

RESULTS

Revenue

Revenue for the year ended 31 December 2024 ("Year") amounted to HK\$336.8 million (2023: HK\$479.6 million), a decrease of 29.8% over last year and comprised gross rental income of HK\$204.6 million (2023: HK\$257.2 million), gain on sales of investments held-for-trading on a net basis of HK\$15.9 million (2023: HK\$65.8 million), dividend income from listed and unlisted equity investments of HK\$40.5 million (2023: HK\$81.7 million), interest income from bonds and structured products of HK\$10.3 million (2023: HK\$9.1 million), building and property management services income of HK\$52.0 million (2023: HK\$51.7 million) and others of HK\$13.5 million (2023: HK\$14.1 million). The decrease in revenue was mainly due to decrease in (a) gross rental income of HK\$52.6 million; (b) net gain on sales of investments held-for-trading of HK\$49.9 million; and (c) dividend income from an investee company engages in property development and trading of HK\$38.0 million for the Year.

Gross Profit

Gross profit for the Year amounted to HK\$280.2 million (2023: HK\$430.3 million), a decrease of 34.9% as compared with last year which was also mainly due to decrease in (a) net rental income; (b) net gain on sales of investments held-for-trading; and (c) dividend income from an investee company for the Year.

Property Leasing

For property leasing, the rental revenue in non-retail section declined by 29.1% to HK\$138.3 million while retail section increased by 6.8% to HK\$66.3 million during the Year. The total rental income in revenue for the Year recorded a decrease of 20.5% to HK\$204.6 million as compared with last year of HK\$257.2 million.

Together with the attributable rental revenue generated from associates and investee companies of HK\$121.4 million (2023: HK\$121.3 million), the total attributable rental revenue to the Company and its subsidiaries (collectively the "Group") amounted to HK\$326.0 million (2023: HK\$378.5 million), which represents a decrease of 13.9% over last year.

業績

收入

截至二零二四年十二月三十一日止年度(「本年度」)之收入為336,800,000港元(二零二三年：479,600,000港元)，較去年下跌29.8%，當中包含租金收入總額204,600,000港元(二零二三年：257,200,000港元)、按淨額基準呈報出售持作買賣之投資收益15,900,000港元(二零二三年：65,800,000港元)、上市及非上市股本投資之股息收入40,500,000港元(二零二三年：81,700,000港元)、債券及結構性產品之利息收入10,300,000港元(二零二三年：9,100,000港元)、樓宇及物業管理服務收入52,000,000港元(二零二三年：51,700,000港元)以及其他收入13,500,000港元(二零二三年：14,100,000港元)。收入減少主要由於於本年度(a)租金收入總額減少52,600,000港元；(b)出售持作買賣之投資收益淨額減少49,900,000港元；及(c)來自一間從事物業發展及買賣之接受投資公司之股息收入減少38,000,000港元。

毛利

本年度之毛利為280,200,000港元(二零二三年：430,300,000港元)，較去年下跌34.9%，主要亦由於於本年度(a)租金收入淨額減少；(b)出售持作買賣之投資收益淨額減少；及(c)來自一間接受投資公司之股息收入減少。

物業租賃

在物業租賃方面，於本年度非零售部分之租金收入減少29.1%至138,300,000港元而零售部分之租金收入則上升6.8%至66,300,000港元。本年度之收入錄得之租金收入總額較去年之257,200,000港元減少20.5%至204,600,000港元。

連同應佔聯營公司及接受投資公司租金收入121,400,000港元(二零二三年：121,300,000港元)，本公司及其附屬公司(統稱「本集團」)應佔租金收入總額為326,000,000港元(二零二三年：378,500,000港元)，相對去年減幅為13.9%。

RESULTS (Cont'd)

Property Leasing (Cont'd)

Attributable net rental income for the Year showed HK\$269.2 million, a decrease of 16.7% over HK\$323.1 million in last year.

The decline in attributable rental revenue and net rental income was mainly due to (a) disposal of a subsidiary holding 14 St George Street, London, United Kingdom in August 2024; (b) the decreased occupancy of the property located at 11 and 12 St James's Square and 14 to 17 Ormond Yard, London, United Kingdom for upgrading works on part of the property, of which the property was disposed in December 2024; and (c) drop in rental income from office portion in Hong Kong.

Property Development and Trading

During the Year, the Group did not dispose of any trading property (2023: no disposal).

In respect of properties held by an investee company, sales of certain units and parking spaces of Grand Central in Kwun Tong (10% interest) were recorded by the investee company during the Year. Following the recognition of sales and profits by the investee company, the investee company declared dividend and hence dividend income from the investee company had contributed HK\$38.0 million (2023: HK\$76.0 million) to the Group's revenue and results during the Year.

The Group's investee company recorded an attributable sales of HK\$12.4 million (2023: HK\$120.2 million) for the Year.

Securities Investments

The Group has in the ordinary and usual course of business conducted its securities investment activities, as at 31 December 2024, comprised listed equity investments, bonds and treasury products. During the Year, the net loss (excluding gain/loss recognised in financial assets measured at fair value through other comprehensive income ("FVTOCI") reserve) recognised from securities investments and treasury products representing net loss on investments and treasury products at fair value through profit or loss ("FVTPL") of HK\$4.4 million (2023: HK\$22.2 million).

業績(續)

物業租賃(續)

本年度之應佔租金收入淨額為269,200,000港元，較去年之323,100,000港元減少16.7%。

應佔租金收入及租金收入淨額減少主要由於(a)二零二四年八月出售一間持有英國倫敦St George Street 14號之附屬公司；(b)位於英國倫敦St James's Square 11及12號以及Ormond Yard 14至17號之物業因部分物業進行優化工程而令出租率下降，而該物業於二零二四年十二月已出售；及(c)香港辦公室部分之租金收入下降。

物業發展及買賣

於本年度，本集團並無出售任何買賣物業(二零二三年：並無出售)。

至於由一間接受投資公司所持有之物業，銷售位於觀塘之凱滙若干單位及車位(佔10%權益)於本年度由該接受投資公司入賬。隨著該接受投資公司確認銷售及溢利，於本年度該接受投資公司宣派股息，因此來自該接受投資公司之股息收入38,000,000港元(二零二三年：76,000,000港元)為本集團之收入及業績帶來貢獻。

