024 HK\$'000	2023 HK\$'000
<b>Non-current Assets</b>		
Investment properties	610,292	598,509
Investments at FVTPL	47,023	28,099
Investments in a joint venture	49,889	53,449
Investments in associates	4,907	5,706
Prepayments, loans and other receivables	226,571	17,748
Goodwill	–	18,500
Equity investments at FVTOCI	6,122	24,470
Others	35,552	31,948
Total Non-current Assets	980,356	778,429
<b>Current Assets</b>		
Bank and cash balances	29,944	106,309
Properties held for sale under development	255,086	262,485
Prepayments, loans and other receivables	367,612	432,026
Trade receivables	27,241	101,533
Restricted bank deposit	6,550	12,073
Others	1,862	4,354
Total Current Assets	688,295	918,780
Total Assets	1,668,651	1,697,209
<b>Liabilities</b>		
Bank borrowings	301,821	296,613
Deferred tax liabilities	89,494	81,350
Accruals and other payables	36,555	26,806
Contract liabilities	21,838	10,158
Others	17,579	27,961
Total Liabilities	467,287	442,888
Net Assets	1,201,364	1,254,321

Non-current assets of the Group as at 31 December 2024 were approximately HK\$980.4 million (2023: HK\$778.4 million), representing an increase of approximately HK\$202.0 million, which was mainly due to (i) an increase in prepayments, loans and other receivables of approximately HK\$208.8 million; (ii) an increase in investments at FVTPL of approximately HK\$18.9 million; and (iii) an increase in investment properties of approximately HK\$11.8 million. Such increases were partially offset by (i) a decrease in goodwill of approximately HK\$18.5 million; and (ii) a decrease in equity investments at FVTOCI of approximately HK\$18.3 million. Current assets were approximately HK\$688.3 million (2023: approximately HK\$918.8 million), representing a decrease of approximately HK\$230.5 million, which was mainly due to (i) a decrease in bank and cash balances of approximately HK\$76.4 million; (ii) a decrease in trade receivables of approximately HK\$74.3 million; (iii) a decrease in prepayments, loans and other receivables of approximately HK\$64.4 million; (iv) a decrease in properties held for sale under development of approximately HK\$7.4 million; and (v) a decrease in restricted bank deposit of approximately HK\$5.5 million.

As at 31 December 2024, the Group's total liabilities were approximately HK\$467.3 million (2023: approximately HK\$442.9 million), representing an increase of approximately HK\$24.4 million mainly due to (i) an increase in contract liabilities of approximately HK\$11.7 million; (ii) an increase in deferred tax liabilities of approximately HK\$8.1 million; and (iii) an increase in bank borrowings of approximately HK\$5.2 million as compared to the year ended 31 December 2023.

## NET ASSET VALUE

As at 31 December 2024, the Group's total net assets amounted to approximately HK\$1,201.4 million (2023: approximately HK\$1,254.3 million), representing a decrease of approximately HK\$52.9 million, mainly due to (i) the exchange losses arising from the translation of foreign operations of approximately HK\$54.7 million; (ii) the payment of dividend of approximately HK\$16.4 million during the year ended 31 December 2024; and (iii) the fair value losses of equity investments at FVTOCI, net of HK\$15.1 million. Such decreases were partially offset by the profit for the year ended 31 December 2024 of approximately HK\$32.0 million.

## LIQUIDITY AND FINANCIAL RESOURCES

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Net cash generated from/(used in) operating activities	<b>185,996</b>	(136,491)
Net cash (used in)/generated from investing activities	<b>(253,977)</b>	53,718
Net cash used in financing activities	<b>(6,390)</b>	(18,897)
Net decrease in cash and cash equivalents	<b>(74,371)</b>	(101,670)
Effect of foreign exchange rate changes	<b>(1,994)</b>	(3,008)
Cash and cash equivalents as at 1 January	<b>106,309</b>	210,987
Cash and cash equivalents as at 31 December	<b>29,944</b>	106,309

As at 31 December 2024, the total cash and cash equivalents of the Group were approximately HK\$29.9 million (2023: approximately HK\$106.3 million), of which approximately 85.2% was denominated in AUD, approximately 7.9% was denominated in RMB, approximately 4.8% was denominated in HKD, approximately 1.4% was denominated in EUR, approximately 0.6% was denominated in CHF and approximately 0.1% was denominated in USD (2023: approximately 91.8% was denominated in RMB, approximately 5.6% was denominated in HKD, approximately 1.3% was denominated in EUR, approximately 1.0% was denominated in USD, approximately 0.2% was denominated in CHF and approximately 0.1% was denominated in AUD).

