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# LIPPO LIMITED

力寶有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 226)

## FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Board of Directors (the “Board”) of Lippo 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>848,843</b>	813,522
Cost of sales		(302,853)	(311,308)
<b>Gross profit</b>		<b>545,990</b>	502,214
Administrative expenses	6	(433,539)	(442,360)
Other operating expenses	6	(199,806)	(168,725)
Net fair value gain/(loss) on financial instruments at fair value through profit or loss	6	(63,617)	19,629
Net fair value loss on investment properties		(18,424)	(26,523)
Provision for impairment losses on fixed assets		(87,084)	-
Other losses — net	5	(1,514)	(10,917)
Litigation settlement	7	(386,482)	-
Finance costs		(118,601)	(111,030)
Share of results of associates		53,525	960
Share of results of joint ventures	8	(1,196,640)	169,707
<b>Loss before tax</b>	6	<b>(1,906,192)</b>	(67,045)
Income tax	9	(9,200)	(1,637)
<b>Loss for the year</b>		<b>(1,915,392)</b>	(68,682)
<b>Attributable to:</b>			
Equity holders of the Company		(1,411,596)	(35,381)
Non-controlling interests		(503,796)	(33,301)
		<b>(1,915,392)</b>	(68,682)
		<b>HK\$</b>	<b>HK\$</b>
<b>Loss per share attributable to equity holders of the Company</b>	10		
Basic and diluted		(2.86)	(0.07)

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	2024 HK\$'000	2023 HK\$'000
<b>Loss for the year</b>	<b>(1,915,392)</b>	<b>(68,682)</b>
<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	(28,411)	(11,297)
Exchange differences reclassified to profit or loss upon:		
Liquidation of foreign operations	35	-
Derecognition of a foreign associate	-	13
Share of other comprehensive income/(loss) of associates	(30,782)	12,096
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	(404,048)	(86,917)
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	(2,962)	(40,897)
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	(35,681)	(137,613)
Other comprehensive loss for the year, net of tax	(439,729)	(224,530)
<b>Total comprehensive loss for the year</b>	<b>(2,355,121)</b>	<b>(293,212)</b>
<b>Attributable to:</b>		
Equity holders of the Company	(1,731,323)	(193,879)
Non-controlling interests	(623,798)	(99,333)
	<b>(2,355,121)</b>	<b>(293,212)</b>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 31 December 2024

	Note	2024 HK\$'000	2023 HK\$'000
<b>Non-current assets</b>			
Intangible assets		21,034	21,034
Fixed assets		895,829	1,038,253
Investment properties		512,482	663,438
Right-of-use assets		150,164	161,372
Interests in associates		825,626	1,119,065
Interests in joint ventures		148,734	10,545,451
Financial assets at fair value through other comprehensive income		46,267	49,372
Financial assets at fair value through profit or loss		390,988	448,153
Debtors, prepayments and other assets	12	18,270	40,313
Deferred tax assets		5,893	5,233
		<b>3,015,287</b>	<b>14,091,684</b>
<b>Current assets</b>			
Properties held for sale		780	65,046
Properties under development		-	23,408
Inventories		25,001	23,962
Debtors, prepayments and other assets	12	141,863	165,987
Financial assets at fair value through profit or loss		101,927	304,193
Other financial assets		7,082	-
Tax recoverable		116	876
Cash and cash equivalents		425,320	454,717
		<b>702,089</b>	<b>1,038,189</b>
Assets of a subsidiary classified as held for distribution	13	9,545,440	-
		<b>10,247,529</b>	<b>1,038,189</b>
<b>Current liabilities</b>			
Bank and other borrowings		311,554	367,330
Lease liabilities		55,910	47,106
Creditors, accruals and other liabilities	14	511,595	224,256
Other financial liability		-	569
Tax payable		119,207	147,198
		<b>998,266</b>	<b>786,459</b>
Liabilities directly associated with assets of a subsidiary classified as held for distribution	13	563,296	-
		<b>1,561,562</b>	<b>786,459</b>
<b>Net current assets</b>		<b>8,685,967</b>	<b>251,730</b>
<b>Total assets less current liabilities</b>		<b>11,701,254</b>	<b>14,343,414</b>

	Note	2024 HK\$'000	2023 HK\$'000
<b>Non-current liabilities</b>			
Bank and other borrowings		<b>1,394,304</b>	1,272,967
Lease liabilities		<b>105,901</b>	125,983
Creditors, accruals and other liabilities	14	<b>10,808</b>	8,542
Deferred tax liabilities		<b>10,541</b>	26,257
		<b>1,521,554</b>	1,433,749
<b>Net assets</b>		<b>10,179,700</b>	12,909,665
<b>Equity</b>			
Equity attributable to equity holders of the Company			
Share capital		<b>986,598</b>	986,598
Reserves		<b>5,995,361</b>	8,088,633
		<b>6,981,959</b>	9,075,231
Non-controlling interests		<b>3,197,741</b>	3,834,434
<b>Total equity</b>		<b>10,179,700</b>	12,909,665

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 and the Hong Kong Companies Ordinance. The financial information also includes applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The unaudited financial information relating to the year ended 31 December 2024 and the financial information relating to the year ended 31 December 2023 included in this preliminary announcement of final results for the year ended 31 December 2024 does not constitute the Company’s statutory annual consolidated financial statements for those years but, in respect of the year ended 31 December 2023, is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The financial statements for the year ended 31 December 2024 have yet to be reported on by the Company’s auditor and will be delivered to the Registrar of Companies in due course.

The Company has delivered the financial statements for the year ended 31 December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company’s auditor has reported on the financial statements of the Group for the year ended 31 December 2023. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of 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;
- (e) the food businesses segment mainly includes food manufacturing and food retail operations in chains of cafés and bistros;
- (f) the healthcare services segment includes the provision of healthcare management services; and
- (g) the "other" segment comprises principally the provision of property and project management services, mineral exploration and extraction and investment in a closed-end fund.