於本年度，本集團錄得應佔接受投資公司銷售為12,400,000港元(二零二三年：120,200,000港元)。

證券投資

本集團在一般及日常業務過程中進行證券投資活動，於二零二四年十二月三十一日包含上市股本投資、債券及財資產品。於本年度，來自證券投資及財資產品確認之虧損淨額(不包括於通過其他全面收益以反映公平值(「通過其他全面收益以反映公平值」)計量之金融資產之儲備內確認之收益／虧損)乃指通過損益以反映公平值(「通過損益以反映公平值」)之投資及財資產品之虧損淨額4,400,000港元(二零二三年：22,200,000港元)。

RESULTS (Cont'd)

Securities Investments (Cont'd)

Investments and Treasury Products at Fair Value Through Profit or Loss

During the Year, the Group disposed of listed investments held-for-trading and recognised a realised gain of HK\$15.9 million (2023: HK\$65.8 million) (the gains/losses of which was included in revenue) with gross proceeds of HK\$118.3 million (2023: HK\$617.3 million). In addition, realised gain on bonds of HK\$1.5 million (2023: realised loss HK\$5.9 million) and realised loss on derivative financial instruments of HK\$1.8 million (2023: realised loss on structured products and derivative financial instruments of HK\$0.6 million) were recorded during the Year.

During the Year, the Group recorded an unrealised loss of HK\$33.0 million (2023: HK\$95.8 million) representing the changes in fair value of listed equity investments, bonds and derivative financial instruments, comprised unrealised loss on listed investments held-for-trading of HK\$20.5 million (2023: HK\$29.8 million), unrealised loss on bonds of HK\$12.6 million (2023: HK\$65.9 million) and unrealised gain on derivative financial instruments of HK\$0.1 million (2023: unrealised loss of HK\$0.1 million), which had no effect on the cash flow of the Group.

During the Year, interest income from bonds (which were included in revenue) of HK\$10.3 million (2023: from bonds of HK\$8.8 million and structured products of HK\$0.3 million). Together with dividend income from listed equity investments at FVTPL (which were included in revenue) of HK\$2.5 million (2023: HK\$5.1 million), the Group recognised interest/dividend income from investments and treasury products at FVTPL of HK\$12.8 million (2023: HK\$14.2 million) for the Year.

Summing up the realised and unrealised gain/loss and adding the net income from net dividend income, interest income and other investment income/expenses of HK\$13.0 million (2023: HK\$14.3 million), the net loss recognised from securities investments and treasury products was HK\$4.4 million (2023: HK\$22.2 million) for the Year.

業績(續)

證券投資(續)

通過損益以反映公平值之投資及財資產品

於本年度，本集團出售持作買賣之上市投資而確認之已變現收益為15,900,000港元(二零二三年：65,800,000港元)(其收益／虧損已包括於收入內)，所得銷售總額為118,300,000港元(二零二三年：617,300,000港元)。此外，於本年度錄得來自債券之已變現收益為1,500,000港元(二零二三年：已變現虧損5,900,000港元)及來自衍生金融工具之已變現虧損為1,800,000港元(二零二三年：來自結構性產品及衍生金融工具之已變現虧損為600,000港元)。

於本年度，本集團錄得未變現虧損33,000,000港元(二零二三年：95,800,000港元)乃指上市股本投資、債券及衍生金融工具之公平值變動，包含持作買賣之上市投資之未變現虧損20,500,000港元(二零二三年：29,800,000港元)、債券之未變現虧損12,600,000港元(二零二三年：65,900,000港元)以及衍生金融工具之未變現收益100,000港元(二零二三年：未變現虧損100,000港元)，對本集團現金流量並無影響。

於本年度，債券之利息收入(已包括於收入內)為10,300,000港元(二零二三年：來自債券8,800,000港元及結構性產品300,000港元)。連同來自通過損益以反映公平值之上市股本投資之股息收入(已包括於收入內)2,500,000港元(二零二三年：5,100,000港元)，於本年度本集團確認來自通過損益以反映公平值之投資及財資產品之利息／股息收入12,800,000港元(二零二三年：14,200,000港元)。

總括已變現及未變現收益／虧損以及加入股息收入淨額、利息收入及其他投資收入／開支之收入淨額為13,000,000港元(二零二三年：14,300,000港元)，於本年度來自證券投資及財資產品已確認之虧損淨額為4,400,000港元(二零二三年：22,200,000港元)。

RESULTS (Cont'd)

Other Income and Expenses

During the Year, the Group recorded other income of HK\$25.8 million (2023: HK\$24.9 million).

During the Year, administrative expenses increased by 4.3% to HK\$348.2 million (2023: HK\$333.9 million). Finance costs decreased by 4.5% to HK\$213.4 million (2023: HK\$223.4 million) during the Year.

Other gains and losses recorded a net loss of HK\$110.5 million mainly comprised loss on disposal of the entire issued share capital of State Smart Limited ("State Smart"), an indirect wholly-owned subsidiary of the Company ("State Smart Disposal") of HK\$100.1 million for the Year (2023: net gain of HK\$6.6 million mainly comprised reversal of allowance for credit loss recognised in respect of advance to an associate of HK\$7.4 million).

Major Disposals

Disposal of a Subsidiary

On 14 August 2024, Capital Castle Global Limited ("Capital Castle"), an indirect wholly-owned subsidiary of the Company; and Oval Gymkhana Holdco Limited ("Oval"), which is an independent third party, entered into a sale and purchase agreement, pursuant to which Capital Castle agreed to sell and Oval agreed to acquire the entire issued share capital of State Smart. At the time of disposal, State Smart held the property located at 14 St George Street, London, United Kingdom. Completion of the State Smart Disposal took place immediately after signing of the sale and purchase agreement. At completion, Oval repaid on behalf of State Smart its bank debt (including principal, interest and related fees) equivalent to approximately HK\$230.0 million and amount due to the Group equivalent to approximately HK\$967.3 million to its respective creditors. The consideration for sale share amounted to equivalent to approximately HK\$62.2 million. Upon completion, State Smart ceased to be a subsidiary of the Company and its financial results, assets and liabilities were ceased to be consolidated with those of the Group. The Group recorded a loss on the State Smart Disposal of HK\$100.1 million and an other comprehensive income in respect of reclassification adjustment related to foreign operation disposed of HK\$98.2 million. As a result, the Group recorded a net loss of HK\$1.9 million in total comprehensive expenses for the Year.

