信德集團
SHUN TAK HOLDINGS
STOCK CODE 股份代號：242

文旅之德

Cultivating Cultural Tourism Excellence

2024

信德集團有限公司年報

Shun Tak Holdings Limited Annual Report

CONTENTS

文旅之德
CULTIVATING CULTURAL TOURISM EXCELLENCE

Shun Tak Group has been steadfast in its commitment to cultural tourism development, guided by the spirit of upholding tradition and moving forward with innovation. Driven by a mission to integrate culture and tourism, we seamlessly blend tradition with modernity to create a distinctive industry landscape. From infrastructure, transportation, and tourism facilities to cultural heritage preservation and the creation of innovative modern travel experiences, we remain dedicated to our core values. By integrating sustainability into our projects, we strive to create economic value and meaningful social impact.

CORPORATE INFORMATION

Board of Directors

Ms. Pansy Ho
Group Executive Chairman and Managing Director

Mr. Norman Ho
Independent Non-Executive Director

Mr. Charles Ho
Independent Non-Executive Director

Mr. Michael Wu
Independent Non-Executive Director

Mr. Kevin Yip
Independent Non-Executive Director

Ms. Daisy Ho
Executive Director and Deputy Managing Director

Ms. Maisy Ho
Executive Director

Mr. David Shum
Executive Director

Mr. Rogier Verhoeven
Executive Director

Audit and Risk Management Committee

Mr. Norman Ho *(Chairman)*
Mr. Michael Wu
Mr. Kevin Yip

Remuneration Committee

Mr. Michael Wu *(Chairman)*
Mr. Norman Ho
Mr. Charles Ho
Mr. Kevin Yip
Ms. Pansy Ho
Ms. Daisy Ho

Nomination Committee

Ms. Pansy Ho *(Chairman)*
Mr. Norman Ho
Mr. Charles Ho
Mr. Michael Wu
Mr. Kevin Yip
Ms. Daisy Ho

Company Secretary

Ms. Angela Tsang

Registered Office and Contact Details

Penthouse 39th Floor, West Tower
Shun Tak Centre
200 Connaught Road Central
Hong Kong
Tel: (852) 2859 3111
Fax: (852) 2857 7181
Website: www.shuntakgroup.com
E-mail: enquiry@shuntakgroup.com

Auditor

PricewaterhouseCoopers
Certified Public Accountants and Registered Public Interest Entity Auditor

Solicitor

Norton Rose Fulbright

Principal Bankers

Bank of China (Hong Kong) Limited
Hang Seng Bank Limited
Bank of China, Macau Branch
DBS Bank, Singapore
OCBC Bank, Singapore
The Hong Kong and Shanghai Banking Corporation Limited
China Construction Bank (Asia) Corporation Ltd.
Nanyang Commercial Bank, Ltd.

Share Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

Share Listing

The Company's shares are listed on The Stock Exchange of Hong Kong Limited.

CORPORATE PROFILE

Shun Tak Holdings Limited (the "Company") and its subsidiaries (the "Group") is a leading listed conglomerate with core businesses in property, hospitality and leisure, transportation and investments sectors. Established in 1972, the Company (HKSE 242) has been listed on the Hong Kong Stock Exchange since 1973.

PROPERTY

HOSPITALITY AND LEISURE

TRANSPORTATION

INVESTMENTS

CORPORATE PROFILE

PROPERTY

The Group has a prominent and successful track record in the Macao and Hong Kong property markets. The Group owns one of the largest developable floor areas in Macao among Hong Kong listed companies. It is an important player in Macao's property market with a host of property development projects, and has a growing presence in the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA") and Mainland China real estate market. The investments are spread throughout in Tongzhou and Dong Zhi Men in Beijing, Minhang, Qiantan and Jingan in Shanghai, Guangdong-Macao In-Depth Cooperation Zone (the "Cooperation Zone") in Hengqin, Xiqing in Tianjin and Chenggong in Kunming.

In Macao, the Group has partnered with Hongkong Land Holdings Limited to develop One Central. Located at a prime waterfront site on Macao Peninsula, the project comprises seven prestigious residential towers, a luxurious flagship shopping mall, a five-star Mandarin Oriental hotel and serviced apartments managed by the same hotel group.

Nova City in Taipa is one of the largest luxury developments in Macao. The project comprises upscale residential units, world-class landscaping and clubhouse facilities. Sales of the first four phases have generated strong public response. Nova Grand, the final phase of Nova City, sits above a large-scale lifestyle shopping center with a gross floor area over 655,000 square feet; while the massive Nova Mall, a joint venture partnership formed with Abu Dhabi Investment Authority to co-invest in the shopping center, has become a retail hub serving the Taipa community since its opening.

The Group plays a role in the Hong Kong property market with a portfolio covering commercial, residential and retail property ventures. The Group's signature residential projects in the city include The Belcher's, liberté and Chatham Gate.

Its property management arm currently offers professional property and facility management services to residential developments, clubhouses, office towers, shopping malls and car parks across Hong Kong and Macao.

In Mainland China, the Group made its foray into the Northern China property market through an investment in the Beijing Tongzhou Integrated Development. The complex will be developed into an iconic landmark, amalgamating retail, office space and serviced apartments into a prime location along the famous Grand Canal. The project's first phase is targeted for completion in 2026, with the presale consent for the serviced apartments having been obtained from the relevant government authorities in September 2024. The completion of the sales office and showflats marks a significant milestone, and the Group will closely monitor the implementation of national policies and market sentiment to determine the appropriate timing for the official launch of the serviced apartments.

Shun Tak Tower, the Group's wholly-owned property in Beijing Dong Zhi Men near East 2nd Ring Road, enjoys a well-established transport network covering the airport highway, major metro lines and bus routes. The 63,000-square-foot site features office and hospitality spaces, and is close to Beijing downtown, embassy area and Yansha district.

NEW BUND 31, Shanghai

Hengqin Integrated Development

In 2018, the Group also ventured into China's healthcare sector through a strategic partnership with Perennial Holdings Private Limited to develop mixed-use healthcare complexes near high-speed railway stations. The first two cornerstone projects – Tianjin South HSR Integrated Development and Kunming South HSR Integrated Development, will be developed into one-stop regional healthcare and commercial hubs offering medical, healthcare and elder care facilities, while featuring hospitality and retail spaces. Construction of the Tianjin South HSR Integrated Development was completed in December 2024, with parts of the elder care facilities and hotel tower already in operation.

NEW BUND 31 at Qiantan, Shanghai is a 50/50 joint venture with Shanghai Lujiazui (Group) Company Limited. This cultural and community hub in Shanghai spans a gross floor area of 139,200 square meters, bringing together offices, retail space, basement retail areas, and a 202-room five-star hotel managed by Artyzen Hospitality Group. The site also features a Performing Arts Center housing a concert hall and several multi-purpose halls with a capacity of 4,000 spectators.

In 2020, the Group entered into agreements to acquire 40% effective interest in a mixed-use project located in Suhe Bay Area in Shanghai's Jingan District, and formed a strategic partnership with China Resources Land Limited to jointly develop the project. The development comprises four land plots with a total site area of approximately 65,692 square meters and a total developable gross floor area of approximately 321,182 square meters. In close proximity to major tourism destinations and central business precincts such as the Bund and Lujiazui, it is planned to encompass residential, office, commercial and cultural components, as well as an underground shopping mall and a central green park. In January 2021, the Group acquired a further 10% effective interest in the project and, therefore, holds a 50% effective interest in total.

To capitalize on the immense development opportunities in the GBA, the Group became the sole shareholder of Hengqin Integrated Development in December 2020 after acquiring the remaining 30% interest in the project. Located in Zhuhai of Guangdong Pilot Free Trade Zone, it boasts unparalleled connectivity with direct access to the port and commercial facilities at the Macao border. The transport network also includes an extension of the Guangzhou-Zhuhai Intercity Railway, while the site is also directly accessible via the Hengqin Line of the Macao Light Rapid Transit. The project's retail mall is scheduled to open in the second half of 2025.

In recent years, the Group also entered the Singapore market through the acquisition of premium properties at prime locations around the central business district, building a well-rounded portfolio spanning hotel, commercial and residential developments, and diligently investing in the Singapore market with a number of acquisitions that hold excellent potentials.

111 Somerset is a premium commercial development strategically located within the Orchard Road precinct, surrounded by a prime shopping, entertainment and tourism belt with direct MRT access. It comprises approximately a gross floor area of 766,550 square feet of office space, medical suites and a two-level retail podium.

In 2018, the Group acquired two plots of prime residential redevelopment sites in downtown Singapore, which have been developed into Park Nova at 18 Tomlinson Road, located close to the Orchard Road Shopping Belt, and Les Maisons Nassim at 14A, 14B and 14C Nassim Road, situated in the prestigious district of embassies and Good Class Bungalows and considered as one of the most high-end residential districts in Singapore. The two properties are emerged as luxury residential condominiums for sale.

CORPORATE PROFILE

HOSPITALITY AND LEISURE

The Group was a pioneer in introducing top-tier hotel services to Macao through its investments in the former Mandarin Oriental Macau and former Westin Resort Macau in the late 1980s.

As part of the Group's One Central development project, the 213-room Mandarin Oriental, Macau was opened in June 2010, boasting fine elegance and bespoke services. The 208-room Grand Coloane Resort, formerly Westin Resort Macau, is a lavish boutique resort on the beautiful shores of Coloane Island overlooking the Hac Sa Beach and the South China Sea.

In Hong Kong, the Group holds a 70% interest in the 658-room Hong Kong SkyCity Marriott Hotel, which is located minutes away from the Hong Kong International Airport and AsiaWorld-Expo.

In 2024, the Group expanded its portfolio through a strategic partnership with AJ Hackett International group to develop and operate the "Adventure Zone" at Ocean Park Hong Kong. Spanning approximately 120,000 square meters, the project will offer world-class sky-high adventure experiences, including bungy jumping, giant swings, ziplines, a rail coaster luge, and adventure parks, enhanced by retail and dining options. The development phase of the project is expected to complete by 2028.

To reinforce its presence in the hospitality sector, the Group founded Artyzen Hospitality Group Limited ("AHG") in 2013 to capitalize on the burgeoning Asian tourism landscape. Catering to increasingly affluent, discerning, and mobile travellers in China and beyond, AHG integrates hospitality with culture, business, and the arts to create dynamic, multi-dimensional experiences. AHG's portfolio includes four homegrown flagship hotel brands – Artyzen, Artyzen Habitat, YaTi and The Shàng; and a collection of distinctive lifestyle properties. The group also operates service apartments, restaurants and bars, and a conference center. AHG currently operates 17 properties across major gateway cities including Beijing, Chongqing, Shanghai, Suzhou, Zhuhai, Macao, and Singapore. It is also developing two managed properties, in Hangzhou and Xi'an.

Artyzen Habitat Dongzhimen Beijing is a 138-room hotel opened in 2017. Nestling in a vibrant area within Beijing's old fortress walls in Dong Zhi Men, it is just a 25-minute drive from the airport and is close to rail links.

Opened in 2018 in the new Shanghai MixC complex, the 188-room Artyzen Habitat Hongqiao Shanghai is situated in one of the city's latest and best shopping destinations with numerous entertainment hotspots, and is close to Shanghai Hongqiao International Airport and the Hongqiao Railway Station. In the same complex is also YaTi by Artyzen Hongqiao Shanghai, a budget hotel offering 303 rooms with superior service for modern travellers.

Artyzen Habitat Hongqiao Shanghai

Artyzen NEW BUND 31 Shanghai

Launched in December 2021, Eature Residences Lingang is a 128-unit hotel-apartment development operated by the Group. It is located in the Lingang Special Area of Shanghai Pilot Free Trade Zone – a strategic hub for cutting-edge technology firms and the finance and trade sectors.

Artyzen Habitat Qiantan Shanghai and The Shàng by Artyzen commenced operation in September 2022. Both the 246-unit and the 210-unit hotels are strategically located in the emerging Qiantan district in Shanghai, a hub for business, entertainment and residence with world-class sporting facilities.

Opened in December 2023, the 142-room Artyzen Singapore marks the Group's first property outside of China. Strategically located in the heart of Singapore, the flagship hotel is located moments from the renowned Orchard Road shopping district, major embassies, and the UNESCO Heritage Site Singapore Botanic Gardens. The luxury property features elegantly designed rooms and suites with balconies, reflecting the distinctive culture and vibrancy of the Lion City.

Artyzen Habitat Hengqin Zhuhai, a 230-room lifestyle hotel opened in March 2024, marks the Group's debut in the Cooperation Zone. Strategically located next to Hengqin Port as part of Shun Tak's Hengqin Integrated Development, the hotel offers direct access to the Hengqin Line connecting Macao, Zhuhai Jinwan Airport, Zhuhai Railway Station and Chimelong Ocean Kingdom. Designed for modern travellers, it features graffiti-inspired interiors and well-equipped guestrooms with thoughtfully designed wet and dry bathroom spaces.

In addition to hotel operation, the Group is managing the award-winning Macau Tower Convention & Entertainment Centre, a major MICE venue and tourist destination in Macao. Apart from MICE business, it offers diverse dining options, the best observation spot in town, shopping attractions, as well as the world's highest commercial Bungy Jump.

The Group also introduced Artyzen Club, a well-appointed private business membership club, to Hong Kong's central business district in 2018. The Club provides haute Asian and Western cuisines, sports and wellness amenities and versatile facilities for corporate and private functions.

CORPORATE PROFILE

TRANSPORTATION

The Group's origin dates back to 1962 with the inauguration of a passenger ferry service between Hong Kong and Macao. In a strategic move in 1999 to strengthen its shipping business and expand its market share, the Group successfully merged its shipping operation with that of China Travel International Investment Hong Kong Limited ("CTII") to create a combined entity under the brand name "TurboJET". TurboJET, operated and managed by Shun Tak – China Travel Shipping Investments Limited ("STCTS") and its subsidiaries, offers passengers speedy, reliable and comfortable sea travel services across major destinations within the GBA, developing a well-connected sea transportation network linking major cities and airports in the region including Hong Kong, Macao, Zhuhai, Shenzhen and Shekou.

In 2003, TurboJET launched "TurboJET Airport Routes" (previously known as "TurboJET Sea Express"), a unique inter-regional multi-modal connection of air-sea network comprising a ferry service that links major international airports in the Pearl River Delta ("PRD"). The bonded service connects air transit passengers of the Hong Kong International Airport with Macao and various destinations in the PRD region, further strengthening connectivity amongst PRD cities and world destinations.

TurboJET

In line with Macao SAR Government's tourism policy for new tourism products, the Group launched "Macau Cruise" in 2018, leveraging our profound experience in passenger sea travel and understanding of regional tourism trends to further diversify the tourism experience in Macao. It provides customized cruise services in specially liveried tour ferries along the coastline of Macao and Hengqin, taking in some of the most spectacular sights of the city and its vicinity.

In July 2020, the Group completed an important shareholding restructuring exercise in association with CTII. As a result, STCTS became a 50/50 owned company, taking the two-decade partnership further with the vision of solidifying a multi-modal transportation platform in the GBA and sharing resources and experiences in cross-border sea and land transportation industries in order to capitalize upon surging traffic flow within the region.

In supporting the National Government's initiative to enhance the connectivity and integration in the GBA, the division has cooperated with veteran cross-boundary land transport operators to participate in the operation of "Hong Kong-Zhuhai-Macao Bridge Shuttle Bus" services, popularly known as "Golden Bus", and also the "HK-MO Express", "TurboJET Cross Border Limo", and "Macau HK Airport Direct" services. During the year, CTG Bus further expanded its bus fleet with the acquisition of 7 units of tour buses. Capitalizing on opportunities brought by the opening of the Shenzhen-Zhongshan Link in June 2024, the business extended its routes from Hong Kong to Zhongshan, Jiangmen, Xinhui, Kaiping, and Heshan, providing faster and more convenient transportation services for residents of Hong Kong and GBA. These strategic move to further strengthen the Group's multi-modal transportation platform with expanded cross-boundary land transportation services across the Bridge.

INVESTMENTS

The Group owns diversified valuable investment in Macao and Hong Kong. It possesses an effective interest in Sociedade de Turismo e Diversões de Macau, S.A. ("STDM") of approximately 15.8%. STDM in turn owns approximately 54.81% of SJM Holdings Limited ("SJM Holdings"), a listed company in Hong Kong. SJM Holdings is effectively entitled to a 100% economic interest in SJM Resorts, Limited (formerly known as "Sociedade de Jogos de Macau S.A."), one of six gaming concessionaries licensed by the Macao SAR Government to operate casinos in Macao.

The Group, through a three-way consortium with business partners, was awarded a contract comprising a five-year tenancy agreement of Kai Tak Cruise Terminal commencing from 1 June 2023. Designed to accommodate the new class of mega-cruisers, the terminal is instrumental in developing Hong Kong into an international cruise hub.

Retail Matters Company Limited is the Group's retail arm and the license holder of "Toys'R'Us" in Macao. Since the opening of its flagship store at Nova Mall in 2020, Toys'R'Us Macao continues to stand as the leader of the industry, offering over 26,200 square feet of toys store space at its two different locations – Nova Mall and Studio City. It has also acquired "Stecco Natura Gelaterie" from Italy to become the worldwide owner of this gelato brand. With its regional office in Shanghai, the brand is accelerating its expansion in Mainland China, further strengthening the Company's retail portfolio.

Stecco Natura Gelaterie

Kai Tak Cruise Terminal

MANAGEMENT PROFILE

MS. PANSY HO

S.B.S., JP
Group Executive Chairman and Managing Director
aged 62

Ms. Ho Chiu King, Pansy Catilina ("Ms. Pansy Ho") joined the Group as an executive director in 1995, and was appointed the managing director in 1999 and the group executive chairman in 2017 to oversee the Group's overall strategic development and management. She is also the chairman of the executive committee and the nomination committee, a member of the remuneration committee of the Company; and a director of a number of subsidiaries of the Company.

Ms. Pansy Ho is the vice chairman, chief executive officer and a director of the board of Shun Tak – China Travel Shipping Investments Limited and the chairman of its executive committee, and is directly in charge of the Group's transportation businesses, which include ferry and coach operations. She is a director of Shun Tak Shipping Company, Limited*, Renita Investments Limited*, Oakmount Holdings Limited*, Beeston Profits Limited*, Classic Time Developments Limited* and Megaprosper Investments Limited*, the chairman of Macau Tower Convention & Entertainment Centre, a director of Air Macau Company Limited and vice-chairman of Macau International Airport Company Limited. She is also the chairperson and an executive director of MGM China Holdings Limited, a vice-chairman and a non-executive director of Phoenix Media Investment (Holdings) Limited and an independent non-executive director of the board of China Southern Airlines Company Limited, all are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). In addition, she is the chairman of the board of directors of Estoril-Sol, SGPS, S.A. which is a Portuguese listed gaming company. She was an independent non-executive director of Sing Tao News Corporation Limited, which is listed on the Main Board of the Stock Exchange.

In China, Ms. Pansy Ho is a standing committee member of the National Committee of the Chinese People's Political Consultative Conference, a vice chairman of All-China Federation of Industry and Commerce, a standing committee member of the All-China Women's Federation, a standing committee member of Beijing Municipal Committee of the Chinese People's Political Consultative Conference, the executive president of All-China Federation of Tourism Chambers of Commerce, a vice president of China Foundation for Cultural Heritage Conservation, a co-chairperson of Sino-International Entrepreneurs Federation, the chairperson of the Scientific Committee of the Alliance for Cultural Heritage in Asia, a member of the Committee of Experts for the Construction of World Class Tourist Attractions and Tourist Resorts under the Ministry of Culture and Tourism of China and a vice president of China Women's Chamber of Commerce under All-China Federation of Industry and Commerce. In Hong Kong, she is a director of Friends of Hong Kong Association Limited, the chairperson of Hong Kong Federation of Women, a governor of Our Hong Kong Foundation Limited, an executive vice president of the Federation of Hong Kong Beijing Organisations and a general committee member of The Hong Kong General Chamber of Commerce. In Macau, she is a member of the Board of Trustees of Cultural Development Fund of the Macau SAR Government, a vice president of the board of directors of Macao Chamber of Commerce and the president of the General Association of Macau Beijing Organisations. Internationally, she is also an executive committee member of World Travel & Tourism Council and was appointed as a tourism ambassador by the United Nations World Tourism Organization in October 2018.

Ms. Pansy Ho was appointed as a Justice of the Peace and was awarded the Silver Bauhinia Star by the Government of the Hong Kong Special Administrative Region on 1 July 2015 and 1 October 2020 respectively. She was bestowed the Medal of Merit – Tourism by the Government of Macau SAR in September 2019.

Ms. Pansy Ho holds a Bachelor's degree in marketing and international business management from Santa Clara University in the United States. She received an Honorary Doctorate Degree in Business Administration from the Johnson and Wales University in May 2007. She was appointed as Honorary Professor of School of Political Communication by the School of Political Communication of Central China Normal University in November 2013. She received an honorary fellowship from The Hong Kong Academy for Performing Arts in June 2014 and an honorary university fellowship from the University of Hong Kong in September 2015.

Ms. Pansy Ho is a sister of Ms. Daisy Ho and Ms. Maisy Ho, who are an executive director and deputy managing director and an executive director of the Company respectively.

* *Shun Tak Shipping Company, Limited, Renita Investments Limited, Oakmount Holdings Limited, Beeston Profits Limited, Classic Time Developments Limited and Megaprosper Investments Limited are companies which have an interest in the shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.*

MR. NORMAN HO

F.C.P.A., B.A., A.C.A.
Independent Non-Executive Director
aged 69

Mr. Ho Hau Chong, Norman ("Mr. Norman Ho") has been an independent non-executive director of the Company since 2004. He is also the chairman of the audit and risk management committee and a member of the remuneration committee and nomination committee of the Company.

Mr. Norman Ho is an executive director of Honorway Investments Limited and Tak Hung (Holding) Company, Limited and has over 30 years of experience in management and property development.

Mr. Norman Ho is also an independent non-executive director of Hong Kong Ferry (Holdings) Company Limited and SJM Holdings Limited and an executive director of Miramar Hotel and Investment Company, Limited and Vision Values Holdings Limited, all of which are listed on the Main Board of the Stock Exchange. He was an independent non-executive director of Lee Hing Development Limited (which was listed on the Main Board of the Stock Exchange).

He is a member of the Institute of Chartered Accountants in England and Wales, and a fellow member of the Hong Kong Institute of Certified Public Accountants.

MR. CHARLES HO

G.B.M.
Independent Non-Executive Director
aged 75

Mr. Ho Tsu Kwok, Charles ("Mr. Charles Ho") has been an independent non-executive director of the Company since 2006. He is also a member of the nomination committee and remuneration committee of the Company.

Mr. Charles Ho contributes much to public affairs. He is an economic consultant of Shandong Provincial Government of the PRC, an honorary trustee of Peking University, a trustee of University of International Business and Economics in the PRC and a former member of the Standing Committee of the Chinese People's Political Consultative Conference National Committee. He is also an honorary general committee member of The Chinese Manufacturers' Association of Hong Kong. Mr. Charles Ho was the chairman and an executive director of Sing Tao News Corporation Limited, which is listed on the Main Board of the Stock Exchange.

Mr. Charles Ho was awarded the Grand Bauhinia Medal by the Government of the Hong Kong Special Administrative Region on 1 July 2014.

MR. MICHAEL WU

Independent Non-Executive Director
aged 66

Mr. Wu Zhi Wen, Michael (former name: Ng Chi Man, Michael) ("Mr. Michael Wu") was appointed as an executive director of the Company in 2009 and re-designated as a non-executive director of the Company in July 2010. Mr. Michael Wu has been re-designated as an independent non-executive director of the Company and appointed as a member of the audit and risk management committee of the Company both with effect from 20 December 2012. He has also been appointed as the chairman of the remuneration committee and a member of the nomination committee of the Company, both with effect from 25 August 2015.

Mr. Michael Wu is a fellow member of the Hong Kong Institute of Certified Public Accountants. He holds a Master's degree in business administration from St. John's University in New York, the U.S.A.

Mr. Michael Wu has substantial experience in corporate and financial management of listed companies in Hong Kong. In the past, he was an executive director and chief executive officer of Viva China Holdings Limited (now known as Viva Goods Company Limited, a company listed on the Main Board of the Stock Exchange), which was listed on the Growth Enterprise Market of the Stock Exchange.
Mr. Michael Wu was also an executive director of China Travel International Investment Hong Kong Limited (which is listed on the Main Board of the Stock Exchange) and HKC (Holdings) Limited (which was listed on the Main Board of the Stock Exchange).

MANAGEMENT PROFILE

MR. KEVIN YIP

Independent Non-Executive Director
aged 60

Mr. Yip Ka Kay, Kevin ("Mr. Kevin Yip") was appointed as an independent non-executive director of the Company in October 2015. He has been appointed as a member of the audit and risk management committee of the Company with effect from 11 January 2017; and a member of the nomination committee and remuneration committee of the Company with effect from 27 March 2019.

Mr. Kevin Yip is the managing director and responsible officer of GRE Investment Advisors Limited, a Hong Kong Securities and Futures Commission licensed advisor to NM Strategic Management, LLC and licensed manager to QLA Investment GP SÀRL. Mr. Kevin Yip is also a non-executive director and a member of the audit committee of VCREDIT Holdings Limited which is listed on the Main Board of the Stock Exchange.

Mr. Kevin Yip has extensive experience in private equity, alternative and portfolio investment. He was previously managing director and responsible officer of Bosera Asset Management (International) Co., Limited in Hong Kong. Prior to that he was a founding and senior partner of General Enterprise Management Services (HK) Limited, a private equity management company. He was previously a vice president of JP Morgan International Capital Corporation.

Mr. Kevin Yip is currently a member of the Investment Advisory Committee of EQT Partners, a leading private equity group in Europe, which works with portfolio companies to achieve sustainable growth, operational excellence and market leadership.

Mr. Kevin Yip holds an A.B. Degree in Economics (magna cum laude) from Harvard University, and is currently a member of Dean's Asia Advisory Committee of Harvard University's Faculty of Arts and Sciences. He sits as a non-scientific member of the Institutional Review Board of the University of Hong Kong/Hospital Authority Hong Kong West Cluster and is a member of the Routine and Expedited Panel of the Hospital Authority Central Institutional Review Board. He was chairman emeritus of the Hong Kong Venture Capital and Private Equity Association. He had also served on the Financial Services Advisory Committee of the Trade Development Council of the Hong Kong Special Administrative Region of the People's Republic of China.

MS. DAISY HO

B.B.S.
Executive Director and
Deputy Managing Director
aged 60

Ms. Ho Chiu Fung, Daisy ("Ms. Daisy Ho") joined the Group in 1994 and was appointed an executive director of the Company that year. She became the Group's deputy managing director and chief financial officer in 1999. Ms. Daisy Ho is a member of the executive committee, remuneration committee and nomination committee of the Company and a director of a number of the Company's subsidiaries.

In addition to participating in the Group's strategic planning and development, Ms. Daisy Ho is also responsible for the Group's overall financial activities, as well as property development, sales and investments.

Ms. Daisy Ho is a director of Shun Tak Shipping Company, Limited*, Renita Investments Limited*, Oakmount Holdings Limited* and Megaprosper Investments Limited*. She is also the managing director of SJM Resorts, S.A. (formerly known as Sociedade de Jogos de Macau, S.A.), and the chairman and executive director of its holding company, SJM Holdings Limited which is listed on the Main Board of the Stock Exchange.

Ms. Daisy Ho is Vice President and an executive committee member of The Real Estate Developers Association of Hong Kong, a member of the Hong Kong Institute of Real Estate Administrators, Honorary Chairman of the Macau Hotel Association, a Vice President of Macao Association of Building Contractors and Developers, a member and committee of Ladies Committee of The Chinese General Chamber of Commerce, Director of Macao Chamber of Commerce, Life Honorary President of Macau Retail and Management Association, a fellow of The Hong Kong Institute of Directors, Governor of The Canadian Chamber of Commerce in Hong Kong, Chairman of Hong Kong Ballet, Advisor and Former Chairman (2020-2021) of Po Leung Kuk, Chairman cum Director of University of Toronto (Hong Kong) Foundation Limited and Chairman of its Scholarship Selection Committee, Chair of International Dean's Advisory Board of Joseph L. Rotman School of Management – University of Toronto, World Fellow of The Duke of Edinburgh's Award World Fellowship, Honorary Vice President of The Hong Kong Girl Guides Association and Honorary President of Hong Kong Federation of Women.

Ms. Daisy Ho was awarded the Bronze Bauhinia Star by the Government of the Hong Kong Special Administrative Region on 1 July 2021.

Ms. Daisy Ho has been appointed as a member of the Standing Committee on Judicial Salaries and Conditions of Service since January 2022.

Ms. Daisy Ho holds a Master of business administration degree in finance from the University of Toronto and a Bachelor's degree in marketing from the University of Southern California.

Ms. Daisy Ho is a sister of Ms. Pansy Ho, the group executive chairman and managing director of the Company, and Ms. Maisy Ho, an executive director of the Company.

* *Shun Tak Shipping Company, Limited, Renita Investments Limited, Oakmount Holdings Limited and Megaprosper Investments Limited are companies which have an interest in the shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.*

MS. MAISY HO

B.B.S., JP
Executive Director
aged 57

Ms. Ho Chiu Ha, Maisy ("Ms. Maisy Ho") joined the Group in 1996 and has been an executive director of the Company since 2001. She is also a member of the executive committee of the Company and a director of a number of the Company's subsidiaries.

Since joining the Group, she has been responsible for overseeing the strategic planning and operations of the property management division, as well as retail and merchandising division of the Company. She is also responsible for the operations of the Group's property development projects in China.

Ms. Maisy Ho is a director of Shun Tak Shipping Company, Limited*. She is also the chairman and an executive director of Unitas Holdings Limited which is listed on the Growth Enterprise Market of the Stock Exchange.

Ms. Maisy Ho has been appointed as a member of the Hospital Authority since December 2021, a member of Advisory Board of Tung Wah Group of Hospitals since August 2022, and the chairman of Hospital Governing Committee of Shatin Hospital since April 2023. In January 2024, she has been appointed as a member of The University of Hong Kong Court, and in January 2025, she has been appointed as a member of the Advisory Committee on Arts Development.

In Hong Kong, Ms. Maisy Ho is the standing committee member and honorary chairman of Ladies' Committee of The Chinese General Chamber of Commerce, vice chairlady of All-China Women's Federation Hong Kong Delegates Association Limited, executive committee officer and honorary president of Hong Kong Federation of Women. She is the founding president of Hong Kong Federation of Liaoning Associations Limited, executive vice chairman of Hong Kong Volunteers Federation, executive vice president of Hong Kong Poverty Alleviation Association Limited, executive vice chairman of The Hong Kong Island Federation, executive vice chairman of the Hong Kong Youth Patriotic Education Foundation Company Limited, executive vice chairman of the Hong Kong Federation of Dongguan Association Foundation Company Limited, director of Hong Kong Tai Chi Youth Charitable Foundation and honorary vice president of The Hong Kong Girl Guides Association. She is a member of the Board of Governors of Tung Wah College, the school supervisor of Tung Wah Group of Hospitals Chen Zao Men College, past president of Hong Kong Institute of Real Estate Administrators, member of Chartered Institute of Housing Asian Pacific Branch. Ms. Maisy Ho is also a holder of Estate Agent's Licence (Individual).

Ms. Maisy Ho was awarded the Bronze Bauhinia Star and was appointed as a Justice of the Peace by the Government of the Hong Kong Special Administrative Region on 1 July 2016 and 1 July 2024 respectively.

In Macau, Ms. Maisy Ho has been appointed as the Honorary Consul of the United Republic of Tanzania to Macao Special Administrative Region of the People's Republic of China since September 2020. She is a standing committee member and deputy chief of Ladies Committee of Macao Chamber of Commerce, executive vice president of Property Management Business Association Macao, vice chairman of supervisory board of Macao International Brand Enterprise Commercial Association, director of Kiang Wu Hospital Charitable Association and vice chairman of board of directors of Global Tourism Economy Research Centre.

In China, she is a standing committee member of the Chinese People's Political Consultative Conference of Liaoning Province and vice president of the 13th Executive Committee of Guangdong Women's Federation.

Ms. Maisy Ho holds a double degree of Bachelor in telecommunications and psychology from Pepperdine University, the United States. She received an honorary university fellowship from the University of Hong Kong in October 2018 and an honorary fellowship from the HKU School of Professional and Continuing Education in February 2024.

Ms. Maisy Ho is a sister of Ms. Pansy Ho, the group executive chairman and managing director of the Company, and Ms. Daisy Ho, an executive director and deputy managing director of the Company.

* *Shun Tak Shipping Company, Limited is a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance.*

MR. DAVID SHUM

Executive Director
aged 70

Mr. Shum Hong Kuen, David ("Mr. David Shum") joined the Group in 1992 and has been an executive director of the Company since 2004. He is also a member of the executive committee of the Company and a director of a number of the Company's subsidiaries. He is responsible for the investment activities of the Group.

Mr. David Shum is a director of Shun Tak Shipping Company, Limited* and an executive director of SJM Holdings Limited (which is listed on the Main Board of the Stock Exchange).

Mr. David Shum holds a Master's degree in business administration from the University of California, Berkeley, the United States.

* *Shun Tak Shipping Company, Limited is a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance.*

MR. ROGIER VERHOEVEN

Executive Director
aged 62

Mr. Rogier Johannes Maria Verhoeven ("Mr. Rogier Verhoeven") was appointed as an executive director of the Company in February 2012. He is a member of the executive committee, the President of the Group Hospitality Division and a director of a number of the Company's subsidiaries. He joined the Group as a consultant in 2000.

Possessing extensive experience in business development, general management and the hospitality industry, Mr. Rogier Verhoeven is responsible for strategic business development and asset management of the real estate, mixed use and hospitality investments for the Group's integrated hospitality management company (Artyzen Hospitality Group). He also oversees various other business units and related operations within the Hospitality Division.

Mr. Rogier Verhoeven holds a Bachelor's degree in Hotel Management from the Hotel School The Hague, International University of Hospitality Management, in the Netherlands.

FINANCIAL HIGHLIGHTS AND CALENDAR

FINANCIAL HIGHLIGHTS 2024

	2024	2023
	HK$'000	HK$'000
Revenue	4,545,551	4,068,138
Loss attributable to owners of the Company	(823,951)	(676,726)
Total equity	32,732,387	34,066,179
Loss per share (HK cents)		
– basic	(27.3)	(22.4)
– diluted	(27.3)	(22.4)
Dividends per share (HK cents)	–	–
Net asset value per share (HK$)	10.8	11.3

The calculation of basic loss per share is based on the weighted average number of 3,017,661,785 shares (2023: 3,020,171,281 shares) in issue during the year. Basic and diluted loss per share were the same as the Company had no potentially dilutive ordinary shares in issue for the year ended 31 December 2024 (2023: same).

FINANCIAL CALENDAR 2025

Announce 2024 annual results	25 March 2025
For determining shareholders' eligibility to attend and vote at Annual General Meeting	
Deadline for lodgement of all transfers	4:30 p.m. on 4 June 2025
Closure of register of members	5 June 2025 to 11 June 2025, both days inclusive
Record date	11 June 2025
Annual General Meeting	11 June 2025
Announce 2025 interim results	August 2025

SIGNIFICANT EVENTS

JANUARY

- TurboJET was appointed as the General Sales Agent of East Asia Airlines Limited, providing sales services for helicopter flight between Hong Kong, Macao and Shenzhen.

MARCH

- Artyzen Habitat Hengqin Zhuhai commenced operations, marking Artyzen Hospitality Group's debut into the Guangdong-Macao In-Depth Cooperation Zone (the "Cooperation Zone") in Hengqin.
- Mandarin Oriental, Macau was named "Best Hotels in Macau" at the DestinAsian Readers' Choice Awards 2024.

APRIL

- CTG Bus launched direct cross-border services between Hong Kong and Zhuhai Airport, supporting the "Fly via Hong Kong-Zhuhai" initiative to enhance connectivity via the Hong Kong-Zhuhai-Macao Bridge.

MAY

- Artyzen Habitat Chongqing commenced operations, marking Artyzen Hospitality Group's first foray into Southwestern China.
- Hong Kong SkyCity Marriott Hotel was ranked fifth "Best Airport Hotels in Asia" at the SKYTRAX World Airport Awards 2024.
- Artyzen NEW BUND 31 Shanghai won the "Best Hotel Design Award" at the GBE Hotel Design Awards 2024.
- The Group received the "Quam IR Awards 2023 - Main Board Category".

JUNE

- Following the opening of Shenzhen-Zhongshan Link, CTG Bus expanded its transportation network to include Zhongshan, Jiangmen, Xinhui, Kaiping, and Heshan.

JULY

- The Group's joint venture at SkyPier secured a "4+1" year management renewal contract for cross-border ferry and bonded bus services at HKIA.

- The Group earned two Bronze awards at the Marketing Events Awards, organized by MARKETING-INTERACTIVE, for "Best Event by an In-House Team" and "Best Team of the Year – Brand".

AUGUST

- The Shàng by Artyzen Qiantan Shanghai garnered the "Hospitality Interior" by DNA Paris Design Awards 2024.

SEPTEMBER

- Macau Tower Convention & Entertainment Centre joined the Greater Bay Area Great Towers Alliance. This strategic partnership aims to create innovative tourism products and enhance the Greater Bay Area's tourism offerings through collaborative initiatives.

OCTOBER

- The Group partnered with AJ Hackett International group to secure the development and operation rights for the "Adventure Zone" at Ocean Park Hong Kong, bringing a one-of-a-kind, sky-high adventurous tourist attraction to the city.
- Artyzen Singapore was recognized as one of "Asia's Best New Luxury Hotels and Resorts" in The Luxe List 2024 by DestinAsian.
- In line with public transport-oriented development, TurboJET launched the innovative "Tap to Board" ticketless boarding system, allowing travellers to use various types of electronic payment to board the first available sailing directly at the terminal gate. This marks the first ticketless experience in the cross-border sea passenger industry, bringing unprecedented convenience to passengers' boarding experience.
- Artyzen NEW BUND 31 Shanghai was recognized as the "2024 New Chinese Style" Lifestyle Brand by WWD China.

NOVEMBER

- The Group was awarded "Outstanding ESG Performance Organization in the Greater Bay Area 2024" by the Guangdong-HK-Macao Bay Area Entrepreneurs Alliance.
- Artyzen Singapore was named "I Prefer Members' Choice Awards Winner 2024" by Preferred Hotels & Resorts.
- Artyzen Hospitality Group received two prestigious accolades, "The Most Potential Hotel Chain of China Hospitality Industry" and "The Most Valuable Oriental Culture Hotel Group of China Hospitality Industry" by the China Hospitality Brand Value Award.

DECEMBER

- The Group entered into a Memorandum of Understanding to sell part of the premises of Xin De Kou An Shang Wu Zhong Xin in Hengqin to SJM - Investment Limited, facilitating high-quality development of the hotel industry within the Cooperation Zone under the framework of the "Several Measures to Promote the High-Quality Development of the Hotel Industry in the Guangdong-Macao In-Depth Cooperation Zone" released in July 2024.
- The Group received "Best in ESG Practices" and "Greater Bay Area ESG Excellence Enterprise Award" at the TVB ESG Awards 2024.
- The Group was honored with "Best in ESG – Small Market Capitalisation" at the 6th BDO ESG Awards.
- TurboJET introduced complimentary shuttle services to passengers, seamlessly connecting them from Outer Harbour Ferry Terminal to the city centre of Macao.

- In celebration of the 75th anniversary of the founding of the People's Republic of China and the 25th anniversary of Macao's return to the motherland, Macau Tower Convention & Entertainment Centre was invited by China Media Group News Centre to participate in the "A New Macau in the Prosperous Era" live broadcast to jointly witness this significant historical moment.

CHAIRMAN'S STATEMENT

Dear Shareholders,

2024 has been a year filled with challenges and new discoveries in which we are encouraged to see the Travel and Tourism ("T&T") sector virtually recovered from the global health crisis driven in part by a surge in international travellers. As tourism-related activities fully resumed, we have noticed a shift in sector trends where cultural and in-depth experiences taking centre stage.

With tourism plays a significant role in the region's economic growth under the nation's development framework, coupled with the Central Government's recent reiteration of its commitment to supporting private economy, the market is expected to be enriched with new business opportunities. Evidently, the Group is steering in the right direction with the "Tourism+" business strategy. By leveraging our deep industry expertise and extensive business network, we are committed to forging a win-win business framework that creates meaningful tourism experiences aligning with national priorities, while taking pride in building the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA") into a premier global destination for living, working, and traveling.

Meanwhile, we are staying cautious to persistent global challenges – from prolonged high interest rates and rising labour costs, to shifting consumer spending habits and the ever-evolving landscape of technology – which continue to shape the business environment. Nonetheless, our strong presence in the GBA and deep-rooted connections with Mainland China give us the confidence needed to unlock our full potential.

In an eventful year of 2024, we have reached several significant milestones, including the opening of the Artyzen Habitat Hengqin Zhuhai – the Group's first hospitality landmark in Hengqin – developed in alignment with the national development priorities of the Guangdong-Macao In-depth Cooperation Zone. Additionally, our highly anticipated joint project with long-term adventure tourism partner AJ Hackett International group will bring an all-new Adventure Zone in Ocean Park Hong Kong that is set to become a flagship destination.

As the Group continues to strategically expand its businesses, we remain mindful that these commitments will take time to contribute to our long-term profitability. For the year ended 31 December 2024, the Group recorded an overall loss attributable to shareholders amounted to HK$824 million (2023: HK$677 million), equivalent to a basic loss per share of HK27.3 cents (2023: HK22.4 cents). Therefore, the Board does not recommend the payment of any final dividend (2023: Nil) in respect of the year ended 31 December 2024. No interim dividend was declared by the Board during the year.

From Cultural Appreciation to Seamless Travel – Our Growing Presence within the GBA

The Group takes pride in celebrating 'Shaping tourism with cultural activities and promoting culture through tourism' with the nation's philosophy woven into everything we do. The opening of Artyzen Habitat Hengqin Zhuhai – a modern lifestyle hotel featuring an intriguing graffiti-inspired interior décor – is yet another example of our determination in expanding hospitality footprint in the GBA. As an integral part of the Group's Hengqin Integrated Development, the 230-room property is strategically located adjacent to Hengqin Port and just steps away from the Hengqin Line, making it an ideal base to explore multi-destination travel for an all-in-one leisure, entertainment, dining, and shopping experiences of Zhuhai, Macao, and Hong Kong.

Transportation serves as the lifeline in tourism development. With the GBA at the forefront of the national development plan, the Group continues to solidify its role as a "Super Connector" in the region by proactively contributing to the enrichment of the Sea-Land-Air three-dimensional cross-border transportation network. Under which, its multimodal operations and services at SkyPier provide seamless global connectivity to transit passengers travelling to Zhuhai or Macao to and from the Hong Kong International Airport. Meanwhile, as part of the Group's initiative in enhancing the "1-hour living circle" development, CTG Bus has extended its routes from Hong Kong to Zhongshan, Jiangmen, Xinhui, Kaiping, and Heshan, capitalizing on the opportunities brought by the inauguration of the Shenzhen-Zhongshan Link in June 2024.

Setting the Trend for Tourism in the New Era

The rise of technology and AI has transformed the way we live and work across all sectors. Harnessing the power of innovation, the Group aims to enhance operational excellence across its hospitality and leisure, as well as transportation divisions. While TurboJET spearheaded the "Tap to Board" ticketless boarding system, enabling passengers to board directly at the terminal gate using various electronic payment methods, the AI-powered hotline system helps deliver faster, more efficient services to customers. Artyzen Hospitality Group also leveraged on advanced digital solutions to streamline check-in and check-out processes, offer in-room smart controls, and provide a dedicated mobile app for seamless customer service response.

The latest craze for experiential travel is setting a new trend in tourism markets worldwide. Staying at the forefront of the industry, the Group is excited about our joint project set up in October 2024 with world-leading adventure tourism company AJ Hackett International group, to bring the one-of-a-kind Adventure Zone at Ocean Park Hong Kong into the GBA. Nestled along the natural landscapes and coastline of the Southern District, the Zone will span approximately 120,000 square meters and is expected to feature world-class sky-high adventure experiences that blend sensory thrills with personal challenges. The development phase of the project is expected to complete by 2028.

