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# HONGKONG CHINESE LIMITED

香港華人有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 655)

## FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Board of Directors of Hongkong Chinese Limited (the “Company”) announces the consolidated final results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2024 together with the comparative figures for the corresponding period in 2023 as follows:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

	Note	2024 HK\$'000	2023 HK\$'000
<b>Revenue</b>	4	<b>72,845</b>	74,794
Cost of sales		(2,142)	(1,988)
<b>Gross profit</b>		<b>70,703</b>	72,806
Administrative expenses	6	(17,427)	(34,429)
Other operating expenses	6	(13,592)	(18,855)
Other losses — net	5	(4,122)	(8,751)
Finance costs		(32,223)	(26,556)
Share of results of associates		11,726	5,412
Share of results of joint ventures	7	(1,209,144)	169,361
<b>Profit/(Loss) before tax</b>	6	<b>(1,194,079)</b>	158,988
Income tax	8	(6,476)	(2,830)
<b>Profit/(Loss) for the year</b>		<b>(1,200,555)</b>	156,158
<b>Attributable to:</b>			
Equity holders of the Company		(1,199,897)	157,119
Non-controlling interests		(658)	(961)
		<b>(1,200,555)</b>	156,158
		<b>HK cents</b>	<b>HK cents</b>
<b>Earnings/(Loss) per share attributable to equity holders of the Company</b>	9		
Basic and diluted		(60.0)	7.9

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the year ended 31 December 2024

	2024 HK\$'000	2023 HK\$'000
<b>Profit/(Loss) for the year</b>	<b>(1,200,555)</b>	156,158
<b>Other comprehensive income/(loss)</b>		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(19,156)	1,537
Exchange differences reclassified to profit or loss upon liquidation of foreign operations	35	-
Share of other comprehensive income/(loss) of joint ventures:		
Exchange differences on translation of foreign operations	(349,022)	(78,555)
Other reserve	4,132	(9,174)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods, net of tax	(364,011)	(86,192)
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Changes in fair value of equity instruments at fair value through other comprehensive income	(12)	(2)
Share of changes in fair value of equity instruments at fair value through other comprehensive income of joint ventures	(32,719)	(96,716)
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods, net of tax	(32,731)	(96,718)
Other comprehensive loss for the year, net of tax	(396,742)	(182,910)
<b>Total comprehensive loss for the year</b>	<b>(1,597,297)</b>	(26,752)
<b>Attributable to:</b>		
Equity holders of the Company	(1,596,302)	(25,549)
Non-controlling interests	(995)	(1,203)
	(1,597,297)	(26,752)

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 31 December 2024

	Note	2024 HK\$'000	2023 HK\$'000
<b>Non-current assets</b>			
Fixed assets		9,468	7,984
Investment properties		125,350	131,289
Right-of-use assets		-	263
Interests in associates		297,084	297,534
Interests in joint ventures		8,926,365	10,479,831
Financial assets at fair value through other comprehensive income		54	72
Financial assets at fair value through profit or loss		2,700	2,850
		<u>9,361,021</u>	<u>10,919,823</u>
<b>Current assets</b>			
Properties held for sale		63,084	64,266
Properties under development		20,922	23,408
Debtors, prepayments and other assets	11	2,330	4,143
Financial assets at fair value through profit or loss		58	226
Tax recoverable		695	761
Cash and cash equivalents		97,330	145,457
		<u>184,419</u>	<u>238,261</u>
<b>Current liabilities</b>			
Lease liabilities		-	269
Other payables, accruals and other liabilities		19,321	21,403
Tax payable		31,558	30,401
		<u>50,879</u>	<u>52,073</u>
<b>Net current assets</b>		<u>133,540</u>	<u>186,188</u>
<b>Total assets less current liabilities</b>		<u>9,494,561</u>	<u>11,106,011</u>
<b>Non-current liabilities</b>			
Bank loans		501,467	465,667
Deferred tax liabilities		10,950	11,352
		<u>512,417</u>	<u>477,019</u>
<b>Net assets</b>		<u>8,982,144</u>	<u>10,628,992</u>
<b>Equity</b>			
Equity attributable to equity holders of the Company			
Share capital		199,828	199,828
Reserves		8,767,141	10,412,994
		<u>8,966,969</u>	<u>10,612,822</u>
Non-controlling interests		15,175	16,170
<b>Total equity</b>		<u>8,982,144</u>	<u>10,628,992</u>