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	Food businesses HK\$'000	Healthcare services HK\$'000	Other HK\$'000	Inter- segment elimination HK\$'000	Consolidated HK\$'000
<b>Revenue</b>									
External	87,434	-	5,734	11,314	727,796	-	16,565	-	848,843
Inter-segment	4,368	-	-	-	-	-	590	(4,958)	-
Total	91,802	-	5,734	11,314	727,796	-	17,155	(4,958)	848,843
<b>Segment results</b>	(77,468)	147	5,734	(58,169)	(34,755)	(461)	12,917	151	(151,904)
Unallocated corporate expenses									(533,968)
Finance costs									(77,205)
Share of results of associates	-	11,726	-	-	-	(512)	42,311	-	53,525
Share of results of joint ventures	(1,196,190)	(19)	-	-	(431)	-	-	-	(1,196,640)
Loss before tax									(1,906,192)
<b>Segment assets</b>	1,226,475	73,481	449,156	558,821	698,477	-	5,202	(7,458)	3,004,154
Interests in associates	6,452	290,632	-	-	-	470,175	355,451	-	1,122,710
Interests in joint ventures	8,996,813	37	-	41,279	36,970	-	-	-	9,075,099
Unallocated assets									60,853
Total assets									13,262,816
<b>Segment liabilities</b>	718,937	9,465	-	41,513	343,826	436,520	301,998	(992,483)	859,776
Unallocated liabilities									2,223,340
Total liabilities									3,083,116
<b>Other segment information:</b>									
Capital expenditure ( <i>Note</i> )	932	9	-	-	28,726	-	435	-	30,102
Depreciation	(18,760)	(54)	-	-	(117,191)	-	(313)	3,994	(132,324)
Interest income	64,008	-	5,734	1,479	1,944	-	2,737	-	75,902
Finance costs	(32,218)	-	-	-	(9,698)	-	(5)	525	(41,396)
Gain on disposal of subsidiaries	-	-	-	-	-	-	957	-	957
Loss on disposal of fixed assets	-	-	-	-	(12,897)	-	(2)	-	(12,899)
Write-back of provisions/(Provisions) for impairment losses on:									
Fixed assets	(87,084)	-	-	-	-	-	-	-	(87,084)
Properties under development	-	6,606	-	-	-	-	-	-	6,606
Inventories	-	-	-	-	(1,022)	-	-	-	(1,022)
Loans and receivables	300	-	-	180	(344)	-	1,562	-	1,698
Net fair value gain/(loss) on financial instruments at fair value through profit or loss	-	-	-	(66,092)	2,475	-	-	-	(63,617)
Net fair value loss on investment properties	(18,424)	-	-	-	-	-	-	-	(18,424)
Unallocated:									
Capital expenditure ( <i>Note</i> )									4,332
Depreciation									(5,497)
Finance costs									(77,205)
Loss on disposal of fixed assets									(6)
Litigation settlement									(386,482)
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	Food businesses HK\$'000	Healthcare services HK\$'000	Other HK\$'000	Inter- segment elimination HK\$'000	Consolidated HK\$'000
<b>Revenue</b>									
External	87,978	-	9,385	11,849	687,261	-	17,049	-	813,522
Inter-segment	4,041	-	-	-	-	-	1,397	(5,438)	-
<b>Total</b>	<b>92,019</b>	<b>-</b>	<b>9,385</b>	<b>11,849</b>	<b>687,261</b>	<b>-</b>	<b>18,446</b>	<b>(5,438)</b>	<b>813,522</b>
<b>Segment results</b>	<b>6,919</b>	<b>(7,875)</b>	<b>9,385</b>	<b>25,688</b>	<b>(55,206)</b>	<b>(2,708)</b>	<b>3,994</b>	<b>(243)</b>	<b>(20,046)</b>
Unallocated corporate expenses									(145,149)
Finance costs									(72,517)
Share of results of associates	-	5,412	-	-	-	7,710	(12,162)	-	960
Share of results of joint ventures	169,361	746	-	-	(400)	-	-	-	169,707
<b>Loss before tax</b>									<b>(67,045)</b>
<b>Segment assets</b>	<b>1,369,046</b>	<b>77,388</b>	<b>363,591</b>	<b>825,539</b>	<b>739,114</b>	<b>-</b>	<b>52,784</b>	<b>(11,706)</b>	<b>3,415,756</b>
Interests in associates	7,132	290,402	-	-	-	489,364	332,167	-	1,119,065
Interests in joint ventures	10,466,877	1,094	-	41,461	36,019	-	-	-	10,545,451
Unallocated assets									49,601
<b>Total assets</b>									<b>15,129,873</b>
<b>Segment liabilities</b>	<b>679,113</b>	<b>9,637</b>	<b>-</b>	<b>42,208</b>	<b>349,354</b>	<b>439,257</b>	<b>377,538</b>	<b>(1,067,435)</b>	<b>829,672</b>
Unallocated liabilities									1,390,536
<b>Total liabilities</b>									<b>2,220,208</b>
<b>Other segment information:</b>									
Capital expenditure ( <i>Note</i> )	130	520	-	-	46,066	-	420	-	47,136
Depreciation	(18,940)	(28)	-	-	(113,992)	-	(378)	3,494	(129,844)
Interest income	63,099	-	9,385	1,131	1,840	-	2,454	-	77,909
Finance costs	(26,481)	-	-	(33)	(12,288)	-	(15)	304	(38,513)
Loss on disposal of fixed assets	-	(9)	-	-	(3,002)	-	(93)	-	(3,104)
Loss on derecognition of an associate	-	-	-	-	-	-	(496)	-	(496)
Provisions for impairment losses on:									
A joint venture	-	-	-	-	-	-	(34)	-	(34)
Properties held for sale	(783)	-	-	-	-	-	-	-	(783)
Properties under development	-	(110)	-	-	-	-	-	-	(110)
Inventories	-	-	-	-	(1,539)	-	-	-	(1,539)
Loans and receivables	(300)	-	-	(237)	-	-	(1,562)	-	(2,099)
Net fair value gain on financial instruments at fair value through profit or loss	-	-	-	19,629	-	-	-	-	19,629
Net fair value loss on investment properties	(26,523)	-	-	-	-	-	-	-	(26,523)
Unallocated:									
Capital expenditure ( <i>Note</i> )									1,275
Depreciation									(11,909)
Finance costs									(72,517)
Loss on disposal of fixed assets									(4)

*Note:* Capital expenditure includes additions to fixed assets, investment properties and exploration and evaluation assets.



## Geographical information

### (a) Revenue from external customers

	2024 HK\$'000	2023 HK\$'000
Hong Kong	266,613	256,648
Mainland China	10,525	12,017
Republic of Singapore	511,059	507,975
Malaysia	32,764	10,522
Indonesia	14,209	13,784
Other	13,673	12,576
	<u>848,843</u>	<u>813,522</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	973,456	1,105,598
Mainland China	145,087	208,942
Republic of Singapore	1,016,425	11,575,424
Malaysia	290,774	311,882
Indonesia	78,249	232,150
Other	53,523	117,904
	<u>2,557,514</u>	<u>13,551,900</u>

The non-current assets information above is based on the locations of the assets and excludes financial instruments, deferred tax assets and non-current assets classified as assets of a subsidiary classified as held for distribution.