Details of the State Smart Disposal were set out in the announcement of the Company dated 15 August 2024 and the circular of the Company dated 17 September 2024.

業績(續)

其他收入及開支

於本年度，本集團錄得其他收入25,800,000港元(二零二三年：24,900,000港元)。

於本年度，行政開支增加4.3%至348,200,000港元(二零二三年：333,900,000港元)。財務費用於本年度減少4.5%至213,400,000港元(二零二三年：223,400,000港元)。

本年度其他收益及虧損錄得虧損淨額110,500,000港元主要包含出售邦穎有限公司(「邦穎」)(本公司之一間間接全資擁有附屬公司)之全部已發行股本(「邦穎出售」)之虧損100,100,000港元(二零二三年：收益淨額6,600,000港元主要包含就墊付一間聯營公司款項確認撥回之信貸虧損撥備7,400,000港元)。

主要出售

出售一間附屬公司

於二零二四年八月十四日，資堡環球有限公司(「資堡」)(本公司之一間間接全資擁有附屬公司)與Oval Gymkhana Holdco Limited (「Oval」)(獨立第三方)訂立一份買賣協議，據此，資堡同意出售而Oval同意收購邦穎之全部已發行股本。於出售時，邦穎持有位於英國倫敦St George Street 14號之物業。邦穎出售已於買賣協議簽訂後隨即完成。於完成時，Oval代表邦穎向其相關債權人償還其銀行債務(包括本金、利息及相關費用)相當於約230,000,000港元及欠負本集團款項相當於約967,300,000港元。出售股份之代價相當於約62,200,000港元。於完成後，邦穎已不再為本公司之附屬公司，而其財務業績、資產及負債不再計入本集團之綜合財務報表內。本集團錄得邦穎出售之虧損100,100,000港元及有關出售境外業務之重新分類調整之其他全面收益98,200,000港元。因此，本集團於本年度之全面支出總額錄得虧損淨額1,900,000港元。

邦穎出售之詳情已載列於本公司日期為二零二四年八月十五日之公布以及二零二四年九月十七日之通函。

RESULTS (Cont'd)

Major Disposals (Cont'd)

Disposal of a Property

On 19 December 2024, KNIGHTLIGHTS PROPERTY INTERNATIONAL S.A., an indirect wholly-owned subsidiary of the Company entered into a sale and purchase agreement in relation to the disposal of the property located at 11 and 12 St James's Square and 14 to 17 Ormond Yard, London, United Kingdom to an independent third party at a consideration of Pound Sterling ("GBP") 162.0 million (equivalent to approximately HK\$1,590.8 million) ("St James's Square Disposal"). The Group recorded a realised loss on fair value changes of investment property and impairment loss of land and building of HK\$104.1 million. Completion of the St James's Square Disposal took place on the date of signing of the sale and purchase agreement.

Details of the St James's Square Disposal were set out in the announcement of the Company dated 19 December 2024 and the circular of the Company dated 21 January 2025.

Investments Accounted for Using the Equity Method

The share of results of investments accounted for using the equity method for the Year recorded a loss from the share of results of associates of HK\$111.2 million (2023: profit of HK\$296.3 million). The turning from profit to loss on share of results of associates was mainly due to fair value changes of investment properties held by associates turned from gain to loss during the Year.

Fair Value Changes on Investment Properties

Investment properties of the Group in Hong Kong and Mainland China were revalued at 31 December 2024 by Peak Vision Appraisals Limited ("Peak Vision Appraisals") whereas investment properties in the United Kingdom were revalued by LCH (Asia-Pacific) Surveyors Limited ("LCH (Asia-Pacific)"). Peak Vision Appraisals and LCH (Asia-Pacific) are independent qualified professional property valuers. An unrealised loss and realised loss on fair value changes of investment properties of HK\$1,654.7 million (2023: HK\$31.0 million) and HK\$77.1 million (2023: nil) respectively were recorded during the Year. The unrealised fair value change is a non-cash item and will not affect the cash flow of the Group.

業績(續)

主要出售(續)

出售一項物業

於二零二四年十二月十九日，KNIGHTLIGHTS PROPERTY INTERNATIONAL S.A. (本公司之一間間接全資擁有附屬公司) 訂立一份買賣協議，內容有關出售位於英國倫敦St James's Square 11及12號以及Ormond Yard 14至17號之物業予獨立第三方，代價為162,000,000英鎊(「英鎊」)(相當於約1,590,800,000港元)(「St James's Square出售」)。本集團錄得投資物業之公平值變動之已變現虧損以及土地及樓宇之減值虧損104,100,000港元。St James's Square出售已於買賣協議簽訂日期完成。

St James's Square出售之詳情已載列於本公司日期為二零二四年十二月十九日之公布以及二零二五年一月二十一日之通函。

以權益法入賬之投資

本年度攤佔以權益法入賬投資之業績錄得攤佔聯營公司業績之虧損為111,200,000港元(二零二三年：溢利296,300,000港元)。攤佔聯營公司業績由盈轉虧主要由於於本年度聯營公司持有之投資物業之公平值變動由盈轉虧。

投資物業之公平值變動

漂鋒評估有限公司(「漂鋒評估」)已就本集團位於香港及中國大陸之投資物業進行於二零二四年十二月三十一日之物業估值，而英國之投資物業由利駿行測量師有限公司(「利駿行測量師」)進行物業估值。漂鋒評估及利駿行測量師為獨立合資格專業物業估值師。於本年度錄得投資物業之公平值變動之未變現虧損及已變現虧損分別為1,654,700,000港元(二零二三年：31,000,000港元)及77,100,000港元(二零二三年：無)。未變現之公平值變動乃非現金項目，對本集團之現金流量並無構成影響。

LOSS/PROFIT, CORE LOSS, DIVIDENDS, REPURCHASE AND TOTAL COMPREHENSIVE EXPENSES/INCOME

Loss/Profit

Loss for the Year attributable to owners of the Company was HK\$2,108.3 million as compared to profit of HK\$76.8 million for last year. The turning from profit to loss was mainly arising from decrease in fair value of investment properties during the Year. Loss per share for the Year was HK\$1.11 (2023: earnings per share of HK\$0.04).