Note:

## 1. BASIS OF PREPARATION

This financial information has been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants. The financial information also includes applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

## 2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the final results are consistent with those used in the Group’s audited financial statements for the year ended 31 December 2023, except for the adoption of the following revised HKFRSs for the first time for the current year’s final results:

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

The nature and the impact of the revised HKFRSs are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period. The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.
- (c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk. The amendments did not have any impact on the Group’s financial statements.

### 3. SEGMENT INFORMATION

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

- (a) the property investment segment includes investments relating to the letting and resale of properties;
- (b) the property development segment includes the development and sale of properties;
- (c) the treasury investment segment includes investments in money markets;
- (d) the securities investment segment includes investments in securities that are held for trading and for long-term strategic purposes; and
- (e) the “other” segment comprises principally the provision of project management services.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss) and comprises segment results of the Company and its subsidiaries, the Group’s share of results of associates and joint ventures.

Segment results are measured consistently with the Group’s profit/(loss) before tax except that the Group’s share of results of associates and joint ventures, unallocated corporate expenses and certain finance costs are excluded from such measurement.

Segment assets exclude interests in associates and joint ventures, deferred tax assets, tax recoverable and other head office and corporate assets which are managed on a group basis.

Segment liabilities exclude tax payable, deferred tax liabilities and other head office and corporate liabilities which are managed on a group basis.

Inter-segment transactions are on an arm’s length basis in a manner similar to transactions with third parties.

## Year ended 31 December 2024

	Property investment HK\$'000	Property development HK\$'000	Treasury investment HK\$'000	Securities investment HK\$'000	Other HK\$'000	Consolidated HK\$'000
<b>Revenue — external</b>	<b>70,399</b>	<b>-</b>	<b>2,024</b>	<b>-</b>	<b>422</b>	<b>72,845</b>
<b>Segment results</b>	<b>27,663</b>	<b>(3,638)</b>	<b>2,024</b>	<b>(340)</b>	<b>(1,614)</b>	<b>24,095</b>
Unallocated corporate expenses						(20,756)
Share of results of associates	-	11,726	-	-	-	11,726
Share of results of joint ventures	(1,209,144)	-	-	-	-	(1,209,144)
Loss before tax						(1,194,079)
<b>Segment assets</b>	<b>166,237</b>	<b>72,696</b>	<b>71,003</b>	<b>2,812</b>	<b>60</b>	<b>312,808</b>
Interests in associates	6,452	290,632	-	-	-	297,084
Interests in joint ventures	8,926,365	-	-	-	-	8,926,365
Unallocated assets						9,183
Total assets						9,545,440
<b>Segment liabilities</b>	<b>506,172</b>	<b>8,805</b>	<b>-</b>	<b>-</b>	<b>62</b>	<b>515,039</b>
Unallocated liabilities						48,257
Total liabilities						563,296
<b>Other segment information:</b>						
Capital expenditure ( <i>Note</i> )	10	9	-	-	-	19
Depreciation	(128)	(54)	-	-	(268)	(450)
Interest income	62,827	-	2,024	-	-	64,851
Finance costs	(32,218)	-	-	-	(5)	(32,223)
Loss on disposal of fixed assets	-	-	-	-	(2)	(2)
Provision for impairment losses on properties under development	-	(98)	-	-	-	(98)
Net fair value loss on financial instruments at fair value through profit or loss	-	-	-	(318)	-	(318)
Net fair value loss on investment properties	(3,262)	-	-	-	-	(3,262)
Unallocated:						
Capital expenditure ( <i>Note</i> )						2,824
Depreciation						(958)
Realised translation loss reclassified to the statement of profit or loss relating to liquidation of foreign operations						(35)