## Information about a major customer

Revenue of approximately HK\$119,811,000 for the year ended 31 December 2024 (2023 — HK\$114,667,000) was derived from sales by the food businesses segment to a single customer.

#### 4. REVENUE

An analysis of revenue is as follows:

	2024 HK\$'000	2023 HK\$'000
Revenue from contracts with customers:		
Revenue from food manufacturing operation	348,155	324,523
Revenue from restaurant operation	376,103	359,901
Provision of management services	13,016	13,993
	<hr/>	<hr/>
	737,274	698,417
	<hr/>	<hr/>
Revenue from other sources:		
Property rental income from operating leases:		
Variable lease payments that do not depend on an index or a rate	26	587
Other lease payments, including fixed payments	23,400	24,292
	<hr/>	<hr/>
	23,426	24,879
Interest income	75,902	77,909
Dividend income	9,835	10,718
Other	2,406	1,599
	<hr/>	<hr/>
	111,569	115,105
	<hr/>	<hr/>
	848,843	813,522
	<hr/>	<hr/>

**Revenue from contracts with customers**

Disaggregated revenue information

<b>Segments</b>	<b>Food businesses HK\$'000</b>	<b>Other HK\$'000</b>	<b>Total HK\$'000</b>
<b>Year ended 31 December 2024</b>			
Types of goods or services:			
Revenue from food manufacturing operation	348,155	-	348,155
Revenue from restaurant operation	376,103	-	376,103
Provision of management services	-	13,016	13,016
	<hr/>	<hr/>	<hr/>
Total revenue from contracts with customers	<b>724,258</b>	<b>13,016</b>	<b>737,274</b>
	<hr/>	<hr/>	<hr/>
Geographical markets:			
Hong Kong	240,738	10,652	251,390
Mainland China	-	1,944	1,944
Republic of Singapore	452,151	420	452,571
Malaysia	31,369	-	31,369
	<hr/>	<hr/>	<hr/>
Total revenue from contracts with customers	<b>724,258</b>	<b>13,016</b>	<b>737,274</b>
	<hr/>	<hr/>	<hr/>
Timing of revenue recognition:			
Goods transferred at a point in time	724,258	-	724,258
Services transferred over time	-	13,016	13,016
	<hr/>	<hr/>	<hr/>
Total revenue from contracts with customers	<b>724,258</b>	<b>13,016</b>	<b>737,274</b>
	<hr/>	<hr/>	<hr/>
<b>Year ended 31 December 2023</b>			
Types of goods or services:			
Revenue from food manufacturing operation	324,523	-	324,523
Revenue from restaurant operation	359,901	-	359,901
Provision of management services	-	13,993	13,993
	<hr/>	<hr/>	<hr/>
Total revenue from contracts with customers	<b>684,424</b>	<b>13,993</b>	<b>698,417</b>
	<hr/>	<hr/>	<hr/>
Geographical markets:			
Hong Kong	227,488	10,563	238,051
Mainland China	-	2,022	2,022
Republic of Singapore	447,288	1,408	448,696
Malaysia	9,648	-	9,648
	<hr/>	<hr/>	<hr/>
Total revenue from contracts with customers	<b>684,424</b>	<b>13,993</b>	<b>698,417</b>
	<hr/>	<hr/>	<hr/>
Timing of revenue recognition:			
Goods transferred at a point in time	684,424	-	684,424
Services transferred over time	-	13,993	13,993
	<hr/>	<hr/>	<hr/>
Total revenue from contracts with customers	<b>684,424</b>	<b>13,993</b>	<b>698,417</b>
	<hr/>	<hr/>	<hr/>

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

Segments	Food businesses HK\$'000	Other HK\$'000	Total HK\$'000
<b>Year ended 31 December 2024</b>			
Revenue from contracts with customers			
External customers	724,258	13,016	737,274
Inter-segment	-	590	590
	<hr/>	<hr/>	<hr/>
Total revenue from contracts with customers	724,258	13,606	737,864
Revenue from other sources — external	3,538	3,549	7,087
	<hr/>	<hr/>	<hr/>
Total segment revenue	<b>727,796</b>	<b>17,155</b>	<b>744,951</b>
	<hr/>	<hr/>	<hr/>
<b>Year ended 31 December 2023</b>			
Revenue from contracts with customers			
External customers	684,424	13,993	698,417
Inter-segment	-	1,397	1,397
	<hr/>	<hr/>	<hr/>
Total revenue from contracts with customers	684,424	15,390	699,814
Revenue from other sources — external	2,837	3,056	5,893
	<hr/>	<hr/>	<hr/>
Total segment revenue	<b>687,261</b>	<b>18,446</b>	<b>705,707</b>
	<hr/>	<hr/>	<hr/>

## 5. OTHER LOSSES — NET

	2024 HK\$'000	2023 HK\$'000
Gain/(Loss) on disposal of:		
Subsidiaries	957	-
Fixed assets	(12,905)	(3,108)
Loss on derecognition of an associate	-	(496)
Write-back of provisions/(Provisions) for impairment losses on:		
A joint venture	-	(34)
Properties held for sale	-	(783)
Properties under development	6,606	(110)
Inventories	(1,022)	(1,539)
Loans and receivables	1,698	(2,099)
Foreign exchange gains/(losses) — net	3,187	(2,748)
Realised translation loss reclassified to the statement of profit or loss relating to liquidation of foreign operations	(35)	-
	<hr/>	<hr/>
	<b>(1,514)</b>	<b>(10,917)</b>
	<hr/>	<hr/>