Net cash generated from operating activities for the year ended 31 December 2024 was approximately HK\$186.0 million, which was mainly contributed to the net cash generated from the Group's working capital required for daily operation during the year ended 31 December 2024.

Net cash used in investing activities was approximately HK\$254.0 million, which was mainly attributable to (i) the short-term interest bearing loans advanced to certain independent third parties of approximately HK\$308.4 million; (ii) the long-term interest bearing revolving loan advanced to a related party of approximately HK\$228.9 million; and (iii) the acquisition of investment properties of HK\$15.7 million, which were partially offset by (i) the receipt of repayment of short-term interest-bearing loans advanced to certain independent third parties of approximately HK\$265.1 million; (ii) the receipt of repayment of long-term interest bearing revolving loan advanced to a related party of approximately HK\$12.6 million; (iii) the receipt of loan interest of approximately HK\$12.6 million; and (iv) the receipt of restricted bank deposit of HK\$4.6 million; and (v) the deposit received from disposal of investment properties of HK\$3.6 million.

Net cash used in financing activities was approximately HK\$6.4 million, which mainly represented a net amount of (i) proceeds received from new bank borrowings of approximately HK\$126.5 million; (ii) repayment of bank borrowings of approximately HK\$105.7 million; (iii) payment of dividend of HK\$16.4 million; and (iv) payment of loan interest of approximately HK\$10.3 million.

As at 31 December 2024, the total bank borrowings of the Group were HK\$301.8 million (2023: HK\$296.6 million), which are mainly used as working capital of the Group. The Group had no unutilised banking facilities as at 31 December 2024 and 2023.

The following table illustrates the composition of the Group's bank borrowings:

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Floating rate RMB bank loan	<b>74,834</b>	90,224
Floating rate AUD bank loan	<b>90,123</b>	75,453
Fixed rate RMB bank loan	<b>136,864</b>	130,936
	<b>301,821</b>	296,613

The following table illustrates the maturity profile of the Group's bank borrowings:

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within one year	<b>83,176</b>	159,298
In the second year	<b>120,969</b>	30,175
In the third to fifth years, inclusive	<b>66,983</b>	76,495
Beyond five years	<b>30,693</b>	30,645
	<b>301,821</b>	296,613

Based on the Group's steady cash flow, coupled with sufficient bank and cash balances, the Group has adequate liquidity and financial resources to meet its future capital expenditures, daily operations and working capital requirements in the next financial year.

## **CAPITAL STRUCTURE OF THE GROUP**

The capital structure of the Group consists of equity attributable to owners of the Company (i.e. issued share capital and reserves).

## **TREASURE POLICIES**

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the year ended 31 December 2024. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

## **GEARING RATIO**

The Group's gearing ratio, expressed as the percentage of net debt (includes bank borrowings, trade payables, contract liabilities, accruals and other payables and amounts due to related parties, less bank and cash balances and restricted bank deposit) over the sum of equity attributable to owners of the Company and net debt, was approximately 21.6% (2023: approximately 15.3%).

As at 31 December 2024, the Group had a net debt of approximately HK\$331.1 million (2023: approximately HK\$227.4 million), while the equity attributable to owners of the Company amounted to approximately HK\$1,201.6 million (2023: approximately HK\$1,254.2 million).

## CAPITAL EXPENDITURE

During the year ended 31 December 2024, the expenditure on purchasing property, plant and equipment amounted to approximately HK\$132,000 (2023: approximately HK\$827,000).

## CAPITAL COMMITMENTS

As at 31 December 2024 and 2023, the Group had capital commitments of approximately HK\$96.2 million (2023: approximately HK\$10.9 million) in respect of capital contribution payable to associates and construction costs commitments for properties held for sale under development (2023: contribution payable to associates), which are contracted but not provided for in the consolidated financial statements.

## CHARGES ON GROUP ASSETS

The following table sets forth the net book value of assets under pledges for certain banking facilities as at the dates indicated:

	<b>31 December</b>	
	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Investment properties	<b>452,969</b>	441,079
Properties held for sale under development	<b>181,850</b>	201,169
Restricted bank deposit	<b>6,550</b>	12,073
	<b>641,369</b>	654,321

## CONTINGENT LIABILITIES

As at 31 December 2024 and 2023, the Group did not have any significant contingent liabilities.