Year ended 31 December 2023

	Property investment HK\$'000	Property development HK\$'000	Treasury investment HK\$'000	Securities investment HK\$'000	Other HK\$'000	Consolidated HK\$'000
<b>Revenue — external</b>	69,939	-	3,445	-	1,410	74,794
<b>Segment results</b>	27,968	(4,699)	3,445	(322)	(1,604)	24,788
Unallocated corporate expenses						(40,573)
Share of results of associates	-	5,412	-	-	-	5,412
Share of results of joint ventures	169,361	-	-	-	-	169,361
Profit before tax						158,988
<b>Segment assets</b>	169,860	76,589	121,477	3,148	338	371,412
Interests in associates	7,132	290,402	-	-	-	297,534
Interests in joint ventures	10,479,831	-	-	-	-	10,479,831
Unallocated assets						9,307
Total assets						11,158,084
<b>Segment liabilities</b>	470,429	8,983	-	-	347	479,759
Unallocated liabilities						49,333
Total liabilities						529,092
<b>Other segment information:</b>						
Capital expenditure ( <i>Note</i> )	130	520	-	-	11	661
Depreciation	(210)	(28)	-	-	(278)	(516)
Interest income	62,482	-	3,445	-	-	65,927
Finance costs	(26,541)	-	-	-	(15)	(26,556)
Loss on disposal of fixed assets	-	(9)	-	-	-	(9)
Provisions for impairment losses on:						
Properties held for sale	(783)	-	-	-	-	(783)
Properties under development	-	(110)	-	-	-	(110)
Net fair value loss on financial instruments						
at fair value through profit or loss	-	-	-	(283)	-	(283)
Fair value loss on investment properties	(7,639)	-	-	-	-	(7,639)
Unallocated:						
Capital expenditure ( <i>Note</i> )						1,095
Depreciation						(5,861)

*Note:* Capital expenditure includes additions to fixed assets.

## Geographical information

### (a) Revenue from external customers

	2024 HK\$'000	2023 HK\$'000
Hong Kong	1,401	2,847
Mainland China	4,614	4,552
Republic of Singapore	53,620	54,529
Indonesia	9,907	9,764
Other	3,303	3,102
	<u>72,845</u>	<u>74,794</u>

The revenue information above is based on the locations of the customers.

### (b) Non-current assets

	2024 HK\$'000	2023 HK\$'000
Hong Kong	32	50
Mainland China	55,907	58,190
Republic of Singapore	9,086,733	10,639,948
Indonesia	152,793	154,670
Other	62,802	64,043
	<u>9,358,267</u>	<u>10,916,901</u>

The non-current assets information above is based on the locations of the assets and excludes financial instruments.

## Information about major customers

For the year ended 31 December 2024, revenue of approximately HK\$52,850,000 (2023 — HK\$52,625,000) and HK\$9,907,000 (2023 — HK\$9,764,000) was derived from interest income from two major customers in the property investment segment.



#### 4. REVENUE

An analysis of revenue is as follows:

	2024 HK\$'000	2023 HK\$'000
Revenue from contracts with customers:		
Provision of project management services	420	1,408
Revenue from other sources:		
Property rental income from operating leases	7,572	7,457
Interest income	64,851	65,927
Other	2	2
	<u>72,425</u>	<u>73,386</u>
	<u>72,845</u>	<u>74,794</u>

#### Revenue from contracts with customers

Disaggregated revenue information

	2024 HK\$'000	2023 HK\$'000
Other segment:		
Types of goods or services:		
Provision of project management services	420	1,408
Geographical market:		
Republic of Singapore	420	1,408
Timing of revenue recognition:		
Services transferred over time	420	1,408