## 6. LOSS BEFORE TAX

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

	2024 HK\$'000	2023 HK\$'000
Net fair value gain/(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	(18,378)	30,908
Debt securities	(1,722)	(3,261)
Investment funds	(43,341)	(6,659)
Derivative financial instruments	(176)	(1,359)
	<u>(63,617)</u>	<u>19,629</u>
Interest income:		
Loans and advances	68,657	67,294
Financial assets at fair value through profit or loss	961	940
Other	6,284	9,675
Staff costs ( <i>Note (a)</i> )	(313,391)	(318,732)
Depreciation of fixed assets ( <i>Note (b)</i> )	(70,329)	(79,227)
Depreciation of right-of-use assets ( <i>Note (c)</i> )	(67,492)	(62,526)
Auditors' remuneration ( <i>Note (c)</i> )	(9,778)	(9,724)
Selling and distribution expenses ( <i>Note (d)</i> )	(48,847)	(45,241)
Legal and professional fees ( <i>Note (d)</i> )	(58,423)	(20,071)
Consultancy and service fees ( <i>Note (d)</i> )	(15,010)	(14,591)
Utilities charges ( <i>Note (d)</i> )	(14,999)	(14,389)
Cost of inventories sold ( <i>Note (a) and Note (b)</i> )	<u>(299,068)</u>	<u>(307,572)</u>

*Note:*

- (a) Total staff costs of HK\$25,279,000 (2023 — HK\$26,558,000) and HK\$288,112,000 (2023 — HK\$292,174,000) are included in “Cost of inventories sold” and “Administrative expenses” in the consolidated statement of profit or loss, respectively.
- (b) Depreciation of fixed assets of HK\$18,852,000 (2023 — HK\$20,507,000) and HK\$51,477,000 (2023 — HK\$58,720,000) are included in “Cost of inventories sold” and “Administrative expenses” in the consolidated statement of profit or loss, respectively.
- (c) The amounts are included in “Administrative expenses” in the consolidated statement of profit or loss.
- (d) The amounts are included in “Other operating expenses” in the consolidated statement of profit or loss.

## 7. LITIGATION SETTLEMENT

Reference was made to the Group's minority ownership interest in Skye Mineral Partners, LLC (“Skye”) whose major asset, prior to the events described below, was substantially all of the equity interests in CS Mining, LLC (“CS Mining”), a company that owned a number of copper ore deposits in the U.S.A. Subsequently, CS Mining sold its assets through a court-supervised sale process under its bankruptcy proceedings and a former joint venture of the Company participated and won the bid to acquire the assets in 2017. In 2018, a verified complaint was filed in a state court in the U.S.A. by the majority investors in Skye (the “Majority Investors”) individually and derivatively on behalf of Skye against, among others, certain entities and persons in or related to the Group (collectively, the “Parties”), alleging, among other things, that they suffered from diminution in the value of their equity interests in CS Mining based on an alleged scheme perpetrated by the Parties on CS Mining. The Group, individually and derivatively on behalf of Skye, also filed a counterclaim against the Majority Investors and their related persons (the “Counterparties”), in which the Group claimed that the Counterparties, at all relevant times, controlled both Skye and CS Mining, preferred their own interests over those of Skye and its creditors and other owners and that this misconduct of the Counterparties caused the Group to suffer loss. The parties agreed to attempt to consensually resolved the litigation in mediation and prior to the commencement of trial in the litigation, the parties reached a settlement, which was memorialised in a settlement agreement dated 20 September 2024 (the “Settlement Agreement”). Under the Settlement Agreement, the litigation and all claims that existed with respect to the Group's ownership interest and participation in Skye and CS Mining were settled and the Parties and the Counterparties agreed to fully and forever release and discharge all the claims against each other and Skye was dissolved (the “Settlement”). In consideration of the Settlement, the Group paid US\$49.5 million (equivalent to HK\$386,482,000) to the Counterparties under the Settlement Agreement. While the Group continues to maintain that it has no liability in respect of the claims, the Settlement Agreement entered into by the Group avoided the risk, uncertainty and costs associated with litigation.

## 8. 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\$1,191,746,000 (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.

## 9. INCOME TAX

	2024 HK\$’000	2023 HK\$’000
Hong Kong:		
Charge for the year	6,305	4,439
Overprovision in prior years	(12)	(3)
Deferred	(45)	(976)
	<u>6,248</u>	<u>3,460</u>
Mainland China and overseas:		
Charge for the year	8,792	3,712
Overprovision in prior years	(1,092)	(1,312)
Deferred	(4,748)	(4,223)
	<u>2,952</u>	<u>(1,823)</u>
Total charge for the year	<u>9,200</u>	<u>1,637</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.

## 10. LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

### (a) Basic loss per share

Basic loss per share is calculated based on (i) the consolidated loss for the year attributable to equity holders of the Company; and (ii) the weighted average number of approximately 493,154,000 ordinary shares (2023 — approximately 493,154,000 ordinary shares) outstanding during the year.

### (b) Diluted loss per share

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

## 11. DISTRIBUTION/DIVIDEND

	2024 HK\$'000	2023 HK\$'000
Special interim distribution, declared — 2,420 HKC Shares per 1,000 ordinary shares (2023 — Nil) ( <i>Note</i> )	322,227	-
Final dividend, proposed — Nil (2023 — Nil)	-	-
	<u>322,227</u>	<u>-</u>

*Note:* On 27 December 2024, the Board declared a special interim distribution in the form of distribution in specie (the “Special Interim Distribution”) of up to 1,193,432,757 shares in Hongkong Chinese Limited (“HKC”, together with its subsidiaries, the “HKC Group”), a subsidiary of the Company, to the shareholders of the Company in proportion to their respective shareholdings in the Company on the basis of 2,420 shares in HKC (the “HKC Shares”) for every 1,000 shares of the Company held by the qualifying shareholders based on the market price of HKC at HK\$0.27 per share. The above 1,193,432,757 HKC Shares represent approximately 80.76% of the HKC Shares held by the Group and 59.72% of the total number of issued HKC Shares as at 31 December 2024. The Special Interim Distribution was completed in January 2025 and the Group ceased to control the HKC Group upon completion.

## 12. 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:

	2024 HK\$'000	2023 HK\$'000
Outstanding balances with ages:		
Within 30 days	35,339	28,083
Between 31 and 60 days	22,548	21,258
Between 61 and 90 days	13,749	14,413
Over 90 days	1,115	396
	<u>72,751</u>	<u>64,150</u>

**13. ASSETS OF A SUBSIDIARY CLASSIFIED AS HELD FOR DISTRIBUTION/  
LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS OF A SUBSIDIARY CLASSIFIED AS HELD  
FOR DISTRIBUTION**

On 27 December 2024, the Board declared the Special Interim Distribution, details of which are disclosed in Note 11 to the final results. The Special Interim Distribution was completed in January 2025 and the Group ceased to control the HKC Group upon completion. For segment reporting purpose, the principal business activities of the subsidiaries, associates and joint ventures of HKC are reported under property investment, property development, treasury investment, securities investment and other segment.