Looking ahead, the Group seeks to lead by staying true to its principles. Through converging our corporate resources, we aim to drive creativity in our future developments as we strive to unlock new quality productive forces within the cultural tourism industry.

On behalf of the Board, I would like to express my sincere gratitude to our shareholders, stakeholders and partners for their steadfast support as we dedicate to reshape the modern tourism landscape. My heartfelt appreciation also goes to our exceptional staff, whose determination, adaptability, and professionalism have been evident throughout what has been a persistently challenging business climate. Together, we will continue to strengthen our position as the GBA's leading cultural tourism conglomerate, with an unwavering commitment to fully support the country's development objectives.

Thank you.

By order of the Board

Pansy Ho

Group Executive Chairman and Managing Director
25 March 2025

PROPERTY

以質圖強
DRIVING GROWTH THROUGH ELEVATED QUALITY


Park Nova, Singapore

PROPERTY

The division, encompassing two core business units of property development and property investment, including an array of the Group's high-quality residential projects and retail locations.

In 2024, the global economy faced challenges amid an uncertain macroeconomic environment. In an effort to stimulate the local property market, the governments of Hong Kong SAR and Macao SAR relaxed all cooling measures in early 2024. The Group capitalized on this opportunity by releasing a new batch of residential units at Nova Grand in Macao resulting in a strong sales record where 90 units were transacted, reaffirming market confidence in the Group's developments. In Singapore, the market leading Les Maisons Nassim and award-winning Park Nova residential developments continued to contribute revenue recognized over time for the units sold in previous years.

With respect to property investment, market pressures were intensified by a suite of economic challenges, including prolonged period of high interest rate and change in consumer habit, which continue to affect tenant's operations and profitability across our portfolio in Mainland China, Hong Kong and Macao.

The overall property division's performance was supported by profit recognition from property development projects, but partially offset by exchange loss. The division reported a profit of HK$918 million (2023: HK$882 million) amid a challenging macroeconomic landscape.


Hengqin Integrated Development

Shanghai Suhe Bay Area Mixed-use Development Project

PROPERTY DEVELOPMENTS

Projects completed with recent sales

In Macau

Nova Park
(Group interest: 100%)
Nova Park is the fourth phase of the Group's landmark project, Nova City. Located at the heart of Taipa, Nova Park covers a gross floor area of around 680,000 square feet. The development has proven to be a success as 98% of its 620 residential units have been sold as of 31 December 2024.

Nova Grand
(Group interest: 71%)
Nova Grand, the final phase of Nova City, features eight towers containing more than 1,700 residential units. 90 units were transacted and 68 units were recognized during the year, while as of 31 December 2024, 93% of the project's units had been sold, highlighting its popularity in Macao's real estate market.

Nova Grand, Macau

In Southern China

Hengqin Integrated Development
(Group interest: 100%)
Strongly supported by the Central Government, the Guangdong-Macao In-Depth Cooperation Zone in Hengqin (the "Cooperation Zone") aims to promote the integrated development of Hengqin and Macao and facilitate Macao's economic diversification. Set within the Cooperation Zone, Hengqin Integrated Development is conveniently connected to the Hengqin Port – a cross-border facility operating 24 hours a day. It also sits at the intersection of the Guangzhou-Zhuhai Intercity Railway and the Macao Light Rapid Transit which began connecting Hengqin and Macau in December 2024.

In 2024, several significant policies were introduced to enhance cross-border activities and tourism in the Cooperation Zone. These include the "group entry and group exit" arrangement allowing multiple trips between Hengqin and Macao within 7 days, the "one trip per week" policy for Zhuhai residents visiting Macao, and the "one visa for multiple trips" scheme for Hengqin residents traveling to Macao. Combined with the new Macao Light Rapid Transit connection, these initiatives are expected to drive visitor traffic to Hengqin. Meanwhile, office leasing and pre-leasing of the mall are progressing, with the mall scheduled to open in the second half of 2025, featuring a mix of leisure-themed tenants and specialty dining concepts.

Included in the project, the 230-room Artyzen Habitat Hengqin Zhuhai commenced operation in March 2024. With its lively spaces, the hotel aims to enhance the development's appeal as a premier hub for both living and travel.

In December 2024, the Group signed a memorandum of understanding with SJM – Investment Limited for the proposed disposal of Level 21 to Level 29 of the office tower and a retail unit of the project, within an exclusivity period until 30 June 2025. Under the policy introduced by the Cooperation Zone, which allows for the conversion of office or commercial buildings into hotels, the potential disposal and conversion are expected to attract new travellers and increase foot traffic, enhancing the project's overall performance.

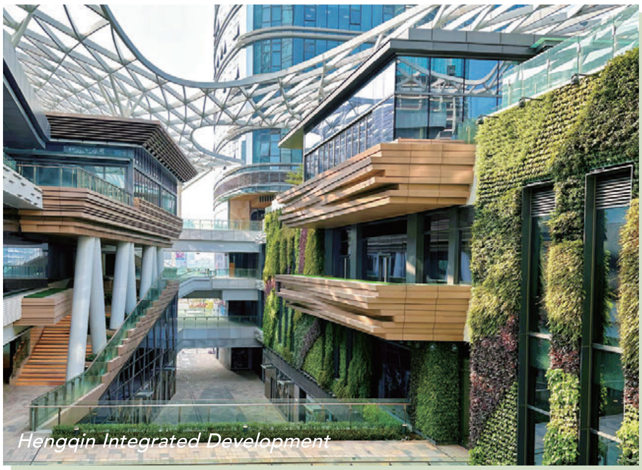
In Eastern China

Shanghai Suhe Bay Area Mixed-use Development Project
(Group interest: 50%)
Jointly developed with China Resources Land Limited, this mega integrated development is located alongside the Suhe Creek in the buoyant commercial hub of Jingan. Encompassing the heritage retail lane Shen Yu Lane and the Tin Hau Temple, the project showcases a harmonious integration of commercial and tourism development, emphasizing the revitalization of heritage and thereby enhancing cultural tourism. The development also comprises the grade-A office Suhe Centre, two residential towers, three commercial blocks, and the premium shopping mall MixC World – making up more than 79,000 square meters of aboveground gross floor areas for sales, as well as more than 140,000 square meters of gross floor areas available for leasing.

All of the project's residential units have been handed over to individual buyers. Featuring a diverse mix of tenants from fashion stores to gourmet restaurants and chic cafés, MixC World achieved 94% occupancy as of 31 December 2024. Suhe Centre continued to gain momentum, reaching a leasing rate of 58% with a growing roster of multinational tenants.

In Singapore

Les Maisons Nassim
(Group interest: 100%)
Located in one of Singapore's most exclusive districts, the prestigious site of Les Maisons Nassim is set to become the city's "Bungalow-in-the-Sky". Spanning approximately 110,000 square feet and situated near other prestigious bungalows in the district, this majestic development will feature a total of 14 luxurious units, including nine simplex apartments, two duplexes and three penthouses. Each residence is equipped with a private lift and comes with a personal parking space, while large avenues surrounded by luxuriant plants exude subtle luxury and sophistication defining the exclusive enclave. All units were sold out as of 31 December 2024.


Hengqin Integrated Development

Park Nova
(Group interest: 100%)
Situated in Singapore's upscale residential area near the famed Orchard Road shopping belt, Park Nova is a 21-storey residential tower featuring a strata area of approximately 125,000 square feet with 51 simplex units and three penthouses. Towering above Orchard Boulevard, the exclusive residence offers panoramic views over lush greenery. Each unit is served by a private lift lobby, delivering residents a bespoke urban luxury lifestyle. The property began its handover process in late 2024, with revenue recognition increasing during the year. It secured a Temporary Occupation Permit in November 2024, and fitting-out works are underway to ensure a smooth handover to purchasers. As of 31 December 2024, 89% of the units in Park Nova have been sold.

Guided by a biophilic design philosophy, Park Nova embodies the Group's pioneering vision of "smart new urban homes" that seamlessly integrate with the local environment. Its innovative design has earned some of the most prestigious accolades in the industry, including the five-star "Best Apartment/Condominium Singapore" by the Asia Pacific Property Awards 2022, and "Best Condo Architectural Design (Asia)" at the 2022 PropertyGuru Asia Property Awards.

111 Somerset
(Group interest: 100%)
Located in the commercial district of Orchard Road near the Somerset MRT station, 111 Somerset is a 17-storey integrated development featuring two office towers, a two-level retail podium and a two-level basement car park, covering a gross floor area of approximately 766,550 square feet.

Bolstered by Singapore's stable economic climate and sustained growth momentum, 111 Somerset maintained a resilient performance in 2024. Despite market saturation and space downsizing by some tenants amid the post-pandemic adjustment period, the property's well-balanced mixed-use positioning ensured a steady rental income stream throughout the year. As of 31 December 2024, 111 Somerset achieved an overall committed occupancy rate of 95%, driven by a strategic focus on tenant mix optimization across office, retail and medical sectors.

111 Somerset, Singapore

PROJECTS UNDER DEVELOPMENT

In Western China

Kunming South HSR Integrated Development
(Group interest: 30%)
The 65,000-square-meter Kunming South HSR Integrated Development was acquired by the Group in partnership with Perennial in December 2018. Located near a high-speed railway station, the development is positioned to become a regional healthcare and commercial hub featuring modern hospitality, medical care, elder care, MICE and retail spaces across a gross floor area of approximately 552,000 square meters. Electrical, mechanical and facade works are ongoing, and operations are scheduled to begin in phases in 2025.

In Northern China

Tianjin South HSR Integrated Development
(Group interest: 30%)
The 77,000-square-meter site of Tianjin South HSR Integrated Development was acquired in 2018 – as part of a strategic partnership between the Group and Singapore-based Perennial Holdings Private Limited ("Perennial"). Positioned as a state-of-the-art "health city" adjacent to the Tianjin South High-Speed Railway Station, the development is set to meet the growing demand for quality medical care in the fast-growing "Jing-Jin-Ji" megalopolis. The development integrates three specialized hospitals and comprehensive elder care facilities, complemented by four hotels and retail services over a commercial area spanning 325,000 square meters. Fitting-out works of the development are in progress. Construction of the whole development was completed in December 2024, with the elder care facilities and hotel now operational. Fitting-out works are in progress for the remaining portions, including the medical and retail components, which are scheduled to open in phases throughout 2025.

Tongzhou Integrated Development, Beijing
(Group interest – Phase 1: 24%)
Tongzhou Beijing is the new home for the headquarters of Beijing's Central Government and many state-owned enterprises. Strategically located along Grand Canal in Tongzhou Beijing, the iconic Tongzhou Integrated Development is set to offer 127,000 square meters of retail space, 119,000 square meters of office space, and 50,000 square meters of apartment units. The retail podium will link with the M6 metro line to offer direct connection to the heart of Beijing. The project's first phase is scheduled for completion in 2026. Presale consent for the serviced apartments was granted by the government in September 2024, while the sales office and showflats were completed. The Group will closely monitor the implementation of national policies and market sentiment to determine the appropriate timing for the official launch of the serviced apartments.


Les Maisons Nassim, Singapore

Projects under planning

In Macao

Harbour Mile
The Group will, upon receiving notice from the Macao SAR Government regarding the allotment of the land parcels, set out the most appropriate development strategy for the site.

PROPERTY INVESTMENTS

In Hong Kong

liberté place
(Group interest: 64.56%)
Located at Lai Chi Kok MTR station in West Kowloon, the mall continues to be a stable income generator for the Group. Building on previous initiatives to subdivide retail spaces, the leasing team successfully introduced new concepts in 2024, including bedding products, footwear, and jewelry shops. The team is actively refining the food and beverage mix to optimize trade diversity and further enhance revenue potential. As of 31 December 2024, the mall achieved an occupancy rate of 100%.

The Westwood
(Group interest: 51%)
Located within the residential area of The Belcher's in the Western District of the Hong Kong Island, the mall further strengthened its positioning in the third quarter of 2024 with the expansion of its kids' game centre. The leasing team is actively diversifying food and beverage offerings and enhancing family-oriented elements to drive foot traffic. As of 31 December 2024, The Westwood recorded an occupancy rate of 87%.

Chatham Place
(Group interest: 51%)
This 3-storey arcade adjoining Chatham Gate in Hung Hom is committed to completing its transformation into a dynamic destination featuring a diversified tenant mix. The leasing team successfully introduced new tenants including jewellery boutiques and educational institutions on the ground floor, while exploring various pop-up concepts and various retail opportunities spanning food and beverage, health and fitness, and tourism-related businesses. As of 31 December 2024, the property recorded a 44% occupancy rate.

Shun Tak Centre Portfolio
Located in the core business area of Sheung Wan, Shun Tak Centre is a commercial and transportation node comprising the Hong Kong-Macau Ferry Terminal, two Grade A office towers atop a shopping mall. The Group owns a 100% interest of Shop 402 and, overall, a 55% interest in a collection of assets at Shun Tak Centre, which comprises 213,786 square feet of retail area, 13,827 square feet of gross office area and 85 parking spaces.

In 2024, the mall performance experienced a promising encouraging recovery, particularly in the food and beverage sector, driven by the resumption of cross-border ferry services and the revitalization of Macao's tourism industry. Renovation of the east and west wing atriums remained on track, with major scaffolding works completed by year-end of 2024 and final enhancements set for completion in the first half of 2025. The Group remained focused on optimizing its tenant mix, successfully introducing new food and beverage concepts while actively pursuing potential tenants. Prudent leasing strategies were implemented to navigate a challenging market landscape. As of 31 December 2024, the occupancy rate stood at 71%.

At Shun Tak Centre 402, the Fencing Academy remained key anchor tenants, underscoring the property's focus on wellness concept. To enhance visitor flow to the upper floor, the Group is also exploring the conversion of the former indoor golf club space into food and beverage facilities or other specific trades. A comprehensive tenant mix review is also underway to maximize the floor's potential and drive stronger synergy among tenants of Shun Tak Centre as a whole.

"Hang Out in Macau with Snoopy" kick-off ceremony

Hong Kong Macau Ferry Terminal

In Macao

Shun Tak House
(Group interest: 100%)
Located at the heart of Macao's major tourist locale, this 28,000-square-foot property is predominantly occupied by two anchor tenants and achieved full occupancy as of 31 December 2024.

One Central Shopping Mall
(Group interest: 51%)
A joint venture with Hongkong Land Holdings Limited, One Central is positioned as a prominent shopping destination for customers in the Greater Bay Area ("GBA"), and home to a glittering array of world-class luxury brands. In 2024, the mall faced challenges, driven by shifting consumer behavior, subdued market sentiments and planned upgrade works. Notwithstanding these factors, the mall secured agreements with several restaurant operators for the second floor. At present, the second floor of the mall is undergoing renovation, which is set to be completed by second half of 2025. The renovated floor will make room for diverse food and beverage options and quality lifestyle brands.

One Central Macau

Nova Mall
(Group interest: 50%)
A joint investment with Abu Dhabi Investment Authority, Nova Mall is a one-stop shopping destination located at the heart of Taipa's Nova residential community. In 2024, the mall faced challenges stemming from shifting consumer spending toward Mainland China. Despite subdued market conditions, the leasing team retained several key tenants, with the mall's occupancy rate stood at 82% as of 31 December 2024.

In Mainland China

Shun Tak Tower Beijing
(Group interest: 100%)
Shun Tak Tower is located at Dong Zhi Men in Beijing, next to the airport highway and near Beijing's thriving downtown and embassy area. It comprises an office area of approximately 240,000 square feet (22,273 square meters) and houses the 138-room Artyzen Habitat Hotel. Office occupancy stood at 79% as of 31 December 2024.

Guangzhou Shun Tak Business Centre
(Group interest: 60%)
A 32-storey office tower atop a 6-storey shopping mall, this development in Guangzhou maintained an average occupancy rate of 62% as of 31 December 2024.

NEW BUND 31, Qiantan, Shanghai
(Group interest: 50%)
Jointly developed with Shanghai Lujiazui (Group) Company Limited, NEW BUND 31 is Shanghai's first mixed-use cultural and commercial development project located in Qiantan International Business District. Stretching over 139,200 square meters, it comprises not only a class-A office tower, retail space, and a 202-room five-star Artyzen hotel managed by the Group, but also the Performing Arts Center ("PAC") – the largest professional indoor theater in Shanghai. Accommodating a 2,500-seat concert hall and the state-of-the-art Black Box Arts Space spanning 1,500 square meters, the PAC will further reinforce NEW BUND 31 as a commercial and cultural hub in Shanghai.

Launched in October 2023, the project has curated a diverse mix of cultural and creative tenants, encompassing music, arts, and performance venues. As of 31 December 2024, the retail space maintained an occupancy rate of 87%, while NEW BUND 31 Office Tower recorded an occupancy rate of 70% after attracting several multinational corporate tenants.

PROPERTY SERVICES

The division offers professional property and facility management services in Hong Kong and Macao. Managing a portfolio of over 14 million square feet of gross floor area, it also provides quality cleaning and laundry services in Macao. Going forward, the division is focused on improving operational efficiency through digital transformation initiatives while exploring opportunities for business expansion.

HOSPITALITY AND LEISURE

以文塑旅 SHAPING TOURISM THROUGH ENRICHED CULTURE

REVIEW OF OPERATIONS

Artyzen Grand Lapa Macau

HOSPITALITY AND LEISURE

In 2024, the hospitality and leisure division recorded gradual improvements in its hotels' occupancy rates leveraging on virtual recovery of the Travel & Tourism ("T&T") sector. The Group, proudly positioned as an integrated cultural tourism conglomerate based in the Guangdong-Hong Kong-Macao Greater Bay Area (the "GBA"), has been forging significant presence regionally. During the reporting year, two new establishments — Artyzen Habitat Hengqin Zhuhai and Artyzen Habitat Chongqing — were added to the hospitality portfolio, with the former extending the Group's footprint into the Guangdong-Macao In-depth Cooperation Zone (the "Cooperation Zone"), a key national development focus. As a key player in cultural tourism, the Group shoulders the responsibility in introducing trendsetting projects to its operating markets. In October, the Group entered into a joint project with its long-term partner, the AJ Hackett International group, in bringing the one-of-a-kind sky-high tourist attractions - the Adventure Zone at the Ocean Park Hong Kong, to the world's adventure seekers. The division remains committed to cautious planning and sustainable long-term growth; coupled with pre-opening expenses and non-cash items such as depreciation weighing on performance, the division reported a loss of HK$180 million (2023: loss of HK$74 million).

Artyzen Singapore

Artyzen NEW BUND 31 Shanghai

Hotels owned by the Group

Hong Kong SkyCity Marriott Hotel
(Group interest: 70%)
Strategically located adjacent to the AsiaWorld-Expo ("AWE") – Hong Kong's largest convention and exhibition center – and near the Hong Kong International Airport, Hong Kong SkyCity Marriott is a 658-room airport hotel boasting a well-established reputation for hosting major MICE events attendees and serving the airline, aviation, corporate markets and transit business.

Driven by the recovery of airline capacity, the return of flight crews and the Hong Kong government's strong push for the mega event economy, the hotel experienced substantial business growth in 2024. Major recurring events at AWE, including international exhibitions and trade fairs fueled robust demand for rooms, and event services, lifting average occupancy for the year to 75%. Reinforcing its industry leadership, the hotel earned several prestigious accolades including "Hong Kong's Leading Airport Hotel" at the World Travel Awards and third place for "Best Airport Hotel in Asia-Pacific" by Business Traveller.

Mandarin Oriental, Macau
(Group interest: 51%)
Towering over the picturesque Macao waterfront, Mandarin Oriental, Macau offers 213 rooms and suites that command spectacular views of Nam Van Lake and Macau Bay, complemented by its exceptional hospitality and impeccable bespoke services.

In 2024, the hotel delivered strong performance, driven by the introduction of Butler Service and new room categories. The average room rate climbed 8% year-over-year while occupancy rate rose to 71% compared to the same period last year. Despite this growth, revenues from spa services and food and beverage still remained below pre-pandemic levels.

In recognition of its exceptional offerings, the Mandarin Oriental, Macau received several accolades in 2024, including Best Hotel in Macau by DestinAsian's Readers' Choice Awards 2024, Best Business Hotel in Macau by Business Traveller 2024, Service Excellence in Macau by Expedia 2024, Tripadvisor Travelers' Choice Awards 2024, Best Hotels, Best Hotel Pools and Best Hotel Spas in Macau by Travel + Leisure Luxury Awards Asia Pacific 2024.

Projects under development

In Hong Kong

Adventure Zone, Ocean Park Hong Kong
(Group Interest: 50%)
In October 2024, the Group entered into a joint project with long-term partner AJ Hackett International group, the world-leading adventure tourism company, securing development and operation rights for the groundbreaking Adventure Zone at the Ocean Park Hong Kong. Spanning approximately 120,000 square meters along the natural landscape and scenic coastline of the Southern District, the Adventure Zone will offer world-class, sky-high adventure experiences that blend sensory thrills with personal challenges. The signature attractions, including bungy jumping, giant swings, ziplines, a rail coaster luge and adventure parks, will be complemented by family-friendly facilities, retail concepts and dining amenities. The development phase of the project is set for completion by 2028.

Artyzen Hospitality Group
Artyzen Hospitality Group Limited ("AHG"), a hotel management subsidiary of the Group, is headquartered in Hong Kong and has regional offices in Shanghai and Singapore. AHG's portfolio of homegrown international brands include two flagship hotel brands – Artyzen Hotels and Resorts, and Artyzen Habitat – as well as a collection of distinctive lifestyle properties: The Shàng by Artyzen, YaTi by Artyzen, and Grand Coloane Resort to capture the millennial markets demanding for bespoke guest experiences with elevated Asian aspirations. Central to AHG's service culture is "emotional wisdom", an Asian-rooted philosophy that promises memorable experiences with authentic and sincere interactions. By celebrating the beauty of traditions, the heritage of its location, and the people in the communities, the Group aims to bring people together and create a sense of meaningful connections for one's journey.

2024 proved another significant year for AHG with the opening of the Artyzen Habitat in Hengqin – the first Artyzen Habitat hotel in the GBA – and of the Artyzen Habitat Chongqing, the brand's first foray into Southwestern China. It is also developing two additional projects in Hangzhou and Xi'an, slated to open in 2026 and 2028, respectively.

Nexus Hospitality Management Limited, a joint venture between AHG and Singapore-based Perennial Holdings Private Limited, is responsible for the asset management of a 982-room hotel in Tianjin and a 1,118-room new hotel in Kunming, scheduled to open by the end of 2025.

The Group garnered multiple industry accolades, with the Artyzen Hotels and Resorts brand receiving the Luxury Brand (Asia) at The 2024 World Luxury Hotel Awards, as well as The Most Potential Hotel Chain of China Hospitality Industry at China Hospitality Brand Value Award and The Most Valuable Oriental Culture Hotel Group of China Hospitality Industry at the China Hospitality Brand Value Award.

Artyzen Habitat Qiantan Shanghai

Ocean Park Hong Kong "Adventure Zone" Development


Artyzen Habitat Hengqin Zhuhai

Hotels owned by the Group and managed by Artyzen Hospitality Group

Artyzen Singapore
(Group interest: 100%)
Located at the heart of the Lion City, Artyzen Singapore is just a stone's throw from the bustling Orchard Road and major embassies, and steps away from Singapore Botanic Gardens, the city's first UNESCO Heritage Site.

As AHG's first property outside of China, Artyzen Singapore expands the Group's "Tourism+" presence in the global hospitality landscape. Drawing inspiration from Singapore's culture, colors, and flavors, the hotel is designed as a vertical oasis, featuring 142 rooms and suites with balconies tailored for luxury travellers. In April 2024, Artyzen Singapore joined the prestigious Fine Hotels + Resorts® program by American Express Travel®, underscoring Artyzen's ability to seamlessly blend local sensibilities to craft a bespoke modern luxury lifestyle experience. Given Singapore's robust tourism outlook, the hotel is well-positioned for further growth in 2025.

In 2024, the hotel garnered several accolades, including Asia's Best New Luxury Hotels & Resorts of 2024 in the DestinAsian's The Luxe List 2024, and I Prefer Members' Choice Awards Winner 2024.

Artyzen Habitat Hengqin Zhuhai
(Group interest: 100%)
Artyzen Habitat Hengqin Zhuhai is an integral part of Shun Tak's Hengqin Integrated Development. Strategically located adjacent to the Hengqin Port, this lifestyle hotel is steps away from the Hengqin Line, seamlessly connecting Macao, Zhuhai Jinwan Airport, Zhuhai Railway Station and Chimelong Ocean Kingdom. It is an ideal base to explore an all-in-one leisure, entertainment, dining, and shopping experience of Zhuhai, Macao, and Hong Kong. This modern lifestyle hotel with graffiti-inspired interior decor, boasts 230 cozy guestrooms for a bright and vibrant ambiance. These well-equipped, comfortable rooms feature thoughtful amenities and bathroom layouts separating wet and dry spaces. Since opening in March 2024, the hotel has gained industry recognition as it gradually built its market presence, receiving the Premium Selected New Open Hotel of the Year at The 7th Premium Travel Award.

Artyzen Habitat Hongqiao Shanghai
(Group interest: 100%)
Enjoying close proximity to Shanghai's National Exhibition and Convention Center, Artyzen Habitat Hongqiao Shanghai is favored by senior executives from around the world and other parts of China. Located at the buoyant retail and leisure hub Shanghai MixC complex, the 188-room hotel exudes a dynamic urban vibe, while offering an attractive combination of social, dining and event spaces to inspire close connections between travellers in search of authentic experiences. The hotel's occupancy for 2024 stood at 61%.

YaTi by Artyzen Hongqiao Shanghai
(Group interest: 100%)
Located within Shanghai's MixC complex, YaTi by Artyzen Hongqiao Shanghai is a 303-room stylish budget hotel. In addition to domestic travellers, the hotel caters to an increasing number of international travellers, mainly from Asia, Europe, the United States and Russia.

Artyzen Habitat Dongzhimen Beijing
(Group interest: 100%)
The 138-room Artyzen Habitat Dongzhimen Beijing blends contemporary design with cultural heritage to deliver an immersive old-meets-new experience for discerning travellers. The hotel's occupancy for 2024 was approximately 74%.

Artyzen NEW BUND 31 Shanghai
(Group interest: 50%)
Artyzen NEW BUND 31 Shanghai is located along the Huangpu River in Qiantan, Shanghai's emerging business and cultural hub. Part of NEW BUND 31, the Group's iconic integrated property, the 202-room hotel is adjacent to the Bank of Communications NEW BUND 31 Performing Arts Center, the largest indoor theater in Shanghai. The lifestyle hotel's contemporary classic subtlety weaves Shanghai's unique aesthetics, art, and cultural temperament into a one-of-a-kind haven of respite and curiosity. Since its opening, the hotel has gained steady momentum, with its occupancy rate stood at 50% for 2024.

Its distinctive design and guest experience have earned important industry recognitions, including the 2024 "New Chinese Style" Lifestyle Brand by WWD China (Women's Wear Daily China) and Best Hotel Design Award at the GBE Hotel Design Awards.

Grand Coloane Resort
(Group interest: 34.9%)
An exclusive resort tucked away at the south-eastern tip of the Coloane island overlooking the picturesque Hac Sa Beach, Grand Coloane Resort offers guests a tranquil resort experience with 208 guest rooms and suites, all of which boast a private balcony.

In 2024, the hotel actively expanded its market reach, including forging partnerships with local travel agencies to cater to groups. Supported by the steady recovery of Macao's tourism market, these efforts contributed to an improved occupancy rate recorded at 67%.

Artyzen Habitat Suzhou
(Group interest: 10%)
Situated in the quaint Gusu district of Suzhou, a National Historical and Cultural City Conservation Zone, Artyzen Habitat Suzhou is adjacent to famous historic sites such as the Canglang Pavilion and the Humble Administrator's Garden.

Seamlessly blending Suzhou's rich history and classical city landscapes, this 160-room hotel recorded an occupancy rate of 66% for the year.

Hotels managed by Artyzen Hospitality Group

Artyzen Grand Lapa Macau
Set in the heart of Macao, Artyzen Grand Lapa Macau is a 426-room upscale lifestyle urban city resort hotel, offering a window into the city's culturally rich and remarkable heritage. The hotel's food and beverage outlets serve innovative culinary dishes from Portuguese, Macanese, Chinese, and Thai cuisines. It also features eclectic bar offerings and stylish function facilities. The hotel's resort contains a large variety of leisure facilities including pools, fitness, tennis and spa surrounded by lush gardens.

In 2024, the hotel received multiple accolades, including the "Quality Tourism Services Merchant Award" by the Macao Government Tourism Office and the Top 5 Best Hotel Spas in Macau by the Travel + Leisure Luxury Awards Asia Pacific 2024.

Artyzen Habitat Chongqing
Located in Yuelai International Exhibition City, a core component of Chongqing's Liangjiang New Area, it is adjacent to the Chongqing International Expo Center and the Yuelai International Convention Center.

A contemporary lifestyle hub connecting work and play as well as people and ideas Artyzen Habitat Chongqing's design is inspired by the boundary-breaking urban parkour concept. Featuring 378 spacious rooms catering to both business and leisure travellers, it offers a variety of specialty dining services and flexible meeting and events spaces. The hotel opened in May 2024.


Artyzen Habitat Chongqing

Artyzen Hotels and Resorts, Artyzen Habitat and Eature Residences Lingang
Encapsulating a premium modern lifestyle, these three properties are strategically located in Shanghai's Lingang Special Area, home to the Lingang Xinchen International Conference Center. Within walking distance are the Shanghai Astronomy Museum and Shanghai Haichang Ocean Park, the hotel is just a 40-minute drive away from Shanghai Disneyland.

Fusing tradition with modern elegance in its design, Artyzen Lingang offers 305 well-appointed rooms, some overlooking the magnificent Dishui Lake.

Artyzen Habitat Lingang offers 364 contemporary rooms with modern facilities providing an inviting experience for both leisure and business travellers.

Merely a 15-minute walk from Dishui Lake, Eature Residences Lingang offers 128 units in a well-furnished hotel-apartment setting.

Artyzen Habitat Qiantan Shanghai and The Shàng by Artyzen
Artyzen Habitat Qiantan Shanghai and The Shàng by Artyzen are located in the Qiantan district in Pudong, Shanghai, along the bustling Huangpu Riverfront.

Designed as an "Urban Oasis", the 246-room Artyzen Habitat Qiantan Shanghai encapsulates the modern city lifestyle with spacious social areas. These include the brand's signature Amphitheatre, featuring floor-to-ceiling glass windows and a lush garden wall, offering travellers a space to immerse themselves in cultural exchanges. The hotel recently garnered the "Best Urban Chic Hotel" at The 9th Best BANG Awards.

The Shàng by Artyzen is a boutique lifestyle hotel comprising 210 cozy rooms that incorporates the charm of Shanghai's alleys in its design; the hotel was the Winner of Hospitality Interior category at the DNA Paris Design Awards 2024.

Artyzen Habitat Taopu Shanghai
Located in Shanghai's TOP Smart City industrial complex – a new emblem in northwestern Shanghai epitomizing the "integration of production-depth city" – Artyzen Habitat Taopu Shanghai integrates the history and spirit of the former industrial town into a contemporary design that harmonizes nature, technology and culture.

The 212-room modern hotel features the brand's signature social space, Townsquare and Amphitheatre, to facilitate the exchange of innovative ideas among business and leisure travellers.


The Shàng by Artyzen Qiantan Shanghai

Tourism Facility Management

One of Macao's most iconic tourist attractions, the Macau Tower Convention & Entertainment Centre ("Macau Tower") is the first non-gaming attraction and international standard MICE venue in Macao. As visitor arrivals gradually climbed back towards pre-pandemic level in 2024, revenues from the sales of tickets to the observation decks increased, while income from banquets and MICE improved attributed to the consistent excellence in service and newly renovated venues. Meanwhile, visitor spending patterns are evolving, with local residents increasingly seeking diversified retail and dining options in neighboring mainland cities. In response to these challenges, Macau Tower is exploring various strategies, including enhancing ancillary revenue streams, actively identifying potential clients for banquets and MICE events, developing cross-promotional initiatives with sister properties, and enhancing the use of digital channels to drive direct sales while engaging with a new generation of customers.

Membership Club

Artyzen Club, a subsidiary of the Group, is a contemporary networking and dining venue for business executives and professionals. Located in Hong Kong's central district, this private club serves Asian, Portuguese, and Western cuisines for members to enjoy throughout the year. In addition to an outdoor swimming pool, sports and wellness amenities, it offers entertainment such as karaoke and card games. Its 518 members can also enjoy traveling benefits and special booking arrangements from the Group's hotels and TurboJET, as well as access to numerous reciprocal clubs in Australia, the Philippines, Singapore, the United Kingdom, and the Middle East.

The Club has been proactively expanding its membership schemes to attract employees of regional investment institutions who travel regularly and require attentive concierge service and access to the Club's exclusive facilities. To further elevate its member experience, the Club is exploring new business opportunities that align with the city's evolving lifestyle and dining preferences. Plans include introducing organic cuisine options, upgrading the cigar room with dedicated storage for members and developing a backyard organic farm where members and their families can enjoy a farm-to-table experience and an open-air barbecue area. These initiatives aim to enhance the Club's appeal, fostering a more dynamic and family-friendly environment while reinforcing its position as a premier destination for members.

The Club will continue to set itself apart by offering a diverse range of culinary and lifestyle options tailored to both business and family-oriented members. Committed to continuous innovation, the Club adapts to the shifting preferences of its growing membership base, while maintaining its reputation as a premier destination for networking, relaxation, and entertainment within a dynamic business hub.

TRANSPORTATION

以旅彰文
CELEBRATING HERITAGE THROUGH TRAVEL AND TOURISM

TRANSPORTATION

Regional tourism saw steady growth in 2024, with both domestic and international tourist numbers rising towards pre-pandemic level. While continuing its strategic enrichment in the Sea-Land-Air three-dimensional cross-border transportation network, the division stays ahead of market trends, and focuses on maximizing profitability. Under which, TurboJET has adopted an efficiency-optimized deployment strategy to cater to varied traffic demands and evolving mobility needs. CTG Bus expanded their network by launching new routes leveraging newly established infrastructures such as the Shenzhen-Zhongshan Link, alongside a fleet size expansion. Echoing national development priorities, the division has been proactively perfecting its multimodal connectivity network rooted in the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA") in solidifying its position as a "Super Connector", while continuously exploring new opportunities in low-altitude economy. The Group reported a shared loss of HK$8 million (2023: shared profit of HK$10 million) in 2024 due to derecognition of deferred tax assets.

Macau Outer Harbour Ferry Terminal

SHUN TAK – CHINA TRAVEL SHIPPING INVESTMENTS LIMITED

It has been the Group's long-standing commitment to facilitate regional integration as part of our core strategy that aligns with the national development plan. Solidifying its role as a "Super Connector" in the GBA, the division not only witnesses but actively drives the advancement of interconnectivity within the region. At the forefront of developing a seamless multimodal transportation network, the division underscores the Group's leadership in regional infrastructure innovation. By forging multilateral collaborations aligned with the "Tourism+" initiative, the division enhances the wholistic travel experience for passengers, ensuring efficiency, convenience, and sustainability.

To seize the opportunities arising from the Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area with its rapidly expanding infrastructure, Shun Tak – China Travel Shipping Investments Limited ("STCTSI") strategically restructured the shareholding to become a 50/50 company co-owned by the Company and China Travel International Investment Hong Kong Limited in July 2020. This move aims to further diversify and strengthen its transportation portfolio by consolidating both sea and land transportation resources, as well as network advantages under STCTSI.

Leveraging its solid foundation and expertise in the cross-border travel within the GBA, the division has strategically extended its business beyond its core ferry services under TurboJET and has participated and invested in an array of cross-border land transportation services including Hong Kong-Zhuhai-Macao ("HZM") Bridge shuttle buses ("Golden Bus"), cross-border coaches and limousine services. With this foundation, the division further strengthened its collaboration with various transport operators to sharpen its market competitiveness. In January 2024, TurboJET was appointed as the General Sales Agent for East Asia Airlines providing sales services for helicopter flights between Hong Kong, Macao and Shenzhen, operated by Sky Shuttle. This laid a foundation for the division to further explore additional business models in support of the Central Government's recent initiative for developing low-altitude economy in the GBA.

" Hang Out in Macau with Snoopy" on TurboJET

REVIEW OF OPERATIONS

In facilitating a more seamless intermodal travel experience for passengers traveling between the GBA and overseas destinations via Hong Kong International Airport, the division remains committed to enriching the multimodal transportation platform through expanded operations that offer land and sea options for air transit travellers. For ferry services, TurboJET and Cathay Pacific have established an intermodal codeshare arrangement, enabling passengers to enjoy one-stop booking for air and ferry tickets. For ground transportation, the division's joint venture at SkyPier has secured the management renewal contract for the provision of cross-boundary ferry and bonded bus passenger and baggage handling services at the SkyPier Terminal for another "4+1" years, starting on 1 July 2024. This contract further strengthens the division's intermodal connections between GBA cities and global destinations through Hong Kong International Airport, and reinforces its position as a key facilitator of regional and international travel integration. In addition, to support the Hong Kong Government's "Fly via Hong Kong-Zhuhai" policy, the division's CTG Bus has launched direct cross-border bus services between Hong Kong and Zhuhai Airport. This service provides added convenience for passengers traveling seamlessly between Zhuhai and Hong Kong International Airport, further enhancing global connectivity to the GBA cities through the HZM Bridge.

In support of the Macao SAR Government's travel promotional campaign targeting the overseas market, TurboJET and the joint venture bonded bus service, Macau Hong Kong Airport Direct, participated in its "Fly You to Macao" promotion during the period, offering complimentary ferry and bus tickets to eligible international visitors traveling to Macao from Hong Kong.


TurboJET Cross Border Limo

Hong Kong–Zhuhai–Macau Bridge

Shun Tak & CITS Coach

In a strategic move to enhance the division's market presence as well as the one-hour life circle development in the Guangdong Province, CTG Bus has expanded its fleet through the acquisition of additional tour buses. This expansion includes extending the service routes from Hong Kong to Zhongshan, Jiangmen, Xinhui, Kaiping and Heshan, leveraging upon the opportunities presented by the inauguration of the Shenzhen-Zhongshan Link in June 2024. The expanded routes are designed to offer faster and more convenient transportation options for the residents of Hong Kong and those within the GBA. Furthermore, CTG Bus has launched two new shopping routes connecting Hong Kong with Shenzhen and inaugurated a new station in Causeway Bay, further improving transport links between Hong Kong and major cities in Guangdong, while catering to the increasingly popular "go north" travel trend.

In Macao, TurboJET launched a complimentary shuttle service in December for all passengers of all classes. This service seamlessly connects travellers to the city center upon arriving at the Outer Harbour Ferry Terminal, placing them in close proximity to numerous attractions including UNESCO World Heritage sites as well as popular urban hotspots. This initiative exemplifies the division's long-standing commitment to enhancing holistic travel experiences and supports the government's efforts to shape Macao into a metropolis ideal for living, working, and tourism.

As technologies and customer expectations evolve rapidly, the division is committed to staying ahead by transforming service delivery, creating experiences that are seamless, efficient, and adaptable to future needs. In line with public transport-oriented development and part of the advancement of green ticketing measures, TurboJET has introduced significant technological advancements, including the upgraded ticketless boarding system – "Tap to Board", which has accepted wider scope of electronic payment methods since October 2024. The pioneering initiative allows passengers to directly board the first available ferry and pay at the gate upon arrival, offering travellers greater convenience and flexibility in planning their itineraries. To further elevate customer experience, a new AI-powered customer service hotline system has been introduced, providing instant responses to frequently asked questions, reducing waiting times, and ensuring quicker and more efficient assistance. These innovations reflect the dedication to delivering a SMART journey for customers, laying the foundation for a more adaptable and forward-thinking travel experience in the ever-evolving travel industry.

Looking ahead, the division will continue to align its "Tourism+" and "Transportation+" growth strategies with national policies, including the Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area and the "Belt and Road" initiative, with the aim of contributing to the GBA's appeal as an ideal place for living, working, and tourism. By staying ahead of market developments, the division aims to provide more convenient and efficient transportation options to meet the evolving mobility needs of passengers in the region, as well as to seize new development opportunities and strengthen multilateral collaborations with partners and operators, fostering synergies that drive the advancement of the tourism and transportation industry.

INVESTMENTS

以信建富

BUILDING A LEGACY OF INTEGRITY AND TRUST

REVIEW OF OPERATIONS

Kai Tak Cruise Terminal

INVESTMENTS

The Group adheres to the strategy of "Tourism+", and has been strategically investing in diversified businesses across tourism, retail and integrated leisure opportunities. With the value these businesses bring, the investment division serves as an integral tool to capture new growth points which would nurture mutual benefit to the Group's core components such as hospitality and MICE within its business framework.

Being a long-term investor in Sociedade de Turismo e Diversões de Macau, S.A. ("STDM"), the Group held an approximately 15.8% effective interest in the company as at 31 December 2024. Incorporated in 1962 in Macao, STDM is the second largest shareholder of Macau International Airport Company Limited. It has also built and owns the renowned tourism and MICE landmark, Macau Tower. STDM held a shareholding of around 54.81% in SJM Holdings Limited as at 31 December 2024, whereas the latter is effectively entitled to a 100% interest in SJM Resorts, Limited (formerly known as "Sociedade de Jogos de Macau, S.A."), one of the six gaming concessionaires awarded a new gaming license by the Macao SAR Government in 2022. In the year, a dividend of HK$88 million was received (2023: HK$86 million) from STDM, representing a 2% increase year on year. All-in-all, the division reported a profit of HK$72 million (2023: loss of HK$231 million, including fair value loss on financial assets at fair value through profit or loss of HK$303 million).

Macau Tower Convention and Entertainment Centre

Stecco Natura Gelaterie, Nova Mall, Macau

KAI TAK CRUISE TERMINAL

The Group operates and manages Kai Tak Cruise Terminal in partnership with Worldwide Flight Services Holding SA and Royal Caribbean Cruises Ltd. 2024 proved to be a challenging year for Worldwide Cruise Terminals, as one of the its key account, a locally-based cruise line (Resorts World Cruises), moved away from Hong Kong as its mother port. Nevertheless, the cruise terminal retained 80% market share in Hong Kong, and is expecting new cruise to commence regular homeporting from April, which indicates that the terminal remains the terminal of choice for most cruise lines. While nearby residential developments are expected to complete over the coming year, new life will be breathed into the district.

Toy'R'Us, Macau

RETAIL MATTERS COMPANY LIMITED

Retail Matters Company Limited holds the Macao franchise for the international toy brand "Toys'R'Us", and is the global brand owner of the Italian gelato "Stecco Natura Gelaterie".

In 2024, Toys'R'Us strategically shifted its focus to the growing tourist trade and adapted to changing retail trends by opening two targeted stores, including an extension shop in Studio City play area and a dedicated IP concept popup in Lisboeta, aimed at attracting more family travellers. Through optimized store portfolio and operational efficiency, both sales and net profit showed improvement compared to 2023. Meanwhile, Stecco Natura Gelaterie expanded its business by launching a new store in Macao at Studio City, marking its eighth outlet in Asia. To grow its presence in top-tier cities in Mainland China, it also opened two stores at Wujiang Road and Raffles City Changning in Shanghai respectively and set up a new regional office in the city.

Looking ahead, Toys'R'Us will continue to focus on tourist trade initiatives and introduce new smaller-format concept stores, while Stecco Natura Gelaterie plans further expansion in Mainland China, Hong Kong and other international markets, with new rollouts expected in the second half of 2025.

RECENT DEVELOPMENTS AND PROSPECTS

Kunming South HSR Integrated Development

The Group remains optimistic about the Travel and Tourism ("T&T") sectors regionally, with growth momentum expected to accelerate in 2025, driven in part by a series of favourable national policies.

With a forward-looking vision and a firm belief in the future of cultural tourism, the Group has been advancing its "Tourism+" strategy over time. Embedded across its operations, the strategy has evolved into a comprehensive business framework spanning Property, Hospitality and Leisure, Transportation, and Investments.