Set out below is the reconciliation of the revenue from contracts with customers to the amounts disclosed in the segment information:

	2024 HK\$'000	2023 HK\$'000
Other segment:		
Revenue from contracts with external customers	420	1,408
Revenue from other sources — external	2	2
Total segment revenue	<u>422</u>	<u>1,410</u>

## 5. OTHER LOSSES — NET

	2024 HK\$'000	2023 HK\$'000
Net fair value loss on financial instruments at fair value through profit or loss:		
Financial assets at fair value through profit or loss mandatorily classified as such, including those held for trading:		
Equity securities	(168)	(85)
Debt securities	(150)	(200)
Investment funds	-	2
	<u>(318)</u>	<u>(283)</u>
Loss on disposal of fixed assets	(2)	(9)
Net fair value loss on investment properties	(3,262)	(7,639)
Provisions for impairment losses on:		
Properties held for sale	-	(783)
Properties under development	(98)	(110)
Foreign exchange gains/(losses) — net	(407)	73
Realised translation loss reclassified to the statement of profit or loss relating to liquidation of foreign operations	(35)	-
	<u>(4,122)</u>	<u>(8,751)</u>

## 6. PROFIT/(LOSS) BEFORE TAX

Profit/(Loss) before tax is arrived at after crediting/(charging):

	2024 HK\$'000	2023 HK\$'000
Interest income:		
Loans and advances	62,827	62,482
Other	2,024	3,445
Staff costs ( <i>Note (a)</i> )	(11,331)	(22,669)
Depreciation of fixed assets ( <i>Note (a)</i> )	(1,148)	(6,107)
Depreciation of right-of-use assets ( <i>Note (a)</i> )	(260)	(270)
Auditors' remuneration ( <i>Note (a)</i> )	(3,397)	(3,408)
Legal and professional fees ( <i>Note (b)</i> )	(844)	(1,924)
Consultancy and service fees ( <i>Note (b)</i> )	(3,502)	(5,456)
	<u></u>	<u></u>

*Note:*

- (a) The amounts are included in "Administrative expenses" in the consolidated statement of profit or loss.
- (b) The amounts are included in "Other operating expenses" in the consolidated statement of profit or loss.

## 7. SHARE OF RESULTS OF JOINT VENTURES

Share of results of joint ventures for the year ended 31 December 2024 mainly included share of loss of Lippo ASM Asia Property Limited (“LAAPL”, together with its subsidiaries, the “LAAPL Group”) of HK\$1,204,700,000 (2023 — profit of HK\$173,993,000). The loss was mainly attributable to share of loss of an equity-accounted investee and the fair value losses on investment properties.

LAAPL is the vehicle holding a controlling stake in OUE Limited (“OUE”). OUE is listed on the Mainboard of Singapore Exchange Securities Trading Limited. OUE’s real estate activities include the development, investment and management of real estate assets across the commercial, hospitality, retail and residential sectors. Certain bank facilities of the LAAPL Group were secured by certain listed shares held under it.

## 8. INCOME TAX

	2024 HK\$’000	2023 HK\$’000
Hong Kong:		
Charge for the year	6,301	4,436
Overprovision in prior years	(5)	(3)
Deferred	(3)	(6)
	<u>6,293</u>	<u>4,427</u>
Mainland China and overseas:		
Charge for the year	365	289
Deferred	(182)	(1,886)
	<u>183</u>	<u>(1,597)</u>
Total charge for the year	<u><u>6,476</u></u>	<u><u>2,830</u></u>

Hong Kong profits tax has been provided at the rate of 8.25% or 16.5% (2023 — 8.25% or 16.5%), as appropriate. For the companies operating in mainland China and the Republic of Singapore, corporate taxes have been calculated on the estimated assessable profits for the year at the rates of 25% and 17% (2023 — 25% and 17%), respectively. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

## 9. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

### (a) Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated based on (i) the consolidated profit/(loss) for the year attributable to equity holders of the Company; and (ii) the weighted average number of approximately 1,998,280,000 ordinary shares (2023 — approximately 1,998,280,000 ordinary shares) outstanding during the year.

