百仕達控股有限公司*

SINOLINK WORLDWIDE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1168)

2024 ANNUAL RESULTS ANNOUNCEMENT

FINANCIAL HIGHLIGHTS

For the year ended 31 December 2024

- Revenue decreased 4.0% to HK$346.3 million
- Gross profit decreased 5.4% to HK$197.7 million
- Profit attributable to owners of the Company amounted to HK$3,968.7 million
- Basic earnings per share amounted to HK62.26 cents

The board of directors (the "Board") of Sinolink Worldwide Holdings Limited (the "Company") announced the audited consolidated annual results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2024.

* *For identification purpose only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	**2024**	2023
		HK$'000	*HK$'000*
Revenue			
Interest income		**20,370**	25,223
Rental income		**170,452**	166,042
Other revenue from contracts with customers		**155,506**	169,548
Total revenue	3	**346,328**	360,813
Cost of sales	7	**(148,650)**	(151,921)
Gross profit		**197,678**	208,892
Other income	4	**78,060**	95,710
Selling expenses	7	**(2,656)**	(3,456)
Administrative expenses	7	**(114,602)**	(112,566)
Other (losses)/gains, net	5	**(25,501)**	611
Gains arising from the business combination	23	**4,252,273**	—
Fair value loss of investment properties	11	**(100,172)**	(253,483)
Net impairment loss on financial assets		**(3,401)**	(28,782)
Fair value losses on other financial assets at fair value through profit or loss ("FVTPL"), net		**(62,012)**	(2,324)
Fair value loss on loan receivable from an investment accounted for using equity method at FVTPL and amounts due from an investment accounted for using equity method at FVTPL	14	**(131,388)**	(285,371)
Fair value gains on convertible bonds	21	**281**	—
Gain on dilution of investments accounted for using the equity method	12	**114,804**	131,970
Share of results of investments accounted for using the equity method		**(70,507)**	29,583
Finance costs	6	**(73,931)**	(87,140)
Profit/(loss) before income tax		**4,058,926**	(306,356)
Income tax (expense)/credit	8	**(80,511)**	20,936
Profit/(loss) for the year		**3,978,415**	(285,420)
Profit/(loss) for the year attributable to:			
Owners of the Company		**3,968,652**	(278,244)
Non-controlling interests		**9,763**	(7,176)
		3,978,415	(285,420)
		HK cents	*HK cents*
Earnings/(loss) per share attributable to the owners of the Company			
Basic	10	**62.26**	(4.37)
Diluted	10	**53.03**	(4.37)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	HK$'000	*HK$'000*
Profit/(loss) for the year	**3,978,415**	(285,420)
Other comprehensive income/(expense)		
Item that will be subsequently reclassified to profit or loss:		
Share of exchange differences on translation from functional currency to presentation currency of investments accounted for using the equity method	**(4,430)**	1,337
Items that will not be reclassified to profit or loss:		
Exchange differences on translation from functional currency to presentation currency	**(110,828)**	(86,749)
Fair value losses on equity instruments at fair value through other comprehensive income ("FVTOCI"), net of tax	**(369,470)**	(216,121)
Share of fair value gains on equity instruments at FVTOCI of investments accounted for using the equity method, net of tax	**55,607**	81,572
Other comprehensive expense for the year, net of tax	**(429,121)**	(219,961)
Total comprehensive income/(expense) for the year	**3,549,294**	(505,381)
Total comprehensive income/(expense) attributable to:		
Owners of the Company	**3,633,172**	(429,069)
Non-controlling interests	**(83,878)**	(76,312)
	3,549,294	(505,381)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	**2024**	2023
		HK$'000	*HK$'000*
Non-current assets			
Property, plant and equipment		**385,560**	203,740
Investment properties	11	**6,290,164**	2,285,002
Investments accounted for using the equity method	12	**2,265,518**	2,296,834
Equity instruments at FVTOCI	13	**1,024,565**	1,574,566
Amounts due from an investment accounted for using equity method at FVTPL	14	**—**	—
Loan receivable from an investment accounted for using equity method at FVTPL	14	**—**	—
Loans receivables	18	**1,079**	158,657
Other financial assets at FVTPL	19	**274,754**	346,416
Pledged bank deposits		**113,931**	754,967
Bank deposits		**56,156**	452,539
Other receivables	17	**230,937**	230,789
Deferred tax assets		**16,886**	14,966
		10,659,550	8,318,476
Current assets			
Stock of properties	15	**2,956,253**	868,868
Trade and other receivables, deposits and prepayments	17	**150,784**	86,108
Loans receivables	18	**328,684**	201,444
Other financial assets at FVTPL	19	**10,830**	10,848
Pledged bank deposits		**596,652**	896,909
Bank deposits		**362,852**	31,457
Cash and cash equivalents		**614,218**	512,602
Current assets excluding assets classified for held for sale		**5,020,273**	2,608,236
Assets classified for held for sale	16	**911,265**	—
		5,931,538	2,608,236