Core Loss

Core profit/loss is a non-Hong Kong Financial Reporting Standards ("HKFRS") measure, is arrived at by adding (i) reported profit/loss excluding unrealised fair value changes of investment properties and other properties together with their respective deferred tax (if applicable) during the Year; and (ii) accumulated realised fair value changes of investment properties and other properties together with their respective deferred tax (if applicable) recognised in prior years. The Group believes that the presentation of non-HKFRS measure facilitates comparisons of operating performance from period to period by eliminating potential impact of certain items.

If the net loss on the major non-cash items of HK\$1,834.5 million (2023: net gain of HK\$144.5 million) is excluded, but the accumulated realised fair value loss recognised in prior years on disposals of investment properties of HK\$215.5 million (2023: accumulated realised fair value gain and related deferred tax of HK\$0.5 million) is included, the Group will have a core loss for the Year attributable to owners of the Company of HK\$489.3 million (2023: HK\$67.2 million) and a core loss per share of HK\$0.26 (2023: HK\$0.04).

The major non-cash items represented the attributable net unrealised fair value loss on investment properties together with their respective deferred tax (if applicable) from the Group and its associates of HK\$1,834.5 million (2023: net gain of HK\$144.5 million).

虧損／溢利、核心虧損、股息、回購及全面支出／收益總額

虧損／溢利

本公司擁有人應佔本年度之虧損為2,108,300,000港元，相比去年溢利為76,800,000港元。由盈轉虧主要由於於本年度投資物業之公平值減少。本年度之每股虧損為1.11港元(二零二三年：每股盈利0.04港元)。

核心虧損

核心溢利／虧損為一項非香港財務報告準則(「香港財務報告準則」)之計量，乃指(i)從呈報溢利／虧損中扣除投資物業及其他物業於本年度之未變現公平值變動連同彼等相關之遞延稅項(如適用)；及(ii)投資物業及其他物業於過往年度確認之累積已變現公平值變動連同彼等相關之遞延稅項(如適用)之總和。本集團相信透過消除若干項目之潛在影響而呈列非香港財務報告準則之計量，有助比較期間與期間之經營表現。

如撇除主要非現金項目虧損淨額1,834,500,000港元(二零二三年：收益淨額144,500,000港元)，但包括就出售投資物業於過往年度確認之累積已變現公平值虧損215,500,000港元(二零二三年：累積已變現公平值收益及其相關之遞延稅項500,000港元)，本集團將錄得本公司擁有人應佔本年度之核心虧損489,300,000港元(二零二三年：67,200,000港元)及每股核心虧損0.26港元(二零二三年：0.04港元)。

主要非現金項目乃指來自本集團及其聯營公司之應佔投資物業之未變現公平值虧損淨額連同其相關之遞延稅項(如適用)共1,834,500,000港元(二零二三年：收益淨額144,500,000港元)。

LOSS/PROFIT, CORE LOSS, DIVIDENDS, REPURCHASE AND TOTAL COMPREHENSIVE EXPENSES/INCOME (Cont'd)

Dividends

No dividend was paid during the Year (2023: nil).

A final dividend of HK3 cents per share (2023: nil) for the Year has been recommended.

Repurchase

During the Year, the Company had not repurchased any of the Company's share.

Total Comprehensive Expenses/Income

Total comprehensive expenses for the Year attributable to owners of the Company was HK\$2,144.8 million or HK\$1.12 per share (2023: total comprehensive income of HK\$227.5 million or HK\$0.12 per share), which comprised (a) loss for the Year attributable to owners of the Company of HK\$2,108.3 million (2023: profit of HK\$76.8 million); and (b) other comprehensive expenses for the Year attributable to owners of the Company of HK\$36.5 million (2023: other comprehensive income of HK\$150.6 million) which mainly included (i) GBP exchange loss of foreign operations of HK\$73.4 million (2023: exchange gain of HK\$284.6 million); (ii) unrealised loss of HK\$34.4 million (2023: HK\$49.7 million) on fair value change of an unlisted equity security at FVTOCI as a result of the decrease in the carrying amount of the unlisted equity security by the corresponding amount upon declaration of dividend of HK\$38.0 million (2023: HK\$76.0 million) (as disclosed in the sub-paragraph headed "Property Development and Trading" of paragraph headed "Results" above); despite of (iii) reclassification adjustment related to foreign operation disposed of recognised as other comprehensive income of HK\$98.2 million (2023: nil).

虧損／溢利、核心虧損、股息、回購及全面支出／收益總額(續)

股息

於本年度並無派付股息(二零二三年：無)。

建議派付本年度之末期股息每股3港仙(二零二三年：無)。

回購

於本年度，本公司並無回購本公司之任何股份。

全面支出／收益總額

本公司擁有人應佔本年度之全面支出總額為2,144,800,000港元或每股1.12港元(二零二三年：全面收益總額227,500,000港元或每股0.12港元)，其中包含(a)本公司擁有人應佔本年度之虧損2,108,300,000港元(二零二三年：溢利76,800,000港元)；及(b)本公司擁有人應佔本年度之其他全面支出36,500,000港元(二零二三年：其他全面收益150,600,000港元)，主要包括(i)境外業務之英鎊匯兌虧損73,400,000港元(二零二三年：匯兌收益284,600,000港元)；(ii)一項通過其他全面收益以反映公平值之非上市股本證券之公平值變動之未變現虧損34,400,000港元(二零二三年：49,700,000港元)(由於該非上市股本證券之賬面值於宣派股息38,000,000港元(二零二三年：76,000,000港元)(於上文「業績」一段中之「物業發展及買賣」分段內披露)時減少相應金額所致)；儘管(iii)有關出售境外業務之重新分類調整已確認為其他全面收益98,200,000港元(二零二三年：無)。

NET ASSET VALUE

As at 31 December 2024, the Group's net asset value attributable to owners of the Company amounted to HK\$12,066.7 million (2023: HK\$14,211.5 million), a decrease of HK\$2,144.8 million or 15.1% when compared with 31 December 2023. With the total number of ordinary shares in issue of 1,907,619,079 as at 31 December 2024 and 2023, the net asset value per share attributable to owners of the Company was HK\$6.33 (2023: HK\$7.45). The movement in net asset value represented total comprehensive expenses for the Year attributable to owners of the Company of HK\$2,144.8 million.