The major classes of assets and liabilities of the HKC Group classified as held for distribution as at 31 December 2024 are as follows:

	<b>2024 HK\$'000</b>
<b>Assets</b>	
Fixed assets	9,468
Investment properties	125,350
Interests in associates	297,084
Interests in joint ventures	8,926,365
Financial assets at fair value through other comprehensive income	54
Financial assets at fair value through profit or loss	2,758
Properties held for sale	63,084
Properties under development	20,922
Debtors, prepayments and other assets	2,330
Tax recoverable	695
Cash and cash equivalents	97,330
	<hr/>
Assets of a subsidiary classified as held for distribution	9,545,440
	<hr/>
<b>Liabilities</b>	
Bank loans	501,467
Other payable, accruals and other liabilities	19,321
Tax payable	31,558
Deferred tax liabilities	10,950
	<hr/>
Liabilities directly associated with assets of a subsidiary classified as held for distribution	563,296
	<hr/>
Net assets directly associated with a subsidiary classified as held for distribution	8,982,144
	<hr/> <hr/>

As at 31 December 2024, cumulative loss recognised in other comprehensive income relating to assets/liabilities of a subsidiary classified as held for distribution amounted to HK\$1,090,794,000.



#### 14. CREDITORS, ACCURALS AND OTHER LIABILITIES

Included in the balances are trade creditors with an ageing analysis, based on the invoice date, as follows:

	2024 HK\$'000	2023 HK\$'000
Outstanding balances with ages:		
Within 30 days	27,003	28,076
Between 31 and 60 days	13,186	11,620
Between 61 and 90 days	3,794	2,804
Over 90 days	483	1,237
	<hr/>	<hr/>
	44,466	43,737
	<hr/>	<hr/>

#### 15. EVENTS AFTER THE REPORTING PERIOD

On 27 December 2024, the Board declared the Special Interim Distribution, details of which are disclosed in Notes 11 and 13 to the final results. The Special Interim Distribution was completed in January 2025 and the Group is now interested in approximately 14.23% of the total number of issued HKC Shares (the “Retained HKC Shares”). Upon completion of the Special Interim Distribution, the Group ceased to control the HKC Group and the results and financial position of the HKC Group would be consolidated in the consolidated financial statements of the Group up to the completion date of the Special Interim Distribution for the year ending 31 December 2025. The Retained HKC Shares held by the Group would be accounted for as financial assets at fair value through other comprehensive income in the consolidated financial statements of the Group upon completion of the Special Interim Distribution. The Special Interim Distribution is expected to give rise to a decrease in the consolidated net asset value attributable to equity holders of the Company of approximately HK\$6.2 billion for the year ending 31 December 2025 (subject to adjustments and audit). Such impact is estimated based on financial information of the HKC Group as at 31 December 2024. The exact amount of the effect of the completion of the Special Interim Distribution to be recorded in the consolidated statement of financial position of the Company upon completion is subject to adjustments calculated based on the carrying value of the HKC Group as at the completion date of the Special Interim Distribution and audit, and therefore may be varied from the figures provided above.

## **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 Hong Kong economy recorded a moderate growth of 2.5% in 2024. The operating environment in Hong Kong was challenging and the property market in Hong Kong remained weak. The economy in Singapore, where the major operations of some of the Group's subsidiaries, associates and joint ventures are located, expanded by 4.4% in 2024. However, the retail trade and food and beverage services sectors contracted, partly due to locals shifting their spending to overseas travel destinations.

### **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\$1,412 million for the year ended 31 December 2024 (the "Year"), as compared to a consolidated loss of HK\$35 million for the year ended 31 December 2023 ("2023"). The increase in loss was mainly attributable to share of loss of the Group's joint ventures for the Year as compared with share of profit for 2023, net fair value loss on financial instruments at fair value through profit or loss of the Group during the Year while net fair value gain was recorded in 2023, provision for impairment loss on fixed assets due to the drop in market price of commercial properties, and the payment made for litigation settlement, offset by the share of net profits from the Group's associates during the Year.

Revenue for the Year increased to HK\$849 million (2023 — HK\$814 million), of which 60% (2023 — 62%) and 31% (2023 — 32%) were generated from Singapore and Hong Kong, respectively. Food businesses remain the principal sources of revenue of the Group and registered 6% increase in revenue, contributing to 86% (2023 — 84%) of total revenue for the Year.

The Group's other operating expenses mainly included selling and distribution expenses and utilities charges for food businesses, legal and professional fees, and consultancy and service fees. Other operating expenses increased to HK\$200 million for the Year (2023 — HK\$169 million), which was largely attributable to the increase of legal and professional fees for the Year.

### ***Property investment***

The Group's property investment portfolio mainly comprises commercial properties in Hong Kong and mainland China. The total segment revenue for the Year amounted to HK\$92 million (2023 — HK\$92 million), which 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. The Group recorded a net fair value loss on investment properties of HK\$18 million (2023 — HK\$27 million) and an impairment loss on owner-occupied office buildings of HK\$87 million (2023 — Nil) for the Year, which was mainly due to the drop of market value of the properties in Hong Kong. While the Hong Kong economy recorded a moderate growth for the Year, demand for office properties remained weak. Such unrealised fair value change and impairment loss are non-cash items and will not affect the cash flow of the Group. Segment loss before accounting for share of results from the Group's joint ventures amounted to HK\$77 million for the Year (2023 — profit of HK\$7 million).

Lippo ASM Asia Property Limited (“LAAPL”, together with its subsidiaries, collectively, the “LAAPL Group”), a principal joint venture of the Group during the Year, 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. After the completion of the Special Interim Distribution (as defined hereinbelow) in January 2025, LAAPL ceased to be the joint venture of the Group.

The Group recorded a share of loss of joint ventures of HK\$1,192 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 profit of HK\$0.1 million for the Year (2023 — loss of HK\$8 million) before accounting for the share of results from the Group’s associates and joint ventures.

### ***Food businesses***

The Group’s food businesses segment recorded a revenue of HK\$728 million for the Year (2023 — HK\$687 million), mainly from food retail operations in chains of cafés and bistros and food manufacturing which revenue increased by 5% and 7%, respectively. The Group is currently operating restaurants under the brands, namely “Chatterbox Café”, “Délifrance”, “alfafa” and “Lippo Chiuchow Restaurant”. The performance of the Group’s food manufacturing business in Singapore and Malaysia improved during the Year mainly due to enhanced operational cost management and higher sale revenue. However, the operating environment of the food businesses of the Group as a whole remained challenging. Such challenging market conditions were intensified by high operating costs, outbound spending and weak consumption in Hong Kong. As a result, the segment incurred a loss of HK\$35 million for the Year (2023 — HK\$55 million).