## GENERAL DESCRIPTION OF THE GROUP'S INVESTMENT STRATEGIES

The Group continues to believe in the substantial potential of the healthcare industry. The Group adheres to the corporate vision of “using technology and expertise to serve more people’s health and beauty needs”. Therefore, the Group manages its investment portfolio with an objective to capture market opportunities in the healthcare industry.

On the other hand, the Group allocates certain resources to various investments in order to maximise the return.



## **MATERIAL ACQUISITIONS AND DISPOSALS**

There was no material acquisition or disposal of subsidiaries, associates and joint ventures during the year ended 31 December 2024.

## **MATERIAL LENDING TRANSACTIONS**

### **Business model and credit risk assessment policy**

In order to increase the rate of return of the Group's cash and cash equivalents which can improve the investment income and the profits of the Group, the Group provided short-term interest-bearing loans and long-term interest-bearing revolving facility to its customers and a related party.

Through the business and social networks of the management of the Company, the Group identifies potential customers, which are corporate customers and individual customers. The Group has established strict credit risk management and internal control procedures to regulate its lending transactions and only provides loans to customers with good credit standing and satisfactory results of operation as well as those in need of short-term financing. The credit risk management and internal control procedures mainly consist of the following stages, namely (i) due diligence and credit risk assessment of customers; (ii) assessment and approval processes; and (iii) post-loan monitoring and loan recovery:

#### **(i) Due Diligence and Credit Risk Assessment of Customers**

The Corporate Treasury Department assesses the background and reputation of any new customers by taking into account the new customer's financial condition, the purpose of borrowing, ultimate beneficial owners' and shareholders' background and business reputation, etc. The Corporate Treasury Department also conducts due diligence, credit verification and repayment ability assessment on new customers. The Corporate Treasury Department researches and analyses customers' background information, including but not limited to their operating history, shareholders, ultimate beneficial owners, financial information, income proofs, bank statements, tax returns, independent professional credit reports, operational risks, legal risks, online media investigation reports, industry reports, etc.



## **(ii) Assessment and Approval Processes**

The Corporate Treasury Department would perform credit assessment and review of the loan applications as well as determine the loan terms (having taken into consideration factors such as the credit risks of the customers, their recoverability, the financing cost of the Group and the prevailing market interest rates, etc). The financial controller of the Group would review the relevant assessment reports and loan terms, and then report to Ms. Zhou Wen Chuan, our Chief Executive Officer and Executive Director. Ms. Zhou Wen Chuan will be responsible for the approval of loans in relatively small amounts.

If the potential loans are of larger amounts (i.e. by assessment of size tests under Chapter 14 of the Listing Rules, may constitute a disclosable transaction or above), in which case, such potential loans will be reported by Ms. Zhou Wen Chuan and she will elaborate to the Board such potential loans in contemplation and her recommendations therewith for discussion and approval, the Directors (including the Independent Non-Executive Directors) will then consider whether such loans are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole. The requirements of reporting, announcement, circular and shareholders' approval under Chapter 14 of the Listing Rules will then be fulfilled (if applicable).

Moreover, for any potential loans which may involve connected person(s) as defined under Chapter 14A of the Listing Rules, such loans will be reported to the Board immediately for assessment with respect to size tests and assessments by the Board as elaborated above. The requirements of reporting, announcement, circular, independent financial advice and independent shareholders' approval under Chapter 14A of the Listing Rules will then be fulfilled (if applicable).

## **(iii) Post-loan Monitoring and Loan Recovery**

The Corporate Treasury Department would conduct regular review and carry out follow-up actions (on a monthly and continuing basis) in respect of overdue amounts to minimise the Group's exposure to credit risk and follow up closely with its customers as to the deadlines for payment of interest on the loans. Ageing analysis of the debtors is prepared on a monthly basis and is closely monitored to minimise any credit risk associated with these debtors. The Corporate Treasury Department will report the status of the loan portfolio to Ms. Zhou Wen Chuan on a monthly basis, such that Ms. Zhou Wen Chuan may closely monitor the loan portfolio to oversee the credit risk. Ms. Zhou Wen Chuan would report to the Board and discuss actions to be taken in case of any abnormal situations.