Ocean Park Hong Kong "Adventure Zone" Development

Elder Care Facilities, Tianjin South HSR Integrated Development

The post-pandemic era marks a transformative chapter for the T&T industry, creating new opportunities for growth and innovation. As a key player in the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA"), the Group remains committed to shaping the sector's future by leveraging its deep-rooted foundation in cultural tourism. Seizing opportunities bring by a rising demand for experiential travel, the Group entered into a joint project in October 2024 with long-term partner AJ Hackett International group — a global leader in adventure tourism—to develop Adventure Zone at Ocean Park Hong Kong. Set against the breathtaking natural landscapes and coastline of the Southern District, the extraordinary attraction spans approximately 120,000 square meters and will offer world-class, sky-high adventure experiences designed to ignite the senses and challenge personal limits. Scheduled for completion by 2028, the Zone will redefine thrill seeking in Hong Kong and set a new benchmark for immersive tourism.

Steeped in a profound appreciation for the diverse heritage and traditions of the East and West, the Group's cultural tourism philosophy brings artistically crafted, inspirational travel experiences. In 2024, the hospitality and leisure division expanded its portfolio with two distinctive hotels that embody this vision - the Artyzen Habitat Hengqin Zhuhai and the Artyzen Habitat Chongqing. Incorporating urban art and cultural elements such as graffiti and parkour, these new additions debuted in March and May respectively, with the Hengqin establishment marking the division's entry in the Guangdong-Macao In-depth Cooperation Zone in Hengqin.

Looking ahead, the division plans to introduce its luxury lifestyle brand, Artyzen Hotel and Resorts, to Xi'an — a pivotal city along the "Belt and Road Initiative". Set to open in the first quarter of 2028, this flagship destination will blend the ancient capital's rich heritage with urban energy through its design and experience.

Committed to serving as a "Super Connector" within the GBA, the transportation division is tapping into rising regional traffic driven by a rebound in tourism. Capitalizing on newly established infrastructure and government initiatives, the division is strategically expanding its Sea-Land-Air matrix to holistically enhance connectivity and growth. A priority for the Central Government, the low-altitude economy is emerging as a key growth driver, opening new avenues for the creation of new quality productive forces. In 2024, TurboJET was appointed General Sales Agent by East Asia Airlines for the provision of sales services for helicopter flights between Hong Kong, Macao and Shenzhen operated by Sky Shuttle, and partnered with Cathay Pacific for an intermodal codeshare arrangement, streamlining air-ferry bookings for travellers. The division also renewed its SkyPier management contract for another "4+1" years effective from July 2024, while launching new CTG Bus routes offering seamless connections to popular retail destinations and direct service to the Zhuhai Airport. Additionally, the division further expand their network by appending dedicated bus routes via the newly inaugurated Shenzhen-Zhongshan Link which began operations in June 2024.

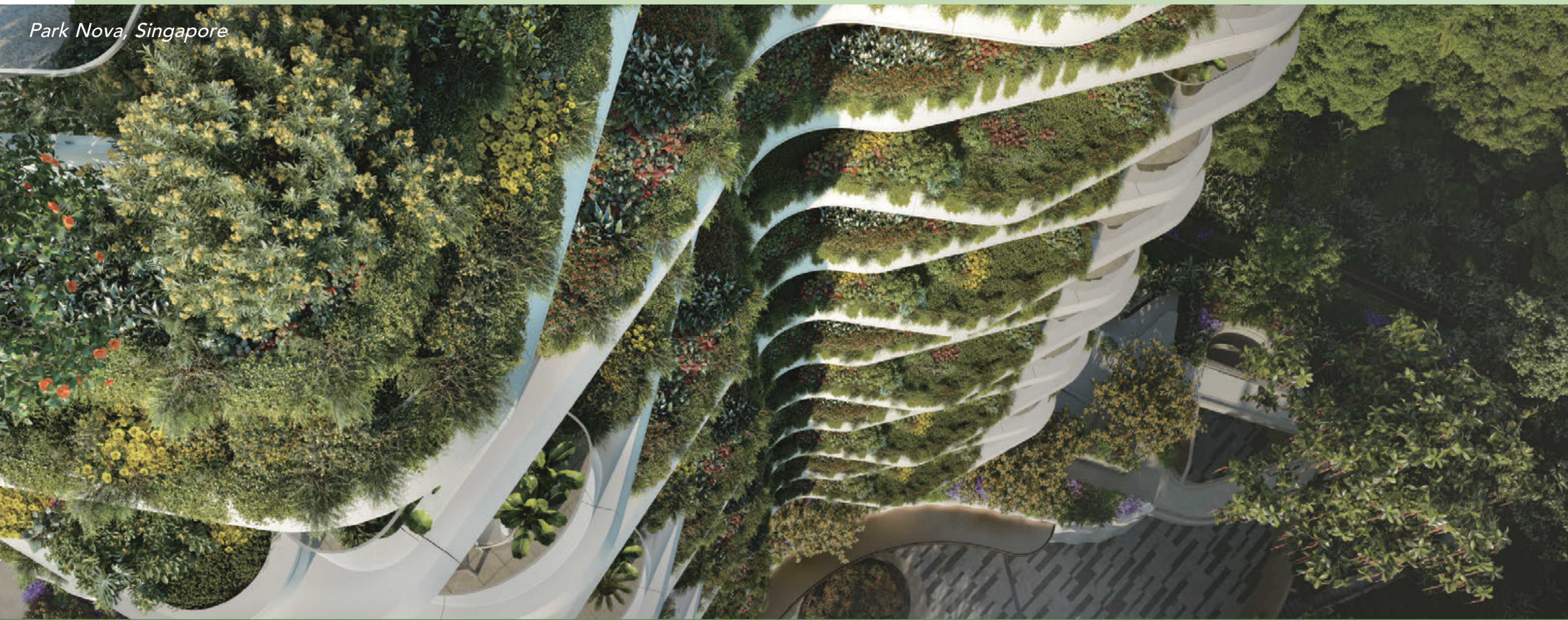
RECENT DEVELOPMENTS AND PROSPECTS

Encouraging market response reaffirms purchases' confidence in the Group's developments. In Macao, Nova Grand sold 25 residential units in second half of 2024, bringing the total to 90 units sold in 2024, which underscores the project's popularity in local property market. Meanwhile in Singapore, revenue recognitions for Park Nova and Les Maisons Nassim reflect strong demand for premium properties in what remains a robust local market. Notably, Park Nova's largest penthouse set a new benchmark in January 2025, achieving the second-highest psf-price ever recorded for a condominium in Singapore. With a strong presence in key industry segments across the GBA, Mainland China and Singapore, the property division is increasingly focused on large-scale integrated development projects that incorporate a diverse range of real estate elements, including hospitality, retail and healthcare. In 2024, the division secured governmental presale consent for its serviced apartments at the Tongzhou Integrated Development in Beijing, the Group will closely monitor the implementation of national policies and market sentiment to determine the appropriate timing for the official launch. On the other hand, construction of the Tianjin South HSR Integrated Development has been completed with the project scheduled to be launched by phases.

Looking ahead to 2025, the Group is well positioned to navigate global challenges such as prolonged period of high interest rates, rising labour cost and change in consumer habit, all of which could weigh on economic growth. Despite these issues, the Group's prudent, and flexible approach is designed to deliver growth through careful planning and execution. By staying agile and seizing the right opportunities, the Group is committed to delivering sustainable value for shareholders while managing risk responsibly.

Nova Grand, Macau

SUSTAINABILITY DEVELOPMENT HIGHLIGHTS



Park Nova, Singapore

The Group's Green Brick Road sustainability journey in 2024 is a testament to our commitment to upholding Integrity and Innovating, driving sustainability innovation while honoring the Group's rich heritage. The following highlights showcase our efforts across the three core Environmental, Social, and Governance ("ESG") dimensions, with the goal of enhancing the quality of our sustainability initiatives.

Governance – Integrate sustainability for business values creation

In 2024, we conducted our first double materiality assessment to consider sustainability topics in terms of both financial and impact materiality. Financiers and senior management provided feedback on the financial impacts of the sustainability topics. The most important topics (categorized as Tier 1 and Tier 2) will be integrated into the Group's sustainable business strategy, which is to be gradually implemented by individual businesses units in their respective operations from 2025 onward.

Recognizing the growing importance of climate-related financial impact, we conducted a risk and opportunity assessment, identifying key areas and corresponding mitigation strategies. Our forward-looking business development strategy is supported by the results of risk and related financial impact assessments. Through years of continuous growth and development, the Group has grown into a leading conglomerate engaging in the property, hospitality and leisure, transportation, and investment sectors with the business footprint across multi-regions in China and Singapore. The strategy successfully diffuses the risks, including climate related risks. We will continue to factor in the impacts brought by climate changes when assessing our business portfolio.

Environmental Harmony – Demonstrate how a high-quality ecological environment supports high-quality development

In October 2024, the Group entered into a joint project with long-term partner AJ Hackett International group, the world-leading adventure tourism company, securing development and operation rights for the groundbreaking Adventure Zone at Ocean Park Hong Kong. It will serve as an adventure tourism attraction that brings nature conservation concepts to life.

Additionally, our existing buildings are paced to adhere transformation through pursuing recognizable green building certifications. Following One Central Macau and Kunming South HSR Integrated Development, which achieved the precertification from WELL in the reporting year, Artyzen Singapore and Artyzen Grand Lapa Macau are targeting the BCA Green Mark Certification Gold Plus Certification and LEED O&M (Operations and Maintenance) Gold Certification respectively.

SUSTAINABILITY DEVELOPMENT HIGHLIGHTS

PROPERTY	GREEN BUILDING CERTIFICATES ACHIEVED
CHINA	
NEW BUND 31, Shanghai	• LEED Gold Certificate • 3-star, the highest rating, under the China Green Building Design Label
Hengqin Integrated Development	• 3-star, the highest rating, under the China Green Building Design Label
Shanghai Suhe Bay Area Mixed-use Development	• LEED Platinum Precertification (Suhe Centre) • 2-star under the China Green Building Design Label
Tianjin South HSR Integrated Development	• 2-star under the China Green Building Design Label • WELL Precertification under the WELL Building Standard™
Beijing Tongzhou Integrated Development	• LEED Gold Precertification (Plot 14-1 & Plot 14-2)
One Central Macau	• WELL Core V.2 Platinum Pre-certification under the WELL Building Standard™
Kunming South HSR Integrated Development	• WELL Precertification under the WELL Building Standard™ (Plot A2 Block 5, 7, & 8)
SINGAPORE	
Park Nova	• BCA Green Mark Gold Plus Certificate
Les Maisons Nassim	• BCA Green Mark Certificate

The Group published "Bespoke Inclusivity", showcasing our sustainability advancements, and how sustainable concepts and green features are integrated into our expanding portfolio along the Green Brick Road.

Communal Connectivity – Connect young generation to our proud Chinese culture to solidify launched sustainable development foundation

The Group is committed to promoting Chinese culture and heritage for generations to come and leading a sustainable lifestyle through green initiatives. Leveraging the Group's extensive footprint across mainland China, Hong Kong and Macau, we launched different initiatives to support the diverse development of young people, deepening their understanding of the nation and the world.

"Heritage across Cities, Prosperity in Bloom — 2024 Beijing-Macao Photography Exhibition"

We invited students to "Heritage Across Cities, Prosperity in Bloom – 2024 Beijing-Macao Photography Exhibition", held at Macau Tower. Through the 100 photographs and 42 paintings featuring two UNESCO World Heritage Sites: the Beijing Central Axis and the Historic Centre of Macao, it provided youths from Hong Kong and Macau with insights into the historical connections between the cities, fostering a sense of national pride and identity for future generations.

In 2024, we launched the pilot project T+ Exploration Day, in which local students and teachers from the "Tourism and Hospitality Studies" elective participated. The project included TurboJET ferry rides, a tour of Macau Tower's facilities, an insider look into hotel operations at Artyzen Grand Lapa Macau, and unique sightseeing experience provided by Macau Cruise. The immersive experience provided students with practical knowledge of the tourism and hospitality industry, helping them explore career options and develop essential skills beyond traditional education.

We revamped our community investment framework to streamline the investment for maximizing the returns in terms of social, environmental, and business values. Throughout the year, we invested HK$5,169,082 (cash and in-kind donation) and 4,448 hours to serve the community, benefiting 33,328 beneficiaries.

Our Community Investment Framework

Vision Bringing BLISS to the community by Creating Shared Value
Mission We are committed to promoting Chinese culture and heritage for generations to come and leading a sustainable lifestyle through green initiatives.
Principles (B.L.I.S.S) Belonging, Legacy, Inclusivity, Sincerity, Sustainability
Approach Under the BLISS umbrella, we will work with our community partners to engage our stakeholders through activities that cover the following areas: #cultureBLISS, #artBLISS, #greenBLISS, #wellnessBLISS

Collaborative Inclusivity – Empower diverse talents to unleash full potential

Building on the strong foundation of providing a healthy and safe working environment for the staff, the Group is making an increasing effort to invest in the emerging sustainability topics in the field of human resources development covering, women empowerment, health and well-being, and training and development.

- 55% of senior management at headquarters are female, with a 1:1.16 gender pay ratio (female to male), setting an industry benchmark for gender equity.
- Invested HK$895,000 in training, providing 27,453 hours of learning opportunities. Newly introduced programs included AI and sustainability-related training to equip our people with skills for emerging trends.

These efforts have earned us accolades in Human Resources-related awards and created a happy, harmonious workplace where talents can thrive.

Female senior management at headquarters

Bespoke Sincerity – Accelerate digital innovation to redefine customer experience

To retain competitiveness in the tourism and hospitality industry, we strive to stay ahead of the trend and provide future-proof customer experience. Starting from our continuous green effort, followed by our accelerating pace in promoting health and wellness, we are also steadfast in enabling a smart journey for our customers.

TurboJET's newly launched "Tap to Board" service allows passengers to board the first available ferry upon arrival at the terminal, eliminating the need for pre-booking and offering greater flexibility and convenience. Additionally, a new AI-powered hotline system has been introduced to enhance customer service, providing instant responses to frequently asked questions, reducing waiting times, and ensuring quicker and more efficient assistance.

At Artyzen Hospitality Group, we harness advanced technologies to elevate guest experience by streamlining operations and enhancing convenience at every touchpoint. From efficient e-check-in and check-out processes to onsite self-check-in kiosks, and in-room smart controls for guest greeting, these innovations are designed to deliver a personalized and effortless seamless experience, ensuring every stay is enjoyable.

Artyzen Club introduced a new booking app which allows club members to easily manage their visits directly from their mobile devices, serving their best needs anytime and anywhere.

For more information about the Group's Sustainability endeavors, kindly visit our official website at www.shuntakgroup.com, where you can access our latest Sustainability Report.

SCHEDULE OF MAJOR PROPERTIES

PROPERTIES FOR DEVELOPMENT AND/OR SALE

	Approx. Total Gross Floor Area for the Project (Sq.m)	Approx. Total Site Area for the Project (Sq.m)	Primary Use	Group's Interest	Development Progress as of Dec 2024	Estimated Completion Date
Hong Kong						
Chatham Gate No. 388 Chatham Road North, Kowloon	32 motor car parking spaces (Note 1)	—	Carpark	51%	Completed	—
Macau						
One Central						
One Central Residences	561 motor car parking spaces	18,344	Carpark	51%	Completed	—
	141 motorcycle parking spaces	—	Carpark	51%	Completed	—
Nova City						
Phase IV – Nova Park (Taipa Lot BT35)	1,635 (Note 2)	5,426	Residential	100%	Completed	—
	83 motor car parking spaces (Note 2)	—	Carpark	100%	Completed	—
Phase V – Nova Grand (Taipa Lot BT2/3)	20,050 (Note 2)	23,843	Residential	71%	Completed	—
	430 motor car parking spaces (Note 2)	—	Carpark	71%	Completed	—
	112 motorcycle parking spaces (Note 2)	—	Carpark	71%	Completed	—

	Approx. Total Gross Floor Area for the Project (Sq.m)	Approx. Total Site Area for the Project (Sq.m)	Primary Use	Group's Interest	Development Progress as of Dec 2024	Estimated Completion Date
PRC						
Plots 13, 14-1 and 14-2 Tongzhou District, Beijing	299,661 (Note 3)	38,926	Commercial/ Office/ Serviced Apartment	24%	Superstructure works and interior works in progress	2026 in phases
Plots Zhu Heng Guo Tu Chu No. 2013-04 Hengqin New District, Zhuhai	331 (Note 1)	23,834	Apartment	100%	Completed	—
Perennial Tianjin South HSR International Healthcare and Business City Zhang Jia Wo Zhen, Xi Qing District, Tianjin	325,150	76,988	Hotel/ Commercial/ Medical/ Eldercare	30%	Partially operating and fitting out works in progress	2024 in phases
Perennial Kunming South HSR International Healthcare and Business City Chenggong District, Kunming, Yunnan	552,308 (Note 6)	65,054	Hotel/ Commercial/ Medical/ Eldercare/MICE	30%	Partially operating and fitting out works in progress	2024 in phases
Shanghai Suhe Bay Mixed Uses Project Suhewan Majestic Mansion Junction of Shanxi North Road, Tiantong Road, Fujian North Road Jina'an District	90 motor car parking spaces (Note 1)	14,845	Carpark	50%	Completed	—
Suhewan MixC World (Suhe Centre) Junction of Shanxi North Road, Fuijian North Road, Zhejiang North	96,646	50,847	Office	50%	Completed	—
Singapore						
TripleOne Somerset 111 Somerset Road	45,445 (Note 1)	10,166	Commercial/ Office/ Medical Suite	100%	Asset enhancement works was completed	—
Park Nova 18 Tomlinson Road	13,187	4,281	Residential	100%	Completed	—
Les Maisons Nassim 14, 14A, 14B and 14C Nassim Road	3,541 (Note 7)	6,174	Residential	100%	Completed	—

SCHEDULE OF MAJOR PROPERTIES

PROPERTIES UNDER ACQUISITION

	Approx. Total Gross Floor Area for the Project (Sq.m)	Approx. Total Site Area for the Project (Sq.m)	Primary Use	Group's Interest	Development Progress as of Dec 2024	Estimated Completion Date
Macau						
Harbour Mile (Note 4)	110,204 (Note 5)	12,960 (Note 5)	Commercial/ Residential/ Hotel	100%	Land bank	—

PROPERTIES HELD BY THE GROUP FOR OWN USE

	Approx. Total Gross Floor Area (Sq.m)	Approx. Total Site Area (Sq.m)	Primary Use	Group's Interest	Development Progress as of Dec 2024	Year of Lease Expiry
Hong Kong						
Penthouse 39/F, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong	1,823	—	Office Premises	100%	—	2055 renewable to 2130
83 and 95 Hing Wah Street West, Kowloon	20,602	19,139	Shipyards	50%	—	2051
Macau						
Edificio Industrial Fu Tai, Macau Unit A4 on 4/F	350	—	Plant	100%	—	2023 renewable to 2049
PRC						
33/F, Plots Zhu Heng Guo Tu Chu No. 2013-04 Hengqin New District, Zhuhai	1,646	—	Office	100%	—	2054
12/F, NEW BUND 31, No. 18 Lane 666, West Haiyang Road, Pudong New District, Shanghai	1,178	—	Office	50%	—	2067
Singapore						
Units 03-37/38/39 and 06-15 111 Somerset Road	301	—	Office	100%	—	2074

INVESTMENT AND HOTEL PROPERTIES

	Approx. Total Gross Floor Area (Sq.m)	Approx. Total Site Area (Sq.m)	Primary Use	Group's Interest	Approx. Lettable Floor Area (Sq.m)	Year of Lease Expiry
Hong Kong						
The Westwood, 8 Belcher's Street, Hong Kong	20,616	—	Commercial	51%	14,682	2030
The Belcher's, 89 Pok Fu Lam Road, Hong Kong	315 motor car parking spaces	—	Carpark	51%	—	2030
	30 motorcycle parking spaces	—	Carpark	51%	—	2030
Chatham Place, 388 Chatham Road North, Kowloon	5,679	—	Commercial	51%	4,410	2030
Chatham Place, 388 Chatham Road North, Kowloon	24 motor car parking spaces	—	Carpark	51%	—	2030
	3 motorcycle parking spaces	—	Carpark	51%	—	2030
Liberté Place, 833 Lai Chi Kok Road, Kowloon	5,600	—	Commercial	64.56%	3,942	2049
Liberté, 833 Lai Chi Kok Road, Kowloon	512 motor car parking spaces	—	Carpark	64.56%	—	2049
	140 lorry parking spaces	—	Carpark	64.56%	—	2049
	45 motorcycle parking spaces	—	Carpark	64.56%	—	2049
Seymour Place, LG/F & G/F, 60 Robinson Road, Hong Kong	—	—	Commercial	100%	974	2858
Seymour Place, G/F, 1/F - 3/F, 60 Robinson Road, Hong Kong	26 parking spaces	—	Carpark	100%	—	2858
Monmouth Place, L1 - L4, 9L Kennedy Road, Hong Kong	18 parking spaces	—	Carpark	100%	—	2047
Shop 402, Shun Tak Centre, 200 Connaught Road Central, Hong Kong	3,102	—	Commercial	100%	2,682	2055

SCHEDULE OF MAJOR PROPERTIES

	Approx. Total Gross Floor Area (Sq.m)	Approx. Total Site Area (Sq.m)	Primary Use	Group's Interest	Approx. Lettable Floor Area (Sq.m)	Year of Lease Expiry
Shun Tak Centre Shopping Mall, B/M, G/F - 4/F and flat roofs on 4/F, 7/F and 8/F 200 Connaught Road Central, Hong Kong	—	—	Commercial	55%	19,861	2055
3801-6 and 3812 on 38/F, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong	1,285	—	Office	55%	—	2055
Shun Tak Centre, 5/F - 6/F, 200 Connaught Road Central, Hong Kong	85 parking spaces	—	Carpark	55%	—	2055
Hong Kong SkyCity Marriott Hotel 1 Sky City Road East, Hong Kong International Airport, Lantau, Hong Kong	42,616	13,776	Hotel	70%	—	2047
Macau						
Macau International Centre, Macau 2/F to 4/F (whole floor) and Flats A, B, C of 5/F, Block 12	2,894	—	Residential	100%	—	2026 renewable to 2049
Mandarin Oriental Macau	30,094	18,344	Hotel	51%	—	2031 Renewable to 2049
One Central Retail Complex, Macau	37,017	—	Commercial	51%	18,490	2031 Renewable to 2049
One Central Retail Carpark, Macau	243 motor car parking spaces	—	Carpark	51%	—	2031 Renewable to 2049
	102 motorcycle parking spaces	—	Carpark	51%	—	2031 Renewable to 2049
Shun Tak House, 11 Largo do Senado, Macau	2,731	—	Commercial	100%	2,673	Freehold
Grand Coloane Resort and Macau Golf & Country Club Hac Sa Beach, Coloane, Macau	42,285	767,373	Hotel/ Golf Course	34.9%	—	2023 renewable to 2049
Nova Mall Avenida de Kwong Tung, Taipa	60,900	—	Commercial	50%	38,698	2031
	609 motor car parking spaces	—	Carpark	50%	—	2031

	Approx. Total Gross Floor Area (Sq.m)	Approx. Total Site Area (Sq.m)	Primary Use	Group's Interest	Approx. Lettable Floor Area (Sq.m)	Year of Lease Expiry
PRC						
Shun Tak Business Centre, 246 Zhongshan Si Road, Guangzhou, PRC	28,453	—	Office	60%	28,453	2045
	5,801	—	Commercial Shopping Arcade	60%	5,801	2035
	51 motor car parking spaces	—	Carpark	60%	—	2035
Shun Tak Tower No. 1. Xiangheyuan Road, Dongcheng District, Beijing	22,273	5,832	Office	100%	22,273	2057
	56 motor car parking spaces	—	Carpark	100%	—	2057
Artyzen Habitat Dongzhimen Beijing	33,566	—	Hotel	100%	—	2047
Artyzen Habitat Hongqiao Shanghai No.3999-5 Hongxin, Minhang District, Shanghai	16,594	3,561	Hotel/ Commercial	100%	720 (Note 8)	2049
YaTi by Artyzen Hongqiao Shanghai No.3999-6 Hongxin, Minhang District, Shanghai	12,686	1,910	Hotel/ Commercial	100%	480 (Note 8)	2049
Plots Zhu Heng Guo Tu Chu No. 2013-04 Hengqin New District, Zhuhai	100,495	—	Commercial/ Office/ Hotel/ Hotel Clubhouse	100%	100,315	2054
	1,094 motor car parking spaces	—	Carpark	100%	—	2054
Shanghai Suhe Bay Mixed Uses Project Suhewan MixC World Junction of Shanxi North Road, Fuijian North Road, Zhejiang North	47,978 (Note 9)	—	Commercial	50%	32,832	2056
NEW BUND 31 No.18 Lane 666, West Haiyang Road, Pudong New District, Shanghai	139,200	26,707	Commercial/ Office/ Performing Arts Centre/ Hotel	50%	9,958 73,309	2057 2067 2067 2057
Singapore						
Artyzen Singapore 9 Cuscaden Road, Singapore	11,048	2,391	Hotel	100%	—	Freehold

SCHEDULE OF MAJOR PROPERTIES

Notes:

(1) Remaining saleable area or number of car parking spaces for sale as at 31 December 2024.

(2) Remaining gross floor area or number of car parking spaces for sale as at 31 December 2024.

(3) The gross floor area, which includes basement area but excludes carpark and mechanical areas, shall be subject to the PRC Government approval and design development.

(4) Completion date of the acquisition is extended to on or before 31 October 2026 because the Macau SAR Government is still in process of reviewing the land issues and the Master Plan for the Nam Van District.

(5) The Group is awaiting the Macau SAR Government to advice the lands parcels to be allotted and will review its arrangements for the allotted site and plan strategically for the most productive use of the land in the long term.

(6) The gross floor area shall be subject to the PRC Government approval and design development.

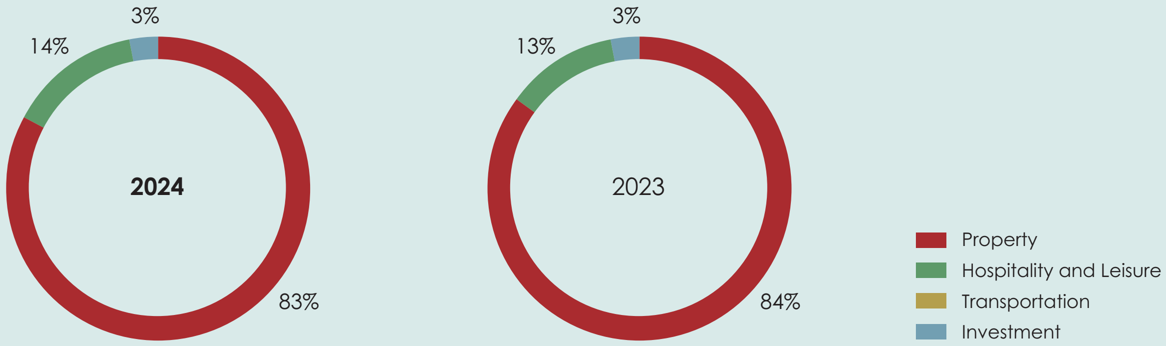
(7) Remaining strata area but having been contracted for sales as at 31 December 2024.

(8) Lettable commercial floor area as at 31 December 2024.

(9) The gross floor area, which include basement area without Ancillary rooms and carpark area and subject to final confirmation of actual measurement report.

REVENUE ANALYSIS

Revenue by Division



(HK$ million)	2024	2023	Variance	Change	Remarks
Property	**3,767**	3,439	328	+10%	The increase was mainly attributable to property sales recognised for Macau.
Hospitality and Leisure	**646**	502	144	+29%	The increase was mainly attributable to the newly opened hotels.
Transportation	**–**	–	–	0%	Shun Tak-China Travel Shipping Investments Limited ("STCT") became an associate of the Group after the restructuring in July 2020.
Investment	**133**	127	6	+5%	The increase was mainly attributable to more dividend income from STDM.
Total	**4,546**	4,068	478	+12%	

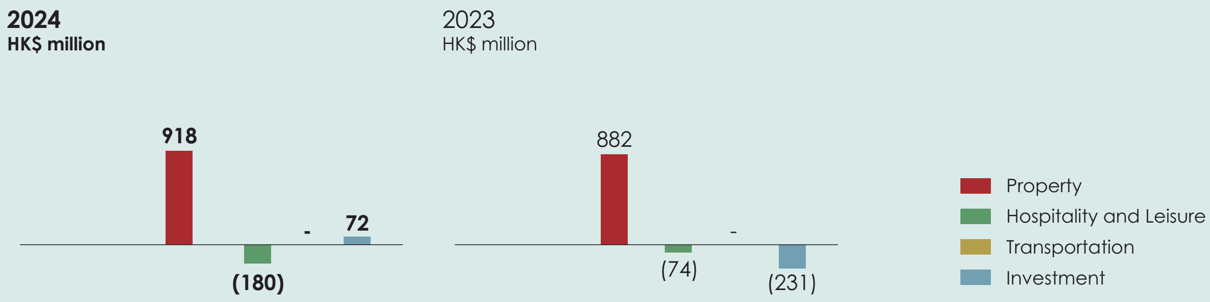
Revenue by Geographical Area

(HK$ million)	2024	2023	Variance	Change	Remarks
Hong Kong	**545**	506	39	+8%	The increase was mainly attributable to improvement in hotel operations performance.
Macau	**1,347**	750	597	+80%	The increase was mainly attributable to property sales recognised for Nova Grand.
Mainland China	**213**	205	8	+4%	The increase was mainly attributable to commencement of hotel operations offset by reduced property sales recognised for Hengqin project.
Singapore	**2,441**	2,602	(161)	-6%	The decrease was mainly due to reduced property sales in Singapore partly compensated by hotel operation of Artyzen Singapore commenced in December 2023.
Others	**—**	5	(5)	-100%	
Total	**4,546**	4,068	478	+12%	

GROUP FINANCIAL REVIEW

PROFIT AND LOSS ANALYSIS

Segment results by Division



(HK$ million)	2024	2023	Variance	Change	Remarks
Property	**918**	882	36	+4%	The increase was mainly attributable to property sales recognised for residential units in Macau.
Hospitality and Leisure	**(180)**	(74)	(106)	-143%	The variance was mainly due to increased expenses followed by opening of new hotels.
Transportation	**—**	—	—	0%	STCT became an associate of the Group after the restructuring in July 2020.
Investment	**72**	(231)	303	+131%	The variance was mainly attributable to the one-off fair value change arising from investments in financial assets at FVPL in 2023.
Unallocated net income	**67**	71	(4)	-6%	Unallocated net income remained stable during the year.
Fair value changes on investment properties	**(400)**	(249)	(151)	-61%	The fair value loss on investment properties reflected the performance of our portfolio in the property market.

(HK$ million)	2024	2023	Variance	Change	Remarks
Operating profit	**477**	399	78	+20%	
Finance costs	**(695)**	(684)	(11)	-2%	The variance was mainly attributable to cessation of capitalisation of borrowing cost from second half of 2023.
Share of results of joint ventures	**(291)**	(277)	(14)	-5%	The loss for the year was mainly due to the attributable share of fair value loss of investment properties in joint ventures.
Share of results of associates	**(155)**	(12)	(143)	-1192%	The variance was mainly due to the attributable share of fair value loss of investment properties in associates.
Loss before taxation	**(664)**	(574)	(90)	-16%	
Taxation	**(86)**	(60)	(26)	-43%	The increase was mainly attributable to taxable profit generated from increased property sales.
Loss for the year	**(750)**	(634)	(116)	-18%	
Profit attributable to non-controlling interests	**(74)**	(43)	(31)	-72%	The variance was mainly attributable to increased profit shared by non-controlling interests in property division.
Loss attributable to owners of the Company	**(824)**	(677)	(147)	-22%	

+/- Note: In our tabulated figures, positive changes represent an improving result and negative changes represent a worsening result.

Liquidity, Financial Resources and Capital Structure

At 31 December 2024, the Group's total net assets decreased by HK$1,334 million over last year to HK$32,732 million. Cash and liquidity position remains strong and healthy. During the year, net cash from operating activities amounted to HK$1,888 million. Major cash inflow of investing activities included HK$225 million interest received and HK$99 million dividends received from financial assets at fair value through other comprehensive income. The major cash outflow of investing activities consisted of HK$839 million increase in bank deposits with maturities over three months and HK$91 million advance to joint ventures. Net cash used in financing activities of HK$780 million was mainly attributable to the composite effect from repayments of loans, drawdown of new bank loans, payment of finance costs and dividend paid to non-controlling interests.

Cash Flow Variance Analysis (HK$ million)	2024	2023	Variance
Operating activities	**1,888**	1,718	170
Investing activities	**(683)**	(927)	244
Financing activities	**(780)**	(1,342)	562
Net increase/(decrease) in cash and cash equivalents	**425**	(551)	976

GROUP FINANCIAL REVIEW

The Group's bank balances and deposits amounted to HK$7,810 million as at 31 December 2024, representing an increase of HK$1,176 million as compared with the position as at 31 December 2023. It is the Group's policy to secure adequate funding to satisfy cash flows required for working capital and investing activities. Total bank loan facilities available to the Group as at 31 December 2024 amounted to HK$19,507 million, of which HK$4,011 million remained undrawn. The principal amount of Group's bank borrowings outstanding at the year end amounted to HK$15,496 million.

Based on a net borrowings of approximately HK$7,626 million at the year end, the Group's gearing ratio (expressed as a ratio of net borrowings to equity attributable to owners of the Company) was 25.1% (2023: 28.1%). The Group will continue with its financial strategy of maintaining a healthy gearing ratio and consider steps to reduce its finance costs.

The maturity profile of the principal amount of Group's borrowings is set out below:

Maturity Profile

Within 1 year	1-2 years	2-5 years	over 5 years	Total
36%	12%	51%	1%	100%

Material Acquisitions, Disposals and Commitments

There was no material acquisition or disposal of the Group during the year.

In January 2018, the Group entered into an agreement with other partners to jointly invest in Perennial HC Holdings Pte. Ltd. ("HC Co"), which will invest in potential real estate projects in the PRC predominantly for healthcare usage, with hotel and/or with retail components, complemented by healthcare-related amenities and mixed use properties. The total committed capital for HC Co is US$500 million. The Group holds 30% equity interest in HC Co and thus has its share of commitment at US$150 million. As at 31 December 2024, the Group has an outstanding commitment to contribute capital of approximately US$75 million (equivalent to approximately HK$579 million) to HC Co.

Charges on Assets

At the year end, bank loans with principal amount of approximately HK$4,976 million (2023: HK$6,067 million) were secured with charges on certain assets of the Group amounting to an aggregate carrying value of HK$10,983 million (2023: HK$12,831 million). Out of the above secured bank loans, an aggregate principal amount of HK$533 million (2023: HK$548 million) was also secured by pledges of shares in certain subsidiaries.

Contingent Liabilities

The Company has provided a corporate guarantee for securing a banking facility granted to an associate. As at 31 December 2024, the bank loan balance proportionate to the Company's shareholding amounted to HK$100 million (2023: HK$164 million).

Human Resources

The Group, including subsidiaries but excluding joint ventures and associates, employed approximately 1,700 employees at the year end. The Group adopts competitive remuneration packages for its employees. Promotion and salary increments are based on performance. Social activities are organised to foster team spirit amongst employees and they are encouraged to attend training classes that are related to the Group's businesses and developments.

REPORT OF THE DIRECTORS

The directors (the "Directors") of Shun Tak Holdings Limited (the "Company") have the pleasure of submitting their report together with the audited financial statements for the year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of its principal subsidiaries, joint ventures and associates are set out in note 42 to the financial statements.

The analysis of performance by the Company and its subsidiaries (the "Group") for the year by reportable operating segments in business operation and geographical locations is set out in note 33 to the financial statements.

GROUP FINANCIAL STATEMENTS

The results of the Group for the year ended 31 December 2024 and the state of affairs of the Company and of the Group as at that date are shown in the financial statements on pages 114 to 198.

DIVIDEND

No interim dividend was declared by the board of directors (the "Board") during the year ended 31 December 2024 (2023: nil).

The Board does not recommend the payment of any final dividend (2023: nil) in respect of the year ended 31 December 2024.

DIVIDEND POLICY

The delivery of stable and sustainable returns to shareholders is a key goal of the Company which endeavours to maintain its stable dividend policy (the "Dividend Policy"). In implementing this important goal, the Company takes into account a number of factors including its anticipated consolidated annual profits; the Group's financial, working capital and cash flow positions; operations, earnings and investment returns; development pipeline and future funding requirements; capital and other reserve requirements and surplus; and other conditions or factors set out in the Dividend Policy which the Board deems to be relevant and appropriate.

BUSINESS REVIEW

A review of the Group's business for the year ended 31 December 2024 and discussion of its future development are provided in Chairman's Statement, Review of Operations, and Recent Developments and Prospects on pages 18 to 48.

A description of the principal risks and uncertainties that the Group may be facing is provided in the Audit and Risk Management Committee Report on pages 93 to 105.

The Group has set up systems and procedures to ensure compliance with relevant laws and regulations which have a significant impact on the Group and in the conduct of its businesses, including internal control procedures, code of conduct and internal policies for prevention of bribery, risk management and whistleblowing, staff training, regular review of sufficiency and effectiveness of its systems and procedures, timely communication to relevant departments and staff upon enactment of, or changes in, relevant laws and regulations, and regular reminders of compliance.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to integrating sustainability into its business operations. Its Sustainability Policy sets out an overarching approach to manage and minimise environmental impact of our operations. To further incorporate sustainable practice into our business operations and to monitor our supply chain's sustainability performance, the Group introduced the Sustainable Procurement Policy in 2020.

In 2021, the Group set out four environmental targets to be filled by 2030 which aimed to reduce intensity of carbon, electricity, water and waste by 10% respectively. As the targets have been exceeded, it is the optimal time to review in order to align better with our ambitions and address material performance areas.

Further to the introduction of the Climate Change Policy in 2022 to reinforce our commitment to turn climate-related challenges into opportunities, we conducted the climate-related financial impacts assessment for both physical risks, and transitional risks and opportunities under different scenarios and time horizons, facilitating our evidence-based business decisions against the uncertainties brought by the climate changes and meeting the expectations of our stakeholders. The assessment is disclosed in the Sustainability Report 2024.

RELATIONSHIPS WITH STAKEHOLDERS

The Group recognises the vital roles its employees, customers, suppliers, business partners and community play in its sustainability practices.

The Group regards its employees as one of its most important assets, and is committed to providing them with a work environment that is healthy and safe, fair and inclusive, and conducive to personal growth and career development. The Group encourages its employees to pursue continuous education and promotes work-life balance.

The Group strives for excellence in service across its business activities. The Group values customer engagement, safeguards customer health, safety and privacy, and upholds business transparency.

Stakeholders in the Group's supply chain — suppliers and vendors — are crucial collaborators. The Group is committed to sharing its core values in pursuit of business integrity, service excellence, and long-term mutually beneficial relationships. In 2020, the Group implemented the Supplier Code of Conduct, which defines minimum standards of business conduct the Group expects from its suppliers.

Further information of the Group's sustainability and environmental policies and performance and relationships with stakeholders can be found in the Group's annual Sustainability Report available on the Company's corporate website: www.shuntakgroup.com.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results, and of the assets and liabilities, of the Group together with an analysis of its performance using key performance indicators for the last five financial years, are set out on page 199.

PARTICULARS OF PROPERTIES

Particulars regarding the properties and property interests held by the Group are shown in the Schedule of Major Properties on pages 52 to 58.

SHARES ISSUED

No shares were issued during the year ended 31 December 2024.

Details of the share capital of the Company during the year are shown in note 30 to the financial statements.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 December 2024, calculated under Part 6 of the Hong Kong Companies Ordinance (Cap. 622), amounted to HK$5,350,056,000 (2023: HK$5,588,419,000).

DONATIONS

During the year, the Group made donations of HK$3,713,000 (2023: HK$17,367,000) for charitable and community purposes.

DEBENTURES

No debentures were issued during the year ended 31 December 2024.

EQUITY-LINKED AGREEMENTS

Save for the share option scheme of the Company disclosed under the heading of "Share Options" below, no equity-linked agreements were entered into by the Group during the year or subsisted at the end of the year.

BANK BORROWINGS

Details of the Group's bank borrowings are shown in note 27 to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

To avoid over-reliance on a single source of supply, it is the Group's policy to have several suppliers for particular materials. The Group maintains good relationships with its major suppliers and has not experienced any significant difficulties in sourcing essential materials.

During the year, less than 30% of the Group's total turnover was attributable to the Group's five largest customers combined. 58% of the Group's total purchases was attributable to the Group's five largest suppliers combined, with the largest supplier accounting for 31% of the Group's total purchases.

None of the Directors, their close associates (as defined in the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange")) or shareholders (which to the knowledge of the Directors own more than 5% of the Company's issued shares) held interest, at any time during the year, in the Group's five largest suppliers.

REPORT OF THE DIRECTORS

DIRECTORS

(a) Directors of the Company

The Directors during the year and up to the date of this report are:

Executive Directors:
Ms. Pansy Ho *(Group Executive Chairman and Managing Director)*
Ms. Daisy Ho *(Deputy Managing Director)*
Ms. Maisy Ho
Mr. David Shum
Mr. Rogier Verhoeven

Independent Non-Executive Directors:
Mr. Norman Ho
Mr. Charles Ho
Mr. Michael Wu
Mr. Kevin Yip

In accordance with Articles 83 and 84 of the Company's Articles of Association, Mr. Charles Ho, Mr. Kevin Yip, Ms. Daisy Ho and Mr. David Shum will retire by rotation at the forthcoming annual general meeting of the Company and, being eligible, have offered themselves for re-election.

The Company has received a confirmation of independence from each of the Independent Non-Executive Directors, namely Mr. Norman Ho, Mr. Charles Ho, Mr. Michael Wu and Mr. Kevin Yip, and considers them to be independent.

Brief biographical details of the Directors as at the date of this report are set out on pages 10 to 14.

(b) Directors of the Company's subsidiaries

The list of directors and alternate directors who have served on the boards of the Company's subsidiaries during the year, and up to the date of this report, is available on the Company's corporate website at www.shuntakgroup.com.

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming annual general meeting of the Company has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

RELATED PARTY TRANSACTIONS

Details of significant related party transactions entered by the Group in the normal course of business during the year ended 31 December 2024 are set out in note 34 to the financial statements.

The transactions disclosed in sub-paragraph 1 below under the heading of "Directors' Interests in Transactions, Arrangements or Contracts and Connected Transactions", fall under the definition of continuing connected transactions under Chapter 14A of the Listing Rules, and also constitute related party transactions under the Hong Kong Financial Reporting Standards.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS AND CONNECTED TRANSACTIONS

1. On 1 April 2021, the Company entered into an agreement (the "Master Consultancy Agreement") with Occasions Asia Pacific Limited ("Occasions"), to set out a framework for the provision of brand marketing and consultancy services by Occasions and its subsidiaries (the "Occasions Group") to the Group from time to time on a non-exclusive basis.

   Since September 2020, Ms. Pansy Ho, who is the Group Executive Chairman and Managing Director as well as a substantial shareholder of the Company, has indirectly held 50% of the entire issued share capital of Occasions. Therefore, Occasions has become an associate of Ms. Pansy Ho and a connected person of the Company under the Listing Rules since September 2020.

   The Master Consultancy Agreement is for a term of 3 years from 1 January 2021 to 31 December 2023. Subject to compliance with the requirements of the Listing Rules, the Master Consultancy Agreement may be renewed by the parties before its termination by mutual agreement in writing.

   The Master Consultancy Agreement expired on 31 December 2023 and was renewed on 26 March 2024 for a further term of 3 years from 1 January 2024 to 31 December 2026 (the "Renewed Master Consultancy Agreement").

   Further details of the Renewed Master Consultancy Agreement were disclosed in the Company's announcement dated 26 March 2024.

   During the year, HK$1.8 million was paid for the provision of brand marketing and consultancy services by the Occasions Group to the Group under the Renewed Master Consultancy Agreement.

Under Chapter 14A of the Listing Rules, the transactions mentioned in sub-paragraph 1 above constituted continuing connected transactions of the Company and require disclosures in the Company's annual report. The price and terms of such transactions have been determined in accordance with pricing policies and guidelines set out in relevant announcement.

The aforesaid continuing connected transactions and the report by Group Internal Audit Department on the relevant internal control procedures have been reviewed by the Independent Non-Executive Directors who have confirmed that the transactions were entered into:

(a) in the ordinary and usual course of business of the Group;

(b) on normal commercial terms or better; and

(c) in accordance with the relevant agreement on terms that are fair and reasonable and in the interests of the Company's shareholders as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with the Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants.