	Note	**2024**	2023
		HK$'000	*HK$'000*
Current liabilities			
Trade payables, deposits received and accrued charges	20	**952,571**	415,090
Contract liabilities		**17,724**	11,259
Income tax payable		**831,087**	764,037
Bank borrowings and other financial liabilities	22	**1,025,140**	1,565,700
Convertible bonds	21	**199,719**	—
Lease liabilities		**1,629**	1,643
		3,027,870	2,757,729
Net current assets/(liabilities)		**2,903,668**	(149,493)
Total assets less current liabilities		**13,563,218**	8,168,983
Non-current liabilities			
Lease liabilities		**4,002**	5,631
Deferred tax liabilities		**1,051,369**	681,208
Bank borrowings and other financial liabilities	22	**1,731,718**	—
		2,787,089	686,839
Net assets		**10,776,129**	7,482,144
Capital and reserves			
Share capital	24	**63,740**	637,400
Reserves		**9,807,276**	5,582,727
Equity attributable to owners of the Company		**9,871,016**	6,220,127
Non-controlling interests		**905,113**	1,262,017
Total equity		**10,776,129**	7,482,144

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Sinolink Worldwide Holdings Limited (the "Company") is a public limited company incorporated in Bermuda as an exempted company with its shares listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the "Group") are increasingly focused on financial technology ("FinTech") investment and management, while it is also engaged in property development, property management, property investment and financing services.

The consolidated financial statements are presented in thousands of units of Hong Kong dollar (HK$'000), unless otherwise stated. These consolidated financial statements have been approved by the board (the "Board") of directors (the "Directors") on 24 March 2025.

2 BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). The consolidated financial statements have been prepared under the historical cost convention, except for investment properties and certain financial instruments which are carried at fair value.

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.

(a) New and amended standards adopted by the Group

The Group has applied the following amendments to standards or annual improvements for the first time for the annual reporting period commencing 1 January 2024:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to Hong Kong Interpretation 5 (2020)	Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

(b) New standards and interpretations not yet adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after
Amendments to HKAS 21	Lack of Exchangeability	1 January 2025
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to HKFRS Accounting Standards — Volume 11	Narrow-scope amendments to HKFRS	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures'	1 January 2027
Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined

HKFRS 18 Presentation and Disclosure in Financial Statements ("HKFRS 18") (effective for annual periods beginning on or after 1 January 2027)

HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of HKFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:

  - Foreign exchange differences currently aggregated in the line item "other losses, net" in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.

- The line items presented on the primary financial statements might change as a result of the application of the concept of "useful structured summary" and the enhanced principles on aggregation and disaggregation.

- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

  - management-defined performance measures;

  - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and

  - for the first annual period of application of HKFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying HKFRS 18 and the amounts previously presented applying HKAS 1.