### ***Treasury and securities investments***

The Group managed its investment portfolio in accordance with its investment committee’s terms of reference and looked for opportunities to enhance yields. The Group invested in a diversified portfolio mainly including listed and unlisted equity securities, debt securities and investment funds. Total revenue of treasury and securities investments businesses amounted to HK\$17 million for the Year (2023 — HK\$21 million). The Group recorded a net fair value loss of HK\$66 million in the statement of profit or loss from its securities investments for the Year as compared with a gain of HK\$20 million in 2023 under this segment. The net fair value loss for the Year mainly came from the unrealised mark-to-market loss for the securities investments held by the Group. As a result, the treasury and

securities investments businesses recorded a loss of HK\$52 million in the statement of profit or loss for the Year (2023 — profit of HK\$35 million).

The Group cautiously manages the mix of its investment portfolio. The Group has liquidated part of the listed securities during the Year. The treasury and securities investment portfolio of the Group was reduced to HK\$1,008 million as at 31 December 2024 (31 December 2023 — HK\$1,189 million). As at 31 December 2024, the treasury and securities investment portfolio comprised mainly cash and bank balances of HK\$450 million (31 December 2023 — HK\$372 million), financial assets at fair value through profit or loss (“FVPL”) of HK\$496 million (31 December 2023 — HK\$752 million) and financial assets at fair value through other comprehensive income (“FVOCI”) of HK\$46 million (31 December 2023 — HK\$49 million).

Further details of securities investments under different categories are as follows:

*Financial assets at fair value through profit or loss*

As at 31 December 2024, the Group’s total financial assets at FVPL (which included financial assets at FVPL transferred to assets of a subsidiary classified as held for distribution as a result of the Special Interim Distribution (as defined hereinbelow)) amounted to HK\$496 million (31 December 2023 — HK\$752 million). The total carrying amount comprised equity securities of HK\$102 million (31 December 2023 — HK\$279 million), debt securities of HK\$20 million (31 December 2023 — HK\$41 million) and investment funds of HK\$374 million (31 December 2023 — HK\$432 million).

Details of the major financial assets at FVPL were as follows:

	As at 31 December 2024			As at 31 December 2023	For the year ended 31 December 2024
	Fair value (Note a)	Approximate percentage of financial assets at FVPL (Note a)	Approximate percentage to the total assets	Fair value	Net fair value gain/(loss)
	HK\$'000			HK\$'000	HK\$'000
GSH Corporation Limited (“GSH”)	63,254	12.8%	0.5%	77,753	(14,498)
Amasia CIV T, L.P. (“Amasia CIV”)	55,814	11.3%	0.4%	56,150	(336)
Quantedge Global Fund (“Quantedge”)	44,551	9.0%	0.3%	42,086	12,100
Amasia Fund I, L.P. (“Amasia Fund I”)	29,652	6.0%	0.2%	29,816	(164)
Others (Note b)	302,402	60.9%	2.3%	546,541	(60,543)
Total	495,673	100.0%	3.7%	752,346	(63,441)

Note :

- (a) Included balance of financial assets at FVPL transferred to assets of a subsidiary classified as held for distribution, details of which are disclosed under the section headed “Special Interim Distribution” hereinbelow.
- (b) Others comprised of various securities, none of which accounted for more than 6% of financial assets at FVPL as at 31 December 2024.

## GSH

As at 31 December 2024, the fair value of the Group's equity securities in GSH amounted to HK\$63 million, representing approximately 12.8% and 0.5% of the Group's total financial assets at FVPL and total assets, respectively. An unrealised fair value loss of HK\$14 million was recognised by the Group for the Year. GSH, having its shares listed on the Mainboard of the SGX-ST, is a property developer in Asia with properties under development in Malaysia and mainland China. It also owns and operates the Sutera Harbour Resort in Kota Kinabalu, comprising two five-star hotels, a 104-berth marina and a 27-hole championship golf course, and the idyllic Sutera@Mantanani Resort in Sabah. In June 2024, the 200-room hotel is officially opened in Chongqing, mainland China. GSH's hospitality business is benefited by the recovery of the hospitality industry in Malaysia and new hospitality business in mainland China. GSH's property business in Malaysia continues to see healthy demand, driven by interest from both domestic and foreign investors. However, the real estate market in mainland China continued to face significant headwinds.

## Amasia CIV

Amasia CIV is a single portfolio fund which invested in Dialpad, Inc. ("Dialpad"). Its namesake product, Dialpad is an AI-powered communications intelligence platform, featuring unified business communications and contact center solutions. Dialpad offers an all-in-one customer communication platform with AI that takes notes and delivers insights. It also offers cloud-based support and contact center platform with AI-powered real-time agent assistance and a knowledge retrieval system. The Group invested US\$2 million into Amasia CIV in 2015 for long-term capital gain. As at 31 December 2024, the fair value of the Group's investment in Amasia CIV was maintained at HK\$56 million, representing approximately 11.3% and 0.4% of the Group's total financial assets at FVPL and total assets, respectively.

## Quantedge

Quantedge is an unlisted investment fund which aims to achieve absolute long-term capital growth by investing in multiple asset classes across the globe. The performance of Quantedge is good over the years and fair value gain of HK\$12 million was recorded by the Group for the Year. In line with the objective of the Group to manage its investment portfolio by adopting a proactive but prudent approach, partial redemption of investment in Quantedge has been made since 2022 to realise the cumulated fair value gain and to re-allocate the proceeds for general working capital. During the Year, the Group partially redeemed HK\$9 million of the investment. Coupled with the unrealised fair value gain for the remaining investment, the fair value of the Group's investment in Quantedge was HK\$45 million as at 31 December 2024, representing approximately 9.0% and 0.3% of the Group's total financial assets at FVPL and total assets, respectively.

## Amasia Fund I

Amasia Fund I is an unlisted investment fund which invests primarily in equity or equity-linked securities of early-stage technology or technology enabled companies, including entities involved in cloud computing, big data, financial technology, and other similar ventures. The Group invested US\$2 million into Amasia Fund I since 2015 and such amount has been fully recovered through the accumulated distribution from the fund. As at 31 December 2024, the fair value of the Group's investment in Amasia Fund I was maintained at HK\$30 million, representing approximately 6.0% and 0.2% of the Group's total financial assets at FVPL and total assets, respectively.