Accordingly, the auditor has issued an unqualified letter containing their findings and conclusions in respect of the continuing connected transactions mentioned in sub-paragraph 1 above in accordance with Rule 14A.56 of the Listing Rules.

2. On 27 December 2019, the Company entered into a renewed master service agreement (the "Renewed MGM Agreement") with MGM Grand Paradise Limited ("MGM"), a company in which Ms. Pansy Ho holds an indirect beneficial interest. The Renewed MGM Agreement governs the terms for the provision of products and services, including but not limited to, ferry tickets, travel products and the rental of hotel rooms between MGM and/or its subsidiaries (the "MGM Group") and the Group.

   The Renewed MGM Agreement was for a term of 3 years from 1 January 2020 to 31 December 2022 and was renewable for successive terms of 3 years by mutual agreement in writing. The Renewed MGM Agreement expired on 31 December 2022.

   On 8 December 2022, the Company and MGM entered into a further renewed master service agreement (the "Further Renewed MGM Agreement") to replace and renew the Renewed MGM Agreement for a further 3 years from 1 January 2023 to 31 December 2025 and may be renewed for a three-year term upon mutual agreement in writing. The Further Renewed MGM Agreement governs the terms for the provision of products and services, including but not limited to, the provision of dry cleaning and laundry services, the provision of property cleaning services and the rental of hotel rooms between the MGM Group and the Group.

Save for the transactions mentioned in sub-paragraphs 1 and 2 above, there were no other transactions, arrangements and contracts of significance subsisting at the end of the year or at any time during the year in relation to the Group's business to which the Company's subsidiaries (or its holding companies) were a party and in which a Director or its connected entities had a material interest, whether directly or indirectly.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

The Directors named in the paragraphs below hold interests in businesses which are considered to compete or likely to compete, either directly or indirectly, with the Group's businesses during the year.

Ms. Pansy Ho, Ms. Daisy Ho, Ms. Maisy Ho and Mr. David Shum are directors of Shun Tak Centre Limited which is also engaged in the business of property investment.

Ms. Pansy Ho and Mr. David Shum are directors of Sociedade de Turismo e Diversões de Macau, S.A. ("STDM") which is also engaged in the businesses of property investment, property development and/or hospitality and leisure. Ms. Daisy Ho is an appointed representative of Lanceford Company Limited, a corporate director of STDM. Ms. Maisy Ho is an appointed representative of the Company, a corporate director of STDM.

The above-mentioned competing businesses are managed by separate entities with independent management and administration. The Directors are of the view that the Group is capable of carrying on its businesses independently of, and at arm's-length from, the businesses of these entities. When making decisions, the relevant Directors, in performance of their duties as Directors of the Company, have acted and will continue to act in the best interests of the Group.

Save as disclosed above, none of the Directors held any interest in any company or business which competes or may compete with the business of the Group during the year.

DISCLOSURE OF INTERESTS

(1) Directors' Interests

As at 31 December 2024, the interests or short positions of the Directors and chief executive of the Company and their respective associates in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Listing Rules, were as follows:

(a) Interests of the Directors in Shares and Underlying Shares of the Company

Name of Director	Nature of Interests	Number of shares held: Personal Interests	Number of shares held: Corporate Interests		Approximate percentage of total issued shares
				Note	Note (i)
Ms. Pansy Ho	Interests in issued shares	185,826,636	373,620,627	(iii)	18.54%
	Interests in issued shares	—	65,040,000	(v)	2.16%
	Interests in unissued shares	—	148,883,374	(ii)	4.93%
Ms. Daisy Ho	Interests in issued shares	93,013,044	134,503,471	(iv)	7.54%
	Interests in issued shares	—	65,040,000	(v)	2.16%
	Interests in unissued shares	—	148,883,374	(ii)	4.93%
Ms. Maisy Ho	Interests in issued shares	40,297,902	31,717,012	(vi)	2.39%
Mr. David Shum	Interests in issued shares	5,660,377	—		0.19%

Notes:

(i) As at 31 December 2024, the total number of issued shares of the Company was 3,017,661,785.

(ii) The 148,883,374 unissued shares in which Ms. Pansy Ho and Ms. Daisy Ho were deemed to hold interests under the SFO, are the same parcel of shares, and represents the maximum amount of consideration shares to be issued to Alpha Davis Investments Limited ("ADIL") pursuant to the agreement dated 1 November 2016 in relation to the extension of the long stop date of the sale and purchase agreement dated 11 November 2004 (and the supplemental agreements thereto) regarding the acquisition of sites in Nam Van District, Macau by the Group and the proposed transfer as described in the Company's circular dated 29 November 2016 (the "Sai Wu Agreement"). ADIL is owned as to 53% by Megaprosper Investments Limited ("MIL") which in turn is owned as to 51% by Ms. Pansy Ho and 39% by Ms. Daisy Ho.

(iii) The 373,620,627 shares in which Ms. Pansy Ho was deemed to hold interests under the SFO, comprised 189,396,066 shares held by Beeston Profits Limited ("BPL") and 184,224,561 shares held by Classic Time Developments Limited ("CTDL"). Both BPL and CTDL are wholly-owned by Ms. Pansy Ho.

(iv) The 134,503,471 shares in which Ms. Daisy Ho was deemed to hold interests under the SFO, were held by St Lukes Investments Limited, which is wholly-owned by Ms. Daisy Ho.

(v) The 65,040,000 shares in which Ms. Pansy Ho and Ms. Daisy Ho were deemed to hold interests under the SFO, were the same parcel of shares, held by MIL through its wholly-owned subsidiary, Business Dragon Limited (see note (ii) above).

(vi) The 31,717,012 shares in which Ms. Maisy Ho was deemed to hold interests under the SFO, were held by LionKing Offshore Limited, which is wholly-owned by Ms. Maisy Ho.

(b) Interests of the Directors in Shares and Underlying Shares of Other Associated Corporations of the Company

Name of Director	Name of company	Corporate interests	Percentage of total issued shares
			Note (i)
Ms. Pansy Ho	Shun Tak & CITS Coach (Macao) Limited	1,500 shares	15.00%

Note:

(i) As at 31 December 2024, there was a total of 10,000 shares of Shun Tak & CITS Coach (Macao) Limited in issue.

All the interests disclosed in sub-paragraphs (1)(a) and (1)(b) above represented long position interests in the shares or underlying shares of the Company or its associated corporations (within the meaning of Part XV of the SFO).

Save as disclosed in sub-paragraphs (1)(a) and (1)(b) above, none of the Directors or chief executive of the Company or any of their associates had, or were deemed to hold, any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as at 31 December 2024.

(2) Share Options

At the annual general meeting of the Company held on 29 June 2022, the shareholders of the Company passed a resolution to adopt a new share option scheme (the "2022 Share Option Scheme") under which the Directors may grant options to eligible persons to subscribe for the Company's shares subject to the terms and conditions as stipulated therein.

No share options were granted under the 2022 Share Option Scheme since its adoption.

A summary of the 2022 Share Option Scheme disclosed in accordance with the Listing Rules is set out below:

(i)	Purpose	To recognise, motivate and incentivise the participants whom the Board considers to have made contributions, or will make contributions, to the Company; attract, retain or maintain ongoing relationship with the participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Company's business.
(ii)	Participants	Any person employed by the Company or its affiliates; any officer or director of the Company or its affiliates; or a person seconded to work for the Company or its affiliates.

(iii)	Total number of shares available for issue and percentage on issued shares as at the date of this annual report	No share option has been granted under the 2022 Share Option Scheme as at the date of this annual report. The total number of shares available for issue under the 2022 Share Option Scheme is 302,037,978, representing approximately 10% of the Company's total number of issued shares as at the date of this annual report. The Company has 3,017,661,785 shares in issue as at the date of this annual report.
(iv)	Maximum entitlement of each participant	In any 12-month period: — 1% of the issued shares (excluding substantial shareholders and Independent Non-Executive Directors) — 0.1% of the issued shares (for substantial shareholders and Independent Non-Executive Directors)
(v)	The period within which the option may be exercised by the grantee	Determine by the Board at its absolute discretion except such period must not expire later than 10 years from the date of grant.
(vi)	The vesting period of options granted	There is no minimum vesting period prescribed in the 2022 Share Option Scheme, but the Board may at its absolute discretion to decide whether an option is subject to a minimum vesting period, after taking into consideration factors such as the nature and timing of the contribution or benefit being recognised or awarded, the reason for such grant, his/her importance to the Company and such other factors that the Board may consider appropriate.
(vii)	The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purposes must be repaid	An offer for the grant of an option may be accepted within 15 business days from the date of the offer and HK$1.00 is payable on acceptance of the grant of an option.
(viii)	The basis of determining the subscription price	The subscription price is determined by the Board and shall be at least the higher of: — the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet on the date of offer; and — the average closing prices of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of offer.
(ix)	The remaining life	The 2022 Share Option Scheme shall remain in force until 28 June 2032.

(3) Substantial Shareholders' and Other Persons' Interests

As at 31 December 2024, according to the register of interests or short positions in shares required to be kept by the Company under Section 336 of the SFO (other than the interests of the Directors and chief executive of the Company) or information available to the Company, the following shareholders held interests in 5% or more of the issued shares of the Company:

Name of shareholder	Note	Nature of interests	Capacity	Long position/ short position	Number of shares/ underlying shares held	Approximate percentage of total issued shares Note (i)
Renita Investments Limited ("Renita") and its subsidiary	(ii)	Interests in issued shares	Beneficial owner and interests of controlled corporation	Long position	500,658,864	16.59%
Oakmount Holdings Limited ("Oakmount")	(ii)	Interests in issued shares	Beneficial owner	Long position	396,522,735	13.14%
Shun Tak Shipping Company, Limited ("STS") and its subsidiaries	(iii)	Interests in issued shares	Beneficial owner and interests of controlled corporation	Long position	373,578,668	12.38%
Beeston Profits Limited ("BPL")	(iv)	Interests in issued shares	Beneficial owner	Long position	189,396,066	6.28%
Classic Time Developments Limited ("CTDL")	(iv)	Interests in issued shares	Beneficial owner	Long position	184,224,561	6.10%
Megaprosper Investments Limited ("MIL")	(v)	Interests in issued shares	Interest of controlled corporation	Long position	65,040,000	2.16%
	(vi)	Interests in unissued shares	Interest of controlled corporation	Long position	148,883,374	4.93%

Notes:

(i) As at 31 December 2024, the total number of issued shares of the Company was 3,017,661,785.

(ii) The 500,658,864 shares comprised 396,522,735 shares held by Oakmount, which is wholly-owned by Renita. Accordingly, part of the interest of Renita in the Company duplicates the interest of Oakmount in the Company. Ms. Pansy Ho, Ms. Daisy Ho and Ms. Maisy Ho hold beneficial interests in Renita and Oakmount. Ms. Pansy Ho and Ms. Daisy Ho are directors of Renita and Oakmount.

(iii) Ms. Pansy Ho, Ms. Daisy Ho, Ms. Maisy Ho and Mr. David Shum hold beneficial interests in, and are directors of, STS.

(iv) Ms. Pansy Ho holds 100% interests in and is a director of BPL and CTDL.

(v) MIL is owned as to 51% by Ms. Pansy Ho and 39% by Ms. Daisy Ho. Ms. Pansy Ho and Ms. Daisy Ho are directors of MIL. The 65,040,000 shares are held by Business Dragon Limited, a wholly-owned subsidiary of MIL.

(vi) The 148,883,374 unissued shares represented the maximum amount of consideration shares to be issued to Alpha Davis Investments Limited ("ADIL") pursuant to the Sai Wu Agreement. ADIL is owned as to 53% by MIL.

Save as disclosed above, as at 31 December 2024, no other person (other than the Directors or the chief executive of the Company) held any interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO or according to information available to the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in the above sub-paragraphs under the heading of "Directors' Interests" and "Share Options", at no time during the year was the Company (or any of its subsidiaries) a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors or their nominees to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's issued shares were held by the public as at the date of this annual report.

PERMITTED INDEMNITY PROVISION

The Company's Articles of Association provide that every Director of the Company shall be entitled to be indemnified out of the assets of the Company against any liability to a third party incurred by them or any one of them as holder of any such office or appointment.

A permitted indemnity provision is in force as at the date of this report and was in force throughout the year for the benefit of all Directors pursuant to the directors' and officers' liability insurance arranged by the Company.

AUDITOR

The financial statements for the year ended 31 December 2024 have been audited by PricewaterhouseCoopers who retired and, being eligible, offered themselves for re-appointment as auditor at the forthcoming annual general meeting of the Company.

On behalf of the Board

Pansy Ho
Group Executive Chairman and Managing Director

Hong Kong, 25 March 2025

CORPORATE GOVERNANCE REPORT

A. CORPORATE GOVERNANCE PRACTICES

The board of directors ("Board" or "Directors") of Shun Tak Holdings Limited (the "Company") is committed to principles of good corporate governance standards and procedures. This report describes the Company's efforts to apply the principles and comply with the provisions in the Corporate Governance Code (the "CG Code") as set out in Appendix C1 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is committed to maintaining high standards of corporate governance and fostering sustainable business growth and development. To oversee the Group's strategies and development of corporate sustainability, the executive committee ("Executive Committee") was delegated by the Board to establish a sustainability steering committee ("Sustainability Steering Committee") which is responsible for formulating the Group's sustainability vision, strategy and policy, monitoring and reviewing environmental, social and governance ("ESG") related goals and targets, evaluating the impact of initiatives and measuring the performance, and giving advice on the implementation progress of ESG goals and targets. The Sustainability Steering Committee reports to the Board through the Executive Committee on the Company's ESG issues on a regular basis. In 2014, the Executive Committee adopted a sustainability policy ("Sustainability Policy") to demonstrate the Company's commitment to sustainable business growth and development through adoption of sound ESG approaches and the Company has published its annual sustainability reports since then.

The Listing Rules require every listed company to report how it applies the principles in the CG Code and to confirm that it complies with such provisions, or provide an explanation if it does not. The Board periodically reviews the Company's practices to ensure compliance with increasingly stringent requirements and to meet rising expectations of its shareholders ("Shareholders"). A corporate governance policy (the "CG Policy") outlining the Company's governance framework and practices was adopted by the Board in 2012 and updated in August 2017.

The Board is of the opinion that the Company has complied with the CG Code provisions throughout the year ended 31 December 2024, except for Code provision C.2.1, which requires the roles of Chairman and Chief Executive to be separate and not to be performed by the same individual. The Board is of the view that since all major decisions have been made in discussion among Board members and appropriate Board committees ("Board Committee"), the allocation of power and authority within the corporate structure is adequately balanced to satisfy the objective of this Code provision. In addition, there are four independent non-executive Directors ("INEDs") on the Board who offer their respective experience, expertise, and independent advice and views from different perspectives. Therefore, it is in the best interest of the Company that Ms. Pansy Ho, with her in-depth knowledge of the businesses and extensive experience in the operations of the Company and its subsidiaries (the "Group"), assumes her dual capacity.

Model Code for Securities Transactions

Code provision C.1.3 requires directors to comply with the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 of the Listing Rules (the "Model Code").

The Model Code was adopted by the Company as its own code for Directors' securities transactions. All Directors expressly confirmed that they had fully complied with the Model Code during the year ended 31 December 2024.

B. THE BOARD

Corporate Culture

The Group positions itself as a cross-sector, cross-regional conglomerate in the Guangdong-Hong Kong-Macau Greater Bay Area with a strong heritage and boundless potentials. The Group creates sustainable communities by connecting families, businesses and other stakeholders with dedication and foresight.

The Group's origin dates back to 1962 with the inauguration of a passenger ferry service between Hong Kong and Macau. Since the Company was established in 1972, it has been recognised as a leading player in the property, hospitality and leisure, tourism and transportation sectors through continued creating shared value for and nurturing a cordial relationship with its stakeholders and the community.

As a responsible corporate citizen, the Group is committed to playing an instrumental role in maintaining and supporting sustainable development. A healthy corporate culture across the Group is vital for the Group to achieve its vision and mission towards sustainable growth. The Board plays a leading role in defining the purpose, values, strategic direction, and risk appetite of the Group and in fostering a culture that is building a long-term sustainable business where every customer, partner, investor, supplier and employee can benefit in the shared value of business success.

The desired culture is developed and reflected consistently in the operating practices and workplace policies of the Group, as well as relations with Shareholders and other stakeholders. The measures used for assessing and monitoring the corporate culture of the Group, including but not limited to, employee engagement, retention and training, financial reporting, whistleblowing mechanism, risk management, data privacy and security and regulatory compliance (including compliance with the Code of Conduct and other operating policies of the Group), staff safety and wellness, as well as audit and assurance.

VISION	MISSION	PRINCIPLES
To be the most trusted conglomerate in Hong Kong, Macau and Asia	To create shared value for all stakeholders and the communities in which the Group operates	Integrity and Virtue

CORPORATE GOVERNANCE REPORT

Corporate Strategy

With "Tourism+" as its growth strategy, the Group strives to harness its diverse expertise in property, hospitality and leisure, transportation, infrastructure and investments in order to deliver cultural and economic value for places which it set foot on and contribute to the country's development.

The Board, together with senior management, set the tone and shape the corporate culture and strategic direction of the Group, which is underpinned by the core values of acting lawfully, ethically and responsibly across all levels of the Group. The Board also creates a culture of attaining high standards of corporate governance and maintaining robust corporate governance practices for the interest of Shareholders and other stakeholders.

Aligning the corporate culture with its purpose, values and strategy, the Board believes that the Group would be a trusted partner of choice.

Board Composition

The key principles of good governance require the Company to have an effective Board with collective responsibility for its success, values and enhancement of Shareholders' value. Non-executive Directors have particular responsibilities to oversee the Company's development, scrutinise its management performance, and advise on critical business issues. The Board is satisfied that it has met these requirements.

The Company has a balanced Board of Executive Directors and INEDs so that no individual or small group can dominate its decision-making process. To help the Board perform its duties and make decisions on the Company's affairs, Board Committees (including Executive Committee, remuneration committee ("Remuneration Committee"), nomination committee ("Nomination Committee") and audit and risk management committee ("Audit and Risk Management Committee")) have been established under the Company's Articles of Association ("Articles"). Other Board Committees may be formed from time to time. Further details about Board Committees are discussed in the latter part of this report and separate reports on pages 91 to 105 of this annual report.

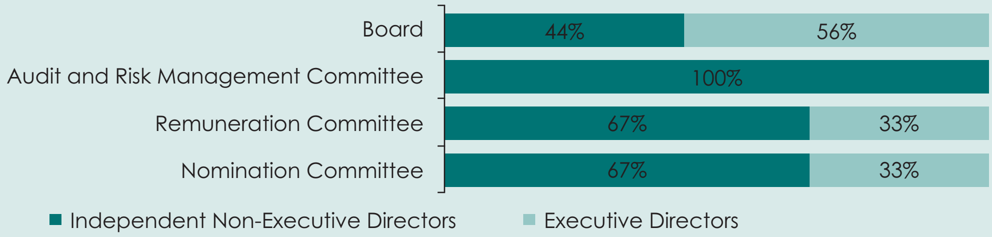
As at the date of this report, the Board has 9 members and its composition is as follows:

The Board
(Total number of Directors: 9)

Executive Directors	Independent Non-Executive Directors
Ms. Pansy Ho *(Group Executive Chairman and Managing Director)* Ms. Daisy Ho *(Deputy Managing Director)* Ms. Maisy Ho Mr. David Shum Mr. Rogier Verhoeven	Mr. Norman Ho Mr. Charles Ho Mr. Michael Wu Mr. Kevin Yip
Total number: 5 (Representing 56% of the total number of Directors)	Total number: 4 (Representing 44% of the total number of Directors)

Brief biographies of Directors are set out in "Management Profile" in this annual report.

Board Independence



The Company has four INEDs who comprise more than one-third of the Board. Two INEDs possess professional accounting qualifications. The Company received a confirmation from each of the INEDs confirming independence under Rule 3.13 of the Listing Rules.

The Nomination Committee noted that Mr. Norman Ho (an INED of the Company) is an independent non-executive director of SJM Holdings Limited (stock code: 880) ("SJM Holdings") in which (i) Ms. Daisy Ho (an executive Director and Deputy Managing Director of the Company) is the chairman and an executive director and (ii) Mr. David Shum (an executive Director of the Company) is an executive director. Taking into consideration his role as an INED of the two companies without holding any shares in the two companies, the Nomination Committee does not consider that such cross-directorship relationship will affect Mr. Norman Ho in performing his duties as an INED. The Board and the Nomination Committee have assessed his independence in light of these circumstances, including (i) his background, experience, achievements and character, and (ii) the nature of the Company's relationship with SJM Holdings and his roles, and concluded that his independence would not be affected. It was decided that potential conflicts, which are minimal, could be managed and that the benefits of his appointment outweigh any risk of conflict. The Nomination Committee is of the view that all INEDs are independent under the Listing Rules criteria.

Ms. Pansy Ho, as the Group Executive Chairman and Managing Director of the Company, is mainly responsible for Board leadership and overall performance of the Group.

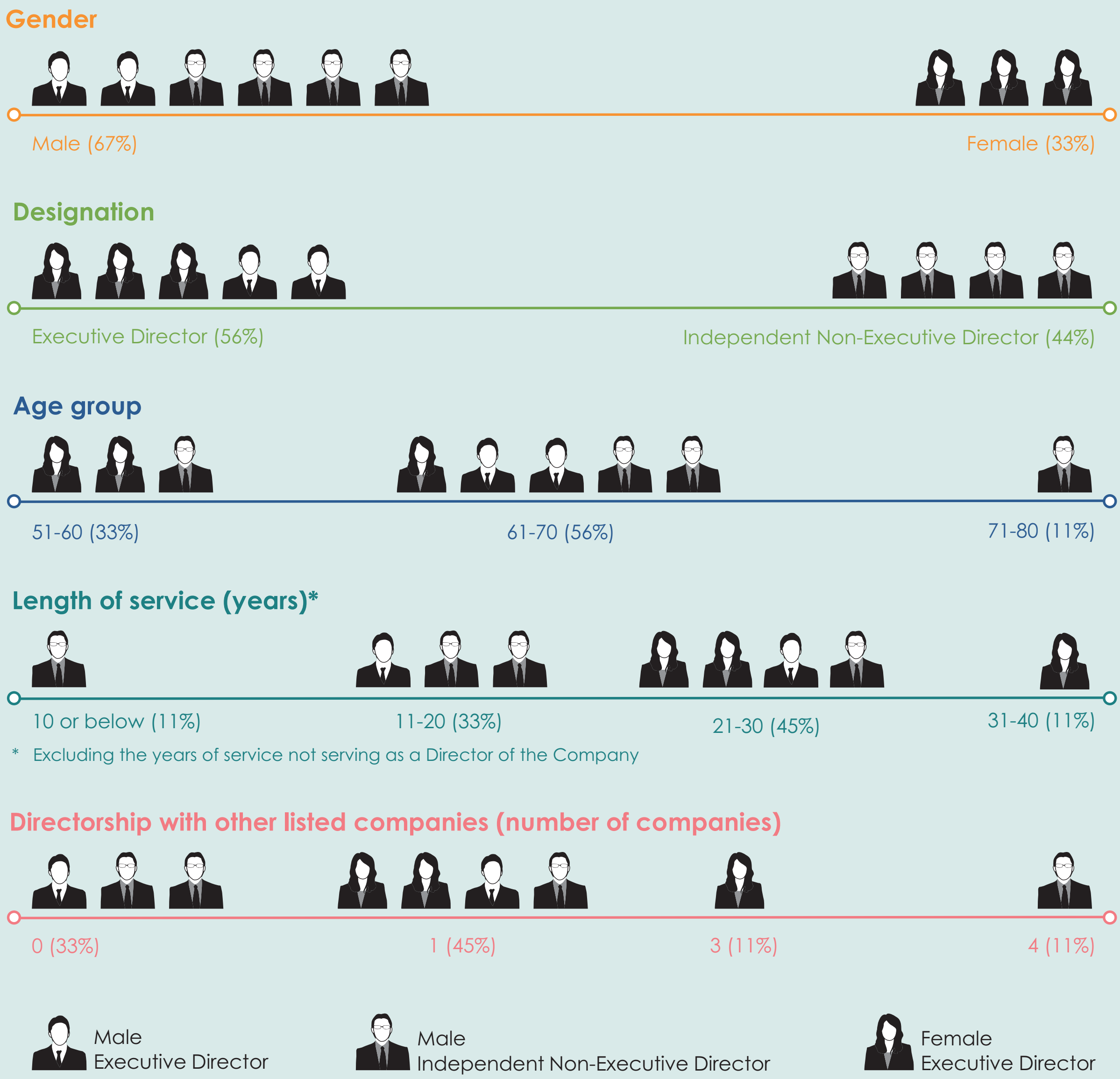
The Board is responsible for fostering and monitoring the corporate culture, defining the purpose, values and strategy direction, overseeing the Group's strategic development, setting the risk appetite and appropriate policies to manage risks in pursuit of the Group's strategic objectives, and scrutinising operational and financial performance to ensure they align with the desired culture.

Management is delegated by the Board for carrying out the Group's day-to-day operations. The Group Executive Chairman and Managing Director together with the Deputy Managing Director, working with other Executive Directors and the executive management team, are responsible for managing the Group's businesses; formulating policies for Board consideration; carrying out strategies adopted by the Board; making recommendations on strategic planning, operating plans, major projects and business proposals; and assuming full accountability to the Board for the Group's operations. The Executive Directors conduct regular meetings with the management of the Group and associated companies during which operational issues and financial performance are reviewed. The Executive Directors regularly report to the Board and on an ad hoc basis when necessary.

Board Diversity

In 2013, the Board adopted a board diversity policy (the "Board Diversity Policy") to achieve a diverse Board and enhance performance quality. "Diversity" would be considered from various aspects, including gender, age, cultural and educational background, professional experience, skills, knowledge and length of service, etc. Board appointments are based on merit and candidates will be assessed against objective criteria, with due regard for the benefits of diversity. The Nomination Committee will monitor implementation of the policy and, to ensure its effectiveness, it will review the policy and recommend revisions to the Board for consideration and approval, when necessary.

Board diversity is shown below. Directors' biographical details are set out in "Management Profile" in this annual report.



Directors are from diverse and complementary backgrounds. The valuable experience and expertise they bring to our business are critical for the long-term growth of the Company. The Nomination Committee reviewed the composition of the Board under diversified perspectives and monitored the implementation and effectiveness of the Board Diversity Policy and considered that the Board Diversity Policy is effective.

Given the fairer gender proportion on the Company's Board (67% male and 33% female) as illustrated above, the Board is satisfied that gender diversity has been achieved at Board level.

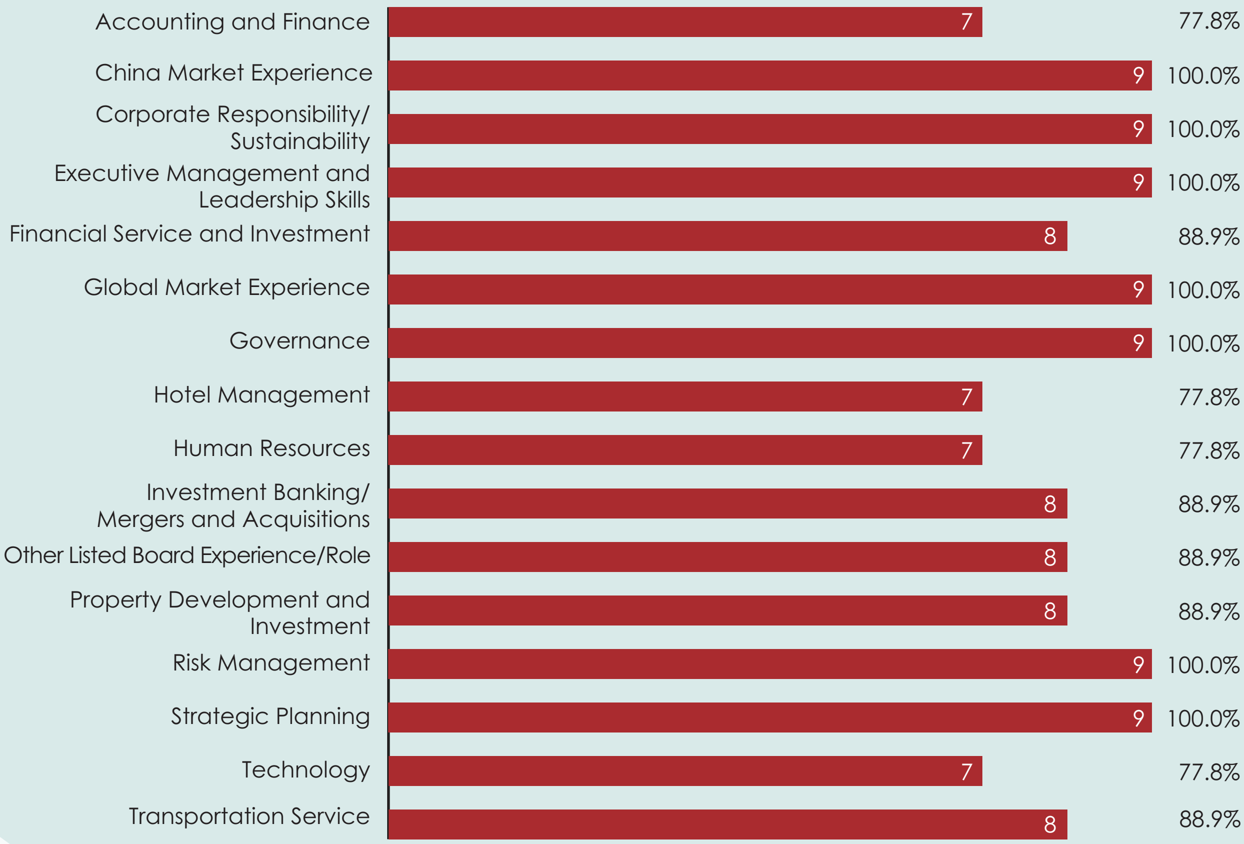
The following sets out the total workforce (including senior management) by gender of the Group as at 31 December 2024:

	Number of Employees	Percentage
Male	824	48%
Female	885	52%

The Group has made progress in past years to maintain a satisfactory gender mix. All human resources processes including recruitment, promotion, rewards and career development opportunities continue to be based on competence, knowledge, experience and merit of the employees and prospective employees, regardless of gender.

The current composition of the Board under diversified perspectives is summarised as follows:

Skills, Knowledge and Professional Experience



Note: The perspectives selected above have been identified as attributes of a director in alignment with the Company's nature of business.

Board Practice

To ensure that the Board works effectively and performs its responsibilities, its members are provided with monthly updates on Company performance, financial position and prospects. Directors have full and timely access to relevant information and are properly briefed on issues considered at Board meetings. The duty of preparing the meeting agenda is delegated to the company secretary (the "Company Secretary"). Each Director may request inclusion of items on the agenda.

To make informed decisions, Directors are given information packages with explanation and analysis of agenda items not less than three days before a meeting. The Company Secretary keeps Directors informed of corporate governance issues and regulatory changes, and ensures Board procedures follow the CG Code and relevant legal requirements. The Board is provided with sufficient resources to perform its duties and, if required, an individual Director may engage independent professional advisers at the Company's expenses to provide advice on specific matters under the standard procedures adopted by the Board in 2005 (the "Mechanism").

Under the Mechanism, a Director shall give prior notice to the Company Secretary of his/her intention to seek independent professional advice and shall provide the name(s) of any independent professional advisers he/she proposes to instruct together with a brief summary of the subject matter. The Company Secretary can provide the names of suggested independent professional advisers upon request of the Director. The Company Secretary shall provide a written acknowledgment of receipt of the notification. Any advice obtained under the Mechanism shall be made available to the other members of the Board, if the Board so requests. The Mechanism is to ensure independent views and input are available to the Board under the appropriate circumstances. The Executive Committee reviewed the implementation and effectiveness of the Mechanism and considered that the Mechanism is effective.

If a Director has a conflict of interest in any matter under Board consideration, such matter will be dealt with by a physical Board meeting instead of a written resolution. Such Director shall abstain from voting, and not be counted in the quorum, for any resolution in which he or she has a material interest.

An open atmosphere exists for Directors to contribute alternative views at meeting. Major decisions are taken after full discussion. Minutes of Board and Board Committee meetings are recorded in detail with draft minutes circulated for comment before approval by Directors and Board Committee members, respectively. Minutes and written resolutions of the Board and Board Committees are kept by the Company Secretary and open for inspection by Directors. Such minutes and written resolutions are circulated to Directors at regular Board meetings.

The Company has appropriate directors' and officers' liability insurance for legal action against Directors.

Board Activities

Board activities are structured to assist the Board in achieving its goal to support and advise management on the delivery of the Group's strategy within a transparent governance framework. The diagram below shows the key areas of focus for the Board and the main activities during 2024.

Board Activities

Financial and Operational Performance

- Considered the financial performance and treasury position
- Reviewed and approved 2023 annual results and annual report and 2024 interim results and interim report
- Reviewed and approved funding activities
- Reviewed and discussed financial forecast
- Considered the recommendation or declaration of dividends
- Considered and approved the provision of financial assistance to a joint venture

Strategy and Risks

- Discussed the Group's position and the challenges the Group will be facing
- Discussed business plans, as well as long-term directional strategy for the growth of the Group
- Evaluated and determined the nature and extent of the risks the Group is willing to take in achieving strategic objectives

Governance and Sustainability

- Reviewed the Company's corporate governance practices
- Reviewed and/or approved the continuing connected transactions
- Reviewed and approved the Sustainability Report 2023
- Reviewed and evaluated the Directors' fees
- Considered and recommended the re-election of Directors and re-appointment of external auditor for Shareholders' approval at the 2024 AGM

Others

- Considered business development opportunities and, where appropriate, approved the related projects
- Considered and, where appropriate, approved ad hoc projects
- Reviewed the appropriateness and effectiveness of the risk management (including, among others, risks relating to ESG) and internal control systems

During the year, a total of four Board meetings were held primarily to review quarterly business performance and strategy in the business or other relevant areas.

Directors are expected to attend all meetings of the Board and the Board Committees on which they serve and to devote sufficient time to the Company to perform their duties. Where directors are unable to attend a meeting, they receive papers for that meeting giving them the opportunity to raise any issues with the Chairman in advance of the meeting. At each scheduled meeting, the Board receives updates from the relevant business/supporting units on the financial and operational performance of the Group and any specific developments in their areas of the businesses for which they are directly responsible and of which the Board should be aware. Chairpersons of the respective Board Committees would also report on matters discussed and/or approved at the relevant Board Committees' meetings held prior to the Board meetings.

Appointments and Re-election of Directors

All INEDs are appointed for a specific term of three years. Under the Articles, every Director, including those appointed for a specific term, is subject to retirement by rotation at least once every three years at the Company's annual general meeting ("AGM"). Any Director appointed by the Board is subject to re-election by Shareholders at the next AGM following his or her appointment. Directors who are subject to retirement and re-election at the forthcoming AGM are set out in "Report of the Directors" in this annual report.

Directors' Induction, Development and Training

Each newly-appointed Director is offered training on the Company's key areas of business operations and practices. Newly-appointed Directors are offered orientation materials that set out the duties and responsibilities of directors under the Listing Rules and relevant ordinances and regulations. Directors are provided with "A Guide on Directors' Duties" issued by the Hong Kong Companies Registry and "Guidelines for Directors" issued by Hong Kong Institute of Directors ("HKIoD") which set out the general principles of directors' duties and "Corporate Governance Guide for Boards and Directors" issued by the Stock Exchange which set out a framework and clear guidance for corporate governance disclosure, application and implementation. All INEDs are given "Guide for Independent Non-Executive Directors" issued by HKIoD.

The Company encourages Directors to participate in continuing professional training and development courses to enhance relevant knowledge and skills. The Company also updates Directors on the latest development of Listing Rules and applicable laws and regulations to facilitate awareness and ensure compliance. The Executive Committee is responsible for reviewing training and continuous professional developments of Directors and senior management. During the year, the Company had provided trainings to Directors on updates covering topics of the Stock Exchange's guide on introduction to share repurchase and treasury shares, its enforcement bulletin on loans, advances and other similar arrangements made by listed issuers, Listing Rule amendments relating to treasury shares and Stock Exchange's consultation papers on CG Code enhancements and a new phase of paperless listing reforms, and amendments to the PRC Company Law, etc. The Company had also organised a training session on cybersecurity.

According to training records provided by Directors, a summary of their training during the year is shown below:

Directors	Type of Trainings
Group Executive Chairman and Managing Director	
Ms. Pansy Ho	A, B, C
Independent Non-Executive Directors	
Mr. Norman Ho	A, B, C
Mr. Charles Ho	A, B
Mr. Michael Wu	A, B
Mr. Kevin Yip	A, B, C
Deputy Managing Director	
Ms. Daisy Ho	A, B, C
Executive Directors	
Ms. Maisy Ho	A, B, C
Mr. David Shum	A, B, C
Mr. Rogier Verhoeven	A, B

A: Reading materials and/or attending briefing/training session provided/organised by the Company or other corporations

B: Access to web-based e-learning courses launched by the Stock Exchange for directors of listed companies

C: Attending seminar and/or conference and/or forum

Meeting Attendance by Directors during the year

Regular Board meetings are held at least four times every year at approximately quarterly intervals. Additional Board meetings are held if required. During the year ended 31 December 2024, the Board held four meetings, and the Group Executive Chairman and Managing Director held one meeting with INEDs without the presence of Executive Directors.

The timeline for meetings of the Board, Board Committee and Shareholders held in 2024 is set out below:

January	February	March	April	May	June	July	August	September	October	November	December
		B ARMC NC			B AGM		B ARMC				B RC C

B	Board Meeting	RC	Remuneration Committee Meeting	AGM	Annual General Meeting
ARMC	Audit and Risk Management Committee Meeting	NC	Nomination Committee Meeting	C	Chairman meeting with INEDs

Attendance by Directors at meetings of the Board, Audit and Risk Management Committee, Remuneration Committee, Nomination Committee and 2024 AGM during the year is shown below:

Name of Director	Board	Audit and Risk Management Committee (Note)	Remuneration Committee	Nomination Committee	2024 AGM (Note)
	(Number of Meetings Attended/Entitled to Attend)				
Group Executive Chairman and Managing Director					
Ms. Pansy Ho	4/4	n/a	1/1	1/1[C]	1/1
Independent Non-Executive Directors					
Mr. Norman Ho	4/4	2/2[C]	1/1	1/1	1/1
Mr. Charles Ho	3/4	n/a	1/1	1/1	0/1
Mr. Michael Wu	4/4	2/2	1/1[C]	1/1	1/1
Mr. Kevin Yip	4/4	2/2	1/1	1/1	1/1
Deputy Managing Director					
Ms. Daisy Ho	4/4	n/a	1/1	1/1	1/1
Executive Directors					
Ms. Maisy Ho	4/4	n/a	n/a	n/a	1/1
Mr. David Shum	4/4	n/a	n/a	n/a	1/1
Mr. Rogier Verhoeven	4/4	n/a	n/a	n/a	1/1

C – Chairman of the Board Committee

Note: Representatives of the external auditor participated in two Audit and Risk Management Committee Meetings held in March and August 2024, and also attended the 2024 AGM.

C. BOARD COMMITTEES

The Board has established four Board Committees, namely the Executive Committee, Remuneration Committee, Nomination Committee and Audit and Risk Management Committee, to assist it in carrying out its responsibilities.

The current composition of the Board Committees is as follows:

Board

Executive Committee	Remuneration Committee	Nomination Committee	Audit and Risk Management Committee
Ms. Pansy Ho *(Chairman)*	Mr. Michael Wu *(Chairman)*	Ms. Pansy Ho *(Chairman)*	Mr. Norman Ho *(Chairman)*
Ms. Daisy Ho	Mr. Norman Ho	Mr. Norman Ho	Mr. Michael Wu
Ms. Maisy Ho	Mr. Charles Ho	Mr. Charles Ho	Mr. Kevin Yip
Mr. David Shum	Mr. Kevin Yip	Mr. Michael Wu	
Mr. Rogier Verhoeven	Ms. Pansy Ho	Mr. Kevin Yip	
	Ms. Daisy Ho	Ms. Daisy Ho	

Each of the Board Committees has defined duties and responsibilities set out in their respective terms of reference which are no less exacting than those in the CG Code and which are regularly reviewed and updated upon regulatory changes or Board direction. Other Board Committees for dealing with ad hoc matters when necessary are delegated with specific duties and authorities by the Board. All Board Committees are provided with sufficient resources to perform their duties.

Board of Directors

Key responsibilities
- Foster and monitor the corporate culture, and define the purpose, values and strategy direction of the Group
- Oversee the Group's strategic development
- Set the risk appetite and appropriate policies to manage risks in pursuit of the Group's strategic objectives
- Scrutinise operational and financial performance

Executive Committee

Key responsibilities
- Make recommendations on the strategic aims, objectives and priorities of the Company and to consider and approve matters relating to the Group's day-to-day operations

Remuneration Committee

Key responsibilities
- Set the Company's remuneration and incentive policy as a whole, and review and approve remuneration proposals for Executive Directors and senior management

Nomination Committee

Key responsibilities
- Monitor the implementation of policies and formulate policy and make recommendations to the Board on nomination and appointment of Directors and the Board's succession planning

Audit and Risk Management Committee

Key responsibilities
- Review the Company's financial reports, risk management and internal control systems, and effectiveness and objectivity of the audit process

Executive Committee

Composition

The Executive Committee consists of five members, namely, Ms. Pansy Ho (Group Executive Chairman and Managing Director), Ms. Daisy Ho (Deputy Managing Director), Ms. Maisy Ho, Mr. David Shum and Mr. Rogier Verhoeven. Ms. Pansy Ho is the chairman of the Executive Committee.

Duties and Responsibilities

To operate more efficiently, the Executive Committee was established to make recommendations on the strategic aims, objectives and priorities of the Company and to consider and approve matters relating to the Group's day-to-day operations. The duties and responsibilities of the Executive Committee are set out in its terms of reference. Meetings are held as required by its work.

The Executive Committee was delegated by the Board to perform corporate governance functions set out in Code provision A.2.1 of the CG Code including:

(i) developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board;

(ii) reviewing and monitoring training and professional development of Directors and senior management;

(iii) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;

(iv) developing, reviewing and monitoring the code of conduct and compliance manual applicable to employees and Directors; and

(v) reviewing compliance with the CG Code and disclosure in the corporate governance report.

As at the date of this report, the Executive Committee has reviewed the Company's policies and practices including:

- the Company's compliance with the CG Code and its disclosure in this report;
- Directors' participation in continuous professional development;
- Shareholders' Communication Policy;
- Dividend Policy;
- CG Policy;
- Policies and Procedures on Risk Management;
- Inside Information Policy;
- Share Repurchase Policy; and
- the Company's Mechanism and procedures to ensure that independent views and input are available to the Board.

In light of Code provision D.2, the Executive Committee was delegated by the Board to (i) assist the Board in evaluating and determining the nature and extent of risks the Board is willing to take to achieve the Group's strategic objectives; and (ii) oversee management in the design, implementation and ongoing monitoring of risk management (including, among others, risks relating ESG) and internal control systems and to ensure their appropriateness and effectiveness.

Other Board Committees

Details of the Remuneration Committee, Nomination Committee and Audit and Risk Management Committee, including their composition, duties and responsibilities, annual work summary and applicable policies are set out in the separate reports on pages 91 to 105 of this annual report.

D. INTERNAL CONTROL AND RISK MANAGEMENT

The Board has overall responsibility for ensuring that appropriate and effective risk management (including, among others, risks relating to ESG and in particular, climate-related risks and opportunities) and internal control systems are established and maintained. The Executive Committee assists the Board in designing, implementing and monitoring the Group's risk management and internal control systems. Through the Audit and Risk Management Committee, the Board is responsible for the continuous review of the effectiveness of the Group's risk management and internal control systems, including financial, operational, compliance, information technology and security, fraud detection and risk management (including, among others, risks relating to ESG) controls. Such process includes a self-assessment from the head of each business or supporting unit and internal audit reviews conducted by the Group Internal Audit Department. For the year under review, the Board considers the risk management and internal control systems of the Group to be adequate and effective and the Company has complied with the risk management and internal control code provisions set out in the CG Code. Further information about the Group's risk management and internal control framework and process are set out in the "Audit and Risk Management Committee Report" on pages 93 to 105 of this annual report.