The Group will apply HKFRS 18 from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

The Group will apply the above new standard, revised framework and amendments to standards when they become effective. No new standard, revised framework and amendments to standards is expected to have a material effect on the entity in the current or future reporting periods and on foreseeable future transactions.

3 REVENUE AND SEGMENT INFORMATION

(a) Revenue

(i) Disaggregation of revenue from contracts with customers

Revenue primarily represents revenue arising from property management fee income, rental income, interest income from financing services business and other service income, after deducting discounts and other sales related taxes. An analysis of the Group's revenue for the year is as follows:

	2024	2023
	HK$'000	*HK$'000*
Recognised over time under HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15")		
– Property management fee income	**104,937**	106,644
– Other service income	**50,569**	62,904
Recognised under HKFRS 15	**155,506**	169,548
Recognised under other HKFRSs:		
– Rental income	**170,452**	166,042
– Interest income from financing services business	**20,370**	25,223
	346,328	360,813

All of the Group's revenue is generated from the People's Republic of China (the "PRC") during the years ended 31 December 2024 and 2023.

(ii) Performance obligations for contracts with customers

Property management fee income

Under the terms of these contracts, the customers of the Group simultaneously receive and consume the benefits provided by the Group's performance as the Group performs (i.e. services rendered by the Group under property management contracts with the customers with standard contract period up to twelve years (2023: twelve years) and thus these income are recognised over time.

(b) Segment information

Management has determined the operating segments based on the internal reports reviewed by the Group's chief operating decision maker ("CODM"), being the executive director of the Company. The Group's organised into the following operating segments in their internal reports:

Property development: property development and sale of properties

Property investment: property leasing

Property management: provision of property management services

Financing services: provision of efficient financial leasing solutions and multiple consultancy services

Others: Income from operating hotel and primary school and provision of project management services

The CODM assess the performance of the operating segments based on a measure of segment result.

Segment result represents the profit before income tax incurred by each segment without allocation of other income, unallocated corporate expenses, unallocated other losses, net, gain on dilution of investments amounted for using the equity method, share of results of investments accounted for using the equity method, fair value losses on other financial assets at FVTPL, fair value loss on loan receivable from and amounts due from an investment accounted for using equity method at FVTPL, fair value gains on convertible bonds and finance costs.

For the year ended 31 December 2024

	Property development *HK$'000*	Property management *HK$'000*	Property investment *HK$'000*	Financing services *HK$'000*	Others *HK$'000*	Total *HK$'000*
Revenue	—	104,937	170,452	20,370	50,569	346,328
Segment results	(907)	(4,546)	44,404	15,398	(19,307)	35,042
Other income						78,060
Unallocated corporate expenses						(56,464)
Unallocated other losses						(27,232)
Gains arising from the business combination						4,252,273
Fair value gains on convertible bonds						281
Gain on dilution of investments accounted for using the equity method						114,804
Fair value losses on other financial assets at FVTPL						(62,012)
Fair value loss on loan receivable from an investment accounted for using equity method at FVTPL and amounts due from an investment accounted for using equity method at PVTPL						(131,388)
Share of results of investments accounted for using the equity method						(70,507)
Finance costs						(73,931)
Profit before income tax						4,058,926

For the year ended 31 December 2023

	Property development *HK$'000*	Property management *HK$'000*	Property investment *HK$'000*	Financing services *HK$'000*	Others *HK$'000*	Total *HK$'000*
Revenue	—	106,644	166,042	25,223	62,904	360,813
Segment results	(499)	(7,978)	(109,846)	(7,652)	(5,246)	(131,221)
Other income						95,710
Unallocated corporate expenses						(57,044)
Unallocated other losses						(519)
Gain on dilution of investments accounted for using the equity method						131,970
Fair value losses on other financial assets at FVTPL						(2,324)
Fair value loss on loan receivable from an investment accounted for using equity method at FVTPL and amounts due from an investment accounted for using equity method at PVTPL						(285,371)
Share of results of investments accounted for using the equity method						29,583
Finance costs						(87,140)
Loss before income tax						(306,356)

No analysis of the Group's assets and liabilities by reportable and operating segments is disclosed as it is not regularly provided to the CODM for review. There is no seasonality of the operation of the Group.