The Corporate Treasury Department has standard procedures for dealing with default in payment. In case there are any minor defaults, the Corporate Treasury Department will send reminder and/or demand letters to its customers. In case the default on loans persists, the collection procedure will commence and the Corporate Treasury Department will engage lawyers in advising on the recovery of the loan, and take appropriate enforcement action for overdue loans.

### Major terms of loan receivables

Details of outstanding loan receivables as at 31 December 2024 are as follows:

Customers	Maturity date	Security pledged	Interest rate per annum	As at 31 December 2024	
				Carrying amount HK\$'000	% of total loan receivables
U-light Energy	On or before 31 December 2026 ( <i>Note 1</i> )	Nil	one-year LPR plus 3.05%	212,840	47.0%
<i>Other Borrowers (Note 2)</i>					
Borrower A	On or before 10 January 2025	Nil	3.0%	10,642	2.4%
Borrower B	On or before 3 January 2025	Nil	4.0%	31,926	7.0%
Borrower C	On or before 15 July 2025	Nil	4.5%	31,926	7.0%
Borrower D	On or before 23 December 2025	Nil	6.0%	38,311	8.5%
Borrower E	On or before 17 June 2025	Nil	7.0%	36,183	8.0%
Borrower F	On or before 30 October 2025	Nil	8.0%	10,642	2.4%
Borrower G	On or before 31 October 2025	Nil	8.0%	10,642	2.4%
Borrower H	On or before 23 September 2025	Nil	8.0%	15,963	3.5%
Borrower I	On or before 21 November 2025	Nil	6.0%	42,568	9.4%
Borrower J	On or before 15 October 2025	Nil	8.0%	10,642	2.4%
				<hr/>	<hr/>
				239,445	53.0%
				<hr/>	<hr/>
				452,285	100%
				<hr/>	<hr/>

*Notes:*

1. On 27 November 2023, the Company and U-light Energy entered into the Facility Agreement, pursuant to which the Company agreed, by itself or through its designated lending subsidiary(ies), to grant to U-light Energy a revolving loan facility up to a maximum of RMB200,000,000 at an interest rate of one-year LPR plus 3.05% per annum for the Drawdown Period. On the same date, Mr. Zhou Xuzhou (as guarantor) executed a deed of guarantee to provide the personal guarantee in favour of the Company to secure U-light Energy's repayment obligations under the Facility Agreement. The transaction has been approved by the shareholders of the Company at the SGM on 31 January 2024. Further details are set out in the announcement of the Company dated 27 November 2023 and the circular of the Company dated 17 January 2024.
2. As at 31 December 2024, the total outstanding loan receivables was HK\$239,445,000 from the 10 borrowers. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the above borrowers was independent of and not connected with each other when entering into the above transactions.

### **Impairment and write-off of loan receivables**

The Group has made the expected credit loss assessment and recognised a loss allowance of approximately HK\$1,104,000 for the year ended 31 December 2024 (2023: Nil). There was no write-off for loan receivables for the year ended 31 December 2024 (2023: Nil).

### **SIGNIFICANT INVESTMENTS HELD**

As at 31 December 2024, the investment portfolio of the Group amounted to approximately HK\$108.1 million (2023: approximately HK\$112.6 million) as recorded in the consolidated statement of financial position under various categories, including:

- investments in associates and a joint venture, which are accounted for by using the equity method;
- equity investments at FVTOCI;
- investments at FVTPL; and
- derivative financial assets.

There was no single investment in the Group's investment portfolio that was considered a significant investment, given that none of the investments had a carrying amount accounting for more than 5% of the Group's audited total assets as at 31 December 2024.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

Save as disclosed in the section “Capital Commitments” above, there were no other future plans authorised by the Board for material investments or acquisitions of capital assets as at 31 December 2024.

The Group will finance the future acquisitions through internally generated funds and other funding activities, including but not limited to bank borrowing.

## **EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGE**

The revenue, expenses and monetary assets and liabilities of the Group are mainly denominated in RMB, HKD, EUR, CHF and AUD.

The Group did not enter into any foreign currency forward contract during the year ended 31 December 2024. As at 31 December 2024 and 2023, the Group did not have any unrealised gain or loss in respect of the foreign currency forward contracts.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 December 2024, the Group had approximately 46 employees (2023: 57 employees). Staff costs (including Directors’ emoluments) charged to profit or loss amounted to approximately HK\$13.7 million (2023: approximately HK\$14.1 million) for the year ended 31 December 2024.