Inside Information Policy

The Company adopted a policy and procedure on disclosure of inside information (the "Inside Information Policy") setting out the Group's procedure in handling such information to ensure its equal and timely dissemination to comply with the requirements under Part XIVA of the Securities and Futures Ordinance and the Listing Rules. The Executive Committee was delegated by the Board to monitor the Inside Information Policy and assess the nature and materiality of relevant information and determine appropriate actions. An Inside Information Taskforce has also been set up to assist the Executive Committee on disclosure matters. The Group will provide appropriate training to officers and employees likely to be in possession of inside information.

Auditor's Remuneration

For the year ended 31 December 2024, the fees paid/payable by the Group to PricewaterhouseCoopers ("PwC") for their audit and non-audit services amounted to approximately HK$13.0 million and HK$3.4 million respectively, while the audit and non-audit fees paid/payable by the Group to other auditors were HK$0.4 million and HK$0.2 million respectively. The non-audit services mainly included interim review, taxation, due diligence and other services.

Accountability and Audit

For each financial year, the Directors acknowledge their responsibility for preparing the financial statements which give a true and fair view of the state of affairs, profit and cash flow of the Company and the Group in accordance with Hong Kong Financial Reporting Standards, the Hong Kong Companies Ordinance and the Listing Rules. In preparing financial statements for the year ended 31 December 2024, the Directors have selected suitable accounting policies and applied them consistently. The Directors also made judgements and estimates that are prudent and reasonable and prepared the financial statements on a going concern basis. The Company announced its interim and annual results in a timely manner following the relevant periods as required by the Listing Rules.

The statement from the Company's external auditor about the auditor's responsibilities for the audit of the Company's financial statements is set out in the "Independent Auditor's Report" in this annual report.

E. PROACTIVE INVESTOR RELATIONS

The Company aims to maintain an ongoing dialogue and communication with its Shareholders. It is the Board's responsibility to ensure that satisfactory dialogue takes place. The Board adopted a shareholders' communication policy (the "Shareholders' Communication Policy") setting out the Company's principles in relation to Shareholders' communication, with the objective to ensure direct, open and timely communications. The primary channel between the Company and Shareholders is the publication of interim reports, annual reports, circulars and notices to Shareholders. The Company's share registrar, Computershare Hong Kong Investor Services Limited (the "Share Registrar"), serves Shareholders on all share registration matters. General meetings further provide the forum and opportunity for Shareholders to exchange views directly with Board members. The Executive Committee recently reviewed the implementation and effectiveness of the Shareholders' Communication Policy and considered that the Shareholders' Communication Policy is effective.

The Company continues its proactive policy to promote investor relations by regular meetings with institutional investors and research analysts. Our Investor Relations Department maintains open communications with the investment community. To ensure investors have an informed understanding of the Company's strategies, operations and management, our management engages in proactive investor relation activities. These include participating in regular one-on-one meetings, post-results analyst briefings, investor conferences and international non-deal roadshows. Our Investor Relations Department also actively provides the investment community with the Company's latest news and developments as they arise through other channels such as IR Newsletters. The Company garnered multiple industry awards in recognition of the Investor Relations Department's proactive engagement with the investment community.

The Company maintains a corporate website (www.shuntakgroup.com) which provides Shareholders, investors and the public with updated information on the Group's activities and development. The Corporate Presentation which includes an overview of the Group's businesses and latest financial results is also available on the corporate website. Corporate information on the Group's businesses, statutory announcements and notices are distributed by emails to the registered mailing list which can be joined by interested parties on the Company's website. The Company Secretary and the Investor Relations Department serve as the major channels of communication between Directors, Shareholders, investors and the public. The public is encouraged to contact the Group as appropriate.

Shareholders may at any time send their enquiries to the Board, addressed to the Company Secretarial Department or Investor Relations Department with contact details set out below:

Registered Office	:	Penthouse 39th Floor, West Tower, Shun Tak Centre 200 Connaught Road Central Hong Kong
Telephone	:	(852) 2859 3111
Facsimile	:	(852) 2857 7181
E-mail	:	enquiry@shuntakgroup.com ir@shuntakgroup.com

In relation to enquiries on the shareholding matters of the Company, Shareholders could send enquiries to the Share Registrar with their contact details set out below:

Address	:	Shops 1712-1716, 17th Floor, Hopewell Centre 183 Queen's Road East Wanchai, Hong Kong
Telephone	:	(852) 2862 8555
Facsimile	:	(852) 2865 0990
E-mail	:	hkinfo@computershare.com.hk

F. DETAILS OF SHAREHOLDERS

Shareholding of the Company

Shareholding distribution based on the Company's register of members as at 31 December 2024 is shown below:

Size of Registered Shareholding	Number of Shareholders		Percentage of Shareholders	Number of shares held		Percentage of shares in issue
1 to 2,000	946		60.68%	393,465		0.01%
2,001 to 10,000	260		16.68%	1,355,940		0.05%
10,001 to 100,000	297		19.05%	9,063,075		0.30%
100,001 to 500,000	37		2.37%	7,248,211		0.24%
500,001 or above	19		1.22%	2,999,601,094		99.40%
Total	1,559	(Note 2)	100.00%	3,017,661,785	(Note 1)	100.00%

Notes:

1. 76.09% of the Company's shares in issue were held through Central Clearing and Settlement System of Hong Kong ("CCASS").

2. Actual number of Shareholders is much bigger as many shares are held through intermediaries including CCASS.

Details of the Shareholders' Meetings

The last Shareholders' meeting was the Company's 2024 AGM held at Artyzen Club, 401A, 4th Floor, Shun Tak Centre, 200 Connaught Road Central, Hong Kong on Wednesday, 5 June 2024 at 4:00 p.m.. The notice for the 2024 AGM setting out details of each proposed resolution and other relevant information in the circulars were distributed to all Shareholders more than 21 days before the 2024 AGM. Separate resolutions were proposed on each substantially separate issue, including re-election of individual Directors. In strict compliance with Rule 13.39(4) of the Listing Rules, the Company's Articles stated that all resolutions proposed in a general meeting will be decided on poll except for procedural or administrative matters. The Share Registrar was appointed as the scrutineer for vote-taking at the 2024 AGM. Procedures for conducting a poll were explained by the Share Registrar before commencement of poll voting at the 2024 AGM.

All resolutions at the 2024 AGM were duly passed including (i) receipt of the audited financial statements of the Company for the year ended 31 December 2023 and the reports of Directors and the independent auditor; (ii) re-election of Mr. Michael Wu, Ms. Maisy Ho and Mr. Rogier Verhoeven as Directors of the Company; (iii) approval of the Directors' fees; (iv) re-appointment of PwC as auditor of the Company and authorisation to the Board to fix its remuneration; (v) granting of the general mandate to the Board to buy back the Company's shares; (vi) granting of the general mandate to the Board to issue new shares of the Company; and (vii) authorisation to the Board to extend the general mandate to issue new shares by adding the number of shares bought back.

The poll results were posted on the websites of the Company and the Stock Exchange in accordance with the Listing Rules as soon as after the closure of the 2024 AGM.

Important Shareholders' Dates

Important Shareholders' dates in the financial year 2025 are set out in "Financial Highlights and Calendar" in this annual report.

Dividend Information

The Company's dividend policy is set out in "Report of the Directors" in this annual report. Dividend payment history is available on the Company's website.

Shareholders' Rights

Procedures for Shareholders to Convene a General Meeting

In accordance with Section 566 of the Hong Kong Companies Ordinance (Chapter 622) (the "Ordinance"), Shareholders representing at least 5% of the total voting rights of all Shareholders having a right to vote at general meetings can make a requisition to convene a general meeting. The requisition must state the objects of the meeting, and be signed by the Shareholders concerned and deposited at the registered office of the Company for the attention of the Company Secretary. The requisition must also (a) state the name(s) of the requisitionist(s), (b) the contact details of the requisitionist(s) and (c) the number of ordinary shares of the Company held by the requisitionist(s).

Procedures for Shareholders to Put Forward Proposals at General Meeting

According to the Ordinance, Shareholder(s) representing at least 2.5% of the total voting rights of all Shareholders who have a relevant right to vote; or at least 50 Shareholders who have a relevant right to vote can submit a written request to move a resolution at the general meeting of the Company. The written request must state the resolution, accompanied by a statement of not more than 1,000 words with respect to the matter referred to in the proposed resolution, signed by the relevant Shareholder(s) and deposited at the registered office of the Company.

G. COMPANY SECRETARY

The Company Secretary is a full-time employee of the Company and has day-to-day knowledge of the Company's affairs. The Company Secretary is responsible for advising the Board on governance matters. For the year under review, the Company Secretary has taken no less than 15 hours of relevant professional training.

H. OTHERS

Constitutional Documents

During the year ended 31 December 2024, no amendment was made to the Company's Articles. The latest version of the Articles is available on the websites of the Company and the Stock Exchange.

Looking Forward

The Company will continue to review its corporate governance practices on a timely basis and take necessary and appropriate actions to ensure compliance with the required practices and standards including code provisions in the CG Code.

Hong Kong, 25 March 2025

REMUNERATION COMMITTEE REPORT

COMPOSITION

The Remuneration Committee consists of six members, namely, Mr. Norman Ho, Mr. Charles Ho, Mr. Michael Wu and Mr. Kevin Yip (all being INEDs), Ms. Pansy Ho (Group Executive Chairman and Managing Director) and Ms. Daisy Ho (Executive Director and Deputy Managing Director). Mr. Michael Wu is the chairman of the Remuneration Committee.

DUTIES AND RESPONSIBILITIES

The principal role of the Remuneration Committee is to set the Company's remuneration and incentive policy as a whole, and review and approve remuneration proposals for Executive Directors and senior management. The emoluments of the Directors, including basic salary and performance bonus, are based on each Director's skills, knowledge and involvement in the Company's affairs, the Company's performance and profitability, remuneration benchmark in the industry and prevailing market conditions. No Director has taken part in setting his or her own remuneration.

According to its terms of reference (a copy of which is posted on the websites of the Company and the Stock Exchange), the Remuneration Committee shall meet at least once a year. Additional meetings may be held as required. Decisions may also be made by circulation of written resolutions accompanied by explanatory materials.

ANNUAL WORK SUMMARY

During the year ended 31 December 2024, a Remuneration Committee meeting was held. The Remuneration Committee reviewed, made recommendation on INEDs' remuneration packages to the Board, approved the remuneration packages for Executive Directors, senior management and staff, and approved the Remuneration Committee Report as incorporated in the 2023 Annual Report.

REMUNERATION POLICY

The remuneration policy of the Company (the "Remuneration Policy") establishes a formal and transparent procedure for determining remuneration of Directors and senior management. To achieve the Company's corporate goals and objectives, packages offered by the Group are competitive, adequate (but not excessive), in line with current market practices and able to attract, retain, motivate and reward Directors and senior management. To ensure that the Remuneration Policy is effective, the Remuneration Committee will review the policy and recommend revisions to the Board when necessary. The Remuneration Policy was updated in December 2017.

Directors' interests in the Company's shares, underlying shares and debentures, along with interests in contracts, are set out in "Report of the Directors". Particulars regarding Directors' emoluments and the five highest paid individuals are set out in "Notes to the Financial Statements" in this annual report.

Michael Wu
Chairman of Remuneration Committee

Hong Kong, 25 March 2025

NOMINATION COMMITTEE REPORT

COMPOSITION

The Nomination Committee consists of six members, namely, Mr. Norman Ho, Mr. Charles Ho, Mr. Michael Wu and Mr. Kevin Yip (all being INEDs), Ms. Pansy Ho (Group Executive Chairman and Managing Director) and Ms. Daisy Ho (Executive Director and Deputy Managing Director). Ms. Pansy Ho is the chairman of the Nomination Committee.

DUTIES AND RESPONSIBILITIES

The Nomination Committee is responsible for (i) formulating policy and making recommendations to the Board on nomination and appointment of Directors and the Board's succession planning; and (ii) monitoring the implementation of the Board Diversity Policy and nomination policy (the "Nomination Policy") and reviewing the same and recommending any revisions to the Board for consideration. The Nomination Committee develops selection procedures for candidates and will consider different criteria including relevant professional knowledge, industry experience, and the standards set forth in Rules 3.08 and 3.09 of the Listing Rules. It reviews the structure, size and composition of the Board annually to ensure that it has balanced skills and expertise to provide effective leadership to the Company. It assesses the independence of INEDs under the criteria in Rule 3.13 of the Listing Rules.

According to its terms of reference (a copy of which is posted on the websites of the Company and the Stock Exchange), the Nomination Committee shall meet as required by its work. Decision may also be made by circulation of written resolutions accompanied by explanatory materials.

ANNUAL WORK SUMMARY

During the year ended 31 December 2024, a Nomination Committee meeting was held to review the structure, size, composition and diversity of the Board; the Directors' involvement in the Company's affairs; the implementation and effectiveness of the Board Diversity Policy and Nomination Policy; and the independence of INEDs; and make recommendations to the Board for putting forward Directors, who were subject to retirement by rotation, for re-appointment at 2024 AGM; and approve the Nomination Committee Report as incorporated in the 2023 Annual Report.

NOMINATION POLICY

In December 2018, the Company adopted the Nomination Policy which sets out the nomination procedures and the process and criteria to select and recommend candidates for directorship. The Nomination Committee would select the candidates based on the objective criteria, including without limitation, educational background, professional experience, skills, knowledge, personal qualities and the benefit of diversity as set out under the Board Diversity Policy. The Nomination Committee would also take into account whether the candidate can demonstrate his/her commitment, competence and integrity required for the position, and in case of INEDs, the independence requirements under the Listing Rules and their time commitment to the Company. The Nomination Committee monitors the implementation of the Nomination Policy and will review and recommend any revisions to the Board for consideration and approval, when necessary, to enhance effectiveness. The Nomination Policy was updated in March 2022.

Pansy Ho
Chairman of Nomination Committee

Hong Kong, 25 March 2025

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

COMPOSITION

The Audit and Risk Management Committee consists of three members, namely, Mr. Norman Ho, Mr. Michael Wu and Mr. Kevin Yip, all being INEDs. Mr. Norman Ho is the chairman of the Audit and Risk Management Committee. The Board is satisfied that the Audit and Risk Management Committee members collectively possess adequate financial experience to properly perform its duties and responsibilities. Mr. Norman Ho and Mr. Michael Wu hold professional accounting qualifications required by Rule 3.10(2) of the Listing Rules, details of which are set out in their biographies in "Management Profile" in this annual report.

DUTIES AND RESPONSIBILITIES

The Audit and Risk Management Committee's primary responsibilities include reviewing the Company's financial reports, risk management and internal control systems (including, among others, risks relating to ESG), and effectiveness and objectivity of the audit process.

According to its terms of reference (a copy of which is posted on the websites of the Company and the Stock Exchange), the Audit and Risk Management Committee shall meet at least twice a year. Decisions may be made by circulating written resolutions accompanied by explanatory materials.

ANNUAL WORK SUMMARY

During the year ended 31 December 2024, two Audit and Risk Management Committee meetings were held to review, inter alia, (i) the Company's interim and year-end financial reports, particularly areas requiring judgement, before submission to the Board; (ii) the internal audit programme and the effectiveness of the internal audit function (including audit progress, findings and management's responses); (iii) the adequacy and effectiveness of the risk management and internal control systems (including the risk management processes, the principal risks identified and risk mitigation controls); (iv) PwC's confirmation of independence, its reports for the Audit and Risk Management Committee and management's letter of representation; (v) the fees for annual audit and non-audit services for the year ended 31 December 2023 and recommendations regarding re-appointment of the Company's external auditor; and (vi) the adequacy of resources, qualifications, experiences and training requirements of staff responsible for accounting, financial reporting, treasury, financial analysis, ESG and internal audit functions and approved the Audit and Risk Management Committee Report as incorporated in the 2023 Annual Report.

The Audit and Risk Management Committee also reviewed continuing connected transactions; reviewed and approved PwC's terms of engagement as the Company's external auditor for the year ended 31 December 2024, and its further engagement to (a) review the Company's preliminary results announcement for the year ended 31 December 2024; and (b) report on continuing connected transactions as disclosed in this annual report. As at the date of this report, the Audit and Risk Management Committee also approved the fees for annual audit and non-audit services for year ended 31 December 2024, and recommended the re-appointment of PwC (the retiring auditor at the forthcoming AGM) as the Company's external auditor.

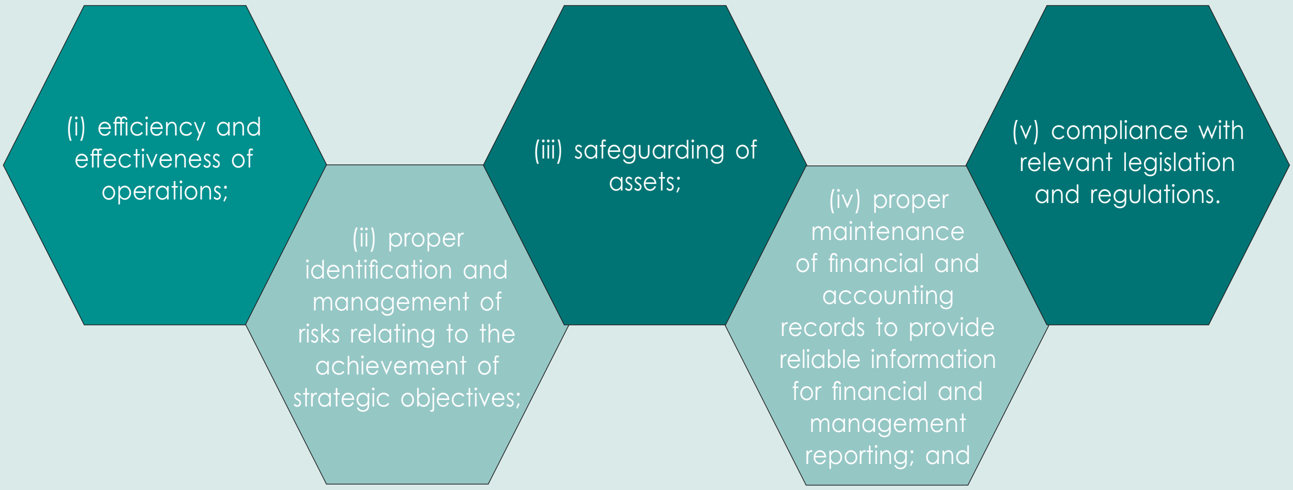
With the introduction of the Group's whistleblowing policy (the "Whistleblowing Policy") since December 2011 and its updates in August 2017 and March 2022, employees and those who deal with the Group (e.g. customers and suppliers) are provided with a channel and guideline to report suspected misconduct, malpractice or irregularity within the Group without fear of reprisal or victimization. The Audit and Risk Management Committee was delegated with the overall responsibility for monitoring and reviewing the effectiveness of the Whistleblowing Policy.

To promote and support anti-corruption laws and regulations, the Group has set up systems and internal procedures for prevention of bribery, fraud and corruption. Details of the procedures are set out in the Group's code of conduct and communicated across all business units and relevant trainings are provided to employees. Regular seminars, including presentations by the Hong Kong Independent Commission Against Corruption, are organised for new and existing employees.

RISK MANAGEMENT AND INTERNAL CONTROL

Responsibilities of the Board and Management

Shun Tak Group's risk management (including, among others, risks relating to ESG) and internal control responsibilities reside at all levels within the Group, from the Board down to heads of business and supporting units as well as the general staff. The Board has overall responsibility for ensuring that appropriate and effective risk management and internal control systems (including, among others, risks relating to ESG) are established and maintained. The Executive Committee assists the Board in designing, implementing and monitoring the Group's risk management and internal control systems (including, among others, risks relating to ESG) which have been designed to ensure:



Such systems are aimed at mitigating risks faced by the Group to an acceptable level, but not eliminating all risks. Hence, such systems can only provide reasonable, but not absolute, assurance that there will not be any material misstatement in the financial information and any financial loss or fraud.

Main features of the risk management and internal control systems

The Board has established a framework to maintain appropriate and effective risk management and internal control systems (including, among others, risks relating to ESG), which includes the following key procedures:

- (i) setting core values and beliefs which form the basis of the Group's overall risk philosophy;
- (ii) evaluating and determining the nature and extent of risks that the Group is willing to take in achieving its strategic objectives;
- (iii) defining a management structure with clear lines of responsibility and authority limits which hold individuals accountable for their risk management and internal control responsibilities;
- (iv) adopting an organisational structure which provides necessary information flow for risk analysis and management decision-making;
- (v) imposing budgetary and management accounting controls to efficiently allocate resources and provide timely financial and operational performance indicators;
- (vi) ensuring effective financial reporting controls to timely record complete and accurate accounting and management information;
- (vii) overseeing the Executive Committee's policies and procedures on risk management, implementing risk mitigation measures and reviewing risk management results; and
- (viii) through the Audit and Risk Management Committee, ensuring that appropriate risk management and internal control procedures are in place and function effectively.

Ongoing and annual review

Through the Audit and Risk Management Committee, the Board continues to review the effectiveness of the Group's risk management and internal control systems, including financial, operational, compliance, information technology and security, fraud detection and risk management (including, among others, risks relating to ESG) controls. Such process encompasses a self-assessment from the head of each business or supporting unit and internal audit reviews conducted by the Group Internal Audit Department ("GIAD").

Control self-assessment from the Head of each Business or Supporting Unit

On an annual basis, the head of each business or supporting unit signs a confirmation to the Board that he/she has self-assessed the risk management and internal control systems (including, among others, risks relating to ESG) of their operations against the criteria for effective internal control and risk management in the Internal Control – Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (the "COSO Framework") and confirms that such systems are operating effectively.

The Executive Committee also conducts an annual review of the Group's risk management and internal control systems (including, among others, risks relating to ESG) with reference to the criteria in the COSO Framework and confirms to the Board that they are adequate and are operating effectively.

Internal audit reviews conducted by GIAD

The GIAD reports to the Audit and Risk Management Committee and has unrestricted access to the Group's records and personnel. To ensure systematic coverage of all auditable areas and effective deployment of resources, a four-year strategic audit plan adopting a risk ranking methodology has been formulated. This plan is revised annually to reflect organisational changes and new business development and is submitted for the Audit and Risk Management Committee's approval. Ad-hoc reviews will also be conducted if areas of concern are identified by the Audit and Risk Management Committee and management.

The GIAD reviews risk management and internal controls by:

(i) evaluating the control environment and risk identification and assessment processes;

(ii) assessing the adequacy of risk response measures and internal controls; and

(iii) testing the implementation of such measures and functioning of key controls through audit sampling.

The GIAD also assists the Audit and Risk Management Committee in its reviews of the adequacy of resources, qualifications, experiences and training requirements of staff responsible for accounting, financial reporting, treasury, financial analysis, ESG and internal audit functions. During each audit, staff qualifications and experience as well as manpower plans and training budgets are also reviewed to ensure competent staff are in place to maintain effective risk management and internal control systems. An audit report incorporating control deficiencies findings and management's rectification plans is issued for each audit.

The GIAD reports quarterly to the Audit and Risk Management Committee on the results of its assessment of the risk management and internal control systems (including, among others, risks relating to ESG) and status of implementation of follow-up actions on control deficiencies. In addition, the head of the GIAD attends Audit and Risk Management Committee meetings twice a year to report its progress.

The process used to identify, evaluate and manage risks (including, among others, risks relating to ESG)

Risk management is integrated into the Group's culture and day-to-day activities. With reference to International Standard on Risk Management-Principles and Guidelines ("ISO31000"), policies and procedures on risk management have been established to ensure a consistent approach to identify and address risks (including, among others, risks relating to ESG) in business processes. The Board has established a well-defined Risk Appetite to guide employees on the level of risk permitted. Each unit maintains a risk register to record all identified risks (including any emerging risks) by taking into account various external and internal factors including economic, financial, political, technological, health and safety, legislation and regulations, operational, processing, execution, ESG and in particular, climate-related risks and opportunities, where applicable, as well as the Group's strategies and objectives and stakeholders' expectations. A formal assessment is conducted to rank each of the identified risk. The risk ratings are determined based on the likelihood of a risk occurring and its potential impact or consequences.

Risk treatment options and mitigation controls are identified, analysed, implemented and reviewed. Risk management results are reported to the Executive Committee and the Audit and Risk Management Committee twice a year.

RISK MANAGEMENT PROCESS

PRINCIPAL RISK FACTORS

The Group's financial performance, operations and prospects for growth may be affected by risks and uncertainties, both direct and indirect. Based on the Group's risk assessment policies and procedures, key risk factors are identified and are set out below (For details of the Climate Change Risk, please refer to the Group's sustainability report which was separately issued in April 2025) but they are not exhaustive or comprehensive and there may be additional risks not yet known to the Group or known risks whose significance will appear only in the future:

1	Macroeconomic Environment	**What are the risks?** Changes in domestic, regional or global economic conditions may negatively affect consumer sentiment and lead to fluctuations in property prices and affect the value of properties owned or under development. Any continuous negative conditions such as escalating inflation, high unemployment rates, depressed stock or property prices, reduced disposable income, exchange rates fluctuations, etc. would significantly and adversely impact tourism and business spending patterns or reduce demand for business travel and hospitality and leisure businesses. Geopolitical conflicts, rising trade tensions and elevated borrowing costs in Asia and/or around the world may create uncertainty in the regional and global economic outlook.	**What are the possible impacts of occurrence?** The regional economy is picking up slower than expected after global pandemic threat. The uncertainty arising from geopolitical instability, trade barriers and tariffs, high interest rates, and the looming threat of recession have dampened investment and consumer sentiment. The Group derives a substantial portion of its revenue and operating profits from its property development, investments and property management services segments. The Group's performance is therefore dependent on economic conditions and performance of property markets in Hong Kong, Macau, PRC and Singapore. A sluggish macroeconomic environment is likely to adversely affect consumer sentiment and private consumption, and consequential downward pressure on room rates and occupancy levels of the Group's hotels, and may reduce demand for the Group's transportation and hospitality and leisure-related services such as restaurants, tourism facilities, MICE and retail businesses, all leading to a decline in revenue.

2	Reliance on Technology and Automated Systems	**What are the risks?** Cyberthreats, outdated technology, inadequate security measures may lead to failure of automated systems and causes disruption of operations, loss of important data, leakage of personal data and payment information etc, which result in financial loss and reputational damages. Any inability to utilise data analytics to achieve market intelligence or increase productivity and efficiency may cause the loss of competitive advantages.	**What are the possible impacts of occurrence?** Our businesses require the use of sophisticated technology and automated systems such as property management, sales and leasing, hospitality and leisure related systems, ticketing and reservation, navigation and telecommunication, payment and accounting, etc. Failure of such systems could result in suspension of operations, breach of data privacy regulations, damage of reputation and loss of revenues and may give rise to uninsured liabilities. Failure to identify and remediate vulnerabilities in our systems, networks, applications, processes or internal control procedures may subject our systems to exploitation which may lead to a complete compromise of the systems. Our existing IT infrastructure may not be able to meet performance expectations. Rapid speed of innovations enabled by advanced technologies may outpace the Group's ability to compete or manage the risk appropriately.

3	Government Policies, Regulations and Approvals	**What are the risks?** Property, transportation and hospitality and leisure businesses are subject to extensive legal compliance requirements, grant of licenses or concessions, safety, hygiene, environmental, minimum wage and other necessary government approvals. Any breaches, incidents, or failure to receive licenses, concessions or approvals from relevant governments may cause suspensions of operations, loss of rights to operate or to pursue development plans. Government policies and regulations such as the cooling measures for property market, may lead to fluctuations in property prices and affect the schedule of land sales and approvals for land use. Contravention of Data Privacy Protection Regulations may result in huge amount of penalties.	**What are the possible impacts of occurrence?** Changes in government policies and increasingly stringent regulatory requirements may delay the Group in securing the required approvals, commencement and completion of its property projects and affect profits. Hospitality and leisure operations are subject to a wide range of laws and regulations and policies including healthcare, hygiene, personal data privacy, taxation, environmental, safety, fire, food preparation, building and security etc. Increases in minimum wages could cause higher operations costs and lower profits. The renewal of approvals at various operational stages of ferry operations must comply with conditions set by government authorities or shipping classification societies. Increases in departure tax or changes in visa approvals or entry restrictions may reduce passenger traffic and adversely affect revenue. Ensuring protection of data while complying with applicable legal and regulatory requirements for collecting, storing, securing, processing and using of sensitive data requires significant resources and increases the cost of operations.

4	Competition	**What are the risks?** The Group's owned or managed hotels are subject to intense competition from large, multi-branded hotel chains, emerging regional "life style" brands and competition from new alternative suppliers such as Airbnb and HomeAway. New integrated resorts which offer greater variety pose a threat to the traditional hotels. The Hong Kong-Zhuhai-Macau Bridge opens up land transportation to Macau which directly competes with the Hong Kong-Macau ferry service.	**What are the possible impacts of occurrence?** If the Group's owned or managed hotels cannot compete successfully, the operating margins, market share and earnings may be diminished. Revenue from the ferry traffic has been substantially reduced after opening of the Bridge. Rental income from the major source of patron flow at Shun Tak Centre – Macau ferry commuters, has been negatively impacted.

5	Outbreaks of Contagious Disease, Civil Unrest, Natural Disasters or Any Non-controllable Events	**What are the risks?** Outbreaks of contagious disease, civil unrest, severe weather conditions, natural disasters, terrorist attacks, disastrous events or travel security measures may lead to disruption of normal community life, reduction of passenger traffic and personal/business travels, suspension of operations and delay of property development schedules.	**What are the possible impacts of occurrence?** The Group's property leasing, hospitality and leisure, transportation, MICE and tourism related businesses are adversely affected by factors beyond the Group's control such as pandemic threat, severe weather conditions, natural disasters, travel security measures, civil unrest, terrorist attacks or outbreak of wars. Any occurrence may result in substantial loss of revenue or suspension of operations.

6	Availability of Labour, Resources and Materials	**What are the risks?** The Group needs to attract, retain and develop sufficiently skilled and experienced work forces to maintain high standards of quality and guest and customer services. Other factors which may increase the Group's cost, impact operations or cause construction delays include late delivery, adverse quality, shortages or increased costs of materials, contractor services, parts and components to maintain our fleet, properties and hospitality and leisure facilities. Unable to integrate ESG, and in particular, climate-related initiatives into supply chain strategy may result in failure to achieve the Group's emission targets or violation of the Group's culture of diversity, equity and inclusion and worker safety.	**What are the possible impacts of occurrence?** Labour shortage in the hospitality and leisure and servicing industry may affect the service quality of the Group's hospitality and leisure and transportation businesses. Any pandemic, severe weather or natural disasters may impact on the supply chains, from raw materials to finished products. Suppliers and service providers may be facing business continuity issues. Forced closure of factories and inward and logistic services due to severe weather or disasters may cause shortages of supplies and delay of the schedule of goods delivery. The Group relies upon affordable supplies of building materials and experienced and skillful contractors for its property project and, if unavailable, may lead to delays in completion, increase in costs and reduced profitability. Engaging suppliers who do not operate sustainably may damage the Group's reputation.

7	Counterparty, Employee Misconduct, Negligence, Legal Compliance and Fraud Risks	**What are the risks?** Business counterparties may fail to enforce standards and contractual terms which may give rise to disagreements. Any premature termination of, or inability to renew management or franchise agreements may cause suspension of operations, loss of business or increase in operational costs. Risks may also arise from employees' misconduct or negligence such as non-compliance with rules and regulations, internal policies and procedures, corruption, fraud or other malpractices. The Group may itself become involved in investigations and regulatory proceedings for breach of rules and regulations, improper business conduct, market abuse or bribery, etc.	**What are the possible impacts of occurrence?** The Group's bankers, joint venture partners, buyers, tenants, contractors, debtors, suppliers, etc. may potentially fail to honour their contractual, financial or operational obligations or other disagreements may cause the Group to delay its growth plans, service initiatives, or lose revenue, incur litigation costs or other liabilities and damage of reputation. Potential claims may arise for breach and negligence resulting from employee misconduct and fraud. Any dealings with parties convicted of money laundering or financing terrorism offence may result in breach of laws or revocation of license. Substantial legal liability could materially and adversely affect the Group's business and financial results or cause reputational harm.

8	Strategic, Decision Making and Integration Risks	**What are the risks?** The results of the Group's strategic decisions or business plans may fall short of expectations due to unsatisfactory implementation of plans or an inability to adapt to adverse business conditions. Without the agility to pivot in response to change can lead to strategic failure.	**What are the possible impacts of occurrence?** The Group may face challenges from establishing new businesses or acquiring ones with existing operations, managing them in markets where it possesses limited experience and failure to generate synergies, and this may drain or overstretch the Group's management and capital resources.
9	Financial Risk	**What are the risks?** Foreign exchange rate and interest rate fluctuations may result in losses or significantly increase the cost of financing. The inability to access sufficient capital/liquidity may restrict the Group's growth opportunities.	**What are the possible impacts of occurrence?** The Group adopts a prudent approach to financial risk management to minimise currency exposure and interest rate risks. Majority of funds raised by the Group are on a floating rate basis. Except for bank loans with principal amount of RMB242 million and SGD733 million, the Group's outstanding borrowings at year-end were not denominated in foreign currencies. Approximately 69% of the bank deposits, cash and bank balances are denominated in Hong Kong dollar ("HKD"), Macau pataca ("MOP") and US dollar ("USD") and the remaining balance mainly in Singapore dollar ("SGD") and Renminbi ("RMB"). MOP and USD are pegged to HKD. The Group's principal operations are primarily conducted in HKD while its financial assets and liabilities are denominated in USD, MOP, SGD and RMB. The Group will from time-to-time review its foreign exchange and market conditions to determine if hedging is required.

10	Climate Change Risk	**What are the risks?** Climate change and environmental-related risks, such as frequent occurrence of extreme weather events, rising global temperature and rise in sea level, may cause disruption to the Group's business operations and supply chain, as well as physical damage to the critical infrastructure of the Group's assets especially for those located in coastal areas. Extreme weather events may also pose direct health and safety risks to our employees exposed at their workplaces. More stringent policy and social awareness over climate change issues may also pose transition risks. More stringent policy imposes extra costs for us to meet the requirements. Greater awareness of the public of reduction in carbon intensity may imply a higher expectation on the Group's products and services to mitigate adverse impacts brought by climate change. Failure to respond promptly to such social awareness and changes in investors' and customers' preference will adversely affect the Group's revenue and reputation.	**What are the possible impacts of occurrence?** Climate change risks may pose a great challenge to the Group's property development and management businesses. Extra operating and investment costs for maintenance, and technical and management measures are required to tackle physical risks brought by extreme weather events such as super hurricanes and typhoons, flooding and heatwaves. Increased insurance costs for such extreme weather events may also cause a possible devaluation and lower rental premium of the Group's assets, which will in turn reduce the Group's revenue. In order to respond to the investors' and customers' concerns and awareness of climate change issues, more investments are required to conduct technology and equipment upgrades and adopt green materials for property development projects to enhance energy efficiency and reduce carbon emissions, which will increase the investment and construction cost to the Group. Introduction of more environmental and climate-related legislations by the government to restrict carbon emissions also poses transition risks to the Group. More stringent green building codes to the existing buildings may lead to earlier retirement of the equipment. More sustainability disclosures and measures are required to be fulfilled and adopted. Any breaches of the laws and regulations may result in disruption to the Group's business, possible fines and penalties as well as reputational harm.

RISK MITIGATION MEASURES

The Group's risk management and internal control systems ensure the proper identification, management and mitigation of risks (including, among others, risks relating to ESG and in particular, climate-related risks). The Executive Committee, together with a panel of senior management and working groups who are experienced in business development, fuel hedging, crisis management, safety, health and environmental protection, business continuity and information technology, closely monitor potential risks to minimize their impact (if any) on the Group; and explore ways to develop and enhance services and products, reduce cost and generate income for the Group.

Norman Ho
Chairman of Audit and Risk Management Committee

Hong Kong, 25 March 2025

INDEPENDENT AUDITOR'S REPORT

羅兵咸永道

To the members of Shun Tak Holdings Limited
(incorporated in Hong Kong with limited liability)

OPINION

What we have audited

The consolidated financial statements of Shun Tak Holdings Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 114 to 198, comprise:

- the consolidated balance sheet as at 31 December 2024;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated cash flow statement for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Valuation of investment in Sociedade de Turismo e Diversões de Macau, S.A. ("STDM")
- Valuation of investment properties held by the Group, its joint ventures and associates
- Carrying values of properties held for sale
- Carrying values of hotel properties

Key Audit Matter	***How our audit addressed the Key Audit Matter***
Valuation of investment in STDM *Refer to notes 2(j), 3(b), 19 and 39(e) to the consolidated financial statements.* The Group has equity interests in STDM which is accounted for as financial asset at fair value through other comprehensive income. Management has performed valuation assessment for the investment in STDM. As at 31 December 2024, the fair values of investment in STDM were HK$1,387 million. STDM is an unlisted company with no quoted market price in an active market and the fair value is determined by using market approach which is calculated based on dividend income expected from STDM capitalised by a capitalisation rate. The key assumptions used, such as expected future dividend income and capitalisation rate, require significant management's judgement. Management estimates the future dividend from STDM with reference to the Group's forecast results of STDM, the historical dividend distribution amount from STDM and the sustainability of such distribution. The capitalisation rate adopted is derived with reference to dividend yields of comparable listed companies with similar business nature. We focused on this area because of the financial significance of the balances, subjectivity of judgements and estimation uncertainty involved.	Our audit procedures in relation to management's valuation of the investment in STDM included: • Understanding management's processes for determining the valuation of investment in STDM and assessing the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining assumptions to be applied. • Involving in-house valuation experts in assessing the appropriateness and consistency of the methodologies used in the valuation model. • Checking the mathematical accuracy of the underlying calculations in the valuation. • Assessing the reasonableness of the key inputs and assumptions by (1) comparing the management's expected future dividend income from STDM to the historical trend in light of available information of STDM; and by (2) comparing the applied capitalisation rate to market information of dividend yields of comparable listed companies. • Considering the results of sensitivity analysis on reasonably possible changes in the key assumptions adopted. We considered the judgements made and the assumptions used in the valuation of investment in STDM to be supportable based on the evidence gathered.

Key Audit Matter	*How our audit addressed the Key Audit Matter*
Valuation of investment properties held by the Group, its joint ventures and associates *Refer to notes 2(g), 3(a), 14, 16 and 17 to the consolidated financial statements.* The Group's investment properties are stated at fair value. As at 31 December 2024, the fair value of investment properties held through the Group's subsidiaries was HK9,420 million. The Group also has interests in a number of investment properties held through its joint ventures and associates. The fair value was determined by the Group with reference to the valuations performed by independent professional valuers ("Valuers"). For completed investment properties, the fair value was derived using the direct comparison approach or income approach. Due to the unique nature of each investment property, the assumptions applied in the valuations were determined having regard to each property's characteristics such as location, building age and occupancy status. The key assumptions used in the valuation, such as current market rents, capitalisation rate and recent transacted prices were influenced by prevailing market conditions and with reference to comparable transactions. For investment properties under construction, fair value was derived using the residual method by deducting development costs and developer's profit from the estimated fair value of the proposed development assuming completed as at the date of valuation under income approach. We focused on this area because of the financial significance of the balances, subjectivity of judgements and estimation uncertainty involved.	Our audit procedures in relation to the valuation of investment properties included: • Understanding management's processes for determining the valuation of investment properties and assessing the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining assumptions to be applied. • Evaluating the competence, capabilities and objectivity of the Valuers, and reading valuation reports of the investment properties. • Involving in-house valuation experts in assessing the appropriateness of the methodologies used in the valuation of each property. • Testing, on a sample basis, the accuracy of property specific information such as location, building age and occupancy status. • Assessing the reasonableness of the judgement and key assumptions used in the valuations, including market rents, capitalisation rate and recent transacted prices of comparable transactions, by conducting independent market research. • Assessing the reasonableness of estimated costs to complete and developer's profit for properties under construction by comparing them to the market construction costs and developer's profit of similar properties. We found the valuation methodologies being appropriate and the key assumptions used in the valuation of investment properties were supportable in light of available evidence.

Key Audit Matter	*How our audit addressed the Key Audit Matter*
Carrying values of properties held for sale *Refer to notes 2(m), 3(c), 20 and 22 to the consolidated financial statements.* As at 31 December 2024, the Group had properties held for sale with carrying values totalling HK$8,446 million, which were stated at lower of cost and net realisable value. The calculation of the net realisable value of properties held for sale used assumptions such as estimated selling price. The use of such assumptions and estimates required management's judgement, taking into consideration of future market environment on a project by project basis. We focused on this area because of the financial significance of the balances, subjectivity of judgements and estimation uncertainty involved.	Our audit procedures in relation to the carrying values of properties held for sale included: • Understanding management's processes for determining the net realisable values of properties held for sale and assessing the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining assumptions to be applied. • Understanding and evaluating the key controls relating to the determination of expected selling price. • Considering the results of sensitivity analysis on reasonably possible changes in the assumptions adopted. We found the judgements and assumptions used by management in determining the carrying values of properties held for sale were reasonable based on the available evidence.