4 OTHER INCOME

	2024	2023
	HK$'000	*HK$'000*
Dividends from financial assets at FVTPL	**10,954**	11,314
Interest income on bank deposits	**5,060**	25,839
Interest income on pledged bank deposits	**56,035**	52,375
Others	**6,011**	6,182
	78,060	95,710

5 OTHER (LOSSES)/GAINS, NET

	2024	2023
	HK$'000	*HK$'000*
Gain on disposal of property, plant and equipment	**1,018**	419
Net exchange (losses)/gains, net	**(26,519)**	192
	(25,501)	611

6 FINANCE COSTS

	2024	2023
	HK$'000	*HK$'000*
Interest on borrowings	**72,614**	85,979
Interest on lease liabilities	**348**	444
Interest on deposits received for rental	**969**	717
	73,931	87,140

7 EXPENSES BY NATURE

	2024 *HK$'000*	2023 *HK$'000*
Staff cost	**136,665**	134,965
Depreciation on property, plant and equipment and rights-of-use assets	**20,584**	23,450
Legal and professional fee	**12,769**	12,398
Repair and maintenance	**14,838**	19,909
Utilities	**17,731**	19,713
Cleaning charges	**9,052**	9,290
Sundry expenses	**11,357**	11,918
Bank charges	**7,791**	9,689
Auditor's remuneration		
– Audit services	**4,500**	3,330
– Non-audit services	**800**	780
Expenses relating to short-term leases and leases of low-value assets	**—**	164
Others	**29,821**	22,337
Total cost of sales, selling and administrative expenses	**265,908**	267,943

8 INCOME TAX EXPENSE/(CREDIT)

	2024 *HK$'000*	2023 *HK$'000*
Current income tax		
– PRC corporate income tax	**41,269**	44,590
– PRC withholding tax	**54,605**	4,661
– PRC land appreciation tax	**72,708**	—
– Under/(over)-provision in prior year	**918**	(1,069)
Deferred income tax	**(88,989)**	(69,118)
	80,511	(20,936)

PRC Corporate Income Tax

The income tax provision of the Group in respect of operations in the PRC has been calculated at the applicable tax rate on the estimated assessable profits for the year, based on the existing legislation, interpretations and practices in respect thereof.

The corporate income tax rate applicable to the group entities located in the PRC is 25% (2023: 25%) according to the Corporate Income Tax Law of the PRC (the "CIT Law").

PRC land appreciation tax ("LAT")

Pursuant to the requirements of the Provisional Regulations of the PRC on LAT effective 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT effective on 27 January 1995, all income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, with an exemption provided for sales of ordinary residential properties if their appreciation values do not exceed 20% of the sum of the total deductible items.

PRC withholding tax

Pursuant to the Detailed Implementation Regulations for implementation of the CIT Law issued on 6 December 2017, dividends distributed from the profits generated by the PRC companies after 1 January 2008 to their foreign investors shall be subject to this withholding income tax of 10%, a lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are incorporated in Hong Kong and fulfill the requirements to the tax treaty arrangements between the PRC and Hong Kong.

Hong Kong profits tax

The applicable Hong Kong profits tax rate is 16.5% for the year ended 31 December 2024 (2023: 16.5%). Hong Kong profits tax has not been provided as the Group did not have any assessable profits for both years.

9 DIVIDENDS

The directors of the Company do not recommend the payment or declaration of a dividend in respect of the year ended 31 December 2024 (2023: nil).