### *Financial assets at fair value through other comprehensive income*

In addition to the above investments under financial assets at FVPL, the Group also invested in equity securities which are held for long-term strategic purposes and recorded them under financial assets at FVOCI. As at 31 December 2024, the fair value of such investments amounted to HK\$46 million (31 December 2023 — HK\$49 million). The major investments in this category are GenieBiome Holdings Limited (“GB”) and H2G Green Limited (“H2G”).

GB is one of the major investment in this category. As at 31 December 2024, the fair value of the Group’s investment in GB amounted to HK\$24 million, representing approximately 51.9% and 0.2% of the Group’s total financial assets at FVOCI and total assets, respectively. In 2021, the Group made an investment in GB, a biotech company established by a team of internationally renowned university professors of medicine and clinician-scientists in Hong Kong. GB has pioneered the use of microbiome with evidence-based science to tackle a myriad of diseases, revolutionising the prevention, diagnosis and treatment of disease. Its portfolio includes next-generation microbiome precision formula tailored for the Asian population. GB has a pipeline of new products to be launched in market as well as continuing its research and development on microbiome. The performance of GB is satisfactory and dividend income was received during the Year. The Group recorded an unrealised fair value gain of HK\$6 million through other comprehensive income for the Year.

H2G is a company listed on the Catalist, the sponsor-supervised listing platform of the SGX-ST. H2G specialises in the last mile distribution of liquefied natural gas via tanks and cylinders, which allows the commercial and industrial end-users to access cleaner and lower-cost energy source (especially when compared with diesel). It is also engaged in the development of processing plants in Singapore for the conversion of non-food cellulose biomass waste into hydrogen and other useful products (for example, activated carbon/biochar, wood vinegar and renewable fuel). The Group initially subscribed for approximately 11.0% of the then issued shares in H2G in 2023. In 2024, the Group took up 8.9% new shares in H2G upon completion of a share swap with one of its unlisted investments in a related business, which allows the Group to enhance liquidity of its investment portfolio. As at 31 December 2024, the fair value of the Group’s investment in H2G amounted to HK\$11 million, representing approximately 23.1% and 0.1% of the Group’s total financial assets at FVOCI and total assets, respectively. The Group recorded an unrealised fair value loss of HK\$8 million through other comprehensive income for the Year. Separately, the Group also invested approximately HK\$2 million in the listed warrants issued by H2G and recorded a fair value gain of HK\$3 million through statement of profit and loss account for the Year.

### ***Healthcare services***

The Group holds a 40.76% interest in Healthway Medical Corporation Limited (“Healthway”, together with its subsidiaries, collectively, the “Healthway Group”), an associate of the Company. Healthway has a wide network of over 130 clinics, primarily in Singapore, offering comprehensive services including general practitioner and family medicine clinics, health screening, adult specialists, baby and child specialists, dental services and allied healthcare services. In 2024, Healthway opened a state-of-the-art day surgery centre in Singapore, namely Cura Day Surgery (“Cura”), with 5 operating rooms and 12 premium patient suites, offering patients cost effective treatment options and alleviates capacity issues in hospitals.

The Healthway Group posted sustained revenue growth for the Year, driven mainly by the specialist and dental segments, as well as revenue contribution from Cura. The Group recognised a share of loss of HK\$0.5 million (2023 — profit of HK\$8 million) from the Healthway Group for the Year which was mainly attributable to the startup costs incurred by the day surgery centre and the reduction in income from COVID-related services. As at 31 December 2024, the Group’s interest in Healthway amounted to HK\$470 million (31 December 2023 — HK\$489 million).

## ***Other business***

TIH Limited (“TIH”, together with its subsidiaries, collectively, the “TIH Group”), a 39.92% owned associate of the Company and listed on the Mainboard of the SGX-ST. The TIH Group currently has two business segments, that is, investment business and fund management. Supported by Southeast Asia’s growing economies, private equity activity in the region saw a recovery in 2024, which is expected to continue into 2025. However, geopolitical uncertainties, including tariffs and export controls, economic slowdowns and political turmoil affecting key trading partners, could impact deal-making activity. Benefited from the net fair value gain on TIH’s investments and the net income tax reversal recorded by TIH, the Group registered a share of profit of HK\$41 million from its investment in TIH for the Year (2023 — loss of HK\$10 million). As at 31 December 2024, the Group’s interests in TIH amounted to HK\$310 million (31 December 2023 — HK\$286 million).

## ***Settlement***

Reference was made to the Group’s minority ownership interest in Skye Mineral Partners, LLC (“Skye”) whose major asset, prior to the events described below, was substantially all of the equity interests in CS Mining, LLC (“CS Mining”), a company that owned a number of copper ore deposits in the U.S.A. Subsequently, CS Mining sold its assets through a court-supervised sale process under its bankruptcy proceedings and a former joint venture of the Company participated and won the bid to acquire the assets in 2017. In 2018, a verified complaint was filed in a state court in the U.S.A. by the majority investors in Skye (the “Majority Investors”) individually and derivatively on behalf of Skye against, among others, certain entities and persons in or related to the Group (collectively, the “Parties”), alleging, among other things, that they suffered from diminution in the value of their equity interests in CS Mining based on an alleged scheme perpetrated by the Parties on CS Mining. The Group, individually and derivatively on behalf of Skye, also filed a counterclaim against the Majority Investors and their related persons (the “Counterparties”), in which the Group claimed that the Counterparties, at all relevant times, controlled both Skye and CS Mining, preferred their own interests over those of Skye and its creditors and other owners and that this misconduct of the Counterparties caused the Group to suffer loss. The parties agreed to attempt to consensually resolved the litigation in mediation and prior to the commencement of trial in the litigation, the parties reached a settlement, which was memorialised in a settlement agreement dated 20 September 2024 (the “Settlement Agreement”). Under the Settlement Agreement, the litigation and all claims that existed with respect to the Group’s ownership interest and participation in Skye and CS Mining were settled and the Parties and the Counterparties agreed to fully and forever release and discharge all the claims against each other and Skye was dissolved (the “Settlement”). In consideration of the Settlement, the Group paid US\$49.5 million (equivalent to HK\$386 million) to the Counterparties under the Settlement Agreement. While the Group continues to maintain that it has no liability in respect of the claims, the Settlement Agreement entered into by the Group avoided the risk, uncertainty and costs associated with litigation.