Key Audit Matter	*How our audit addressed the Key Audit Matter*
Carrying values of hotel properties *Refer to notes 2(f), 3(d), 12 and 13 to the consolidated financial statements.* The Group holds a number of hotel properties in Hong Kong, PRC and Singapore with carrying amounts included in property, plant and equipment of HK$3,494 million and right-of-use assets of HK$601 million as at 31 December 2024. Management performs an impairment assessment of its hotel properties at the separate cash-generating unit ("CGU") level, where impairment indicators exist, to determine the recoverable amounts of the hotel properties. The recoverable amounts are determined as the higher of the CGU's value-in-use and fair value less costs to sell. In determining the fair value less costs to sell, independent professional valuers (the "valuers") are engaged by the Group to perform the valuation of the hotel properties. Based on the impairment assessments carried out by management, no provision for impairment of hotel properties was recognised in the consolidated income statement for the year ended 31 December 2024. The impairment assessment involves significant judgements and estimation uncertainty in respect of future business performance and key assumptions including capitalisation rate, discount rates, occupancy rates, average daily room rates, value per room, etc. We focused on this area because of the financial significance of the balances, subjectivity of judgements and estimation uncertainty involved.	Our procedures in relation to management's assessment of the carrying values of the hotel properties included: • Understanding and reviewing management's impairment assessment process, including the identification of indicators of impairment and appropriateness of the valuation models used, the forecast of future performance and inspection of the operating results of the respective hotels and assessing the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining assumptions to be applied. • Evaluating the competence, capabilities and objectivity of the valuers, and reading the valuation reports of hotel properties. • Where there were indicators of impairment, assessing the appropriateness of methodologies and key assumptions used by the valuers and management in the calculations of the recoverable amounts. This included the involvement of our in-house valuation experts to assess the discount rate and capitalisation rate with reference to market data. The reasonableness of other key assumptions, such as occupancy rates and average daily room rates applied in the forecasts, as well as recent transacted prices of comparable transactions, were also assessed by comparing them to historical results, latest economic and industry forecasts and market data. • Evaluating management's future cash flow forecasts and the processes by which they were drawn up, including testing the underlying calculations and comparing them to the latest management approved budgets and the actual results of the prior period. • Considering the results of sensitivity analysis on reasonably possible changes in the key assumptions adopted. We found the significant judgements and estimates adopted by management in the impairment assessments of hotel properties were supportable based on our work and the evidence obtained.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND AUDIT AND RISK MANAGEMENT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit and Risk Management Committee is responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit and Risk Management Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Risk Management Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit and Risk Management Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Chan Sung Lai, Arthur.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 25 March 2025

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2024

	Note	2024	2023
		HK$'000	HK$'000
Revenue	4	4,545,551	4,068,138
Other income	4	335,626	338,319
		4,881,177	4,406,457
Other losses, net	5	(20)	(301,468)
Cost of inventories sold and services provided		(2,446,336)	(2,220,274)
Staff costs		(668,128)	(615,623)
Depreciation and amortisation		(168,743)	(148,096)
Other costs		(720,899)	(473,296)
Fair value changes on investment properties		(400,019)	(248,804)
Operating profit	6	477,032	398,896
Finance costs	8	(695,093)	(683,821)
Share of results of joint ventures		(291,178)	(276,463)
Share of results of associates		(154,408)	(12,342)
Loss before taxation		(663,647)	(573,730)
Taxation	9(a)	(85,915)	(59,776)
Loss for the year		(749,562)	(633,506)
Attributable to:			
Owners of the Company		(823,951)	(676,726)
Non-controlling interests		74,389	43,220
Loss for the year		(749,562)	(633,506)
Loss per share (HK cents)	11		
— basic		(27.3)	(22.4)
— diluted		(27.3)	(22.4)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	2024	2023
	HK$'000	HK$'000
Loss for the year	**(749,562)**	(633,506)
Other comprehensive loss		
Items that may be reclassified to profit or loss:		
Debt instruments at fair value through other comprehensive income:		
Changes in fair value	**—**	(330)
Reversal of asset revaluation reserve upon sales of properties, net of tax	**(37,021)**	(12,932)
Currency translation differences	**(328,636)**	(127,005)
Share of currency translation difference of joint ventures	**(149,922)**	(143,315)
Share of currency translation difference of associates	**(124,824)**	18,045
Share of other comprehensive (loss)/income of associates	**(1,482)**	1,869
Items that will not be reclassified to profit or loss:		
Equity instruments at fair value through other comprehensive income:		
Changes in fair value	**191,735**	(733,175)
Currency translation differences	**(10,010)**	(6,887)
Other comprehensive loss for the year, net of tax	**(460,160)**	(1,003,730)
Total comprehensive loss for the year	**(1,209,722)**	(1,637,236)
Attributable to:		
Owners of the Company	**(1,274,101)**	(1,673,569)
Non-controlling interests	**64,379**	36,333
Total comprehensive loss for the year	**(1,209,722)**	(1,637,236)

CONSOLIDATED BALANCE SHEET

As at 31 December 2024

	Note	2024	2023
		HK$'000	HK$'000
Non-current assets			
Property, plant and equipment	12	**3,627,526**	3,784,408
Right-of-use assets	13	**662,262**	742,088
Investment properties	14	**9,420,396**	9,960,051
Joint ventures	16	**9,880,735**	10,346,835
Associates	17	**5,499,183**	5,739,365
Intangible assets	18	**2,072**	2,134
Financial assets at fair value through other comprehensive income	19(a)	**1,679,046**	1,487,492
Financial assets at fair value through profit or loss	19(b)	**—**	—
Deferred tax assets	9(c)	**64,012**	89,265
Other non-current assets	20	**579,953**	738,834
		31,415,185	32,890,472
Current assets			
Properties for or under development	21	**—**	1,322,232
Inventories	22	**8,463,897**	8,980,591
Trade and other receivables, deposits paid and prepayments	23	**1,285,644**	859,738
Contract assets	26	**1,228,916**	1,134,377
Taxation recoverable		**377**	303
Cash and bank balances	24	**7,809,879**	6,633,986
		18,788,713	18,931,227
Current liabilities			
Trade and other payables, and deposits received	25	**774,443**	902,973
Contract liabilities	26	**105,798**	81,901
Lease liabilities		**32,468**	36,523
Bank borrowings	27	**5,617,689**	3,974,148
Provision for employee benefits	28	**6,739**	7,318
Taxation payable		**316,917**	157,979
Loans from non-controlling interests	29	**35,000**	50,361
		6,889,054	5,211,203
Net current assets		**11,899,659**	13,720,024
Total assets less current liabilities		**43,314,844**	46,610,496

	Note	2024	2023
		HK$'000	HK$'000
Non-current liabilities			
Contract liabilities	26	**44,159**	44,760
Lease liabilities		**32,819**	64,378
Bank borrowings	27	**9,817,943**	11,567,028
Deferred tax liabilities	9(c)	**684,136**	864,751
Other non-current liabilities		**3,400**	3,400
		10,582,457	12,544,317
Net assets		**32,732,387**	34,066,179
Equity			
Share capital	30	**9,858,250**	9,858,250
Other reserves	32	**20,582,883**	21,856,984
Equity attributable to owners of the Company		**30,441,133**	31,715,234
Non-controlling interests		**2,291,254**	2,350,945
Total equity		**32,732,387**	34,066,179

Pansy Ho
Director

Daisy Ho
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Equity attributable to owners of the Company												
	Share capital	Capital reserve	Legal reserve	Special reserve	Investment revaluation reserve	Hedging reserve	Asset revaluation reserve	Exchange reserve	Retained profits	Proposed dividends	Total	Non-controlling interests	Total equity
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
As at 1 January 2024	9,858,250	11,220	67,361	(151,413)	201,008	4,265	213,805	(666,882)	22,177,620	—	31,715,234	2,350,945	34,066,179
(Loss)/profit for the year	—	—	—	—	—	—	—	—	(823,951)	—	(823,951)	74,389	(749,562)
Items that may be reclassified to profit or loss:													
Reversal of asset revaluation reserve upon sales of properties, net of tax	—	—	—	—	—	—	(37,021)	—	—	—	(37,021)	—	(37,021)
Currency translation differences	—	—	—	—	—	—	—	(328,636)	—	—	(328,636)	—	(328,636)
Share of currency translation difference of joint ventures	—	—	—	—	—	—	—	(149,922)	—	—	(149,922)	—	(149,922)
Share of currency translation difference of associates	—	—	—	—	—	—	—	(124,824)	—	—	(124,824)	—	(124,824)
Share of other comprehensive loss of associates	—	(111)	(1,371)	—	—	—	—	—	—	—	(1,482)	—	(1,482)
Items that that will not be reclassified to profit or loss:													
Equity instruments at fair value through other comprehensive income:													
Changes in fair value	—	—	—	—	191,735	—	—	—	—	—	191,735	—	191,735
Currency translation differences	—	—	—	—	—	—	—	—	—	—	—	(10,010)	(10,010)
Other comprehensive (loss)/income for the year, net of tax	—	(111)	(1,371)	—	191,735	—	(37,021)	(603,382)	—	—	(450,150)	(10,010)	(460,160)
Total comprehensive (loss)/income for the year	—	(111)	(1,371)	—	191,735	—	(37,021)	(603,382)	(823,951)	—	(1,274,101)	64,379	(1,209,722)
Dividend to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	(124,070)	(124,070)
Transfers	—	—	992	—	—	—	—	—	(992)	—	—	—	—
	—	—	992	—	—	—	—	—	(992)	—	—	(124,070)	(124,070)
As at 31 December 2024	9,858,250	11,109	66,982	(151,413)	392,743	4,265	176,784	(1,270,264)	21,352,677	—	30,441,133	2,291,254	32,732,387

For the year ended 31 December 2023

	Equity attributable to owners of the Company												
	Share capital	Capital reserve	Legal reserve	Special reserve	Investment revaluation reserve	Hedging reserve	Asset revaluation reserve	Exchange reserve	Retained profits	Proposed dividends	Total	Non-controlling interests	Total equity
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
As at 1 January 2023	9,858,250	11,231	64,396	(151,413)	933,637	4,265	226,737	(414,607)	22,859,815	—	33,392,311	2,386,524	35,778,835
(Loss)/profit for the year	—	—	—	—	—	—	—	—	(676,726)	—	(676,726)	43,220	(633,506)
Items that may be reclassified to profit or loss:													
Debt instruments at fair value through other comprehensive income:													
Changes in fair value	—	—	—	—	(330)	—	—	—	—	—	(330)	—	(330)
Disposal	—	—	—	—	876	—	—	—	(876)	—	—	—	—
Reversal of asset revaluation reserve upon sales of properties, net of tax	—	—	—	—	—	—	(12,932)	—	—	—	(12,932)	—	(12,932)
Currency translation differences	—	—	—	—	—	—	—	(127,005)	—	—	(127,005)	—	(127,005)
Share of currency translation difference of joint ventures	—	—	—	—	—	—	—	(143,315)	—	—	(143,315)	—	(143,315)
Share of currency translation difference of associates	—	—	—	—	—	—	—	18,045	—	—	18,045	—	18,045
Share of other comprehensive (loss)/income of associates	—	(11)	1,880	—	—	—	—	—	—	—	1,869	—	1,869
Items that that will not be reclassified to profit or loss:													
Equity instruments at fair value through other comprehensive income:													
Changes in fair value	—	—	—	—	(733,175)	—	—	—	—	—	(733,175)	—	(733,175)
Currency translation differences	—	—	—	—	—	—	—	—	—	—	—	(6,887)	(6,887)
Other comprehensive (loss)/income for the year, net of tax	—	(11)	1,880	—	(732,629)	—	(12,932)	(252,275)	(876)	—	(996,843)	(6,887)	(1,003,730)
Total comprehensive (loss)/income for the year	—	(11)	1,880	—	(732,629)	—	(12,932)	(252,275)	(677,602)	—	(1,673,569)	36,333	(1,637,236)
Dividend to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	(71,912)	(71,912)
Buy-back of shares (note 30)	—	—	—	—	—	—	—	—	(2,780)	—	(2,780)	—	(2,780)
Transfers	—	—	1,813	—	—	—	—	—	(1,813)	—	—	—	—
Disposal of a subsidiary	—	—	(728)	—	—	—	—	—	—	—	(728)	—	(728)
	—	—	1,085	—	—	—	—	—	(4,593)	—	(3,508)	(71,912)	(75,420)
As at 31 December 2023	9,858,250	11,220	67,361	(151,413)	201,008	4,265	213,805	(666,882)	22,177,620	—	31,715,234	2,350,945	34,066,179

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2024

	2024	2023
	HK$'000	HK$'000
Operating activities		
Loss before taxation	**(663,647)**	(573,730)
Adjustments for:		
Depreciation and amortisation	**168,743**	148,096
Fair value changes on investment properties	**400,019**	248,804
Finance costs	**695,093**	683,821
Interest income	**(247,424)**	(233,779)
Dividend income from financial assets at fair value through other comprehensive income	**(101,987)**	(96,157)
Share of results of joint ventures	**291,178**	276,463
Share of results of associates	**154,408**	12,342
Realisation of asset revaluation reserve upon sale of properties	**(42,069)**	(14,695)
Net loss on disposal of property, plant and equipment	**20**	88
Net gain on deregistration of subsidiaries	**—**	(1,233)
Impairment loss on property, plant and equipment	**1,913**	—
Impairment losses recognised/(reversed) on trade and other receivables, deposits paid, net	**28**	(111)
Write-off of prepayments	**20,447**	—
Fair value loss on financial assets at fair value through profit or loss	**—**	302,613
Operating profit before working capital changes	**676,722**	752,522
Decrease in properties for or under development and inventories of properties, excluding net finance costs capitalised	**1,778,558**	1,589,545
Increase in other inventories	**(1,955)**	(1,365)
(Increase)/decrease in trade and other receivables, deposits paid and prepayments	**(318,324)**	121,750
Decrease in contract assets	**(94,539)**	(829,260)
(Decrease)/increase in trade and other payables, and deposits received	**(117,308)**	234,997
Increase/(decrease) in contract liabilities	**23,296**	(62,261)
(Decrease)/increase in provision for employee benefits	**(579)**	234
Net cash generated from operations	**1,945,871**	1,806,162
Income tax paid	**(58,006)**	(87,959)
Net cash from operating activities	**1,887,865**	1,718,203

	Note	2024	2023
		HK$'000	HK$'000
Investing activities			
Addition to property, plant and equipment		**(54,255)**	(256,262)
Addition to investment properties		**(2,551)**	(142,522)
Advances to joint ventures		**(90,600)**	(55,000)
Advances to associates		**—**	(4,137)
Repayments from associates		**440**	—
Payment for investment in associates		**(46,684)**	(103,480)
Repayments of mortgage loans		**54**	46
Capital refund from an investment fund		**181**	292
Prepayment for purchasing of property, plant and equipment		**(5,004)**	(16,566)
Proceeds from disposal of property, plant and equipment		**—**	11
Proceeds from disposal, redemption or maturity of financial instruments		**—**	14,878
Increase in bank deposits with maturities over three months		**(838,979)**	(686,349)
Interest received		**224,559**	203,334
Dividends received from financial assets at fair value through other comprehensive income		**98,674**	96,157
Dividends received from joint ventures		**25,000**	—
Dividends received from associates		**6,152**	22,345
Net cash used in investing activities		**(683,013)**	(927,253)
Financing activities			
Drawdown of new bank loans	37	**7,371,191**	4,866,562
Repayments of bank loans	37	**(7,279,054)**	(5,389,168)
Repayment of a loan from non-controlling interest		**(15,361)**	(10,000)
Payment for lease liabilities (including interest)	37	**(41,923)**	(43,597)
Buy-back of shares		**—**	(2,780)
Finance costs (including interests and bank charges) paid		**(690,975)**	(690,906)
Dividends paid to shareholders	37	**(19)**	(4)
Dividends paid to non-controlling interests	37	**(124,070)**	(71,912)
Net cash used in financing activities		**(780,211)**	(1,341,805)
Net increase/(decrease) in cash and cash equivalents		**424,641**	(550,855)
Effect of foreign exchange rates changes		**(87,727)**	(39,537)
Cash and cash equivalents as at 1 January		**4,885,518**	5,475,910
Cash and cash equivalents as at 31 December		**5,222,432**	4,885,518
Analysis of cash and cash equivalents			
Cash and bank balances	24	**7,809,879**	6,633,986
Bank deposits with maturities over three months		**(2,587,447)**	(1,748,468)
Cash and cash equivalents as at 31 December		**5,222,432**	4,885,518

NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Shun Tak Holdings Limited (the "Company") is a public listed company incorporated in Hong Kong with limited liability. The address of the registered office and principal place of business of the Company is Penthouse 39th Floor, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong. The Company has its shares listed on The Stock Exchange of Hong Kong Limited.

The consolidated financial statements are presented in Hong Kong dollars, unless otherwise stated.

The principal activity of the Company is investment holding while the activities of its principal subsidiaries, joint ventures and associates are set out in note 42.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Accounting policies

A summary of the material accounting policies adopted by the Company and its subsidiaries (collectively referred to as the "Group") is set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(b) Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRS"), which collective term includes all applicable individual HKFRS, Hong Kong Accounting Standards ("HKAS") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and certain financial assets which have been measured at fair value.

These consolidated financial statements comply with the applicable requirements of Hong Kong Companies Ordinance (Cap. 622), with the exception of Section 381 which requires a company to include all the subsidiary undertakings (within the meanings of Schedule 1 to Cap. 622) in the Company's annual consolidated financial statements. Section 381 is inconsistent with the requirements of HKFRS 10 "Consolidated Financial Statements" so far as Section 381 applies to subsidiary undertakings which are not controlled by the Group in accordance with HKFRS 10. For this reason, under the provision of Section 380(6), the Company has departed from Section 381 and has not treated such companies as subsidiaries but they are accounted for in accordance with the accounting policies in note 2(c). The subsidiaries excluded subsidiary undertakings of the Group are disclosed in note 42.

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(b) Basis of preparation (Continued)

(i) Impact of amended standards

Amendments to standards and interpretation adopted by the Group

The following amendments to standards and interpretation are relevant to the Group's operations and first effective for the Group's financial year beginning on 1 January 2024:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
HK Interpretation 5 (Revised)	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Suppliers Finance Arrangements

The adoption of the above amendments to standards and interpretation did not have any significant impact to the Group's results for the year ended 31 December 2024 and the Group's financial position as at 31 December 2024.

(ii) New standards, amendments to standards and interpretation not yet adopted

The HKICPA has issued new standards, amendments to standards and interpretation which are relevant to the Group's operations but are not yet effective for the Group's financial year beginning on 1 January 2024 and have not been early adopted:

Amendments to HKAS 21 and HKFRS 1[(1)]	Lack of Exchangeability
Amendments to HKFRS 9 and HKFRS 7[(2)]	Classification and Measurement of Financial Instruments
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7[(2)]	Annual Improvements to HKFRSs — Volume 11
HKFRS 18[(3)]	Presentation and Disclosure in Financial Statements
HKFRS 19[(3)]	Subsidiaries without Public Accountability: Disclosures
Amendments to HK Interpretation 5[(3)]	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKFRS 10 and HKAS 28[(4)]	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

(1) Effective for annual periods beginning 1 January 2025
(2) Effective for annual periods beginning 1 January 2026
(3) Effective for annual periods beginning 1 January 2027
(4) Effective date to be determined

The Group has already commenced an assessment of the impact of these new standards, amendments to standards and interpretation. These new standards, amendments to standards and interpretation would not be expected to have a material impact to the results of the Group, while the Group is in a process of assessing the impact of new standards.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(c) Basis of consolidation, separate financial statements and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKFRS 9 in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated income statement.

All intra-group transactions, balances and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated unless the transaction provides evidence of an impairment of transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(c) Basis of consolidation, separate financial statements and equity accounting (Continued)

(ii) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions — that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Dilution gains or losses on transaction with non-controlling interests are also recorded in equity.

(iii) Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

(iv) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income ("OCI") in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(v) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each balance sheet date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the consolidated income statement.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(c) Basis of consolidation, separate financial statements and equity accounting (Continued)

(v) Associates (Continued)

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Gains and losses on dilution of equity interest in associates are recognised in the consolidated income statement.

(vi) Joint arrangements

The Group has applied HKFRS 11 to all joint arrangement. Under HKFRS 11 Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. The Group's investments in joint ventures include goodwill identified on acquisition. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

(d) Operating segments

An operating segment is a component of the Group that engages in business activities from which the Group may earn revenues and incur expenses, and is identified on the basis of the internal financial reports that are provided to and regularly reviewed by the Group's chief operating decision maker in order to allocate resources and assess performance of the segment. The executive committee is identified as the Group's chief operating decision maker who makes strategic decisions.

(e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and the Group's presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transaction or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement, except when deferred in other comprehensive income as qualifying cash flow hedges.

Changes in the fair value of debt instruments denominated in a foreign currency and classified as financial asset through fair value through other comprehensive income are analysed between exchange differences resulting from changes in amortised cost of the investment and other changes in the carrying amount of the investment. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as financial assets at fair value through other comprehensive income ("FVOCI"), are included in other comprehensive income.

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

1. assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

2. income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

3. all resulting exchange differences are recognised in other comprehensive income.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the gain or loss on disposal is recognised.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(f) Property, plant and equipment

Property, plant and equipment including buildings and leasehold land held for own use (classified as finance leases) are stated at cost less accumulated depreciation and any accumulated impairment losses.

Land and buildings comprise mainly offices. Leasehold land classified as finance lease and all other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Depreciation is provided to write off the cost of items of property, plant and equipment, over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method, at the following annual rates:

Hotel buildings	2% or over the remaining lease terms, if shorter
Leasehold buildings	1.7% — 2.4% or over the remaining lease terms, if shorter
Other assets	5% — 33%

The residual values and useful lives of items of property, plant and equipment are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2(i)).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other gains/losses, net' in the consolidated income statement.

No depreciation is provided on hotel building under construction and freehold land.

(g) Investment properties

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group or for sale in the ordinary course of business. It also includes properties that are being constructed or developed for future use as investment properties.

Investment properties are measured initially at cost, including related transaction costs and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at fair value, representing open market value determined at each balance sheet date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair value are recognised in the consolidated income statement.

(h) Intangible assets

Separately acquired licences, franchises, trademarks and royalties are classified as intangible assets and stated at historical cost less accumulated amortisation and any accumulated impairment losses. For franchises, trademarks and royalties, amortisation is provided over the estimated finite useful lives of 15 years using the straight-line method.

(i) Impairment of non-financial assets

Assets that have an indefinite useful life — for example, goodwill or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each balance sheet date.

(j) Financial assets

I. Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value, and
- those to be measured at amortised cost.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

The classification of debt financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

II. Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(j) Financial assets (Continued)

II. Measurement (Continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated income statement.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the consolidated income statement.

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

All equity investments shall subsequently measured at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the consolidated income statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(j) Financial assets (Continued)

III. Impairment

The Group assesses on a forward looking basis for the expected credit loss ("ECL") associated with its financial assets carried at amortised cost and debt instruments at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach required by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

IV. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

(k) Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair values. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Changes in fair value of derivative instruments that do not qualify for hedge accounting are recognised immediately in the consolidated income statement.

The Group documents at the inception of the transaction the economic relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

For cash flow hedge, where instruments are designated to hedge against a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, the effective portion of changes in fair value of derivatives that are designated and qualify as cash flow hedges are recognised in OCI. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated income statement.

Amounts accumulated in equity are reclassified to profit or loss in the period when the hedged item affects profit or loss. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains or losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the consolidated income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the consolidated income statement.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(l) Properties for or under development

Properties for or under development are classified under current assets and stated at the lower of cost and net realisable value. Costs include the acquisition cost of land, aggregate cost of development, other direct expenses and where applicable borrowing costs. Net realisable value represents the estimated selling price less estimated costs of completion and estimated selling expenses.

(m) Inventories and properties held for sale

Inventories and properties held for sale are stated at the lower of cost and net realisable value. In respect of unsold properties, cost is determined by apportionment of the total land and development costs, other direct expenses and where applicable borrowing costs attributable to unsold properties. Net realisable value is determined by reference to sale proceeds of properties sold in the ordinary course of business less all estimated selling expenses after the balance sheet date, or by management estimates of anticipated sale proceeds based on prevailing market conditions. In respect of other inventories, cost comprises all costs of purchase and is determined using the first-in first-out basis or weighted average basis as appropriate. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(n) Trade and other receivables

Trade receivables are amounts due from customers for inventories sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment.

For trade receivables, the Group applies the simplified approach required by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. For other receivables, the Group assesses on a forward looking basis for the ECL under 12 months expected losses method. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(o) Contract related assets and contract liabilities

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer.

The combination of those rights and performance obligations gives rise to a net contract asset or a net contract liability depending on the relationship between the remaining rights and the performance obligations. The contract is an asset and recognised as contract assets if the cumulative revenue recognised in profit or loss exceeds cumulative payments made by customers. Conversely, the contract is a liability and recognised as contract liabilities if the cumulative payments made by customers exceeds the revenue recognised in profit or loss.

Contract assets are assessed for impairment under the same approach adopted for impairment assessment of financial assets carried at amortised cost. Contract liabilities are recognised as revenue when the Group transfers the goods or services to the customers and therefore satisfies its performance obligation.

The incremental costs of obtaining a contract with a customer are capitalised and presented as contract related assets under "other debtors, deposits and prepayments", if the Group expects to recover those costs, and are subsequently amortised on a systematic basis that is consistent with the transfer to the customers of the goods or services to which the assets relate. The Group recognises an impairment loss in the consolidated income statement to the extent that the carrying amount of the contract related assets recognised exceeds the remaining amounts of consideration that the Group expects to receive less the costs that directly relate to those goods or services and have not been recognised as expenses.

(p) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

(q) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(r) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(s) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed is recognised in the consolidated income statement as other income or finance costs.

Borrowings are classified as current liabilities unless, at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the reporting period.

(t) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(u) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and at the time of the transaction and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The deferred tax liabilities in relation to investment properties in the PRC or Macau that are measured at fair value are determined assuming the property will be recovered entirely through sale.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference not recognised. Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(v) Employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

Obligations for contributions to defined contribution retirement plans, including contributions payable under the Mandatory Provident Fund Schemes Ordinance, are recognised as an expense as incurred.

(w) Share-based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

— including any market performance conditions (for example, an entity's share price);

— excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and

— including the impact of any non-vesting conditions (for example, the requirement for employees to save or holding shares for a specified period of time).

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

When the options are exercised, the company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital.

(x) Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

(y) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events but is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(z) Revenue and other income recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The Group recognises revenue when it satisfies the identified performance obligation by transfer the promised good or service to the customer; and when specific criteria have been met for each of the Group's activities, as described below. Goods and services are transferred when or as the customer obtain control of them. The Group bases its estimate on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Depending on the terms of the contract and the laws that apply to the contract, control of the good or service may be transferred over time or at a point in time.

Control of the good or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The progress towards complete satisfaction of the performance obligation is measured based on one of the following methods that best depict the Group's performance in satisfying the performance obligation:

- direct measurements of the value transferred by the Group to the customer; or
- the Group's efforts or inputs to the satisfaction of the performance obligation relative to the total expected efforts or inputs.

Revenue from sales of properties is recognised over time when the Group's performance under the sale contract does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date; otherwise revenue from sales of property is recognised at point in time.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the construction (excluding land cost and borrowing cost) costs incurred up to the end of reporting period as a percentage of total estimated construction costs for each contract.

For property sales contract for which the control of the property is transferred at a point in time, revenue is recognised when the buyer obtains the physical possession or the legal title of the completed property and the Group has present right to payment and the collection of the consideration is probable.

The excess of cumulative revenue recognised in profit or loss over the cumulative billings to purchasers of properties is recognised as contract assets. The excess of cumulative billings to purchasers of properties over the cumulative revenue recognised in profit or loss is recognised as contract liabilities.

Proceeds received from purchasers prior to meeting the revenue recognition criteria are included in pre-sales proceeds in the consolidated balance sheet under current liabilities.

(z) Revenue and other income recognition (Continued)

Revenue from management services is recognised over time upon provision of services.

Revenue from hotel management and club operations are recognised over time on a basis that reflects the timing, nature and value when the relevant services, facilities or goods are provided.

Hotel revenue comprises amounts earned in respect of rental of rooms, food and beverage sales and other ancillary services. Revenue from room rental and ancillary services are recognised over time on a basis that reflect the timing, nature and value during the period of stay for the hotel guests or when the relevant services are provided. Revenue from food and beverage sales is generally recognised at a point in time when services are rendered.

Rental income is recognised on a straight-line basis over the period of the lease.

Dividend income is recognised when the right to receive payment is established.

Interest income is accrued on a time proportion basis on the principal outstanding and at the effective interest rate applicable.

(aa) Leases

A lease is recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

— fixed payments (including in-substance fixed payments), less any lease incentives receivable

— variable lease payment that are based on an index or a rate

— amounts expected to be payable by the lessee under residual value guarantees

— the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and

— payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee’s incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant rate of interest on the remaining balance of the liability for each period.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(aa) Leases (Continued)

To determine the incremental borrowing rate, the Group:

— where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received

— uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Group, which does not have recent third party financing, and

— makes adjustments specific to the lease, e.g. term, country, currency and security.

Right-of-use assets are measured at cost comprising the following:

— the amount of initial measurement of the lease liability

— any lease payments made at or before the commencement date less any lease incentives received

— any initial direct costs, and

— restoration costs.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the consolidated income statement. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office furniture.

Extension and termination options are included in a number of property leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessors.

(ab) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the consolidated financial statements, the Group has made accounting related estimates based on assumptions about current and, for some estimates, future economic and market conditions. Although our estimates and assumptions contemplate current and, as applicable, expected future conditions that the Group considers are relevant and reasonable, including but not limited to the potential impacts to our operations arising from different monetary, fiscal and government policy responses aimed at reviving the economies, it is reasonably possible that actual conditions could differ from our expectations. As a result, our accounting estimates and assumptions may change over time in response to how market conditions develop. In addition, actual results could differ significantly from those estimates and assumptions.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

The Group makes estimates, assumptions and judgements as appropriate in the preparation of the financial statements. These estimates are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances and will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities are discussed below:

(a) Valuation of investment properties

The fair value of each investment property is individually determined at each balance sheet date by independent professional valuers based on a market value assessment. The best evidence of fair value is current prices in an active market for similar properties. In the absence of such information, the amount is determined within a range of reasonable fair value estimates. The valuers have applied the income approach or the direct comparison method. The fair value derived from income approach is based upon estimates of future results and a set of assumptions specific to each property to reflect its tenancy and cashflow profile, while the direct comparison approach considers the recent prices of similar properties with adjustments to reflect the difference in characteristics of the properties.

The fair values of investment properties under construction are determined by reference to independent valuations. For majority of the Group's investment properties under construction, their fair value reflects the expectations of market participants of the value of the properties when they are completed, less deductions for the costs required to complete the projects and appropriate adjustments for profit and risk. The valuation and all key assumptions used in the valuation should reflect market conditions at the end of each reporting period. The key assumptions include value of completed properties, period of development, outstanding construction costs, finance costs, other professional costs, risk associated with completing the projects and generating income after completion and investors' return as a percentage of value or cost. Further details of the judgements and assumptions made were disclosed in note 14.

(b) Valuation of financial assets at fair value through other comprehensive income

The fair value of the unlisted equity investment in STDM which is not traded in an active market is estimated using valuation technique. The Group uses its judgement to apply the market approach as the valuation method and use significant judgements to make assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of the key assumptions used and the impact of changes to these assumptions are disclosed in note 39(e).

(c) Estimated net realisable value of properties for or under development and properties held for sale

The Group's properties for or under development are stated at lower of cost and net realisable value. In determining whether allowances should be made, the Group takes into consideration the current market environment and the estimated market value (i.e. the estimated selling price) less estimated costs to completion of the properties. An allowance is made if the net realisable value is less than the carrying amount.

For the carrying value of the Group's completed properties held for sale, the Group takes into consideration the current market environment and the estimated market value (i.e. the estimated selling price, less estimated costs of selling expenses). Allowance was made reference to the latest market value of those inventories identified.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(d) Impairment of property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are regularly reviewed for impairment whenever there are any indications of impairment and will recognise an impairment loss if the carrying amount of an asset is higher than its estimated recoverable amount. The recoverable amounts of property, plant and equipment have been determined based on the higher of their fair values less costs of disposal and value in use, taking into account the latest market information and past experience.

In determining the value in use, management assesses the present value of the estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Estimates and judgements are applied in determining these future cash flows and the discount rate. Management estimates the future cash flows based on certain assumptions, such as market competition and development and the expected growth in business.

Details of the judgements and assumptions made were further disclosed in note 12.

(e) Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of the property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovation. Management will change the depreciation charge where useful lives are different from the previously estimated lives. It will also write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

(f) Income taxes

The Group is subject to income taxes in certain jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcomes of these matters is different from the amounts that initially recorded, such differences will impact the current tax and deferred tax provision in the period in which such determination is made.

Recognition of deferred tax assets, which principally relate to tax losses, depends on the expectation of future taxable profit that will be available against which tax losses can be utilised. The outcome of their actual utilisation may be different.

Land Appreciation Tax ("LAT") is levied on the appreciation of land value, being the proceeds from the sales of properties less deductible expenditure including land costs, borrowing costs and all property development expenditure.

Property development business of the Group in the PRC are subject to LAT, which have been included in the tax expenses. However, the implementation of these taxes varies amongst various PRC cities and the Group has not finalised its LAT returns with various tax authorities. Accordingly, judgement is required in determining the amount of land appreciation and its related taxes. The ultimate tax determination is uncertain during the ordinary course of business. The Group recognises these tax liabilities based on management's best estimates. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact on the tax expense and provisions for LAT in the period in which such determination is made.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(g) Revenue recognition

Revenue from property development activities is recognised over time when the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Otherwise, revenue is recognised at a point in time. The properties contracted for pre-sale to customers have generally no alternative use for the Group due to contractual restrictions. However, whether there is an enforceable right to payment and hence the related contract revenue should be recognised over time depends on the terms of each contract and the relevant laws that apply to that contract. Judgement is required in such determination.

For property development revenue that is recognised over time, the Group recognises such property development revenue by reference to the progress of satisfying the performance obligation at the reporting date. This is measured based on the Group's costs incurred up to the reporting date and budgeted costs which depict the Group's performance towards satisfying the performance obligation. Judgements are required in the determination in these estimates, such as the accuracy of the budgets, the extent of the costs incurred and the allocation of costs to each property unit.

4 REVENUE AND OTHER INCOME

The Group is principally engaged in the businesses of property development, investment and management, hospitality and leisure, transportation and investment holding.

	2024	2023
	HK$'000	HK$'000
Revenue		
Revenue from sales of properties	3,107,395	2,787,863
Revenue from hotel operation	524,069	379,582
Rental income	468,651	457,585
Management fees and others	343,405	346,904
Dividend income from financial assets at FVOCI	101,987	96,157
Interest income from mortgage loans receivable	44	47
	4,545,551	4,068,138
Other income		
Interest income from:		
— Bank deposits	241,062	225,256
— Others	6,318	8,477
Others (note)	88,246	104,586
	335,626	338,319
Revenue and other income	4,881,177	4,406,457

Note: Amount includes forfeiture income from property sales of HK$48,295,000 (2023: HK$1,000,000). During the year ended 31 December 2023, amount included hotel management contract termination income of HK$75,353,000.

5 OTHER LOSSES, NET

	2024	2023
	HK$'000	HK$'000
Net gain on deregistration of subsidiaries	—	1,233
Net loss on disposal of property, plant and equipment	(20)	(88)
Fair value loss on financial assets at fair value through profit or loss (note 19(b))	—	(302,613)
	(20)	(301,468)

6 OPERATING PROFIT

	2024	2023
	HK$'000	HK$'000
After crediting:		
Rental income from investment properties	222,039	224,918
Less: Direct operating expenses arising from investment properties	(48,920)	(36,667)
	173,119	188,251
Dividend income from listed investments	14,483	10,683
Dividend income from unlisted investments		
— STDM	87,503	85,452
— others	1	22
After charging:		
Cost of inventories sold		
— properties	2,214,067	2,061,110
— others	42,381	44,829
	2,256,448	2,105,939
Exchange loss/(gain), net	137,820	(44,949)
Depreciation		
— property, plant and equipment (note 12)	108,769	85,158
— right-of-use assets: leasehold land	26	26
— right-of-use assets: buildings	37,001	41,090
— right-of-use assets: prepaid premium for land lease and land use rights	22,885	21,346
Amortisation		
— intangible assets (note 18)	62	476
Auditors' remuneration		
— audit services	13,453	13,101
— non-audit services	3,592	3,437
Expenses under short-term lease and low-value assets lease	2,943	2,845
Variable lease payment expense (note 13(c))	17,914	16,196
Impairment losses recognised/(reversed)		
— property, plant and equipment (note 12)	1,913	—
— trade receivables, net (note 23(a))	28	(111)
Write-off of prepayments	20,447	—
Staff costs		
— salaries and wages	615,235	558,941
— provident fund contributions	21,359	25,099
— directors' emoluments (note 7(a))	31,534	31,583

7 BENEFITS AND INTERESTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

(a) Directors' emoluments

For the year ended 31 December 2024

Name	As Director (note i) Fees	Salaries, allowance and benefits	Performance bonus	Provident fund contributions	As management (note ii)	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Executive Directors						
Ms. Pansy Ho	50	7,244	—	359	—	7,653
Ms. Daisy Ho	50	6,153	—	307	—	6,510
Ms. Maisy Ho	50	4,682	—	234	—	4,966
Mr. David Shum	50	3,555	—	—	—	3,605
Mr. Rogier Verhoeven	50	2,535	—	127	3,648	6,360
Independent Non-Executive Directors						
Mr. Norman Ho	500	180	—	—	—	680
Mr. Charles Ho	500	—	—	—	—	500
Mr. Michael Wu	500	160	—	—	—	660
Mr. Kevin Yip	500	100	—	—	—	600
	2,250	24,609	—	1,027	3,648	31,534

For the year ended 31 December 2023

Name	As Director (note i) Fees	Salaries, allowance and benefits	Performance bonus	Provident fund contributions	As management (note ii)	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Executive Directors						
Ms. Pansy Ho	50	7,246	—	359	—	7,655
Ms. Daisy Ho	50	6,154	—	307	—	6,511
Ms. Maisy Ho	50	4,683	—	234	—	4,967
Mr. David Shum	50	3,556	—	—	—	3,606
Mr. Rogier Verhoeven	50	2,536	—	127	3,691	6,404
Independent Non-Executive Directors						
Mr. Norman Ho	500	180	—	—	—	680
Mr. Charles Ho	500	—	—	—	—	500
Mr. Michael Wu	500	160	—	—	—	660
Mr. Kevin Yip	500	100	—	—	—	600
	2,250	24,615	—	1,027	3,691	31,583

Notes:

(i) The amounts represented emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiaries.

(ii) The amounts represented emoluments paid or receivable in respect of a person's other services in connection with the management of the affairs of the Company or its subsidiaries and included salaries, discretionary bonuses and employer's contributions to retirement benefit schemes.

There was no arrangement under which a Director had waived or agreed to waive any emoluments during the current and prior years.

7 BENEFITS AND INTERESTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(b) Directors' material interests in transactions, arrangements or contracts

(i) On 1 April 2021, the Company entered into an agreement (the "Master Consultancy Agreement") with Occasions Asia Pacific Limited ("Occasions"), to set out a framework for the provision of brand marketing and consultancy services by Occasions and its subsidiaries (the "Occasions Group") to the Group from time to time on a non-exclusive basis.

Since September 2020, Ms. Pansy Ho, who is the Group Executive Chairman and Managing Director as well as a substantial shareholder of the Company, has indirectly held 50% of the entire issued share capital of Occasions. Therefore, Occasions has become an associate of Ms. Pansy Ho and a connected person of the Company under the Listing Rules since September 2020.

The Master Consultancy Agreement is for a term of 3 years from 1 January 2021 to 31 December 2023. Subject to compliance with the requirements of the Listing Rules, the Master Consultancy Agreement may be renewed by the parties before its termination by mutual agreement in writing.

The Master Consultancy Agreement expired on 31 December 2023 and was renewed on 26 March 2024 for a further term of 3 years from 1 January 2024 to 31 December 2026.

(ii) On 27 December 2019, the Company entered into a renewed master service agreement (the "Renewed MGM Agreement") with MGM Grand Paradise Limited ("MGM"), a company in which Ms. Pansy Ho holds an indirect beneficial interest. The Renewed MGM Agreement governs the terms for the provision of products and services, including but not limited to, ferry tickets, travel products and the rental of hotel rooms between MGM and/or its subsidiaries (the "MGM Group") and the Group.

The Renewed MGM Agreement was for a term of 3 years from 1 January 2020 to 31 December 2022 and was renewable for successive terms of 3 years by mutual agreement in writing. Renewed MGM Agreement expired on 31 December 2022.

On 8 December 2022, the Company and MGM entered into a further renewed master service agreement (the "Further Renewed MGM Agreement") to replace and renew the Renewed MGM Agreement for a further 3 years from 1 January 2023 to 31 December 2025 and may be renewed for a three-year term upon mutual agreement in writing. The Further Renewed MGM Agreement governs the terms for the provision of products and services, including but not limited to, the provision of dry cleaning and laundry services, the provision of property cleaning services and the rental of hotel rooms between the MGM Group and the Group.

Save for the transactions mentioned in sub-paragraphs (i) to (ii) above, there were no other transactions, arrangements and contracts of significance subsisting at the end of the year or at any time during the year in relation to the Group's business to which the Company's subsidiaries or its holding companies were a party and in which a Director or its connected entities had a material interest, whether directly or indirectly.

(c) Five highest paid individuals

Among the five highest paid individuals in the Group, four are directors (2023: four are directors) of the Company and the details of their emoluments have been disclosed above. During the year ended 31 December 2024, the emoluments of the individual not included above consisted of salaries, allowances and benefits of HK$4,634,000 (2023: HK$4,480,000).

8 FINANCE COSTS

	2024	2023
	HK$'000	HK$'000
Interest on bank borrowings	665,502	693,952
Interest on lease liabilities	4,392	4,006
Other finance costs	25,199	24,809
Total finance costs	695,093	722,767
Less: Amount capitalised in hotel building under construction	—	(38,946)
	695,093	683,821

During the year ended 31 December 2023, finance costs had been capitalised at weighted average rate of its general borrowings of 3.67% per annum for hotel building under construction.

9 TAXATION

(a) Taxation in the consolidated income statement represents:

	2024	2023
	HK$'000	HK$'000
Current taxation		
Hong Kong profits tax		
— tax for the year	6,193	6,453
— (over)/under-provision in respect of prior years	(280)	67
Non-Hong Kong taxation		
— tax for the year	217,934	57,937
— under-provision in respect of prior years	67	4,101
— LAT	—	1,202
— withholding income tax	1,383	2,325
	225,297	72,085
Deferred taxation		
Origination and reversal of temporary differences	(139,382)	(12,309)
Total tax expenses	85,915	59,776

Hong Kong profits tax is calculated at 16.5% (2023: 16.5%) on the estimated assessable profits for the year. Non-Hong Kong taxation is calculated at tax rates applicable to jurisdictions in which the Group operates, mainly in Macau, the PRC and Singapore at 12%, 25% and 17% (2023: 12%, 25% and 17%) respectively.

9 TAXATION (Continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	2024	2023
	HK$'000	HK$'000
Loss before taxation	**(663,647)**	(573,730)
Less: share of results of joint ventures and associates	**445,586**	288,805
	(218,061)	(284,925)
Tax at the applicable tax rate of 16.5% (2023: 16.5%)	**(35,980)**	(47,013)
Income not subject to tax	**(59,687)**	(68,716)
Expenses not deductible for tax purposes	**152,286**	164,161
Utilisation of tax losses and deductible temporary differences not previously recognised	**(65)**	(10,618)
Tax losses and deductible temporary differences not recognised	**73,641**	49,517
Effect of different tax rates of subsidiaries operating in other jurisdictions	**(44,445)**	(34,018)
LAT (note)	**—**	1,202
(Over)/under-provision in respect of prior years	**(213)**	4,168
Others	**378**	1,093
Total tax expenses	**85,915**	59,776

Note:

The provision for LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

9 **TAXATION** (Continued)

(c) Deferred tax assets and liabilities recognised

The movements in deferred tax assets and liabilities (prior to offsetting balances with the same taxation jurisdiction) during the year are as follows:

Deferred tax assets

	Accelerated accounting depreciation	Tax losses	Provision of assets	Provision for LAT	Lease liabilities	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
As at 1 January 2023	156	106,140	34,642	24,654	4,522	170,114
Exchange adjustment	—	83	(936)	(667)	(57)	(1,577)
(Charge)/credit to income statement	(1)	6,464	(1,271)	(746)	7,700	12,146
As at 31 December 2023	**155**	**112,687**	**32,435**	**23,241**	**12,165**	**180,683**
Exchange adjustment	**(152)**	**(314)**	**(1,041)**	**(771)**	**(41)**	**(2,319)**
Credit/(charge) to income statement	**7**	**(25,237)**	**(1,248)**	**293**	**(3,002)**	**(29,187)**
As at 31 December 2024	**10**	**87,136**	**30,146**	**22,763**	**9,122**	**149,177**

Deferred tax liabilities

	Accelerated tax depreciation	Revaluation of investment properties	Fair value adjustments on business combination	Recognition of revenue overtime	Others	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
As at 1 January 2023	365,893	247,649	271,099	69,810	6,315	960,766
Exchange adjustment	(3,011)	(3,825)	2,664	1,416	85	(2,671)
Charge/(credit) to income statement	17,193	(54,800)	(9,113)	49,056	(2,499)	(163)
Credit to other comprehensive income	—	—	(1,763)	—	—	(1,763)
As at 31 December 2023	**380,075**	**189,024**	**262,887**	**120,282**	**3,901**	**956,169**
Exchange adjustment	**(3,437)**	**(2,040)**	**(6,237)**	**(1,389)**	**(148)**	**(13,251)**
Charge/(credit) to income statement	**6,727**	**(59,125)**	**(18,110)**	**(96,240)**	**(1,821)**	**(168,569)**
Credit to other comprehensive income	**—**	**—**	**(5,048)**	**—**	**—**	**(5,048)**
As at 31 December 2024	**383,365**	**127,859**	**233,492**	**22,653**	**1,932**	**769,301**

9 TAXATION (Continued)

(c) Deferred tax assets and liabilities recognised (Continued)

Deferred tax assets and liabilities are netted off when the taxes related to the same taxation authority and where the offsetting is legally enforceable. The following amounts, determined after appropriate offsetting, are shown separately on the consolidated balance sheet.

	2024	2023
	HK$'000	HK$'000
Deferred tax assets	**64,012**	89,265
Deferred tax liabilities	**(684,136)**	(864,751)
	(620,124)	(775,486)

(d) Deferred tax assets unrecognised

Temporary differences have not been recognised as deferred tax assets in respect of the following items:

	2024	2023
	HK$'000	HK$'000
Tax losses	**1,738,207**	1,718,967
Deductible temporary differences	**1,397**	1,171
	1,739,604	1,720,138

Included in the unrecognised tax losses of the Group are losses of HK$200,896,000 (2023: HK$249,990,000) that will expire on various dates through to 2029 (2023: 2028) from 31 December 2024. Other tax losses and deductible temporary differences of the Group may be carried forward indefinitely. Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable.

10 DIVIDENDS

The Board does not recommend the payment of any final dividend (2023: nil) in respect of the year ended 31 December 2024. No interim dividend was declared by the Board during the year ended 31 December 2024 (2023: nil).