10 EARNINGS/(LOSS) PER SHARE

(a) *Basic*

The calculation of the basic earnings/(loss) per share attributable to owners of the Company is based on the following data:

	2024	2023
Profit/(loss) for the year attributable to owners of the Company for the purpose of basic loss per share (*HK$'000*)	**3,968,652**	(278,244)
Weighted average number of ordinary shares in issue	**6,374,003,096**	6,374,003,096
Basic earnings/(loss) per share (HK$ cents)	**62.26**	(4.37)

(b) Diluted

Diluted earnings/(loss) per share is calculated by adjusting the net profit/(loss) and the weighted average number of ordinary shares outstanding to assume conversion of all potential dilutive shares.

For the year ended 31 December 2023, the Group has two categories of potentially dilutive shares: share options issued by the Company and an investment accounted for using the equity method – ZhongAn Technologies International Group Limited ("**ZhongAn International**").

The diluted loss per share for the year ended 31 December 2023 equal to the basic loss per share as the impact of dilution of the share options is anti-dilutive.

For the year ended 31 December 2024, the Group has three categories of potentially dilutive shares: convertible bonds issued by the Company, and share options issued by the Company and an investment accounted for using the equity method – ZhongAn International.

The computation of diluted earnings per share for the year ended 31 December 2024 did not assume the exercise of the Company's share options because the exercise prices of these options were higher than the average market price for shares.

For the year ended 31 December 2024, the calculation of diluted earnings per share does not assume the exercise of the share option of ZhongAn International as it would have an anti-dilutive impact to the basic earnings per share.

	2024	2023
Profit/(loss) for the year attributable to owners of the Company for the purpose of diluted earnings/(loss) per share (*HK$'000*)	**3,968,371**	(278,244)
Weighted average number of ordinary shares used as the denominator in calculating basic earnings/(loss) per share	**6,374,003,096**	6,374,003,096
Adjustment for calculation of diluted earnings/(loss) per share: convertible bonds	**1,108,783,225**	—
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings/(loss) per share	**7,482,786,321**	6,374,003,096
Diluted earnings/(loss) per share (HK$ cents)	**53.03**	(4.37)

11 INVESTMENT PROPERTIES

The Group leases out various offices, retail premises and car parks located in the PRC under operating leases with rentals payable monthly. The leases of office and retail premises typically run for an initial period of one to twelve years. The leases of retail stores contain variable lease payment that are based on 2.5% to 25.0% (2023: 2.5% to 25.0%) sales and minimum annual lease payment that are fixed over the lease term.

The lease contracts do not contain residual value guarantee or lessee's option to purchase the property at the end of lease term.

	2024	2023
	HK$'000	*HK$'000*
Opening net book amount	**2,285,002**	2,574,020
Acquisition of subsidiaries (Note 23)	**4,153,172**	—
Fair value loss on investment properties	**(100,172)**	(253,483)
Exchange realignment	**(47,838)**	(35,535)
Closing net book amount	**6,290,164**	2,285,002

The Group measures its investment properties at fair value at 31 December 2024 and 2023, which have been arrived at on the basis of a valuation carried out on those dates by an independent qualified professional valuer, who is a member of the Hong Kong Institute of Surveyors.

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	2024	2023
	HK$'000	*HK$'000*
Cost of unlisted investments accounted for using the equity method	**3,024,367**	3,014,232
Share of post-acquisition results and gain on dilutions	**(758,849)**	(717,398)
	2,265,518	2,296,834

ZhongAn International and its subsidiaries (collectively known as "ZhongAn International Group")

In February 2024 (the "February 2024 Subscription"), ZhongAn International has issued 28,952,677 ordinary shares to another shareholder of ZhongAn International, and thus, the Group's equity interests in ZhongAn International decreased from 45.53% to 45.08%. The dilution of the interests in ZhongAn International resulted in a gain of HK$56,379,000, being the difference between the proportionate share of ZhongAn International's net assets attributable to the Group, and the carrying amount of the interests in ZhongAn International before the dilution, recognised in the consolidated statement of profit or loss during the year ended 31 December 2024.