The Group’s remuneration policies are in line with prevailing market practices and formulated on the basis of the performance and experience of individual employees (including Directors). Apart from base salaries, other staff benefits included pension and medical schemes. The remuneration policies and remuneration packages of the Directors and members of the senior management of the Group are reviewed by the Remuneration Committee.

The Company adopted the 2019 Share Option Scheme pursuant to which eligible persons may be granted options to subscribe for the shares of the Company.

The Company believes that the ability to recruit and retain experienced and skilled labour is crucial to the Group’s growth and development. The Group provides training to its new employees to familiarise them with the working environment and work culture. The Group also provides on-the-job training to the employees, which aims at developing their skills so as to meet the strategic goals and customer requirements. In addition to providing the Group’s staff with the opportunities to receive on-the-job trainings, the Group strives to create a harmonious and warm working and living environment for the staff.

## **SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD**

The Directors are not aware of any event having a significant impact on the Group after the end of the Reporting Period and up to the date of this announcement.

## **FINAL DIVIDEND**

The Directors have resolved to recommend the payment of a final dividend of HK0.4 cents per share for the year ended 31 December 2024 (2023: HK0.4 cents). Subject to the approval of shareholders at the forthcoming annual general meeting, the final dividend will be payable on Wednesday, 20 August 2025 to shareholders whose names appear on the register of members of the Company on Wednesday, 6 August 2025.

## **CLOSURE OF REGISTER OF MEMBERS TO ASCERTAIN SHAREHOLDERS' ENTITLEMENT TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING**

The register of members of the Company will be closed from Friday, 20 June 2025, to Friday, 27 June 2025, both days inclusive. In order to determine the identity of members who are entitled to attend and vote at the annual general meeting to be held on Friday, 27 June 2025, completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 19 June 2025.

Subject to the approval of shareholders at the annual general meeting, the proposed final dividend will be payable to shareholders whose names appear on the register of members of the Company after the close of business at 4:30 p.m. on Wednesday, 6 August 2025 and the register of members of the Company will be closed from Tuesday, 5 August 2025 to Wednesday, 6 August 2025, both days inclusive, during which no transfer of shares of the Company will be registered. In order to be entitled to the proposed final dividend, completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 4 August 2025.

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

There were no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the year ended 31 December 2024.

Save as disclosed above, during the year ended 31 December 2024, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

The Board considers that good corporate governance practices are crucial to the effective management of the Group. The Company is committed to the transparency, accountability and independence highlighted by the principles of the code provisions in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Listing Rules to protect the rights of shareholders and stakeholders, enhance shareholder value and ensure proper management of corporate assets.

The Board is of the opinion that during the financial year ended 31 December 2024, the Company had adopted the principles and complied with all the applicable code provisions of the Part 2 of the CG Code as set out in Appendix C1 to the Listing Rules.

## **COMPLIANCE WITH THE MODEL CODE OF THE LISTING RULES**

The Company has adopted the Model Code contained in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. After specific enquiries made by the Company with each of the Directors, all Directors have confirmed that, for the year ended 31 December 2024, they had complied with the required standard set out in the Model Code.

## **REVIEW OF ACCOUNTS**

The Audit Committee has reviewed with the management of the Group the consolidated financial statements of the Group for the year ended 31 December 2024, including the accounting principles and practices adopted by the Group.

## **SCOPE OF WORK OF ZHONGHUI ANDA CPA LIMITED**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this announcement have been agreed by the Group’s auditor, ZHONGHUI ANDA CPA Limited, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by ZHONGHUI ANDA CPA Limited 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 HKICPA, and consequently, no assurance has been expressed by ZHONGHUI ANDA CPA Limited on this announcement.

## **ANNUAL GENERAL MEETING**

Notice of the annual general meeting of the Company will be published on the websites of the HKEXnews ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.meilleure.com.cn](http://www.meilleure.com.cn)) in the manner required by the Listing Rules in due course.