11 LOSS PER SHARE

The calculation of basic loss per share is based on loss attributable to owners of the Company of HK$823,951,000 (2023: HK$676,726,000) and the weighted average number of 3,017,661,785 shares (2023: 3,020,171,281 shares) in issue during the year.

Basic and diluted loss per share were the same as the Company had no potentially dilutive ordinary shares in issue for the year ended 31 December 2024 (2023: same).

12 PROPERTY, PLANT AND EQUIPMENT

	Hotel land and buildings	Hotel buildings under construction	Leasehold land and buildings	Other assets	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Cost					
As at 1 January 2023	3,264,765	980,463	626,895	629,140	5,501,263
Exchange adjustment	2,464	(3,934)	(872)	(1,587)	(3,929)
Additions	13,186	219,354	3,984	59,412	295,936
Disposals	—	—	—	(3,107)	(3,107)
Disposal of subsidiaries	—	—	—	(973)	(973)
Transfer	708,062	(730,642)	—	22,580	—
Transfer to inventories	—	—	(12,475)	—	(12,475)
As at 31 December 2023	**3,988,477**	**465,241**	**617,532**	**705,465**	**5,776,715**
Exchange adjustment	**(98,358)**	**(15,307)**	**(3,504)**	**(4,608)**	**(121,777)**
Additions	**1,406**	**29,309**	**—**	**31,030**	**61,745**
Disposals	**—**	**—**	**—**	**(3,120)**	**(3,120)**
Transfer	**479,243**	**(479,243)**	**—**	**—**	**—**
As at 31 December 2024	**4,370,768**	**—**	**614,028**	**728,767**	**5,713,563**
Accumulated depreciation and impairment					
As at 1 January 2023	834,689	57,140	515,270	512,457	1,919,556
Exchange adjustment	(6,806)	—	10	(1,104)	(7,900)
Charge for the year (note 6)	39,174	—	1,495	44,489	85,158
Disposals	—	—	—	(3,008)	(3,008)
Disposal of subsidiaries	—	—	—	(973)	(973)
Transfer	57,140	(57,140)	—	—	—
Transfer to inventories	—	—	(526)	—	(526)
As at 31 December 2023	**924,197**	**—**	**516,249**	**551,861**	**1,992,307**
Exchange adjustment	**(11,548)**	**—**	**(147)**	**(2,157)**	**(13,852)**
Charge for the year (note 6)	**61,087**	**—**	**1,336**	**46,346**	**108,769**
Impairment	**—**	**—**	**—**	**1,913**	**1,913**
Disposals	**—**	**—**	**—**	**(3,100)**	**(3,100)**
As at 31 December 2024	**973,736**	**—**	**517,438**	**594,863**	**2,086,037**
Net book value					
As at 31 December 2024	**3,397,032**	**—**	**96,590**	**133,904**	**3,627,526**
As at 31 December 2023	3,064,280	465,241	101,283	153,604	3,784,408

12 PROPERTY, PLANT AND EQUIPMENT (Continued)

Notes:

(a) Other assets of the Group comprised mainly furniture, fixtures and office equipment, plant and machinery, operating supplies and equipment of the hotel.

(b) Hotel land and buildings included freehold land in Singapore of net book value of HK$1,399,582,000 (2023: HK$1,450,685,000) and hotel buildings in Singapore, Hong Kong and the PRC of net book value of HK$661,917,000 (2023: HK$695,816,000), HK$467,207,000 (2023: HK$487,972,000) and HK$868,325,000 (2023: HK$429,807,000) respectively.

(c) For the financial performance of the Group's hotel business, the rebound of cross-border travelers has in general improved the occupancy rates during the year, while business performance is still dependent on the pace of economic recovery and the changing market environment. Management has carried out impairment assessments on hotel land and buildings, other hotel-related assets and the related prepaid premium for land leases and land use right disclosed in note 13 in Hong Kong, the PRC and Singapore in accordance with HKAS 36 as at 31 December 2024. The recoverable amounts are determined with reference to valuations performed by an independent professional valuer, Knight Frank Petty Limited ("Knight Frank"). The valuer had adopted income approach and/or direct comparison method for the valuation.

Under the income approach, fair value is determined by discounting the projected cash flow streams of the properties using risk-adjusted discount rate. An exit or terminal value projected based on capitalisation rate is also included in the projection. Projection for a period of greater than five years and not more than ten years in general may be used on the basis that a longer projection period represents the long-dated nature of the hotel properties and is a more appropriate reflection of the future cash flows generated from the hotel operations.

Direct comparison method is based on comparing the property to be valued directly with other comparable properties, which have recently transacted. However, given the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration.

Capitalisation rates and discount rates are estimated by independent valuers and management based on the risk profile of the property being valued. The lower the rates, the higher the fair value.

Based on the assessments, the recoverable amounts of the hotels are HK$4,941,700,000 and there is no impairment required for the hotel land and buildings for the year ended 31 December 2024. Sensitivity analyses on the key assumptions of the assessments for the Group's hotels are presented below for illustration purpose.

If the annual revenue growth rates for the first five forecasted years or the value per room decrease/increase by 1%, or the discount rates increase/decrease by 0.5%, respectively, while holding all other variables constant, the recoverable amounts of the hotels would decrease by HK$83.0 million, HK$19.7 million and HK$136.7 million/increase by HK$77.1 million, HK$13.6 million and HK$120.6 million, respectively.

(d) Certain property, plant and equipment with net book value of HK$2,752,437,000 (2023: HK$2,876,798,000) were pledged to banks as securities for bank borrowings granted to certain subsidiaries of the Group (note 27).

13 RIGHT-OF-USE ASSETS

	2024	2023
	HK$'000	HK$'000
Leasehold land	**2,749**	2,774
Buildings	**58,680**	93,862
Prepaid premium for land leases and land use right (note c)	**600,833**	645,452
	662,262	742,088

(a) The Group obtains right to control the use of various leasehold land, buildings and prepaid premium of land leases and land use right for a period of time through lease arrangements. Lease arrangements for buildings are negotiated on an individual basis and obtain a wide range of different terms and conditions including lease payments and lease terms ranging from 24 to 72 months.

(b) Additions to the right-of-use assets and lease liabilities during the year ended 31 December 2024 were HK$11,117,000 (2023: HK$81,460,000).

(c) The balance included an amount of HK$5,488,000 (2023: HK$5,732,000) relating to a sub-lease agreement dated 26 June 2006, pursuant to which, the Airport Authority Hong Kong has granted a subsidiary of the Group the right to construct a hotel on the land adjacent to the AsiaWorld-Expo located next to the Hong Kong International Airport. Upon the completion of the construction, the Airport Authority Hong Kong has granted the subsidiary of the Group the right to have the possession and enjoyment of the hotel up to the year of 2047. Under the sub-lease agreement, upon expiry of the sub-lease term in the year of 2047, the ownership of the hotel (note 12) and leasehold land will be transferred to the Airport Authority Hong Kong.

    Contingent rental payment amounting to approximately HK$17,914,000 (2023: HK$16,196,000) is included in the consolidated income statement, which is charged with reference to revenue generated by the aforesaid subsidiary during the year.

(d) As at 31 December 2024, right-of-use assets with net book value of HK$204,083,000 (2023: HK$221,961,000) were pledged to banks as securities for bank borrowings granted to certain subsidiaries of the Group (note 27).

(e) During the year ended 31 December 2024, total cash outflow for leases amounted to HK$55,855,000 (2023: HK$58,205,000).

(f) Right-of-use assets related to hotel properties were tested for impairment as described in note 12(c).

14 INVESTMENT PROPERTIES

	2024			
Completed investment properties	**Hong Kong**	**PRC**	**Others**	**Total**
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**
At valuation				
As at 1 January	**4,892,295**	**4,147,166**	**920,590**	**9,960,051**
Exchange adjustment	**—**	**(131,915)**	**—**	**(131,915)**
Addition	**2,551**	**—**	**—**	**2,551**
Adjustment of cost for renovation	**—**	**(10,272)**	**—**	**(10,272)**
Fair value changes	**(135,484)**	**(210,625)**	**(53,910)**	**(400,019)**
As at 31 December	**4,759,362**	**3,794,354**	**866,680**	**9,420,396**
Freehold properties				**783,000**
Leasehold properties				**8,637,396**

	2023			
Completed investment properties	Hong Kong	PRC	Others	Total
	HK$'000	HK$'000	HK$'000	HK$'000
At valuation				
As at 1 January	4,927,427	4,342,720	910,590	10,180,737
Exchange adjustment	—	(114,404)	—	(114,404)
Addition	132	142,935	—	143,067
Adjustment of cost for renovation	(545)	—	—	(545)
Fair value changes	(34,719)	(224,085)	10,000	(248,804)
As at 31 December	4,892,295	4,147,166	920,590	9,960,051
Freehold properties				828,000
Leasehold properties				9,132,051

Investment properties of fair value of HK$1,525,650,000 (2023: HK$1,719,596,000) was pledged to banks as securities for bank borrowings granted to subsidiaries of the Group (note 27).

The Group measures its investment properties at fair value. Independent valuations of the Group's investment properties were performed by the valuers, Savills Valuation and Professional Services Limited ("Savills") and Knight Frank, who hold recognised relevant professional qualification and have recent experience in the locations of the investment properties being valued, to determine the fair values of the investment properties as at 31 December 2024 (2023: same). The Group employed Savills and Knight Frank to value its investment properties which are either freehold or held under leases with unexpired lease terms. The valuations conformed to the Hong Kong Institute of Surveyors Valuation Standards issued by the Hong Kong Institute of Surveyors.

The Group's investment properties carried at fair value of HK$9,420,396,000 (2023: HK$9,960,051,000) are valued by fair value measurements using significant unobservable inputs (level 3). The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers between Levels 1, 2 and 3 during the year.

Fair value measurements using significant unobservable inputs

Fair values of completed commercial properties, residential properties and carparks in Hong Kong, the PRC and others are derived using direct comparison method or income approach.

Income capitalisation method is based on the capitalisation of the net income and reversionary income potential by adopting appropriate capitalisation rates, which are derived from analysis of sale transactions and valuers' interpretation of prevailing investor requirements or expectations. The prevailing market rents adopted in the valuation have reference to valuers' view of recent lettings, within the subject properties and other comparable properties.

Direct comparison method is based on comparing the property to be valued directly with other comparable properties, which have recently transacted. However, given the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration.

Information about fair value measurements using significant unobservable inputs

	Fair value as at 31 December 2024	Valuation method	Range of significant unobservable inputs: Prevailing market rents per month	Unit price	Capitalisation rates
	HK$'000				
Completed investment properties located in Hong Kong					
— commercial	3,412,106	Income Approach	HK$22 — HK$89 psf	N/A	3.0% — 4.1%
— carpark	666,356	Income Approach	HK$500 — HK$3,600	N/A	2.9% — 4.0%
— carpark	680,900	Direct Comparison	N/A	HK$159,000 — HK$2,660,000	N/A
PRC					
— commercial	2,489,458	Income Approach	HK$6 — HK$21 psf	N/A	4.5% — 6.0%
— commercial	1,121,636	Direct Comparison	N/A	HK$2,563 psf	N/A
— carpark	16,554	Income Approach	HK$1,560	N/A	4.5% — 4.75%
— carpark	166,706	Direct Comparison	N/A	HK$141,133 — HK$466,906	N/A
Others					
— residential	83,680	Direct Comparison	N/A	HK$3,282 — HK$4,118 psf	N/A
— commercial	783,000	Income Approach	HK$85 psf	N/A	2.0% — 3.8%

14 INVESTMENT PROPERTIES (Continued)

Information about fair value measurements using significant unobservable inputs (Continued)

	Fair value as at 31 December 2023	Valuation method	Range of significant unobservable inputs: Prevailing market rents per month	Unit price	Capitalisation rates
	HK$'000				
Completed investment properties located in Hong Kong					
— commercial	3,526,232	Income Approach	HK$24 — HK$97 psf	N/A	3.0% — 4.0%
— carpark	648,963	Income Approach	HK$320 — HK$3,400	N/A	2.9% — 4.0%
— carpark	717,100	Direct Comparison	N/A	HK$159,000 — HK$2,800,000	N/A
PRC					
— commercial	2,785,917	Income Approach	HK$7 — HK$23 psf	N/A	4.5% — 6.0%
— commercial	1,159,793	Direct Comparison	N/A	HK$2,650 psf	N/A
— carpark	17,666	Income Approach	HK$1,607	N/A	4.5% — 4.75%
— carpark	183,790	Direct Comparison	N/A	HK$145,934 — HK$482,790	N/A
Others					
— residential	92,590	Direct Comparison	N/A	HK$3,302 — HK$4,910 psf	N/A
— commercial	828,000	Income Approach	HK$90 psf	N/A	2.0% — 3.8%

Prevailing market rents are estimated based on the independent valuers' view of recent lettings, within the subject properties and other comparable properties. The lower the rents, the lower the fair value.

Capitalisation is estimated by the independent valuers based on the risk profile of the properties being valued and the market conditions. The higher the rates, the lower the fair value.

15 SUBSIDIARIES

Particulars regarding the principal subsidiaries are set out in note 42.

During the year, the fair value loss of investment properties, netted of deferred tax, attributable to the non-controlling interests amounts to HK$61,641,000 (2023: HK$32,425,000).

Subsidiaries with material non-controlling interests

The residential portion of Nova City Phase V owned and developed by Nova Taipa — Urbanizações, Limitada, a subsidiary of the Group ("NC5 Residential") has non-controlling interest material to the Group as the holder of the non-voting Class B share of Fast Shift Investments Limited is entitled to 29% of the economic benefits in or losses arising from NC5 Residential.

Ranex Investments Limited ("Ranex") is the subsidiary with non-controlling interests that are also material to the Group, with shareholding held by non-controlling interests of 49%.

Set out below are the summarised financial information for NC5 Residential and Ranex.

Summarised balance sheet

	As at 31 December			
	NC5 Residential		Ranex	
	2024	2023	**2024**	2023
	HK$'000	HK$'000	**HK$'000**	HK$'000
Current				
Assets	**2,689,219**	2,665,311	**299,774**	239,232
Liabilities	**(196,911)**	(107,378)	**(39,080)**	(33,246)
Total net current assets	**2,492,308**	2,557,933	**260,694**	205,986
Non-current				
Assets	**1,900**	82	**2,846,000**	2,952,000
Liabilities	**(55,334)**	(75,208)	**(132,537)**	(124,936)
Total net non-current (liabilities)/assets	**(53,434)**	(75,126)	**2,713,463**	2,827,064
Net assets	**2,438,874**	2,482,807	**2,974,157**	3,033,050

Summarised statement of comprehensive income

	For the year ended 31 December			
	NC5 Residential		Ranex	
	2024	2023	**2024**	2023
	HK$'000	HK$'000	**HK$'000**	HK$'000
Revenue	**1,030,691**	392,315	**75,108**	73,578
Profit/(loss) before taxation	**428,785**	185,789	**(51,226)**	(2,537)
Taxation	**(55,697)**	(23,419)	**(7,667)**	(8,160)
Profit/(loss) after taxation	**373,088**	162,370	**(58,893)**	(10,697)
Other comprehensive loss	**(37,021)**	(12,417)	**—**	—
Total comprehensive income/(loss)	**336,067**	149,953	**(58,893)**	(10,697)
Profit/(loss) after taxation allocated to non-controlling interests	**116,214**	47,185	**(27,091)**	(4,921)
Dividends to non-controlling interests	**110,200**	—	**—**	69,000

15 SUBSIDIARIES (Continued)

Summarised cash flows

	For the year ended 31 December			
	NC5 Residential		Ranex	
	2024	2023	**2024**	2023
	HK$'000	HK$'000	**HK$'000**	HK$'000
Cash flows from/(used in) operating activities				
Cash generated from operations	**978,214**	364,599	**53,824**	50,395
Income tax paid	**(30,097)**	(58,189)	**—**	—
Net cash generated from operating activities	**948,117**	306,410	**53,824**	50,395
Net cash generated from investing activities	**16,553**	8,165	**7,607**	8,945
Net cash used in financing activities	**(380,000)**	—	**—**	(150,000)
Net increase/(decrease) in cash and cash equivalents	**584,670**	314,575	**61,431**	(90,660)
Cash and cash equivalents as at 1 January	**458,853**	144,278	**199,172**	289,832
Cash and cash equivalents as at 31 December	**1,043,523**	458,853	**260,603**	199,172

16 JOINT VENTURES

	2024	2023
	HK$'000	HK$'000
Share of net assets	**9,880,735**	10,346,835

Particulars regarding the principal joint ventures are set out in note 42.

Summarised financial information of material joint venture

Basecity Investments Limited ("Basecity") is the Group's material joint venture which is engaged in property investment and hotel operating businesses in Macau.

Basecity is a private company and there is no quoted market price available for its shares.

Set out below are the summarised financial information for Basecity which is accounted for using equity method of accounting.

16 JOINT VENTURES (Continued)

Summarised financial information of material joint venture (Continued)

	2024	2023
	HK$'000	HK$'000
Current		
Cash and cash equivalents	1,053,813	843,916
Other current assets (excluding cash)	336,545	339,903
Total current assets	1,390,358	1,183,819
Financial liabilities (excluding trade payables)	(290,719)	(292,733)
Other current liabilities (including trade payables)	(60,233)	(94,799)
Total current liabilities	(350,952)	(387,532)
Non-current		
Investment properties	8,300,000	8,297,000
Other assets	804,566	832,427
Total non-current assets	9,104,566	9,129,427
Other liabilities	(963,407)	(972,859)
Total non-current liabilities	(963,407)	(972,859)
Net assets	9,180,565	8,952,855

Summarised statement of comprehensive income

	For the year ended 31 December	
	2024	2023
	HK$'000	HK$'000
Revenue	636,292	674,821
Depreciation and amortisation	(36,918)	(39,076)
Interest income	26,591	10,612
Fair value changes on investment properties	(78,767)	(256,065)
Others	(287,150)	(280,561)
Profit before taxation	260,048	109,731
Taxation	(32,338)	(13,350)
Profit for the year	227,710	96,381
Other comprehensive income	—	—
Total comprehensive income	227,710	96,381

16 JOINT VENTURES (Continued)

Reconciliation of summarised financial information

	2024	2023
	HK$'000	HK$'000
Opening net assets as at 1 January	8,952,855	8,856,474
Profit for the year	227,710	96,381
Closing net assets as at 31 December	9,180,565	8,952,855
Interests in joint venture at 51%	4,682,088	4,565,956

Aggregate information of joint ventures that are not individually material:

	2024	2023
	HK$'000	HK$'000
Aggregate carrying amounts of individually immaterial joint ventures in the consolidated financial statements	5,198,647	5,780,879
Aggregate amounts of the Group's share of those joint ventures'		
Loss for the year (note)	(407,311)	(325,617)
Other comprehensive loss	(149,922)	(143,315)
Total comprehensive loss	(557,233)	(468,932)

There are no material contingent liabilities relating to the Group's interests in the joint ventures.

Note:

During the year, the Group's share of individually immaterial joint ventures' losses includes share of net fair value loss of investment properties, netted of deferred tax, amounting to HK$186,110,000 (2023: HK$213,261,000). The fair values of completed investment properties held by Basecity, Nextor Holdings Limited, Shanghai Huayan Real Estate Development Limited and Shun Tak Qiantan (Shanghai) Cultural Real Estate Company Limited were determined by Knight Frank, Jones Lang LaSalle Limited and Colliers International (Hong Kong) Limited, respectively, under income approach or direct comparison method.

17 ASSOCIATES

	2024	2023
	HK$'000	HK$'000
Share of net assets	**5,499,183**	5,739,365

There is no associate that is individually material to the Group. The contribution to an associate was unsecured, non-interest bearing and with no fixed term of repayment. The carrying amount of the amount due by an associate approximates its fair value.

Aggregate information of associates that are not individually material:

	2024	2023
	HK$'000	HK$'000
Aggregate carrying amounts of individually immaterial associates in the consolidated financial statements	**5,499,183**	5,739,365
Aggregate amounts of the Group's share of those associates'		
Loss for the year (note)	**(154,408)**	(12,342)
Other comprehensive (loss)/income	**(126,306)**	19,914
Total comprehensive (loss)/income	**(280,714)**	7,572

There are no material contingent liabilities relating to the Group's interests in the associates.

Note:

During the year, the Group's share of associates' loss included share of net fair value loss of investment properties, netted of deferred tax, amounting to HK$79,621,000 (2023: gain of HK$21,446,000). The fair values of completed investment properties held by Shun Tak Centre Limited were determined by Savills under income capitalisation method, while the fair values of investment properties under construction held by other associates of the Group were determined by Colliers Appraisal & Advisory Services Co., Ltd. under residual method.

18 INTANGIBLE ASSETS

	Licences and other operating rights	Franchises and royalties	Total
	HK$'000	HK$'000	HK$'000
Cost			
As at 1 January 2023, 31 December 2023 and 31 December 2024	**4,510**	**2,101**	**6,611**
Accumulated amortisation and impairment			
As at 1 January 2023	2,670	1,331	4,001
Amortisation for the year (note 6)	413	63	476
As at 31 December 2023	**3,083**	**1,394**	**4,477**
Amortisation for the year (note 6)	**—**	**62**	**62**
As at 31 December 2024	**3,083**	**1,456**	**4,539**
Net book value			
As at 31 December 2024	**1,427**	**645**	**2,072**
As at 31 December 2023	1,427	707	2,134

19 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME AND THROUGH PROFIT OR LOSS

(a) Financial assets at fair value through other comprehensive income

	2024	2023
	HK$'000	HK$'000
Equity securities		
Unlisted	**1,387,383**	1,257,300
Listed		
— In Hong Kong	**280,623**	219,469
— Outside Hong Kong	**11,040**	10,723
	291,663	230,192
	1,679,046	1,487,492

19 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME AND THROUGH PROFIT OR LOSS (Continued)

(a) Financial assets at fair value through other comprehensive income (Continued)

The financial assets at FVOCI are denominated in the following currencies:

	2024	2023
	HK$'000	HK$'000
Hong Kong dollar	1,667,496	1,473,327
United States dollar	9,773	14,165
New Taiwan Dollar	1,777	—
	1,679,046	1,487,492

(b) Financial assets at fair value through profit or loss

	2024	2023
	HK$'000	HK$'000
Debt securities		
Unlisted	—	—

Financial assets at FVPL represented 89,334,235 Series D preferred shares issued by WM Motor Holdings Limited, which was acquired by the Group under a share purchase agreement at the consideration of US$70 million in November 2021. The Group considered the fair value of the financial assets at FVPL is nil (2023: nil).

The fair values of listed equity securities are determined on the basis of their quoted market prices at the balance sheet date.

Management has assessed the fair value of the Group's investments in accordance with the requirements under HKFRS 9. The key estimates and assumptions applied on the valuation are set out in note 39(e) of the consolidated financial statements.

20 OTHER NON-CURRENT ASSETS

	2024	2023
	HK$'000	HK$'000
Amounts due by joint ventures (note a)	**260,080**	169,480
Amounts due by associates (note b)	**205,410**	238,850
Loan to non-controlling interest (note c)	**5,000**	—
Deposits and prepayments	**10,542**	54,089
Properties for or under development (note d)	**—**	276,415
Properties held for sale (note d)	**98,921**	—
	579,953	738,834

Notes:

(a) Amounts due by joint ventures are interest free and repayable on demand. The balances are denominated in Hong Kong dollar.

(b) Amounts due by associates are unsecured. An amount of HK$150,882,000 (2023: HK$150,882,000) carries interest at HIBOR plus 2% per annum on loan principal and repayable on demand (2023: same). The related interest income for the year amounted to HK$5,296,000 (2023: HK$5,349,000). An amount of RMB8,200,000 (2023: RMB8,200,000) carries interest at 3.45% per annum (2023: 6.5% per annum) on loan principal and is repayable by 4 January 2026. An amount of RMB4,000,000 (2023: RMB4,000,000) carries interest at 5% per annum (2023: same) on loan principal and is repayable by 1 February 2026. As at 31 December 2023, an amount of HK$33,000,000 carried interest at 2.8% per annum on loan principal and repayable by 15 December 2025. The related interest income for the year ended 31 December 2023 amounted to HK$458,000. The remaining balances are non-interest bearing and with no fixed term of repayment. The balances are denominated in Hong Kong dollar and Renminbi.

(c) Loan to non-controlling interest is interest free and repayable on demand. The balance is denominated in Hong Kong dollar.

(d) During the year ended 31 December 2023, certain units of the properties for or under developments in Singapore were prohibited for transaction by the Singapore Land Authority. As a result, the related costs of these units were reclassified from "properties for or under developments" in current assets to "other non-current assets". During the year, the development of these units were completed and classified as properties held for sale under "other non-current assets". The transaction prohibition for certain units of the properties held for sale was uplifted and classified as "inventory" in current assets as at 31 December 2024.

As at 31 December 2024, properties held for sale of HK$98,921,000 (2023: nil) were pledged to banks as securities for bank borrowings granted to subsidiaries of the Group (note 27).

(e) The maximum exposure to credit risk as at 31 December 2024 is the carrying amounts, which approximate their fair values (2023: same).

21 PROPERTIES FOR OR UNDER DEVELOPMENT

	2024	2023
	HK$'000	HK$'000
Properties for or under development, at cost	**—**	1,322,232

As at 31 December 2023, the total amount of properties for or under development was expected to be recovered within one year was HK$1,322,232,000. As at 31 December 2023, total properties for or under development of HK$1,291,128,000 were pledged to banks as securities for bank borrowings granted to subsidiaries of the Group (note 27).

22 INVENTORIES

	2024	2023
	HK$'000	HK$'000
Properties held for sale	**8,446,452**	8,965,101
Others	**17,445**	15,490
	8,463,897	8,980,591

Properties held for sale of HK$6,289,332,000 (2023: HK$6,577,423,000) and other inventories of HK$378,000 (2023: HK$449,000) were pledged to banks as securities for bank borrowings granted to certain subsidiaries of the Group (note 27).

23 TRADE AND OTHER RECEIVABLES, DEPOSITS PAID AND PREPAYMENTS

	2024	2023
	HK$'000	HK$'000
Trade receivables (note a)	**528,937**	98,003
Less: Provision for impairment of trade receivables	**(3,332)**	(3,449)
	525,605	94,554
Deposits for acquisitions of interests in land development rights (note b)	**500,000**	500,000
Other debtors, deposits and prepayments (note c)	**260,039**	265,184
	1,285,644	859,738

The carrying amounts of trade and other receivables approximate their fair values because of their immediate or short-term maturities. They are denominated in the following currencies:

	2024	2023
	HK$'000	HK$'000
Hong Kong dollar	**626,052**	585,633
Macau pataca	**53,323**	40,847
Renminbi	**88,587**	76,806
Singapore dollar	**478,728**	126,075
United States dollar	**38,494**	29,954
Others	**460**	423
	1,285,644	859,738

23 TRADE AND OTHER RECEIVABLES, DEPOSITS PAID AND PREPAYMENTS (Continued)

Notes:

(a) Trade receivables

Trade receivables are managed in accordance with defined credit policies, dependent on market requirements and businesses which they operate. Subject to negotiation, credit is only available for major customers with well-established trading records. The Group offers general credit terms ranging from 0 day to 60 days to its customers, except for sales of properties the proceeds from which are receivable pursuant to the terms of the relevant agreements. The ageing analysis of trade debtors by invoice date is as follows:

	2024	2023
	HK$'000	HK$'000
0 — 30 days	**491,831**	53,592
31 — 60 days	**18,079**	24,996
61 — 90 days	**6,413**	14,470
Over 90 days	**12,614**	4,945
	528,937	98,003

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for trade receivables.

Movement in the loss allowance of trade debtors during the year is as follows:

	2024	2023
	HK$'000	HK$'000
As at 1 January	**3,449**	4,900
Exchange adjustment	**(5)**	—
Impairment loss recognised during the year	**28**	244
Impairment loss reversed during the year	**—**	(355)
Uncollectible amount written off	**(140)**	(1,340)
As at 31 December	**3,332**	3,449

The other classes within trade and other receivables do not contain impaired assets. The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of receivables mentioned above. The Group does not hold any collateral as security.

(b) Deposits for acquisitions of interests in land development rights

These represent refundable deposits paid by the Group for acquiring interests in land development rights from a related company of HK$500,000,000 (2023: HK$500,000,000) in Macau. The transaction is further disclosed in note 34(b)(viii).

(c) Included within the balance of "other debtors, deposits and prepayments" as at 31 December 2024, the Group recognised an asset of HK$6,031,000 (2023: HK$72,539,000) in relation to sales commissions to obtain property sales contract. The Group capitalised the amount and amortised it when the property sales revenue or the forfeiture income from property sales deposits are recognised. During the year, HK$124,993,000 (2023: HK$92,234,000) are charged to the consolidated income statement. An amount due by an associate of HK$33,000,000 (2023: nil) is unsecured, carries interest at 2.8% per annum on loan principal and repayable by 15 December 2025. The related interest income for the year amounted to HK$463,000.

24 CASH AND BANK BALANCES

	2024	2023
	HK$'000	HK$'000
Bank deposits	**6,325,242**	5,209,063
Cash and bank balances	**1,484,637**	1,424,923
	7,809,879	6,633,986

The carrying amounts of bank deposits, cash and bank balances approximate their fair values because of their immediate or short term maturities.

The carrying amounts of cash and bank balances are denominated in the following currencies:

	2024	2023
	HK$'000	HK$'000
Hong Kong dollar	**1,763,160**	1,754,477
Macau pataca	**169,815**	158,240
Renminbi	**1,373,874**	1,793,548
Singapore dollar	**1,025,996**	894,647
United States dollar	**3,477,007**	2,033,045
Others	**27**	29
	7,809,879	6,633,986

As at 31 December 2024, bank balances and bank deposits include amount of HK$87,118,000 (2023: HK$102,404,000) held under charge in favour of banks in respect of bank loan facilities (note 27). As at 31 December 2024, the balances can be utilised under specified conditions by the Group (2023: same).

25 TRADE AND OTHER PAYABLES, AND DEPOSITS RECEIVED

	2024	2023
	HK$'000	HK$'000
Amount due to a joint venture (note a)	**1,958**	1,958
Trade and other creditors, deposits and accrued charges (note b)	**772,485**	901,015
	774,443	902,973

25 TRADE AND OTHER PAYABLES, AND DEPOSITS RECEIVED (Continued)

The carrying amounts of trade and other payables approximate their fair values because of their short term maturities. The trade and other payables are denominated in the following currencies:

	2024	2023
	HK$'000	HK$'000
Hong Kong dollar	**203,854**	191,450
Macau pataca	**47,005**	57,202
Renminbi	**135,504**	290,127
Singapore dollar	**387,486**	362,320
United States dollar	**461**	1,713
Others	**133**	161
	774,443	902,973

Notes:

(a) Amount due to a joint venture is unsecured, non-interest bearing and with no fixed term of repayment. The balance is denominated in Hong Kong dollar. The carrying amount approximates its fair value.

(b) The ageing analysis of trade payables by invoice date is as follows:

	2024	2023
	HK$'000	HK$'000
0 — 30 days	**146,115**	256,280
31 — 60 days	**1,850**	3,869
61 — 90 days	**40**	42
Over 90 days	**1,104**	1,694
	149,109	261,885

26 CONTRACT ASSETS AND LIABILITIES

The Group has recognised the following revenue-related contract assets and liabilities:

	2024	2023
	HK$'000	HK$'000
Contract assets		
Property sales (note a)	1,228,916	1,134,377
Contract liabilities		
Property sales (note b)	101,405	76,940
Hotel and club operations	48,552	49,721
	149,957	126,661
Less: non-current portion	(44,159)	(44,760)
Current portion	105,798	81,901

Notes:

(a) Contract assets consist of unbilled amount resulting from sale of properties when revenue recognised exceeds the amount billed to the buyer.

(b) The Group received payments from customers based on billing schedule as established in contracts. Payments are usually received in advance before the transfer of property.

(c) The following table shows the amount of the revenue recognised in the current year that relates to contract liabilities balance at the beginning of the year:

	2024	2023
	HK$'000	HK$'000
Revenue recognised that was included in the contract liability balance at the beginning of the year		
— Property sales	70,950	142,438
— Hotel and club operations	4,355	5,698
	75,305	148,136

(d) The following table shows the amount of unsatisfied performance obligations resulting from fixed price contracts with an original expected timing of revenue recognition in more than one year:

	2024	2023
	HK$'000	HK$'000
Expected to be recognised within one year	518,125	2,215,715
Expected to be recognised after one year	127,404	44,760
	645,529	2,260,475

For all other contracts with an original expected duration of one year or less or are billed based on time incurred, as permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

27 BANK BORROWINGS

	2024	2023
	HK$'000	HK$'000
Bank borrowings repayable as follows:		
Not exceeding 1 year	5,617,689	3,974,148
More than 1 year but not exceeding 2 years	1,840,893	5,436,366
More than 2 years but not exceeding 5 years	7,820,101	5,947,973
More than 5 years	156,949	182,689
	15,435,632	15,541,176
Less: Current portion	(5,617,689)	(3,974,148)
Non-current portion	9,817,943	11,567,028

As at 31 December 2024, the balance comprises total principal amounts of bank borrowings of HK$15,495,736,000 (2023: HK$15,597,389,000) net of unamortised bank borrowing facilities fees of HK$60,104,000 (2023: HK$56,213,000).

Bank borrowings include secured bank borrowings of HK$4,962,964,000 (2023: HK$6,056,353,000) and are secured by the following pledged assets:

	2024	2023
	HK$'000	HK$'000
Property, plant and equipment (note 12)	2,752,437	2,876,798
Properties held for sale	98,921	—
Properties for or under development (note 20 and 21)	—	1,291,128
Inventories (note 22)	6,289,710	6,577,872
Right-of-use assets (note 13)	204,083	221,961
Investment properties (note 14)	1,525,650	1,719,596
Cash and bank balances (note 24)	87,118	102,404
Other assets	25,121	41,461
	10,983,040	12,831,220

Out of the above secured bank borrowings, an aggregate amount of HK$526,674,000 (2023: HK$545,451,000) are also secured by pledges of shares of certain subsidiaries (note 42).

Bank borrowings amounting to HK$483,015,000 (2023: HK$527,671,000) are repayable by instalments.

Bank borrowings are interest bearing at floating rates with contractual interest repricing dates ranged within 6 months. As at 31 December 2024, the weighted average effective interest rate of the Group's bank borrowings is 4.1% (2023: 4.7%) per annum.

The carrying amounts of bank borrowings approximate their fair values and are denominated in the following currencies:

	2024	2023
	HK$'000	HK$'000
Hong Kong dollar	10,999,342	10,030,273
Renminbi	253,726	279,247
Singapore dollar	4,182,564	5,231,656
	15,435,632	15,541,176

28 PROVISION FOR EMPLOYEE BENEFITS

Provision for employee benefits represents cost of cumulative paid leaves that the Group expects to pay.

	2024	2023
	HK$'000	HK$'000
As at 1 January	**7,318**	7,084
Net amount provided during the year	**237**	496
Amount utilised and paid during the year	**(816)**	(262)
As at 31 December	**6,739**	7,318

29 LOANS FROM NON-CONTROLLING INTERESTS

Loans from non-controlling interests are expected to be repayable on demand. As at 31 December 2024, the loans amounting to HK$35,000,000 (2023: HK$50,361,000) are non-interest bearing and unsecured.

The Group did not provide any guarantee on loans from non-controlling interests in both years.

The carrying amounts of loans from non-controlling interests approximate their fair values and are denominated in Hong Kong dollar.

30 SHARE CAPITAL

	2024		2023	
	Number of shares	**HK$'000**	Number of shares	HK$'000
Issued and fully paid ordinary shares				
At beginning of the year	**3,017,661,785**	**9,858,250**	3,020,379,785	9,858,250
Buy-back of shares	**—**	**—**	(2,718,000)	—
At end of the year	**3,017,661,785**	**9,858,250**	3,017,661,785	9,858,250

During the year ended 31 December 2023, the Company bought back its own shares through The Stock Exchange of Hong Kong Limited as follows:

2023

Month of buy-back	Number of shares bought back	Price per share Highest	Price per share Lowest	Aggregate consideration
		HK$	HK$	HK$'000
November 2023	2,718,000	1.02	1.02	2,772
	Total expenses on shares bought back			8
				2,780

The shares buy-back was governed by section 257 of the Hong Kong Companies Ordinance. The total amount incurred for the shares bought back of HK$2,780,000 was paid wholly out of the Company's retained profits. All the shares bought back were cancelled subsequently.

31 SHARE OPTION SCHEME

At the annual general meeting of the Company held on 29 June 2022, the shareholders of the Company passed a resolution to adopt a new share option scheme (the "2022 Share Option Scheme") under which the Directors of the Company may grant options to eligible persons to subscribe for the Company's shares subject to the terms and conditions as stipulated therein.

No share options were granted under the 2022 Share Option Scheme since its adoption.

32 OTHER RESERVES

	2024	2023
	HK$'000	HK$'000
Capital reserve	**11,109**	11,220
Asset revaluation reserve (note a)	**176,784**	213,805
Legal reserve (note b)	**66,982**	67,361
Special reserve (note c)	**(151,413)**	(151,413)
Investment revaluation reserve (note d)	**392,743**	201,008
Hedging reserve	**4,265**	4,265
Exchange reserve	**(1,270,264)**	(666,882)
Retained profits	**21,352,677**	22,177,620
	20,582,883	21,856,984

Notes:

(a) Asset revaluation reserve represents the fair value adjustment to the identifiable net assets acquired arising from acquisitions of subsidiaries, as related to the Group's previously held interests in them and is dealt with in accordance with the accounting policy adopted for business combination achieved in stages under HKFRS 3 "Business Combinations".

(b) Legal reserve is a non-distributable reserve of certain subsidiaries, joint ventures and associates which is set aside from the profits of these companies in accordance with the rules and regulations in Macau and the PRC.

(c) Special reserve represents the difference between the fair value and the carrying amount of the underlying assets and liabilities attributable to the additional interest in a subsidiary acquired from non-controlling interests.

(d) Investment revaluation reserve represents the cumulative changes in fair value of financial assets at FVOCI and is accounted for in accordance with the accounting policy adopted in note 2(j).

33 SEGMENT INFORMATION

(a) Description of segments

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

The Group currently has four reportable segments namely property, hospitality and leisure, transportation and investment. The segmentations are based on the internal reporting information in respect of the operations of the Group that management reviews regularly to make decisions on allocation of resources between segments and to assess segment performance.

The principal activities of each reportable segment are as follows:

Property	—	property development and sales, leasing and management services
Hospitality and Leisure	—	hotel and club operations and hotel management
Transportation	—	passenger transportation services
Investment	—	investment holding and others

(b) Segment results, assets and liabilities

Management evaluates performance of the reportable segments on the basis of operating profit or loss before fair value changes on investment properties, non-recurring gains and losses, interest income and unallocated corporate net expenses.

Inter-segment transactions have been entered into on terms agreed by the parties concerned. The Group's measurement methods used to determine reported segment profit or loss remain unchanged from 2023.

Segment assets principally comprise all tangible assets, intangible assets and current assets directly attributable to each segment with the exception of interests in joint ventures and associates, taxation recoverable, deferred tax assets and other corporate assets.

Segment liabilities include all liabilities and borrowings directly attributable to and managed by each segment with the exception of taxation payable, deferred tax liabilities and other corporate liabilities.

The accounting policies of the reportable segments are the same as the Group's principal accounting policies as described in note 2(d).

33 SEGMENT INFORMATION (Continued)

(b) Segment results, assets and liabilities (Continued)

2024

	Property	Hospitality and Leisure	Transportation	Investment	Eliminations	Consolidated
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Revenue and other income						
External revenue (note e)						
Revenues from contracts with customers						
— Recognised at a point in time	1,089,215	164,210	—	30,673	—	1,284,098
— Recognised over time	2,208,738	482,077	—	—	—	2,690,815
	3,297,953	646,287	—	30,673	—	3,974,913
Revenues from other sources						
— Rental income	468,410	—	—	241	—	468,651
— Dividend income	—	—	—	101,987	—	101,987
	468,410	—	—	102,228	—	570,638
	3,766,363	646,287	—	132,901	—	4,545,551
Inter-segment revenue	618	1,125	—	5,011	(6,754)	—
Other income (external income and excluding interest income)	66,431[i]	12,610	—	9,205	—	88,246
	3,833,412	660,022	—	147,117	(6,754)	4,633,797
Segment results	917,588	(179,438)	—	72,289	—	810,439
Fair value changes on investment properties	(400,019)	—	—	—	—	(400,019)
Interest income						247,380
Unallocated expense						(180,768)
Operating profit						477,032
Finance costs						(695,093)
Share of results of joint ventures	(235,170)	(56,008)	—	—	—	(291,178)
Share of results of associates	(89,943)	(15,335)	(8,174)	(40,956)	—	(154,408)
Loss before taxation						(663,647)
Taxation						(85,915)
Loss for the year						(749,562)

Notes:

(i) Amount includes forfeiture income from property sales of HK$48,295,000 (note 4).

33 SEGMENT INFORMATION (Continued)

(b) Segment results, assets and liabilities (Continued)

2024

	Property	Hospitality and Leisure	Transportation	Investment	Eliminations	Consolidated
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Assets						
Segment assets	24,474,415	4,488,383	225,263	1,742,328	—	30,930,389
Joint ventures	10,118,986	(238,251)	—	—	—	9,880,735
Associates	4,401,848	101,217	387,077	609,041	—	5,499,183
Unallocated assets						3,893,591
Total assets						50,203,898
Liabilities						
Segment liabilities	686,667	227,884	25	14,032	—	928,608
Unallocated liabilities						16,542,903
Total liabilities						17,471,511
Other information						
Additions to non-current assets (other than financial instruments and deferred tax assets)	150,680	56,599	—	9,657	—	216,936
Depreciation						
— property, plant and equipment	16,655	86,874	—	1,246	—	104,775
— right-of-use assets	10,092	28,075	—	2,598	—	40,765
Amortisation						
— intangible assets	—	—	—	62	—	62
Impairment losses provided						
— property, plant and equipment	—	—	—	1,913	—	1,913
— trade receivables, net	28	—	—	—	—	28

33 SEGMENT INFORMATION (Continued)

(b) Segment results, assets and liabilities (Continued)

2023

	Property	Hospitality and Leisure	Transportation	Investment	Eliminations	Consolidated
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Revenue and other income						
External revenue (note e)						
Revenues from contracts with customers						
— Recognised at a point in time	577,438	139,821	—	30,390	—	747,649
— Recognised over time	2,404,262	362,485	—	—	—	2,766,747
	2,981,700	502,306	—	30,390	—	3,514,396
Revenues from other sources						
— Rental income	457,255	—	—	330	—	457,585
— Dividend income	—	—	—	96,157	—	96,157
	457,255	—	—	96,487	—	553,742
	3,438,955	502,306	—	126,877	—	4,068,138
Inter-segment revenue	661	1,199	—	3,748	(5,608)	—
Other income (external income and excluding interest income)	15,220	82,614(ii)	—	6,752	—	104,586
	3,454,836	586,119	—	137,377	(5,608)	4,172,724
Segment results	882,132	(73,586)	—	(231,395)(iii)	—	577,151
Fair value changes on investment properties	(248,804)	—	—	—	—	(248,804)
Interest income						233,733
Unallocated expense						(163,184)
Operating profit						398,896
Finance costs						(683,821)
Share of results of joint ventures	(237,707)	(38,756)	—	—	—	(276,463)
Share of results of associates	33,166	(14,187)	9,935	(41,256)	—	(12,342)
Loss before taxation						(573,730)
Taxation						(59,776)
Loss for the year						(633,506)

Notes:

(ii) Amount included hotel management contract termination income of HK$75,353,000 (note 4).

(iii) Amount included fair value loss on financial assets at fair value through profit or loss of HK$302,613,000 (note 5).