In August 2024 (the "August 2024 Subscription"), ZhongAn International entered into a share purchase agreement with other shareholders of ZhongAn International and certain individual third parties (the "Investors") ("ZhongAn International Share Subscription"), pursuant to which ZhongAn International agreed to issue and allot up to 110,354,279 new ordinary shares to the Investors for a total subscription price of US$32,200,000 (equivalent to approximately HK$250,407,000) and 12,415,993 new ordinary shares to the existing shareholders. Thus, the Group's equity interests in ZhongAn International decreased from 45.08% to 43.50%. The dilution of the interests in ZhongAn International resulted in a gain of HK$58,425,000, being the difference between the proportionate share of ZhongAn International's net assets attributable to the Group, and the carrying amount of the interests in ZhongAn International before the dilution, recognised in the consolidated statement of profit or loss during the year ended 31 December 2024.

13 EQUITY INSTRUMENTS AT FVTOCI

	2024	2023
	HK$'000	*HK$'000*
Equity securities of ZhongAn Online, at fair value (Note (i))	**950,940**	1,445,040
Equity securities of an entity listed in Hong Kong, at fair value	**—**	46,749
Unlisted fund investments in the PRC and overseas, at fair value	**67,884**	70,708
Unlisted equity securities in Hong Kong and the PRC	**5,741**	12,069
Total (Note (ii))	**1,024,565**	1,574,566

Notes:

(i) As at 31 December 2023, the Group held 81,000,000 publicly-traded ordinary share capital of ZhongAn Online ("ZhongAn Online H Shares") which are subject to lock-up mechanisms of which 18,942,222 ZhongAn Online H Shares has been expired in 31 December 2021 and the remaining 62,057,778 ZhongAn Online H Shares has been expired in December 2024. The fair value of investment in ZhongAn Online as at 31 December 2024 and 31 December 2023 have been arrived based on the quoted bid prices in an active market.

(ii) The Group has made an irrevocable election to designate these investments in equity instruments as at FVTOCI. These investments are not held for trading, instead, they are held for long-term strategic purposes. The directors of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

14 LOAN RECEIVABLE FROM AN INVESTMENT ACCOUNTED FOR USING EQUITY METHOD AT FVTPL/AMOUNTS DUE FROM AN INVESTMENT ACCOUNTED FOR USING EQUITY METHOD AT FVTPL

	2024	2023
	HK$'000	*HK$'000*
Loan receivable from an investment accounted for using equity method and amounts due from an investment accounted for using equity method at FVTPL	**—**	268,857
Less: Share of loss and other comprehensive expenses of an investment accounted for using equity method in excess of cost of investment	**—**	(268,857)
	—	—

On 20 December 2024, the Group completed the acquisition of Rockefeller Group Asia Pacific Inc. ("RGAP") and its subsidiaries (together, the "RGAP Group"), and RGAP became an indirect wholly-owned subsidiary of the Group. The assets and liabilities and financial performance of RGAP will be consolidated into the Group upon the completion of the acquisition. The Group accounts for its investment in RGAP for using equity method up to 20 December 2024. Accordingly, the loan receivable and amounts due from an investment accounted for using equity method have been eliminated in the consolidated statement of financial position of the Group as at 31 December 2024. Please refer to note 23 for the details of the acquisition of RGAP Group.

RGAP Group is principally engaged in property development and property investment in Shanghai. The amount represents a shareholder's loan receivable from RGAP for financing a property development and property investment project in Shanghai, which carries a 20% coupon interest rate per annum and forms part of the net investment in RGAP. As at 31 December 2023, amounts due from an investment accounted for using equity method, which represented the current account with RGAP Group, also forms part of the net investment in RGAP. The loan receivable from an investment accounted for using equity method and amounts due from an investment accounted for using equity method are unsecured and has no fixed repayment terms. The directors of the Company consider that the loan receivable from an investment accounted for using equity method at FVTPL and amounts due from an investment accounted for using equity method at FVTPL will not be repayable within one year from the end of the reporting period, they are classified as non-current asset accordingly.