## **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This annual results announcement is published on the websites of the HKEXnews ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.meilleure.com.cn](http://www.meilleure.com.cn)). The annual report for the year ended 31 December 2024 containing all the information required by Appendix D2 to the Listing Rules will be available on the same websites in due course.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

<b>Term(s)</b>	<b>Definition</b>
“14th Five-Year Plan”	the Outline of the 14th Five-Year Plan for the National Economic and Social Development of the PRC and the Long-Range Objectives Through the Year
“AlpReleaf”	the Group’s brand “AlpReleaf”, which launches a variety of high-end CBD health consumption goods in 22 European countries
“AUD”	Australian dollars, the lawful currency of Australia
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“CBD”	Cannabidiol
“CHF”	Swiss Franc, the lawful currency of Switzerland
“Chief Executive Officer”	the chief executive officer of the Company
“China” or “PRC”	the People’s Republic of China and for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Co-Chairman”	the co-chairman of the Board

“Company”	Meilleure Health International Industry Group Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Corporate Treasury Department”	the corporate treasury department of the Group
“Director(s)”	the director(s) of the Company
“Drawdown Period”	the period commencing on 1 January 2024 (or a later date subject to the fulfilment of the conditions precedent as stipulated in the Facility Agreement) and ending on but excluding the earlier of (i) 31 December 2026; and (ii) the date on which the Revolving Facility is terminated upon the occurrence of an Event of Default under the provisions of the Facility Agreement
“EUR”	Euro, the lawful currency of 20 European countries
“Event(s) of Default”	event(s) of default as set out in the Facility Agreement
“Executive Director(s)”	the executive director(s) of the Company
“Facility Agreement”	the facility agreement dated 27 November 2023 and entered into between the Company and U-light Energy in relation to the provision of a revolving loan facility up to a maximum of RMB200,000,000
“FVTOCI”	fair value through other comprehensive income
“FVTPL”	fair value through profit or loss
“Group” or “our”	the Company and its subsidiaries
“Healthy China 2030”	the Outline of Healthy China 2030 Plan
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKICPA”	Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC



“Independent Non-Executive Director(s)”	the independent non-executive director(s) of the Company
“Jixiaojian”	the Group’s brand “Jixiaojian* (肌小簡)”, which launches a variety of light medical aesthetic services targeting the young consumer market with a range of skincare products complementing the treatments to achieve optimum results in the PRC
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“LPR”	the loan prime rate (貸款市場報價利率) announced by the National Interbank Funding Center in the PRC (全國銀行間同業拆借中心) from time to time
“Mei Ai Kang”	Beijing Mei Ai Kang Technology Co., Ltd.* (北京美艾康科技有限公司)
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
“R&D”	research and development
“Remuneration Committee”	the remuneration committee of the Board
“Reporting Period”	the year ended 31 December 2024
“Revolving Facility”	the unsecured revolving loan facility up to a maximum of RMB200,000,000 to be granted by the Company to U-light Energy pursuant to the Facility Agreement
“RMB”	Chinese Yuan Renminbi, the lawful currency of the PRC
“SGM(s)”	the special general meeting(s) of the Company
“2019 Share Option Scheme”	the share option scheme adopted by the Company on 20 June 2019 and became effective on 28 June 2019
“sq.m.”	square meter(s)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“U-light Energy”	Jiangsu U-light Zhaoneng New Energy Technology Co., Ltd.* (江蘇光宇兆能新能源科技有限公司), a company established in the PRC with limited liability which is owned as to 4.0206% by Wuhu Ruima, an indirect wholly owned subsidiary of the Company
“USD”	United States dollars, the lawful currency of the United States of America
“Wingor Bio”	Shenzhen Wingor Biotechnology Co., Ltd.* (深圳市茵冠生物科技有限公司)
“Wuhu Ruima”	Wuhu Ruima Tianyu Investment Co., Ltd.* (蕪湖瑞麻天宇投資有限公司), a company established in the PRC with limited liability which is an indirect wholly-owned subsidiary of the Company
“%”	per cent

## APPRECIATION

On behalf of the Board, I would like to express my deepest appreciation to all staff of the Group for their excellent contribution, thank our shareholders for their trust and acknowledge our business partners for their support.

By Order of the Board  
**Meilleure Health International Industry Group Limited**  
**Zhou Wen Chuan**  
*Executive Director and Chief Executive Officer*

Hong Kong, 28 March 2025

*As at the date of this announcement, the Board comprises Mr. Zhou Xuzhou, Dr. Zeng Wentao and Ms. Zhou Wen Chuan as executive Directors, Dr. Mao Zhenhua as non-executive Director and Professor Chau Chi Wai, Wilton, Mr. Chen Shi and Mr. Wu Peng as independent non-executive Directors.*

\* For identification purposes only