33 SEGMENT INFORMATION (Continued)

(b) Segment results, assets and liabilities (Continued)

2023

	Property	Hospitality and Leisure	Transportation	Investment	Eliminations	Consolidated
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Assets						
Segment assets	26,079,948	4,731,829	225,190	1,549,076	—	32,586,043
Joint ventures	10,495,337	(148,502)	—	—	—	10,346,835
Associates	4,559,082	115,048	397,937	667,298	—	5,739,365
Unallocated assets						3,149,456
Total assets						51,821,699
Liabilities						
Segment liabilities	779,789	248,833	20	20,176	—	1,048,818
Unallocated liabilities						16,706,702
Total liabilities						17,755,520
Other information						
Additions to non-current assets (other than financial instruments and deferred tax assets)	318,164	295,366	—	15,863	—	629,393
Depreciation						
— property, plant and equipment	3,571	75,505	—	2,934	—	82,010
— right-of-use assets	8,998	28,564	—	5,367	—	42,929
Amortisation						
— intangible assets	—	413	—	63	—	476
Impairment losses provided/(reversed)						
— trade receivables, net	97	(208)	—	—	—	(111)

33 SEGMENT INFORMATION (Continued)

(c) Geographical information

The following table set out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's non-current assets (other than joint ventures, associates, financial instruments, deferred tax assets and other non-current assets). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of non-current tangible assets is based on the location of the assets. The geographical location of intangible assets and goodwill is based on the location of the operation to which they are located.

	Hong Kong	Macau	PRC	Singapore	Others	Consolidated
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
2024						
Revenue and other income from external customers	**553,602**	**1,364,648**	**223,046**	**2,492,189**	**312**	**4,633,797**
Non-current assets	**5,338,399**	**879,966**	**5,346,613**	**2,147,278**	**—**	**13,712,256**
2023						
Revenue and other income from external customers	589,209	759,458	212,630	2,602,467	8,960	4,172,724
Non-current assets	5,529,178	947,190	5,762,457	2,249,858	—	14,488,683

(d) Information about major customers

For the year ended 31 December 2024 and 2023, the revenue from the Group's largest external customer amounted to less than 10% of the Group's total revenue.

(e) External revenue

External revenue comprises revenue by each reportable segment and dividend income from financial assets at FVOCI (note 4).

34 SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Details of significant related party transactions during the year were as follows:

	Note	2024	2023
		HK$'000	HK$'000
STDM Group	(i)		
Dividend income from STDM		**87,503**	85,452
Fees received from STDM Group for provision of hospitality management and related services		**20,089**	19,385
Fees received from STDM Group for provision of property related services		**15,539**	17,764
Fees received from STDM Group for provision of business support services		**1,987**	1,777
Rental and related expenses paid to STDM Group		**14,502**	14,819
Amount reimbursed by STDM Group for staff expenses and administrative resources shared		**37,355**	37,364
Joint ventures			
Management and consultancy fee received from joint ventures		**24,212**	25,179
Sanitation/cleaning service income received from a joint venture		**13,651**	13,538
Associates			
Rental and related expenses paid to an associate		**9,286**	9,367
Insurance premium paid to an associate		**7,645**	7,944
Management fee received from an associate		**5,272**	4,515
Key management personnel			
Directors' emoluments	(ii)		
— Salaries and other short-term employee benefits		**30,385**	30,434
— Provident fund contributions		**1,149**	1,149
Marketing expenses paid	(iv)	**1,774**	3,302

34 SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

(b) At the balance sheet date, the Group had the following balances with related parties:

	Note	2024	2023
		HK$'000	HK$'000
STDM Group	(i)		
Net receivable from STDM Group	(v)	**18,209**	13,589
Joint ventures			
Amounts due by joint ventures	(vi)	**268,655**	178,132
Amount due to a joint venture	(vi)	**1,958**	1,958
Associates			
Amounts due by associates	(vii)	**239,228**	239,833
Key management personnel			
Deposit paid by a subsidiary to Sai Wu Investment Limited ("Sai Wu")	(viii)	**500,000**	500,000
Contract assets recognised for sale of properties	(iii)	**—**	40,809

Notes:

(i) Ms. Pansy Ho, Ms. Daisy Ho, Ms. Maisy Ho and Mr. David Shum, Directors of the Company, have beneficial interests in STDM. Ms. Pansy Ho and Mr. David Shum are directors of STDM. Ms. Daisy Ho is an appointed representative of Lanceford Company Limited, which is a corporate director of STDM. Ms. Maisy Ho is an appointed representative of the Company, which is a corporate director of STDM.

(ii) Further details of Directors' emoluments are disclosed in note 7 to the consolidated financial statements.

(iii) During the year ended 31 December 2022, Ms. Pansy Ho, Director of the Company, entered into a sale and purchase agreement with the Group to purchase a residential unit at Les Maisons Nassim in Singapore developed by the Group at a total consideration of S$34,612,500, equivalent to HK$197,279,000. As at 31 December 2023, the excess of cumulative revenue recognised in profit or loss over the cumulative billings for sale of the property of HK$40,809,000 was recognised as contract assets.

During the year ended 31 December 2024, revenue amounting to HK$30,317,000 (2023: HK$66,278,000) was recognised in the consolidated income statement in relation to this sale and purchase agreement.

(iv) Ms. Pansy Ho, Director of the Company, has beneficial interest in Occasions. Occasions Group provided brand marketing and consultancy services to the Group from time to time on a non-exclusive basis.

(v) Net receivable from STDM Group comprises trade and other receivables and payables.

(vi) Amounts due by joint ventures and amounts due to joint ventures are unsecured, non-interest bearing and with no fixed term of repayment.

34 SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

Notes: (Continued)

(vii) Amounts due by associates are unsecured. An amount of HK$150,882,000 (2023: HK$150,882,000) carries interest at HIBOR plus 2% per annum on loan principal and repayable on demand (2023: same). The related interest income for the year amounted to HK$5,296,000 (2023: HK$5,349,000). An amount of HK$33,000,000 (2023: HK$33,000,000) carries interest at 2.8% per annum on loan principal and repayable by 15 December 2025 (2023: same). The related interest income for the year amounted to HK$463,000 (2023: HK$458,000). An amount of RMB8,200,000 (2023: RMB8,200,000) carries interest at 3.45% per annum (2023: 6.5% per annum) on loan principal and is repayable by 4 January 2026. An amount of RMB4,000,000 (2023: RMB4,000,000) carries interest at 5% per annum (2023: same) on loan principal and is repayable by 1 February 2026. The remaining balances are non-interest bearing and with no fixed term of repayment.

(viii) On 11 November 2004, Shun Tak Nam Van Investment Limited ("Shun Tak Nam Van"), a wholly-owned subsidiary of the Group, entered into a conditional sale and purchase agreement ("SPA") with Sai Wu, a company now beneficially owned by the late Dr. Stanley Ho to acquire the interest in the land development right (note 23(b)). A refundable deposit of HK$500,000,000 was paid by Shun Tak Nam Van to Sai Wu. Further on 1 November 2016, Shun Tak Nam Van, the Company and Sai Wu entered into a supplemental agreement in respect of (i) the extension of the long stop date of the SPA and (ii) the proposed transfer of entire share capital of companies holding the respective leasehold grant or promissory land replacement rights (the "Target Companies") and the assignment of relevant promissory land replacement rights held by Sai Wu to Shun Tak Nam Van (the "Transfer"), enabling the Group to have authority to directly negotiate on behalf of Sai Wu and the Target Companies in relation to the land sites and the promissory land rights. The Transfer was completed in 2018.

Depending on the results of such negotiation, Shun Tak Nam Van may (i) obtain the replacement site(s) to its satisfaction and pay the pro-rata consideration; or (ii) revoke the Transfer and request Sai Wu to return the deposit paid by Shun Tak Nam Van under the SPA.

35 RETIREMENT BENEFITS SCHEMES

The Group provides defined contribution provident fund schemes for its eligible employees in Hong Kong, including the Occupational Retirement (ORSO) scheme and the Mandatory Provident Fund (MPF) scheme.

The Group's contributions to the MPF scheme are based on fixed percentages of member's salaries, ranging from 5% of MPF relevant income to 10% of the basic salary depending on respective companies' scheme rules and the choice of the employees. Member's mandatory contributions are fixed at 5% of MPF relevant monthly income which is capped at HK$30,000 (2023: HK$30,000).

The Group also operates a defined contribution provident fund scheme for eligible employees in Macau. Contributions to the scheme are made either only by the employer ranging from 5% to 10% or by both employer and employees ranging from 5% to 10% of the employees' monthly basic salaries.

The eligible employees of the Company's subsidiaries in the PRC are members of pension schemes operated by the Chinese local governments. The subsidiaries are required to contribute a certain percentage of their payroll costs to the pension schemes to fund the benefits.

The assets held under the MPF scheme and the other provident fund schemes are managed by independent trustees. The Group's contributions charged to the consolidated income statement for the year ended 31 December 2024 were HK$22,508,000 (2023: HK$26,248,000). Under the provident fund schemes other than MPF scheme, no forfeiture of employer's contributions was applied to reduce the Group's contributions for both years. Up to the balance sheet date, forfeited contributions retained in the ORSO and other provident fund schemes were HK$11,049,000 (2023: HK$10,880,000).

36 COMMITMENTS

(a) Capital commitments

Except for the commitments disclosed elsewhere in the consolidated financial statements, the Group held the following capital commitments as at year end:

	Note	2024	2023
		HK$'000	HK$'000
Contracted but not provided for			
Property, plant and equipment	(i)	**6,664**	27,591
Investment properties		**85**	8,474
		6,749	36,065
Capital contribution to			
An associate	(ii)	**579,048**	629,283

Notes:

(i) As at 31 December 2024, the outstanding commitments mainly include approximately HK$3 million for development of hotel properties in Singapore (2023: HK$6 million and HK$11 million for development of hotel properties in Singapore and Hengqin respectively).

(ii) As at 31 December 2024, the outstanding commitment represents capital contribution of USD75 million (2023: USD81 million) to an associate for investing in real estate projects in the PRC for healthcare usage, with hotel and/or retails components, complemented by healthcare-related amenities and mixed use properties.

(iii) The Group's share of capital commitment of joint ventures is HK$13 million as at 31 December 2024 (2023: HK$187 million).

(b) Future minimum lease payments receivable

The Group leases out properties under operating leases. The majority of the leases typically run for periods of 1 to 15 years. None of the leases include material contingent rentals.

The future aggregate minimum lease payments receivable under non-cancellable operating leases are as follows:

	2024	2023
	HK$'000	HK$'000
Within one year	**331,423**	346,867
After 1 year but within 2 years	**236,120**	202,251
After 2 years but within 3 years	**143,420**	103,796
After 3 years but within 4 years	**53,492**	47,024
After 4 years but within 5 years	**13,362**	23,143
After 5 years	**17,306**	3,379
	795,123	726,460

(c) Property development commitments

The Group had outstanding commitments of HK$24 million (2023: HK$435 million) under various contracts for property development projects.

In addition to the above, the Group had commitments of payment up to HK$250 million (2023: HK$250 million) in cash and of issue of up to 148,883,374 (2023: 148,883,374) ordinary shares of the Company for the conditional acquisitions of the interests in the land development rights in respect of the property sites adjoining the Macau Tower in Nam Van, Macau (notes 23(b) and 34(b)(viii)).

37 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Bank borrowings	Finance costs payable	Lease liabilities	Loans from non-controlling interests	Dividend payable to shareholders	Dividend payable to non-controlling interest	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
As at 1 January 2024	15,541,176	17,190	100,901	50,361	4,566	—	15,714,194
Cash flows	92,137	(691,720)	(41,923)	(15,361)	(19)	(124,070)	(780,956)
Exchange adjustments	(198,426)	—	—	—	—	—	(198,426)
Finance costs	—	690,701	4,392	—	—	—	695,093
Dividends declared	—	—	—	—	—	124,070	124,070
Loan facilities fee	745	—	—	—	—	—	745
Disposal to lease liabilities	—	—	(9,200)	—	—	—	(9,200)
Addition to lease liabilities (note 13 (b))	—	—	11,117	—	—	—	11,117
As at 31 December 2024	15,435,632	16,171	65,287	35,000	4,547	—	15,556,637

	Bank borrowings	Finance costs payable	Lease liabilities	Loans from non-controlling interests	Dividend payable to shareholders	Dividend payable to non-controlling interest	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
As at 1 January 2023	15,972,453	14,144	59,032	60,361	4,570	—	16,110,560
Cash flows	(522,606)	(676,769)	(43,597)	(10,000)	(4)	(71,912)	(1,324,888)
Exchange adjustments	81,555	—	—	—	—	—	81,555
Finance costs	—	679,815	4,006	—	—	—	683,821
Dividends declared	—	—	—	—	—	71,912	71,912
Loan facilities fee	9,774	—	—	—	—	—	9,774
Addition to lease liabilities (note 13 (b))	—	—	81,460	—	—	—	81,460
As at 31 December 2023	15,541,176	17,190	100,901	50,361	4,566	—	15,714,194

38 CONTINGENCY AND FINANCIAL GUARANTEES

The Company has provided a corporate guarantee for securing a banking facility granted to an associate. As at 31 December 2024, the bank loan balance proportionate to the Company's shareholding amounted to HK$100 million (2023: HK$164 million).

39 FINANCIAL INSTRUMENTS

Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk). The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the senior management. The management manages and monitors these risk exposures to ensure appropriate measures are implemented on timely and effective manners.

(a) Credit risk

The Group is exposed to credit risk on financial assets, that a loss may incur if the counterparties fail to discharge their obligation, mainly including amounts due by joint ventures and associates, trade and other receivables, deposit paid, contract assets, debt securities classified as financial assets at FVOCI, bank deposits and cash at banks.

The Group has policies in place to ensure that sales of properties are made to buyers with an appropriate financial strength and appropriate percentage of down payments. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. If a buyer defaults on the payment, the Group is able to retain the buyer's deposits and sell the property to recover any amounts recognised. Unless the selling price would drop by more than the buyer's deposits received, the Group may not be in a loss position in selling those properties out. In this regard, the directors of the Company consider that the Group's credit risk related to property sale receivables and contract assets are largely mitigated.

Credit risk arises from cash and bank balances and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a sound credit rating are accepted. The Group manages credit risk arising from trade debtors in accordance with defined credit policies, dependent on market requirements and business which they operate. Subject to negotiation, credit is only available for major customers with well-established trading records. The Group offers general credit terms ranging from 0 day to 60 days to its customers, except for the proceeds from sales of properties which are receivable pursuant to the terms of the relevant agreements. In addition, the Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Management of the Group reviews regularly the recoverable amount of trade receivables to ensure that adequate impairment provisions are made for irrecoverable amounts. The Group's investment in debt securities are considered to be low risk because of their high credit ratings. The credit ratings of the investments are monitored for credit deterioration.

Amounts due by joint ventures and associates are granted taken into account of their financial position, past experience and other factors. The Group monitors the credibility of joint ventures and associates continuously.

Summary quantitative data

	2024	2023
	HK$'000	HK$'000
Other non-current assets (excluding prepayments)	**478,390**	438,300
Trade receivables, other receivables and deposits paid (excluding prepayments)	**740,953**	243,091
Cash and bank balances	**7,809,879**	6,633,986
	9,029,222	7,315,377

39 FINANCIAL INSTRUMENTS (Continued)

Financial risk management (Continued)

(a) Credit risk (Continued)

As at 31 December 2024 and 2023, the maximum exposure to credit risk is represented by the carrying amount of each financial asset. Except for the financial guarantees given by the Group as set out in note 38, the Group does not provide any other guarantees which would expose the Group or the Company to material credit risk.

Credit risk arising from the other financial instruments of the Group, which include mainly cash and bank balances and debt securities classified as financial assets at FVOCI, is limited because the counterparties are considered by the Directors to have high creditworthiness. The Directors assess the creditworthiness with reference to external credit ratings (if available) or to historical information about counterparty default rates.

Other non-current assets mainly include amounts due by joint ventures amounting to HK$260 million (2023: HK$169 million), which is contributed by two (2023: two) joint ventures, and amounts due by associates amounting to HK$205 million (2023: HK$239 million), which are contributed by three (2023: three) associates. Directors consider the balances could be recovered by the operations of joint ventures and associates in the future and consider the loss given default is minimal.

For the trade receivables, management considers the credit risk of the counterparties is not high. The Group maintains frequent communications with these counterparties. Management has closely monitored the credit qualities and the collectability of these receivables and consider that the expected credit risks of them are minimal in view of the history of cooperation with them and forward looking information.

The Directors of the Group consider the probability of default upon initial recognition of asset and whether there has been significant increase in credit risk on an ongoing basis during the year. To assess whether there is a significant increase in credit risk the Group compares risk of a default occurring on the assets as at the balance sheet date with the risk of default as at the date of initial recognition. Especially the following indicators are incorporated.

- actual or expected significant adverse changes in business, financial economic conditions that are expected to cause a significant change to the company's ability to meet its obligations;
- actual or expected significant changes in the operating results of the company; and
- significant changes in the expected performance and behavior of the company, including changes in the payment status of the third party.

As at 31 December 2024 and 2023, management consider other receivables, mortgage loan receivable, other non-current assets, debt securities classified as financial assets at FVOCI and cash and bank balances as low credit risk as counterparties have a strong capacity to meet its contractual cash flow obligations in the near future. The Group has assessed that the ECL for these balances are immaterial. Thus, the loss allowance recognised during the year for these balances is close to zero.

39 FINANCIAL INSTRUMENTS (Continued)

Financial risk management (Continued)

(b) Liquidity risk

The Group is exposed to liquidity risk on financial liabilities. It is the Group's policy to regularly monitor its liquidity requirements and its compliance with any lending covenants, and to secure adequate funding and sufficient cash reserves to match with the cash flows required for working capital and investing activities. In addition, banking facilities have been put in place for contingency purposes. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

2024

	Less than 1 year or on demand	Later than 1 year and not later than 5 years	Later than 5 years	Total undiscounted cash flows	Carrying amount at 31 December
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Non-derivative financial liabilities					
Lease liabilities	35,903	35,210	—	71,113	65,287
Bank borrowings	6,146,208	10,571,048	202,467	16,919,723	15,435,632
Trade and other payables	774,443	—	—	774,443	774,443
Loans from non-controlling interests	35,000	—	—	35,000	35,000
	6,991,554	10,606,258	202,467	17,800,279	16,310,362

2023

	Less than 1 year or on demand	Later than 1 year and not later than 5 years	Later than 5 years	Total undiscounted cash flows	Carrying amount at 31 December
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Non-derivative financial liabilities					
Lease liabilities	41,797	68,444	1,564	111,805	100,901
Bank borrowings	4,580,160	12,186,440	248,998	17,015,598	15,541,176
Trade and other payables	902,973	—	—	902,973	902,973
Loans from non-controlling interests	50,361	—	—	50,361	50,361
	5,575,291	12,254,884	250,562	18,080,737	16,595,411

Financial risk management (Continued)

(c) Market risk

(i) Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing financial assets and liabilities. It is the Group's policy to regularly monitor and manage its interest rate risk exposure, by maintaining an appropriate and comfortable level of mix between fixed and variable-rate financial assets and liabilities and by repaying and/or selling the relevant fixed and variable-rate financial assets and liabilities in case of significant unfavourable market interest rate movement.

Summary quantitative data

	2024	2023
	HK$'000	HK$'000
Variable-rate financial assets/(liabilities)		
Trade and other receivables, deposits paid and prepayments	**64**	58
Other non-current assets	**151,438**	151,497
Bank balances and deposits	**6,940,324**	5,947,574
Bank borrowings	**(11,995,736)**	(12,097,389)
	(4,903,910)	(5,998,260)
Fixed-rate financial assets/(liabilities)		
Trade and other receivables, deposits paid and prepayments	**33,000**	—
Other non-current assets	**12,946**	46,386
Bank borrowings	**(3,500,000)**	(3,500,000)
	(3,454,054)	(3,453,614)
Net interest-bearing liabilities	**(8,357,964)**	(9,451,874)

Sensitivity analysis

As at 31 December 2024, if interest rates had been 50 basis points (2023: 50 basis points) higher/lower with all other variables held constant, the Group's profit after taxation and equity after taking into account the impact of finance costs capitalised in hotel buildings under construction would decrease by HK$24.8 million (2023: HK$19.8 million)/increase by HK$22.5 million (2023: HK$22.2 million) arising mainly as a result of change in interest income, net on variable-rate financial assets/liabilities.

The sensitivity analysis has been prepared with the assumption that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for the relevant financial instruments in existence at that date. The changes in interest rates represent management's assessment of a reasonably possible change at that date over the period until the next annual balance sheet date.

39 FINANCIAL INSTRUMENTS (Continued)

Financial risk management (Continued)

(c) Market risk (Continued)

(ii) Currency risk

The Group is exposed to currency risk on financial assets and liabilities that are denominated in United States dollar ("USD"), Macau pataca ("MOP"), Singapore dollar ("SGD") and Renminbi ("RMB").

The Group closely monitors and manages its exposure to currency risk, in particular the currency risk arising from those currencies that are not pegged to Hong Kong dollar ("HKD"), the functional currency of the Company.

While the Group has financial assets and liabilities denominated in USD and MOP, they are continuously pegged to HKD and these exposure to currency risk for such currencies is minimal to the Group. The Group's exposure to currency risk on financial assets and liabilities that are denominated in SGD and RMB are relatively insignificant. Since the currencies of financial assets and financial liabilities are primarily the functional currency of the respective company. The Group continuously monitors and manages such exposure to ensure they are at manageable levels.

Sensitivity analysis

As at 31 December 2024, if HKD weakened 10% (2023: 10%) against RMB and SGD with all other variable held constant, the Group's profit after taxation would increase by HK$6.3 million (2023: HK$13.9 million) and increase by HK$1.9 million (2023: decrease by HK$9.2 million) respectively. Conversely, if HKD had strengthened 10% (2023: 10%) against RMB and SGD with all other variables held constant, the Group's profit after taxation would decrease by HK$6.3 million (2023: HK$13.9 million) and decrease by HK$1.9 million (2023: increase by HK$9.2 million).

The sensitivity analysis has been prepared with the assumption that the change in foreign exchange rates had occurred at the balance sheet date and had been applied to the exposure to currency risk for the relevant financial instruments in existence at that date. The changes in foreign exchange rates represent management's assessment of a reasonably possible change in foreign exchange rates at that date over the period until the next annual balance sheet date.

The sensitivity analysis had not been prepared for the Group's exposure to currency risk arising from financial assets and liabilities denominated in USD and MOP. In view of the facts the HKD has been pegged with USD and MOP for many years and the respective government in Hong Kong and Macau have continuously committed not to amend the pegged rates, the management's assessment of reasonably changes in value of HKD against USD and against MOP at the balance sheet date over the period until the next annual balance sheet date is not material.

39 FINANCIAL INSTRUMENTS (Continued)

Financial risk management (Continued)

(c) Market risk (Continued)

(iii) Price risk

The Group is exposed to price risk on listed and unlisted securities.

The Group's policy is mainly to invest in financial assets with price risk by using its surplus funds in order to minimise the impact of the exposure to the Group's business operation and financial position and simultaneously, to enhance the return to the shareholders. The Group aims at holding the listed and unlisted securities for long term strategic purposes.

For its listed securities, the Group regularly monitors their performance by reviewing their listed price and announcements, including interim and annual reports. These investments are selected based on their respective investment potential and prospect and are diversified in different industries. For its unlisted securities, the Group monitors their performance by reviewing their reports, including management reports and annual financial statements, and recent transactions.

Summary quantitative data

	2024	2023
	HK$'000	HK$'000
Financial assets, at fair value		
Financial assets at FVOCI	**1,679,046**	1,487,492
Financial assets at FVPL (note 19(b))	**—**	—

Sensitivity analysis

As at 31 December 2024, if prices of the listed and unlisted securities, classified as financial assets at FVOCI and financial assets at FVPL, had been 10% (2023: 10%) higher/lower with all other variables held constant, the Group's investment revaluation reserve would have been HK$167.9 million (2023: HK$148.7 million) higher/lower and no change in loss for the year (2023: no change).

The sensitivity analysis has been prepared with the assumption that the change in price had occurred at the balance sheet date and had been applied to the exposure to price risk for the relevant financial instruments in existence at that date. The changes in price represent management's assessment of a reasonably possible change at that date over the period until the next annual balance sheet date.

39 FINANCIAL INSTRUMENTS (Continued)

Financial risk management (Continued)

(d) Categories of financial instruments

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows:

	2024	2023
	HK$'000	HK$'000
Financial assets		
Financial assets measured at amortised cost (including cash and bank balances)	9,029,222	7,315,377
Financial assets at FVOCI	1,679,046	1,487,492
Financial assets at FVPL (note 19(b))	—	—
Financial liabilities		
Financial liabilities measured at amortised cost	16,310,362	16,595,411

(e) Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

— Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

— Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

— Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

31 December 2024

	Level 1	Level 2	Level 3	Total
	HK$'000	HK$'000	HK$'000	HK$'000
Assets				
Financial assets at FVOCI				
— equity securities	291,663	510	1,386,873	1,679,046
Financial assets at FVPL				
— debt securities (note 19(b))	—	—	—	—
Total assets	291,663	510	1,386,873	1,679,046

Financial risk management (Continued)

(e) Fair value estimation (Continued)

31 December 2023

	Level 1	Level 2	Level 3	Total
	HK$'000	HK$'000	HK$'000	HK$'000
Assets				
Financial assets at FVOCI				
— equity securities	230,192	3,442	1,253,858	1,487,492
Financial assets at FVPL				
— debt securities (note 19(b))	—	—	—	—
Total assets	230,192	3,442	1,253,858	1,487,492

Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the closing price. These instruments are included in level 1. Instruments included in level 1 comprise primarily equity and debt investments classified as FVOCI.

Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Level 2 equity securities are valued based on the net asset value per share.

39 FINANCIAL INSTRUMENTS (Continued)

Financial risk management (Continued)

(e) Fair value estimation (Continued)

Financial instruments in level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Specific valuation techniques used to value financial instruments include:

— Quoted market prices or dealer quotes for similar instruments.

— The fair values of derivative financial instruments are determined either by reference to mark-to-market values quoted by the independent financial institutions or the estimated future cash flows at the balance sheet date.

— Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

During the year, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements. There were no significant changes in the business or economic circumstances that affect the fair values of the Group's financial assets and financial liabilities and there were no reclassifications of financial assets during the year.

Investment in STDM classified as level 3 equity securities are fair valued using market approach which is based on the capitalisation of the dividend income expected from the investment by a capitalisation rate, which is derived with reference to the dividend yields of comparable listed companies with similar business nature and business model, as well as the relative risk profile of the comparable listed companies and the investment itself.

Information about fair value measurements using significant unobservable inputs

		Range of significant unobservable inputs	
Fair value as at 31 December 2024	**Valuation method**	**Expected dividend stream per year**	**Dividend yield**
HK$'000			
1,386,873	**Market approach**	**HK$76.4 million**	**5.51%**

		Range of significant unobservable inputs	
Fair value as at 31 December 2023	Valuation method	Expected dividend stream per year	Dividend yield
HK$'000			
1,253,858	Market approach	HK$71.9 million	5.73%

Financial risk management (Continued)

(e) Fair value estimation (Continued)

Information about fair value measurements using significant unobservable inputs (Continued)

The determination of fair value of the investment using significant unobservable input involves a high degree of judgement and estimates. For illustration purpose, the sensitivity of the fair value of such investment as at 31 December 2024 and 2023 to hypothetical changes in the significant principal assumptions (while holding all other assumptions constant) is as follows:

31 December 2024

		Impact on fair value and other comprehensive income	
	Change in assumptions	**Positive impact**	**Negative impact**
Expected dividend stream	**Increase/decrease by 10% per year**	**Increase by HK$139 million**	**Decrease by HK$139 million**
Dividend yield	**Decrease/increase by 0.5%**	**Increase by HK$139 million**	**Decrease by HK$115 million**

31 December 2023

		Impact on fair value and other comprehensive income	
	Change in assumptions	Positive impact	Negative impact
Expected dividend stream	Increase/decrease by 10% per year	Increase by HK$125 million	Decrease by HK$125 million
Dividend yield	Decrease/increase by 0.5%	Increase by HK$120 million	Decrease by HK$101 million

Investment in WMMH classified as level 3 equity securities and debt securities are fair valued using the liquidation approach, using the latest available financial information and public information, to estimate any potential amount to be distributed from WMMH to the Group.

The movements of the carrying value of the unlisted investments which is catogorised at Level 3 fair value hierarchy are as follows:

	Financial assets at FVOCI	**Financial assets at FVPL**	**Total**
	HK$'000	HK$'000	HK$'000
As at 1 January 2023	1,885,844	302,613	2,188,457
Change in fair value recognised in profit or loss	—	(302,613)	(302,613)
Change in fair value recognised in other comprehensive income	(631,986)	—	(631,986)
As at 31 December 2023	**1,253,858**	**—**	**1,253,858**
Change in fair value recognised in other comprehensive income	**133,015**	**—**	**133,015**
As at 31 December 2024	**1,386,873**	**—**	**1,386,873**

40 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders, and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure. The Group manages its capital structure and makes adjustments to it taking into account current and expected debt and equity capital market conditions, the Group's investment strategy and opportunities, projected operating cash flows and capital expenditures, and general market conditions. To maintain or adjust the capital structure, the Group may adjust the level of borrowings, the dividend payment to shareholders, issue new shares, raise debt financing or repurchase own shares.

The Group monitors its capital structure on the basis of a net debt-to-adjusted capital ratio. Net borrowing is calculated as total debt, which includes current and non-current borrowings, less cash and bank balances. Adjusted capital comprises all components of equity attributable to owners of the Company less hedging reserve. During 2024, the Group's strategy was to maintain a healthy net debt-to-adjusted capital ratio.

The net debt-to-adjusted capital ratio as at 31 December 2024 and 2023 was as follows:

	2024	2023
	HK$'000	HK$'000
Bank borrowings (note 27)	**15,435,632**	15,541,176
Less: Cash and bank balances (note 24)	**(7,809,879)**	(6,633,986)
Net borrowing	**7,625,753**	8,907,190
Equity attributable to owners of the Company	**30,441,133**	31,715,234
Less: Hedging reserve (note 32)	**(4,265)**	(4,265)
Adjusted capital	**30,436,868**	31,710,969
Net debt-to-adjusted capital ratio	**25.1%**	28.1%

Loan covenants

Certain subsidiaries of the Group are subject to loan covenants. For both 2024 and 2023, there is no material non-compliance with those loan covenants.

As disclosed in Note 27, the entire non-current portion of bank borrowings is subject to certain covenants which the relevant subsidiaries/the Group are required to comply with. Under the terms of the loan agreements, the Group is required to comply with financial covenants applicable to certain bank borrowings, which include interest coverage ratio, ratio of total loans to total security value, equity attributable to the owner and the tangible net worth that are assessed at the end of each interim and/or annual period. Non-financial related covenants that the Group's entities must comply with are terms that commonly applicable to borrowers based on the prevalent financial market practice and assessed on the date agreed upon with the lenders.

There are no indications that the Group entities would have difficulties complying with the covenants within 12 months after the end of the reporting period.

41 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

Balance sheet of the Company

	2024	2023
	HK$'000	HK$'000
Non-current assets		
Property, plant and equipment	**555**	750
Subsidiaries	**670,116**	640,116
Associates	**387,250**	387,250
Financial assets at fair value through other comprehensive income	**1,366,257**	1,235,219
Other non-current assets	**16,453,323**	16,983,036
	18,877,501	19,246,371
Current assets		
Trade and other receivables, and deposits paid	**81,859**	34,991
Cash and bank balances	**3,595,649**	2,427,319
	3,677,508	2,462,310
Current liabilities		
Trade and other payables, and receipts in advance	**8,267,520**	7,313,915
Provision for employee benefits	**3,345**	3,298
	8,270,865	7,317,213
Net current liabilities	**(4,593,357)**	(4,854,903)
Net assets	**14,284,144**	14,391,468
Equity		
Share capital	**9,858,250**	9,858,250
Other reserves (note (a))	**4,425,894**	4,533,218
Total equity	**14,248,144**	14,391,468

The balance sheet of the Company was approved by the Board of Directors on 25 March 2025 and was signed on its behalf

Pansy Ho
Director

Daisy Ho
Director

41 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

Notes:

(a) The reserve movement of the Company is as follows:

	Capital reserve	Investment revaluation reserve	Retained profits	Total
	HK$'000	HK$'000	HK$'000	HK$'000
As at 1 January 2023	10,855	(457,606)	5,184,642	4,737,891
Profit for the year	—	—	406,557	406,557
Fair value changes of equity investments as financial assets at FVOCI	—	(608,450)	—	(608,450)
Buy-back of shares	—	—	(2,780)	(2,780)
As at 31 December 2023	**10,855**	**(1,066,056)**	**5,588,419**	**4,533,218**
Loss for the year	**—**	**—**	**(238,363)**	**(238,363)**
Fair value changes of equity investments as financial assets at FVOCI	**—**	**131,039**	**—**	**131,039**
As at 31 December 2024	**10,855**	**(935,017)**	**5,350,056**	**4,425,894**

42 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

	Place of incorporation/ principal place of operation	Issued and paid up capital/ registered capital	Percentage held by the Group 2024	Percentage held by the Group 2023	Principal activities
Property — Hong Kong					
Goform Limited	Hong Kong	Ordinary shares: HK$2	**100**	100	Assets leasing and investment holding
Hocy Development Limited	Hong Kong	Ordinary shares: HK$2	**100**	100	Property investment
Iconic Palace Limited	Hong Kong	Ordinary shares: HK$20	**100**	100	Property investment
Megabright Investment Limited	Hong Kong	Ordinary shares: HK$2	**100**	100	Investment holding
Ranex Investments Limited	Hong Kong	Ordinary shares: HK$100	**51**	51	Property investment and development
Shun Tak Development Limited	Hong Kong	Ordinary shares: HK$634,445,380	**100**	100	Investment holding
Shun Tak Property Investment & Management Holdings Limited	Hong Kong	Ordinary shares: HK$2	**100**	100	Property investment and provision of management services
Shun Tak Property Management Limited	Hong Kong/Hong Kong and Macau	Ordinary shares: HK$2	**100**	100	Property management
Sonata Kingdom Limited ^^	Hong Kong	Ordinary share: HK$1	**100**	100	Property investment
Shun Tak Centre Limited # ("STCL")	Hong Kong	Ordinary Class A shares: HK$100,000 Ordinary Class B shares: HK$4,500 Ordinary Class C shares: HK$5,500	**(Note 1)**	(Note 1)	Property investment and investment holding
Property — Macau					
Ace Wonder Limited	British Virgin Islands	Ordinary share: US$1	**100**	100	Investment holding
Basecity Investments Limited ^	British Virgin Islands	Ordinary shares: US$10,000	**51** **(Note 2)**	51 (Note 2)	Investment holding
Properties Sub F, Limited ^	Macau	MOP1,000,000	**51** **(Note 2)**	51 (Note 2)	Property investment, hotel owning and operation
Eversun Company Limited	Hong Kong/Macau	Ordinary shares: HK$200	**100**	100	Property investment
Fast Shift Investments Limited ("Fast Shift")	British Virgin Islands	Ordinary Class A share: US$1 Non-voting Class B share	**100** **(Note 3)** **(Note 4)**	100 (Note 3) (Note 4)	Investment holding
Nova Taipa — Urbanizações, Limitada ("NTUL")	Macau	Quota capital: MOP10,000,000	**(Note 4)**	(Note 4)	Property development
Nextor Holdings Limited ^	British Virgin Islands	Ordinary shares: US$10	**50**	50	Investment holding
Viver Taipa Limitada ^	Macau	Quota capital: MOP25,000	**50**	50	Property investment
Shun Tak Nam Van Investimento Limitada	Macau	Quota capital: MOP25,000	**100**	100	Property development
Winning Reward Investments Limited	British Virgin Islands	Ordinary share: US$1	**100**	100	Investment holding

42 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Continued)

	Place of incorporation/ principal place of operation	Issued and paid up capital/ registered capital	Percentage held by the Group 2024	2023	Principal activities
Property — Mainland China					
Shun Tak Real Estate (Beijing) Co. Ltd. * β 信德京匯置業(北京)有限公司	PRC	RMB465,000,000@	**100**	100	Property investment and hotel development
Guangzhou Shun Tak Real Estate Company Limited β	PRC	HK$50,000,000@	**60**	60	Property investment
Perennial HC Holdings Pte. Ltd. #	Singapore	Ordinary shares: US$251,380,000	**30**	30	Investment holding
Perennial Tongzhou Development Pte. Ltd. #	Singapore	Ordinary shares: S$388,778,402	**31.6**	31.6	Investment holding
Shun Tak Cultural Centre Limited	Hong Kong	Ordinary shares: HK$10	**60**	60	Investment holding
Sonic City Limited	Hong Kong	Ordinary share: HK$1	**100**	100	Investment holding
Zhuhai Hengqin Shun Tak Property Development Co. Ltd *β 珠海橫琴信德房地產開發有限公司	PRC	RMB1,410,000,000@	**100**	100	Property investment and hotel development
Shun Tak Qiantan (Shanghai) Cultural and Real Estate Company Limited *^Ω 信德前灘(上海)文化置業有限公司	PRC	RMB3,000,000,000@	**50**	50	Property investment, performing art centre management, hotel owning and operation
Shun Yin Limited	Hong Kong	Ordinary shares: HK$100	**100**	100	Investment holding
Tak Hope Limited	Hong Kong	Ordinary shares: HK$100	**100**	100	Investment holding
Shanghai Suzuan Investment Company Limited* 上海蘇鑽投資有限公司	PRC	RMB2,529,880,000@	**100**	100	Investment holding
Shanghai Tongxin Investment Company Limited* 上海潼信投資有限公司	PRC	RMB2,270,120,000@	**100**	100	Investment holding
Shanghai Huahe Real Estate Development Company Limited*^Ω 上海華合房地產開發有限公司	PRC	RMB25,507,698@	**50**	50	Property development
Shanghai Huayan Real Estate Development Company Limited*^Ω 上海華筵房地產開發有限公司	PRC	RMB4,573,861,007@	**50**	50	Property development

42 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Continued)

	Place of incorporation/ principal place of operation	Issued and paid up capital/ registered capital	Percentage held by the Group 2024	2023	Principal activities
Property — Singapore					
Shun Tak Somerset Investors Pte. Ltd.	Singapore	Ordinary shares: S$343,501 Preference shares: S$95,607,500	100	100	Investment holding
Shun Tak (Somerset) Pte. Ltd.	Singapore	Ordinary shares: S$10,001	100	100	Property holding
Shun Tak Residential Development Pte. Ltd.	Singapore	Ordinary shares: S$1,000,000	100	100	Property development
Shun Tak Cuscaden Residential Pte. Ltd.	Singapore	Ordinary shares: S$2,000,000	100	100	Property development
Hospitality and Leisure					
Artyzen Hospitality Group Limited	Hong Kong	Ordinary share: HK$1	100	100	Hospitality management and auxiliary services
Host Wise International Limited	Hong Kong	Ordinary share: HK$1	100	100	Property investment for hotel operation
Shun Tak Property (Shanghai) Co., Ltd. *β 信德置業(上海)有限公司	PRC	RMB880,000,000@	100	100	Hotel owning and operation
Shun Tak Real Estate (Singapore) Pte. Ltd.	Singapore	Ordinary share: S$1	100	100	Hotel owning and operation
Sociedade de Turismo e Desenvolvimento Insular, S.A. #	Macau	Capital: MOP200,000,000	34.9	34.9	Hotel and golf club operations
Union Sky Holdings Limited ^^	Hong Kong	Ordinary shares: HK$10,000	70	70	Hotel owning and operation
Transportation					
Shun Tak — China Travel Shipping Investments Limited#	British Virgin Islands/ Hong Kong	Ordinary shares: US$10,000	50 (Note 5)	50 (Note 5)	Investment holding
Investment					
Step Ahead International Limited	British Virgin Islands/ Hong Kong	Ordinary share: US$1	100	100	General investment
Common Sense Limited	Hong Kong	Ordinary shares: HK$100	100	100	General investment
Phoenix Media Investment (Holdings) Limited#	Cayman Islands	Ordinary shares: HK$499,365,950	16.9	16.9	Investment holding
Finance					
Shun Tak Finance Limited	Hong Kong	Ordinary shares: HK$2	100	100	Financing

42 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Continued)

Notes:

1. The Group holds a total of 550 Class A Shares and 450 Class B Shares in the capital of STCL. The Group is entitled to the 55% profits and the net assets of the STCL group which comprises certain properties situated in Central, Hong Kong, and 100% assets of the STCL which are beneficially owned by the B Shares, respectively. The Group does not control STCL under the contractual agreement, the interest held is accounted for as an associate.

2. The Group holds more than 50% interests in these joint ventures. However, under the contractual agreements, the Group does not control these joint ventures as the decisions about relevant activities require the unanimous consent of the parties sharing the control.

3. Non-voting Class B share (representing 100% non-voting Class B shares) with no par value.

4. Save for one issued non-voting Class B share of Fast Shift which is held by a third party, the entire issued share capital of NTUL is owned by the Company indirectly through Shun Tak Development Limited, Nomusa Limited and Fast Shift. Pursuant to an investment agreement in relation to NTUL dated 3 January 2014, holder of the non-voting Class B share of Fast Shift is entitled to 29% of the economic benefits in or losses arising from the residential portion of Nova City Phase V owned and developed by NTUL.

5. On 16 July 2020, the Group completed the restructuring of STCT group. Since then the Group does not control STCT group under the contractual agreement, the interest held is accounted for as an associate.

6. The above table lists the principal subsidiaries, joint ventures and associates of the Group which, in the opinion of the Directors, principally affect the results and net assets of the Group.

@ Registered capital
# Associates
^ Joint ventures
^^ Shares of subsidiaries were pledged to banks as securities for bank loans granted to certain subsidiaries of the Group (note 27)
β Wholly-owned foreign enterprise (WOFE) registered under PRC law
Ω Equity joint venture registered under PRC law
* For identification purpose only

43 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 25 March 2025.

FIVE-YEAR FINANCIAL SUMMARY

	Note	2024 (HK$ million)	2023 (HK$ million)	2022 (HK$ million)	2021 (HK$ million)	2020 (HK$ million)
Consolidated Income Statement						
Revenue		**4,546**	4,068	3,491	4,830	4,190
(Loss)/profit attributable to owners of the Company		**(824)**	(677)	(558)	962	262
Consolidated Balance Sheet						
Non-current assets		**31,415**	32,890	35,150	37,694	37,000
Current assets		**18,789**	18,931	19,872	21,861	23,937
Current liabilities		**(6,889)**	(5,211)	(6,583)	(4,172)	(6,098)
Non-current liabilities		**(10,583)**	(12,544)	(12,660)	(17,165)	(16,923)
Net assets		**32,732**	34,066	35,779	38,218	37,916
Share capital and other statutory capital reserve		**9,858**	9,858	9,858	9,858	9,858
Other reserves		**20,583**	21,857	23,534	25,507	25,227
Proposed dividends		**—**	—	—	—	—
Equity attributable to owners of the Company		**30,441**	31,715	33,392	35,365	35,085
Non-controlling interests		**2,291**	2,351	2,387	2,853	2,831
Total equity		**32,732**	34,066	35,779	38,218	37,916
Number of issued and fully paid shares (million)	1	**3,018**	3,018	3,020	3,020	3,021
Performance Data						
(Loss)/earnings per share (HK cents)						
— basic		**(27.3)**	(22.4)	(18.5)	31.9	8.7
— diluted		**(27.3)**	(22.4)	(18.5)	31.9	8.7
Dividends per share (HK cents)						
— interim		**—**	—	—	—	—
— final		**—**	—	—	—	—
— special		**—**	—	—	—	—
Dividend cover		**N/A**	N/A	N/A	N/A	N/A
Current ratio		**2.7**	3.6	3.0	5.2	3.9
Gearing (%)	2	**25.1**	28.1	28.3	28.0	35.6
Return on equity attributable to owners of the Company (%)		**(2.7)**	(2.1)	(1.7)	2.7	0.7
Net asset value per share (HK$)		**10.8**	11.3	11.8	12.7	12.5

	2024	2023	2022	2021	2020
Headcount by Division					
Head Office	**244**	254	241	239	250
Property	**665**	712	657	640	640
Hospitality and Leisure	**744**	704	566	594	626
Transportation	**—**	—	—	—	—
Investment	**56**	50	43	41	43

Notes:

1. Number of issued and fully paid shares is based on the number of shares in issue at the balance sheet date.

2. Gearing represents the ratio of net borrowings to equity attributable to owners of the Company.

信德集團
SHUN TAK HOLDINGS

SHUN TAK HOLDINGS LIMITED

Penthouse 39th Floor, West Tower
Shun Tak Centre
200 Connaught Road Central
Hong Kong

信德集團有限公司

香港干諾道中二百號
信德中心西座三十九頂樓

MIX
Paper | Supporting responsible forestry
FSC® C120915
FSC
www.fsc.org

www.shuntakgroup.com