In view of the redevelopment plan of properties in Tsuen Wan, Hong Kong and "120 Fleet Street" in London, United Kingdom, certain redevelopment expenditures which have been authorised and contracted for have been disclosed in "Capital Commitments" in Note 41 to the consolidated financial statements. Going forward, further investment in capital expenditures for these two redevelopment properties are planned.

Other than disposal of a subsidiary holding 14 St George Street, London, United Kingdom and disposal of a property located at 11 and 12 St James's Square and 14 to 17 Ormond Yard, London, United Kingdom (as disclosed in paragraph headed "Other Information" in the section headed "Chairman's Statement" of this annual report), the existing projects and those disclosed in the final results, the Group did not have material acquisition or disposal of assets and any future plans for material investment or capital assets.

SECURITIES INVESTMENTS

The Group's strategy is to maintain securities investment portfolio for treasury management and invest in securities investments and treasury products with attractive yield and good prospect in order to bring stable and satisfactory realised return in long run.

Securities Investments and Treasury Products

As at 31 December 2024, the portfolio of securities investments and treasury products of HK\$365.7 million (2023: HK\$342.4 million) comprised listed investments held-for-trading, bonds and derivative financial instruments (presented as financial assets/liabilities measured at FVTPL (non-current and current assets/liabilities)), representing 2.3% (2023: 1.8%) of total assets.

資產淨值

於二零二四年十二月三十一日，本公司擁有人應佔本集團之資產淨值為12,066,700,000港元(二零二三年：14,211,500,000港元)，較二零二三年十二月三十一日減少2,144,800,000港元或15.1%。根據於二零二四年及二零二三年十二月三十一日之已發行普通股總數1,907,619,079股計算，本公司擁有人應佔之每股資產淨值為6.33港元(二零二三年：7.45港元)。資產淨值變動乃指本公司擁有人應佔本年度之全面支出總額2,144,800,000港元。

就位於香港荃灣之物業及英國倫敦之「Fleet Street 120號」之重建計劃，若干重建開支已批准及已簽約而於綜合財務報表附註41「資本承擔」中披露。展望未來，已就該兩項重建物業之資本開支之進一步投資作出計劃。

除出售一間持有英國倫敦St George Street 14號之附屬公司及出售一項位於英國倫敦St James's Square 11及12號以及Ormond Yard 14至17號之物業(於本年報之「主席報告書」一節中「其他資料」一段內披露)、現有項目以及於全年業績內所披露者外，本集團並無重大收購或出售資產及重大投資或資本資產之未來計劃。

證券投資

本集團之策略是維持證券投資組合之財資管理以及投資具吸引收益率及良好前景之證券投資及財資產品，以確保長遠帶來穩定及滿意之變現回報。

證券投資及財資產品

於二零二四年十二月三十一日，證券投資及財資產品組合365,700,000港元(二零二三年：342,400,000港元)中包含持作買賣之上市投資、債券及衍生金融工具(呈列為通過損益以反映公平值計量之金融資產／負債(於非流動及流動資產／負債內))，佔資產總額2.3%(二零二三年：1.8%)。

RISK MANAGEMENT

The Group has established adequate risk management procedures that enable it to identify, measure, monitor and control various types of risk it faces. This is supplemented by active management involvement, effective internal controls and adequate internal audit in the best interests of the Group.

EQUITY

The number of issued ordinary shares as at 31 December 2024 and 2023 were 1,907,619,079.

DEBT AND GEARING

As at 31 December 2024, the Group had a strong financial position, the Group had cash and deposits at banks of HK\$2,779.5 million (2023: HK\$745.1 million), comprised unpledged cash and deposits HK\$1,742.3 million (2023: HK\$592.2 million) and pledged deposits of HK\$1,037.2 million (2023: HK\$152.9 million). After netting off the total debt of HK\$2,967.2 million (2023: HK\$3,933.8 million), comprised bank and other borrowings of HK\$2,928.5 million (2023: HK\$3,851.8 million) and lease liabilities of HK\$38.7 million (2023: HK\$82.0 million), the net debt (including lease liabilities) amounted to HK\$187.7 million, a decrease of HK\$3,001.0 million when compared with 31 December 2023 of HK\$3,188.7 million.

Total debt to equity ratio (including lease liabilities) was 24.5% (2023: 27.6%) and net debt to equity ratio (including lease liabilities) was 1.6% (2023: 22.4%), which are expressed as a percentage of total debt, and net debt, respectively, over the total equity of HK\$12,090.7 million (2023: HK\$14,235.1 million). The net debt to equity ratio decreased significantly was mainly due to decrease in net debt as a result of significant increase in cash and deposits at banks.

風險管理

本集團設有一套完善的風險管理程序，以識別、衡量、監察及控制其面對的各種風險，同時輔以管理層之積極參與、有效的內部監控及足夠的內部審核，以保障本集團的最佳利益。

股本

於二零二四年及二零二三年十二月三十一日的已發行普通股數目為1,907,619,079股。

債務及資本與負債比率

於二零二四年十二月三十一日，本集團財務狀況強勁，本集團持有現金及銀行存款2,779,500,000港元(二零二三年：745,100,000港元)，包含無抵押之現金及存款1,742,300,000港元(二零二三年：592,200,000港元)以及抵押存款1,037,200,000港元(二零二三年：152,900,000港元)。扣除債務總額2,967,200,000港元(二零二三年：3,933,800,000港元)，包含銀行及其他借貸2,928,500,000港元(二零二三年：3,851,800,000港元)以及租賃負債38,700,000港元(二零二三年：82,000,000港元)後，債務淨額(包括租賃負債)為187,700,000港元，較二零二三年十二月三十一日之3,188,700,000港元減少3,001,000,000港元。

債務總額與股本權益比率(包括租賃負債)為24.5%(二零二三年：27.6%)，而債務淨額與股本權益比率(包括租賃負債)為1.6%(二零二三年：22.4%)，乃分別將債務總額及債務淨額除以股本權益總額12,090,700,000港元(二零二三年：14,235,100,000港元)得出之百分比。債務淨額與股本權益比率顯著下降主要由於現金及銀行存款大幅增加導致債務淨額減少。

DEBT AND GEARING (Cont'd)

If the securities investments and treasury products of HK\$365.7 million (2023: HK\$342.4 million) are included, there would be a net cash position of HK\$178.0 million (2023: net debt of HK\$2,846.3 million and net debt to equity ratio of 20.0%).