## ***Special Interim Distribution***

In December 2024, a special interim distribution was declared in the form of distribution in specie of up to 1,193,432,757 shares (the “HKC Shares”) in Hongkong Chinese Limited (“HKC”, a subsidiary of the Company) to the shareholders of the Company (the “Shareholders”) in proportion to their respective shareholdings in the Company on the basis of 2,420 HKC Shares for every 1,000 shares in the Company held by each qualifying Shareholder (the “Special Interim Distribution”). As at 31 December 2024, assets and liabilities of HKC and its subsidiaries (the “HKC Group”) are reclassified to “assets of a subsidiary classified as held for distribution” and “liabilities directly associated with assets of a subsidiary classified as held for distribution”, respectively. The Special Interim Distribution was completed in January 2025 and the Group ceased to control the HKC Group upon completion and the results and financial position of the HKC Group would be consolidated in

the consolidated financial statements of the Group up to the completion date of the Special Interim Distribution. Following the completion of the Special Interim Distribution, the Group was interested in approximately 14.23% of the total number of issued HKC Shares and the investment in HKC would be treated as financial assets at fair value through other comprehensive income.

## **Financial Position**

As at 31 December 2024, total assets of the Group amounted to HK\$13.3 billion (31 December 2023 — HK\$15.1 billion). Property-related assets amounted to HK\$10.6 billion as at 31 December 2024 (31 December 2023 — HK\$12.2 billion), representing 80% (31 December 2023 — 81%) of the total assets. As at 31 December 2024, cash and cash equivalents amounted to HK\$0.4 billion, which excluded cash and cash equivalents of HKC Group in an amount of HK\$0.1 billion transferred to assets of a subsidiary classified as held for distribution (31 December 2023 — HK\$0.5 billion). Total liabilities amounted to HK\$3.1 billion (31 December 2023 — HK\$2.2 billion).

As at 31 December 2024, bank and other borrowings of the Group, which excluded bank loans of HKC Group which has been classified as liabilities directly associated with assets of a subsidiary held for distribution, amounted to HK\$1,706 million (31 December 2023 — HK\$1,640 million). The balance as at 31 December 2024 included secured bank loans of HK\$916 million and unsecured other borrowings of HK\$790 million, whereas the balance as at 31 December 2023 included secured bank loans of HK\$924 million, unsecured bank loans of HK\$466 million and unsecured other borrowings of HK\$250 million. The bank loans were secured by certain investment properties, land and buildings, and listed shares held by the Group and fixed and floating charges over all the assets of certain subsidiaries of the Group. The bank and other borrowings were denominated in Hong Kong dollars and Malaysian ringgits. As at 31 December 2024, approximately 54% (31 December 2023 — 96%) of the bank and other borrowings carried interest at floating rates with the remaining carried interest at fixed rate. Where appropriate, the Group would use interest rate swaps to modify the interest rate characteristics of its borrowings to limit interest rate exposure. As at 31 December 2024, approximately 18% (31 December 2023 — 22%) of the bank and other borrowings were repayable within one year or on demand. The gearing ratio (measured as bank and other borrowings as stated in the consolidated statement of financial position, net of non-controlling interests, to equity attributable to equity holders of the Company) as at 31 December 2024 was 21.3% (31 December 2023 — 14.8%).

As at 31 December 2024, bank loans of HKC Group with a carrying amount of HK\$501 million was classified as liabilities directly associated with assets of a subsidiary classified as held for distribution. These bank loans were unsecured, denominated in Hong Kong dollars, carried interest at floating rate and repayable in the second year of the end of the reporting period.

The consolidated net asset value attributable to equity holders of the Company decreased to HK\$7.0 billion as at 31 December 2024 (31 December 2023 — HK\$9.1 billion), which was equivalent to HK\$14.2 per share as at 31 December 2024 (31 December 2023 — HK\$18.4 per share). The decrease was mainly attributable to the loss for the Year, the Special Interim Distribution declared and the share of foreign exchange translation losses of the LAAPL Group for the Year. Upon the completion of the Special Interim Distribution and the deconsolidation of the HKC Group in January 2025, it is estimated the consolidated net asset value attributable to equity holders of the Company shall be decreased by approximately HK\$6.2 billion if based on the relevant financial information as at 31 December 2024, subject to audit and final adjustment based on the relevant financial information as at the completion date of the Special Interim Distribution.

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 bankers' guarantees issued in lieu of rental and utility deposits for the premises used for operation of food businesses. As at 31 December 2024, the Group has secured bankers' guarantees of HK\$1 million (31 December 2023 — HK\$1 million) and unsecured bankers' guarantees of HK\$4 million (31 December 2023 — HK\$4 million). The secured bankers' guarantees were secured by certain assets of the Group. Aside from the abovementioned, the Group had neither material contingent liabilities outstanding nor charges on the Group's assets as at 31 December 2024 (31 December 2023 — Nil).

Total capital commitment of the Group as at 31 December 2024 amounted to HK\$84 million (31 December 2023 — HK\$88 million), which are mainly related to the committed investments in certain unlisted investment funds for long-term strategic purpose. The investments or capital assets will be financed by the Group's internal resources and external bank financing, as appropriate.

### **Staff and Remuneration**

The Group had 861 full-time employees as at 31 December 2024 (31 December 2023 — 839 full-time employees). Staff costs (including directors' emoluments) charged to the statement of profit or loss for the Year amounted to HK\$313 million (2023 — HK\$319 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. 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 associates will continue to manage their businesses and monitor their assets and investments cautiously and exercise prudent capital management.

### **DISTRIBUTION/DIVIDEND**

The Directors have resolved not to recommend payment of any final dividend for the year ended 31 December 2024 (2023 — Nil). A special interim distribution (by way of distribution in specie of shares in Hongkong Chinese Limited ("HKC") on the basis of 2,420 shares in HKC for every 1,000 shares of the Company held by qualifying shareholders of the Company based on the market price of HKC at HK\$0.27 per share) was declared for the year ended 31 December 2024 (2023 — Nil). Total dividend/distribution for the year ended 31 December 2024 will be HK\$322,227,000 (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. Victor Ha Kuk Yung (Chairman) and Mr. King Fai Tsui 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  
**LIPPO 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 nine 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. Jark Pui Lee and Mr. Leon Nim Leung Chan as non-executive Directors and Mr. King Fai Tsui, Mr. Victor Ha Kuk Yung and Ms. Min Yen Goh as independent non-executive Directors.*