### (b) Diluted earnings/(loss) per share

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

**10. DIVIDEND**

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Final dividend, proposed — Nil (2023 — HK1 cent per ordinary share)	-	19,983

**11. DEBTORS, PREPAYMENTS AND OTHER ASSETS**

Included in the balances are trade debtors with an ageing analysis, based on the invoice date and net of loss allowance, as follows:

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Outstanding balances with ages: Within 30 days	-	21

## **BUSINESS REVIEW**

### **Overview**

The global economy in 2024 was affected by ongoing macroeconomic challenges, geopolitical conflicts, inflationary pressures and a prolonged high-interest rate environment. The slowdown in mainland China's economy continued to affect its property market which recorded a deeper or longer than expected contraction. The economy in Singapore, where the major operations of the Group's principal joint ventures are located, expanded by 4.4% in 2024. Most of the sectors in Singapore performed well in 2024. International visitor arrivals in Singapore continued their steady recovery from 2023, increasing by 21% to 16.5 million in 2024.

### **Results for the Year**

Against this backdrop, the Company (together with its subsidiaries, collectively, the "Group") recorded a consolidated loss attributable to shareholders of HK\$1,200 million for the year ended 31 December 2024 (the "Year"), as compared to a consolidated profit of HK\$157 million for the year ended 31 December 2023 ("2023"). The change was mainly attributable to share of loss of the Group's joint ventures for the Year as compared with share of profit for 2023. Such loss was largely non-cash in nature.

Revenue for the Year amounted to HK\$73 million (2023 — HK\$75 million). Property investment business contributed to 97% (2023 — 94%) of total revenue for the Year.

The Group's other operating expenses mainly included legal and professional fees and consultancy and service fees. Other operating expenses reduced to HK\$14 million for the Year (2023 — HK\$19 million). Finance costs increased to HK\$32 million (2023 — HK\$27 million), which was largely driven by higher interest rates during the Year as compared with 2023.

### ***Property investment***

Segment revenue from the property investment business was mainly attributable to recurrent rental income from the Group's investment properties and interest income from the loans to the Group's joint ventures. Segment revenue for the Year amounted to HK\$70 million (2023 — HK\$70 million). Segment profit before accounting for share of results from the Group's joint ventures amounted to HK\$28 million for the Year (2023 — HK\$28 million).

Lippo ASM Asia Property Limited ("LAAPL", together with its subsidiaries, collectively, the "LAAPL Group"), a principal joint venture of the Group, is the vehicle holding a controlling stake in OUE Limited ("OUE", together with its subsidiaries, collectively, the "OUE Group"), a company listed on the Mainboard of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). OUE's real estate activities include the development, investment and management of real estate assets across the commercial, hospitality, retail and residential sectors. As at 31 December 2024, the LAAPL Group had an equity interest of approximately 72.93% in OUE.

OUE Real Estate Investment Trust ("OUE REIT"), a subsidiary of OUE, is a REIT listed on the SGX-ST. The property portfolio of OUE REIT includes OUE Bayfront, One Raffles Place, OUE Downtown Office, Hilton Singapore Orchard, the adjoining Mandarin Gallery and Crowne Plaza Changi Airport in Singapore. The LAAPL Group had an aggregate of approximately 49.58% interest in OUE REIT as at 31 December 2024.

OUE REIT delivered resilient performance for the Year, underpinned by its prime-located commercial and hospitality assets in Singapore. OUE REIT's Singapore office portfolio maintained a healthy committed occupancy rate. Mandarin Gallery's operating metrics continued to improve during the Year, with high occupancy rate. In April 2024, the OUE Group was awarded the tender by Changi Airport Group for the lease and development of a new hotel located at Changi Airport Terminal 2.