As at 31 December 2024, the Group's bank and other borrowings of HK\$2,928.5 million, 56.5%, 30.5% and 13.0% were on demand and/or repayable within 1 year, more than 1 year but within 2 years and more than 2 years but within 5 years respectively. Of which the Group's bank and other borrowings were denominated in HK\$ (83.4%) and GBP (16.6%). As at 31 December 2024, the Group's bank and other borrowings were carried at interest rates calculated with reference to cost of funds, Hong Kong Interbank Offered Rate or compounded reference rate and all the Group's bank and other borrowings were on floating rate basis. No hedging for interest rate is subsisted at the end of the reporting period.

PLEDGE OF ASSETS

As at 31 December 2024, the Group had pledged the following assets with their respective carrying amounts:

- (a) The Group's investment properties of HK\$4,054.5 million (2023: HK\$9,281.6 million), bank deposits of HK\$112.3 million (2023: HK\$152.9 million) and properties of nil (2023: HK\$40.3 million) were pledged to the banks to secure general banking facilities granted to the Group.
- (b) The Group's bonds and listed equity investments at FVTPL with carrying amounts of HK\$231.7 million (2023: nil) and cash deposits of HK\$924.9 million (2023: nil) were pledged to a financial institution to secure margin facility granted to the Group.
- (c) Interests in certain subsidiaries of the Company have been pledged as part of the security to secure certain bank borrowings granted to the Group.

債務及資本與負債比率(續)

倘計入證券投資及財資產品365,700,000港元(二零二三年: 342,400,000港元), 則狀況將會為現金淨額178,000,000港元(二零二三年: 債務淨額為2,846,300,000港元及債務淨額與股本權益比率為20.0%)。

於二零二四年十二月三十一日, 本集團之銀行及其他借貸2,928,500,000港元中, 56.5%、30.5%及13.0%須分別按要求及/或於一年內、一年以上但不超逾兩年及兩年以上但不超逾五年內償還。於本集團之銀行及其他借貸中, 以港元(83.4%)及英鎊(16.6%)計值。於二零二四年十二月三十一日, 本集團之銀行及其他借貸參照資金成本、香港銀行同業拆息或複合參考利率計算利率, 而本集團所有銀行及其他借貸均為浮息借貸。於報告期末並無就利率作出對沖。

資產抵押

於二零二四年十二月三十一日, 本集團已抵押以下資產連同其相關之賬面值:

- (a) 就本集團獲授之一般銀行融資, 本集團之投資物業4,054,500,000港元(二零二三年: 9,281,600,000港元)、銀行存款112,300,000港元(二零二三年: 152,900,000港元)及並無物業(二零二三年: 40,300,000港元)已抵押予銀行。
- (b) 就本集團獲授之保證金融資, 本集團之債券及通過損益以反映公平值之上市股本投資之賬面值231,700,000港元(二零二三年: 無)及現金存款924,900,000港元(二零二三年: 無)已抵押予一間金融機構。
- (c) 本公司若干附屬公司之權益已質押為本集團獲授若干銀行借貸之部分抵押品。

FINANCIAL AND INTEREST INCOME/EXPENSES

Interest income was included in revenue and investment income (expenses), net. Interest income for the Year increased to HK\$68.1 million (2023: HK\$46.4 million), representing an increase of 46.8% as compared with last year which was mainly due to increase in interest income from bank deposits as a result of the increase in bank deposits during the Year.

Finance costs included interest expenses on bank and other borrowings and lease liabilities; exchange difference on translation of foreign currency borrowings; and arrangement fee and facility and commitment fee expenses. Interest expenses (excluding interest expenses on lease liabilities) for the Year amounted to HK\$202.9 million, representing a decrease of 7.0% over last year of HK\$218.1 million. Interest capitalised for the Year was HK\$21.5 million (2023: HK\$11.0 million). The average interest rate over the year under review was 6.09% (2023: 5.93%), which was expressed as a percentage of total interest paid (excluding interest on lease liabilities) over the average total interest-bearing borrowings.

REMUNERATION POLICIES

As at 31 December 2024, the Group employed a total of 476 staff (2023: 495 staff) including about 241 staff (2023: 249 staff) employed under the estate management company in Hong Kong and 8 staff (2023: 9 staff) in the United Kingdom.

Employees were remunerated on the basis of their performance, experience and prevailing industry practice. Remuneration packages comprised salary and year-end discretionary bonus based on market conditions and individual performance. The executive directors of the Company continued to review employees' contributions and to provide them with necessary incentives and flexibility for their better commitment and performance.

財務及利息收入／開支

收入及投資收入(開支)淨額均包括利息收入。本年度之利息收入增加至68,100,000港元(二零二三年：46,400,000港元)，較去年增加46.8%，主要由於本年度銀行存款增加促使來自銀行存款之利息收入增加。

財務費用包括銀行及其他借貸以及租賃負債之利息開支；外幣借貸所產生之匯兌差額；以及安排費用與信貸及承擔費用開支。本年度之利息開支(不包括租賃負債之利息開支)為202,900,000港元，較去年之218,100,000港元減少7.0%。於本年度資本化之利息為21,500,000港元(二零二三年：11,000,000港元)。於回顧年內之平均利率為6.09厘(二零二三年：5.93厘)，乃以利息支付總額(不包括租賃負債之利息)除以平均計息借貸總額得出之百分比。

酬金政策

於二零二四年十二月三十一日，本集團共有僱員476人(二零二三年：495人)包括受僱於香港物業管理公司之僱員約241人(二零二三年：249人)以及位於英國之僱員8人(二零二三年：9人)。

僱員薪金乃根據其表現、經驗及目前業內慣例釐定。酬金包含薪金以及按市況及個人表現釐定之年終酌情花紅。本公司之執行董事持續檢討僱員之貢獻及向彼等提供所需之獎勵及彈性，使其更投入工作及有更佳表現。

UNITED KINGDOM AND MAINLAND CHINA

英國及中國大陸

During the Year, the Group disposed two investment properties in the United Kingdom in August 2024 and December 2024. As at 31 December 2024, the Group's investment properties in the United Kingdom amounted to GBP395.9 million (equivalent to approximately HK\$3,856.9 million) (2023: GBP705.4 million (equivalent to approximately HK\$7,023.7 million) (excluding properties occupied for own use)). During the Year, the Group incurred a net loss of HK\$412.5 million (2023: HK\$297.6 million) in respect of its business in the United Kingdom, the loss mainly included in gross profit, other income, fair value changes on investment properties, administrative expenses, finance costs and taxation. Due to depreciation of GBP against HK\$ during the Year, GBP exchange loss of foreign operations included in other comprehensive expenses for the Year amounted to HK\$73.4 million (2023: exchange gain of HK\$284.6 million). As at 31 December 2024, the Group's net investment in the United Kingdom amounted to HK\$3,401.8 million (2023: HK\$5,517.3 million) representing 28.1% (2023: 38.8%) of the Group's total equity.

In addition, upon completion of the State Smart Disposal, the Group recorded a loss on the State Smart Disposal of HK\$100.1 million and an other comprehensive income in respect of reclassification adjustment related to foreign operation disposed of HK\$98.2 million (as disclosed in the sub-paragraph headed "Total Comprehensive Expenses/Income" of paragraph headed "Loss/Profit, Core Loss, Dividends, Repurchase and Total Comprehensive Expenses/Income" above). As a result, the Group recorded a net loss of HK\$1.9 million in total comprehensive expenses for the Year.

Loss incurred by the Group's investment in Mainland China (mainly included in gross profit, fair value changes on investment properties, administrative expenses, share of results of investments accounted for using the equity method and taxation) for the Year amounted to HK\$3.6 million (2023: profit of HK\$156.9 million). Due to depreciation of Renminbi ("RMB") against HK\$ during the Year, RMB exchange loss of foreign operations included in other comprehensive expenses for the Year amounted to HK\$9.7 million (2023: HK\$4.0 million). The Group's net investment in Mainland China as at 31 December 2024 amounted to HK\$345.0 million (2023: HK\$352.5 million) representing 2.9% (2023: 2.5%) of the Group's total equity.

於本年度，本集團於二零二四年八月及二零二四年十二月出售兩項位於英國之投資物業。於二零二四年十二月三十一日，本集團之英國投資物業為395,900,000英鎊(相當於約3,856,900,000港元)(二零二三年：705,400,000英鎊(相當於約7,023,700,000港元)(不包括自用之物業))。於本年度，本集團於英國業務產生虧損淨額412,500,000港元(二零二三年：297,600,000港元)，而該虧損主要包括毛利、其他收入、投資物業之公平值變動、行政開支、財務費用及稅項。由於於本年度英鎊兌港元貶值，已計入本年度之其他全面支出之境外業務之英鎊匯兌虧損為73,400,000港元(二零二三年：匯兌收益284,600,000港元)。於二零二四年十二月三十一日，本集團於英國之投資淨額為3,401,800,000港元(二零二三年：5,517,300,000港元)，佔本集團股本權益總額28.1%(二零二三年：38.8%)。

此外，於邦穎出售完成後，本集團錄得邦穎出售之虧損100,100,000港元及有關出售境外業務之重新分類調整之其他全面收益98,200,000港元(於上文「虧損／溢利、核心虧損、股息、回購及全面支出／收益總額」一段中之「全面支出／收益總額」分段內披露)。因此，本集團於本年度之全面支出總額錄得虧損淨額1,900,000港元。

本集團於中國大陸之投資於本年度帶來虧損(主要包括毛利、投資物業之公平值變動、行政開支、攤佔以權益法入賬投資之業績以及稅項)3,600,000港元(二零二三年：溢利156,900,000港元)。由於於本年度人民幣(「人民幣」)兌港元貶值，已計入本年度之其他全面支出之境外業務之人民幣匯兌虧損為9,700,000港元(二零二三年：4,000,000港元)。於二零二四年十二月三十一日，本集團於中國大陸之投資淨額為345,000,000港元(二零二三年：352,500,000港元)，佔本集團股本權益總額2.9%(二零二三年：2.5%)。

PROPERTY VALUATION

Property valuations in respect of the Group's investment properties in Hong Kong and Mainland China were carried out by Peak Vision Appraisals for both 31 December 2024 and 2023, whereas property valuations of investment properties in the United Kingdom were carried out by LCH (Asia-Pacific) as at 31 December 2024 (2023: Moore Transaction Services Limited), all are independent qualified professional property valuers. The valuations were based on investment method and/or direct comparison method and/or residual method as the valuation methodologies and were used in preparing 2024 final results.

The Group's investment properties were valued at HK\$9,719.2 million (2023: HK\$13,957.7 million), a decrease of 14.6% over 2023 after adjusted for the additions, disposals and exchange adjustments of investment properties during the Year. The unrealised fair value loss of HK\$1,654.7 million was recognised in the consolidated statement of comprehensive income for the Year. The Group also shared unrealised fair value loss of investment properties of associates of HK\$179.8 million for the Year.

The unrealised fair value loss of HK\$1,654.7 million was mainly derived from the decrease in fair value of properties located in Hong Kong. The unrealised fair value change is a non-cash item and will not affect the cash flow of the Group.

物業估值

於二零二四年及二零二三年十二月三十一日，本集團位於香港及中國大陸之投資物業由潑鋒評估進行物業估值，而位於英國之投資物業於二零二四年十二月三十一日之物業估值由利駿行測量師(二零二三年：大華國際交易諮詢服務有限公司)進行，全部均為獨立合資格專業物業估值師。該等評估皆採納投資法及／或直接比較法及／或剩餘價值法作為估值方法，並已用於編製二零二四年全年業績。

本集團投資物業之估值為9,719,200,000港元(二零二三年：13,957,700,000港元)，經作出調整本年度投資物業之添置、出售及匯兌調整後，較二零二三年下跌14.6%。本年度之未變現公平值虧損1,654,700,000港元已於綜合全面收益報表中確認。本集團亦於本年度攤佔聯營公司之投資物業之未變現公平值虧損179,800,000港元。