In December 2024, OUE REIT successfully reconstituted its portfolio through the divestment of a non-core asset located in mainland China. Following the divestment, all of OUE REIT's properties are located in Singapore.

OUE Healthcare Limited ("OUEH", together with its subsidiaries, collectively, the "OUEH Group") is a subsidiary of OUE and listed on the Catalist, the sponsor-supervised listing platform of the SGX-ST. OUEH is a regional healthcare company that owns and operates high-quality healthcare assets in high-growth Asian markets. As at 31 December 2024, the OUE Group held approximately 70.36% equity interest in OUEH.

As at 31 December 2024, the OUE Group (including holdings through the OUEH Group) maintained an approximately 45.17% interest in First Real Estate Investment Trust ("First REIT"), which is listed on the Mainboard of SGX-ST. First REIT specialises in income-generating real estate assets primarily used for healthcare and healthcare-related purposes.

The Group recorded a share of loss of joint ventures of HK\$1,205 million from its investment in LAAPL for the Year (2023 — profit of HK\$174 million). The loss for the Year was mainly due to the share of loss of an equity-accounted investee of the OUE Group whose business in mainland China had been adversely impacted by the prevailing slow-down of the property market and the current economic environment in mainland China and the fair value losses on investment properties of the OUE Group. These fair value losses for investment properties as well as the share of losses from equity-accounted investees are largely non-cash in nature and there is no material impact on the LAAPL Group's operational cashflows and corporate funding requirements. Coupled with share of foreign exchange translation losses of overseas operations of the LAAPL Group during the Year, the Group's total interests in LAAPL as at 31 December 2024 decreased to HK\$8.8 billion (31 December 2023 — HK\$10.3 billion).

### ***Property development***

The sale of the remaining properties at Lippo Plaza in Beijing was stagnant during the Year due to the sustained downturn in the mainland China's property market. The segment recorded a loss of HK\$4 million for the Year (2023 — HK\$5 million) before accounting for the share of results from the Group's associates.

### **Financial Position**

The Group's financial position remained healthy. Its total assets, mostly property-related assets, amounted to HK\$9.5 billion as at 31 December 2024 (31 December 2023 — HK\$11.2 billion). Total liabilities amounted to HK\$0.6 billion (31 December 2023 — HK\$0.5 billion). As at 31 December 2024, cash and cash equivalents amounted to HK\$0.1 billion (31 December 2023 — HK\$0.1 billion). Current ratio as at 31 December 2024 was 3.6 (31 December 2023 — 4.6).

As at 31 December 2024, the Group's bank loans amounted to HK\$501 million (31 December 2023 — HK\$466 million). All bank loans were non-current liabilities, denominated in Hong Kong dollars and carried interest at floating rate. Where appropriate, the Group would use interest rate swaps to modify the interest rate characteristics of its borrowings to limit interest rate exposure. The gearing ratio (measured as total borrowings to equity attributable to equity holders of the Company) was 5.6% as at 31 December 2024 (31 December 2023 — 4.4%).

The consolidated net asset value attributable to equity holders of the Company decreased to HK\$9.0 billion as at 31 December 2024 (31 December 2023 — HK\$10.6 billion), which was mainly attributable to the loss for the Year and share of foreign exchange translation losses of the LAAPL Group for the Year. This was equivalent to HK\$4.5 per share (31 December 2023 — HK\$5.3 per share).

The Group monitors the relative foreign exchange position of its assets and liabilities to minimise foreign currency risk. When appropriate, hedging instruments including forward contracts, swaps and currency loans would be used to manage the foreign exchange exposure.

The Group had neither material contingent liabilities outstanding nor charges on the Group's assets as at 31 December 2024 (31 December 2023 — Nil).

As at 31 December 2024, the Group had no capital commitment (31 December 2023 — Nil). The Group's investments or capital assets will be financed by its internal resources and external bank financing, as appropriate.