未變現公平值虧損1,654,700,000港元乃主要來自位於香港之物業之公平值減少所致。未變現公平值變動乃非現金項目，對本集團之現金流量並無構成影響。

MONEY LENDING BUSINESS

As one of the principal activities of the Group, the Group conducted its money lending business through its wholly-owned subsidiary (the "Money Lending Subsidiary"), to grant loans to individuals and corporations in return for interest income. The Money Lending Subsidiary has either maintained a valid money lenders licence granted by the Licensing Court or made loans which are exempted under the Money Lenders Ordinance (Cap. 163) (the "MLO"). The licensing of money lenders and regulation of money-lending transactions are governed by the MLO. The Group is required to and has, at all times, strictly complied with all relevant laws and regulations including the MLO, Guideline on Compliance of Anti-Money Laundering and Counter-Terrorist Financing Requirements for Licensed Money Lenders as well as Guidelines on Licensing Conditions of Money Lenders Licence issued by the Companies Registry of Hong Kong in conduct of money lending business. The Group has followed all forms and procedures prescribed under the provisions of the MLO when making relevant application for the renewal of money lenders licence and conducting money lending business.

During the Year, the Group has no money lending transaction transacted (2023: nil) and no loan outstanding as at 31 December 2024 (2023: nil).

The Group has put in place procedural manual on money lending business which sets out policies and procedures including (a) customer due diligence check and reporting suspicious transactions; (b) ongoing monitoring of existing borrower; (c) loan drawdown control; (d) loan repayment control; (e) record keeping; and (f) staff training.

The Group has adopted a credit policy to manage its money lending business which includes compliance with all applicable laws and regulations, credit assessment on potential borrower and the potential borrower's assets, the credibility, the necessity in obtaining collaterals and determination of suitable interest rate to reflect the risk level of the provision of loan. The Group has adopted various commercial terms for granting loan facilities to its potential borrowers, such commercial terms will depend on the credit assessment and/or collateral level of particular borrower. Where collaterals are required, such loans are generally secured by properties by first or second mortgages, equitable mortgages or other assets as collaterals.

放債業務

作為本集團主要業務之一，本集團透過其全資擁有附屬公司（「放債附屬公司」）進行放債業務，向個人及企業授出貸款並以利息收入作為回報。該放債附屬公司持有由牌照法庭發出之有效放債人牌照或根據放債人條例（第163章）（「放債人條例」）提供獲豁免的貸款。放債人牌照及放債交易規管均受放債人條例監管。本集團就進行放債業務須要並且一直嚴格遵守包括放債人條例、由香港公司註冊處發出之持牌放債人遵從打擊洗錢及恐怖分子資金籌集規定的指引以及有關放債人牌照的牌照條件指引在內之所有相關法律及法規。本集團在作出相關放債人牌照續期申請及進行放債業務時，已遵照放債人條例條文規定之所有形式及程序。

於本年度，本集團並無進行放債交易（二零二三年：無）及於二零二四年十二月三十一日並無未償還貸款（二零二三年：無）。

本集團就放債業務已建立程序手冊，列載政策及程序當中包括(a)客戶盡職審查及舉報可疑交易；(b)持續對現有借款人進行監察；(c)貸款提取監控；(d)貸款償還監控；(e)備存紀錄；及(f)員工培訓。

本集團已採取信貸政策管理其放債業務，包括遵守所有適用之法律及法規、對潛在借款人以及潛在借款人之資產、信譽、獲取抵押品之必要性及釐定合適之利率以反映提供貸款之風險水平進行信貸評估。本集團已採取不同商業條款向其潛在借款人授出貸款融資，有關商業條款將視乎個別借款人之信貸評估及／或抵押品水平而釐定。倘需要抵押品，則有關貸款一般以一按或二按之物業、衡平法按揭或其他資產作為抵押品予以抵押。

MONEY LENDING BUSINESS (Cont'd)

Under the Group's current credit policy, unless otherwise approved by the directors of the Company under special circumstances (i) no loan, whether secured or unsecured, shall be granted by the Group that exceeds the maximum loan amount preset by the Group, (ii) for secured loans, the loan to collateral value ratios shall not exceed 90% and the tenor shall not exceed 30 years, and (iii) for unsecured loans, they should meet the requirement that the debt to income ratio of a borrower shall not exceed 70% and the tenor shall not exceed 36 months.

The Group will only provide money lending services and grant loan facilities to a relevant borrower after the borrower has passed the Group's due diligence process and other applicable internal control procedures. Due diligence performed by the Group generally involves know your client procedures including obtaining information as to source and amount of income, proof of other net assets, identity document copy and address proof.

Most of the potential borrowers of the Group's money lending services are the Group's potential customers interested in acquiring properties sold by the Group who during commercial negotiation with the Group has indicated that they will require financing arrangements in purchasing the properties.

For ongoing monitoring of the loan performance and their risk levels, the Group will closely monitor the status of interest and loan principal collections and perform annual valuation of the collaterals held by the Group to assess the recoverability of the loans granted by the Group.

There is also internal audit function within the Group to examine the operation of money lending business to ensure proper procedures and control are implemented, and reported the result of the audit to the audit committee of the Company.

放債業務(續)

根據本集團之現有信貸政策，除本公司之董事在特別情況下另行批准外，(i)本集團授出之貸款(不論為有抵押或無抵押)不得超過本集團預設之最高貸款金額；(ii)就有抵押貸款而言，貸款與抵押品價值比率不得超過90%，而還款期不得超過30年；及(iii)就無抵押貸款而言，該等貸款應符合借款人之債務與收入比率不得超過70%，而還款期不得超過36個月之規定。

本集團僅將於相關借款人通過本集團之盡職審查程序及其他適用之內部監控程序後，方會向其提供放債服務及授出貸款融資。本集團進行之盡職審查一般涉及了解客戶之程序，包括獲取有關收入來源及金額之資料、其他淨資產證明、身份證明文件副本以及地址證明。

本集團放債服務之大部分潛在借款人均為有意向本集團購買由本集團出售之物業之潛在客戶，在與本集團進行商業磋商時，已表示其於購買物業時將需融資安排。

為持續監察貸款表現及其風險水平，本集團將密切監察利息及貸款本金收回狀況，並就本集團持有之抵押品每年進行估值，以評估本集團授出貸款之可收回程度。

本集團亦設有內部審核職能，審查放債業務營運以確保正確程序及監控得以實行，並向本公司審核委員會報告審核結果。