### **Staff and Remuneration**

The Group had 23 full-time employees as at 31 December 2024 (31 December 2023 — 27 full-time employees). Staff costs (including directors' emoluments) charged to the statement of profit or loss for the Year amounted to HK\$11 million (2023 — HK\$23 million). The Group ensures that its employees are offered competitive remuneration packages. The Group also provides benefits such as medical insurance and retirement funds to employees to sustain competitiveness of the Group.

### **PROSPECTS**

Global growth is projected at 3.3% in 2025, which is below the historical average of 3.7%. Uncertainties in the global economy remain significant, with the risks tilted to the downside. Escalating trade protectionism and elevated geopolitical tensions may disrupt global trade and supply chains, potentially driving inflation higher and dampening economic activities. The GDP growth in mainland China is expected to moderate on account of a slowdown in investment growth and exports due to tariff hikes and industrial overcapacity. Coupled with stronger government spendings and the ramping up of support to boost domestic demand, since the beginning of 2025, the property market in mainland China has maintained a positive sign of stopping declines. It is expected that the Chinese government's initiatives to stabilise the property sector to continue in 2025. Signs of stabilisation in the property market and an increase in domestic consumption could help mainland China's economy to minimise the impact of the mounting U.S. trade tariffs. The Ministry of Trade and Industry in Singapore maintained its GDP growth forecast for 2025 at 1.0% to 3.0%. Amid the challenging operating environment, the Group and its joint ventures will continue to manage their businesses and monitor their assets and investments cautiously and exercise prudent capital management.

## **DIVIDENDS**

The Directors have resolved not to recommend payment of any final dividend for the year ended 31 December 2024 (2023 — HK1 cent per share, approximately HK\$20 million). No interim dividend was declared for the year ended 31 December 2024 (2023 — Nil).

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

During the year ended 31 December 2024, there was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries.

## **CORPORATE GOVERNANCE**

The Company is committed to ensuring high standards of corporate governance practices. The Board of Directors of the Company (the "Board") believes that good corporate governance practices are increasingly important for maintaining and promoting investor confidence. Corporate governance requirements keep changing, therefore the Board reviews its corporate governance practices from time to time to ensure they meet public and shareholders' expectation, comply with legal and professional standards and reflect the latest local and international developments. The Board will continue to commit itself to achieving a high quality of corporate governance so as to safeguard the interests of shareholders and enhance shareholder value.

To the best knowledge and belief of the Directors, the Directors consider that the Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the year ended 31 December 2024.

## **AUDIT COMMITTEE**

The Company has established an audit committee (the "Committee"). The existing members of the Committee comprise two independent non-executive Directors, namely Mr. King Fai Tsui (Chairman) and Mr. Edwin Neo and one non-executive Director, Mr. Leon Nim Leung Chan. The Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and financial reporting matters and has reviewed and agreed with the consolidated financial statements of the Group for the year ended 31 December 2024.

## **AUDITOR'S PROCEDURES ON THIS PRELIMINARY ANNOUNCEMENT**

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 (the "Year") as set out in this preliminary announcement have been agreed by the Group's independent auditor, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the Year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Ernst & Young on this preliminary announcement.

By Order of the Board  
**HONGKONG CHINESE LIMITED**  
**Davy Kwok Fai Lee**  
*Chief Executive Officer*

Hong Kong, 28 March 2025



*As at the date of this announcement, the Board of Directors of the Company comprises eight directors, of which Dr. Stephen Riady (Chairman), Mr. John Luen Wai Lee (Deputy Chairman), Mr. Davy Kwok Fai Lee (Chief Executive Officer) and Mr. Brian Riady as executive Directors, Mr. Leon Nim Leung Chan as non-executive Director and Mr. King Fai Tsui, Mr. Edwin Neo and Ms. Min Yen Goh as independent non-executive Directors.*

*\* For identification purpose only*