As the loan receivable from an investment accounted for using equity method and amounts due from an investment accounted for using equity method were considered as a net investment, the Group has recognised its share of loss of RGAP in excess of the cost of investment against the loan receivable from an investment accounted for using equity method and amounts due from an investment accounted for using equity method.

Loan receivable from an investment accounted for using equity method and the amounts due from an investment accounted for using equity method represent an investment in the project of RGAP. In accordance with the investment agreement, the Group and the other shareholder contributed minimal amount of capital, and substantially all portion of the investment accounted for using equity method' capital expenditures/operations were funded through loan receivable from an investment accounted for using equity method and amounts due from an investment accounted for using equity method by the Group and a detailed analysis of the particular facts and circumstances led to the conclusion that the repayments of loan receivable and amounts due from an investment accounted for using equity method do not solely payments of principal and interest on the principal amount outstanding. Hence, loan receivable from an investment accounted for using equity method as well as the amounts due from an investment accounted for using equity method as at 31 December 2024 are both measured at FVTPL. The directors of the Company assessed the fair value of the loan receivable from an investment accounted for using equity method at FVTPL and amounts due from an investment accounted for using equity method at FVTPL by taking into consideration the expected time to sell the residential properties and the expected market price and the future rental income of the properties, where appropriate, in order to determine the estimated future cash flows to the Group and timing of such cash flows discounted at market interest rate.

The Group accounts for its interest in RGAP Group by using the equity method up to 20 December 2024 (the date of completion of acquisition of RGAP Group), the fair value loss of HK$131,388,000 (2023: HK$285,371,000) is recognised on loan receivable from an investment accounted for using equity method at FVTPL and amounts due from an investment accounted for using equity method at FVTPL. The fair value of the loan receivable from an investment accounted for using equity method at FVTPL and amounts due from an investment accounted for using equity method at FVTPL before share of loss and other comprehensive expenses of the investment accounted for using equity method in excess of cost of investment is HK$143,789,000 (2023: HK$268,857,000) as at 20 December 2024.

As at 20 December 2024 and 31 December 2023, the Group limits the recognition of the RGAP Group's losses to HK$143,789,000 (2023: HK$268,857,000) as the carrying amount of its net investment in RGAP Group is then zero, the Group reversed the share of loss of RGAP Group recognised in previous years of HK$125,068,000 (2023: HK$247,482,000) during the year ended 31 December 2024.

15 STOCK OF PROPERTIES

	2024	2023
	HK$'000	*HK$'000*
Completed properties held for sale	**2,956,253**	868,868

Completed properties held for sale of the Group were all located in the PRC and expected to be available for sale within normal operating cycle.

As at 31 December 2024, completed properties held for sale of HK$2,102,462,000 were pledged as securities for the Group's borrowings (2023: HK$nil).

16 ASSETS CLASSIFIED AS HELD FOR SALE

	2024	2023
	HK$'000	*HK$'000*
Assets classified as held for sale		
– Investment properties		
Opening net book amount	**—**	—
Acquisition of subsidiaries (Note 23)	**1,548,870**	—
Disposal	**(637,605)**	—
	911,265	—

On 30 April 2024, the RGAP Group entered into a sale and purchase agreement with the purchaser for two investment properties (collectively, the "Properties") at the aggregated consideration of RMB1,436,553,000 (equivalent to approximately HK$1,564,543,000). On 20 December 2024, the assets classified as held for sale amounted to HK$1,548,870,000 was recognised upon the acquisition of the subsidiaries (Note 23). The Properties comprise of a property amounted to HK$637,605,000 which was disposed on 27 December 2024, another property amounted to HK$911,265,000 which is expected to be disposed in 2025.

As at 31 December 2024, assets classified as held for sale of HK$911,265,000 were pledged as securities for the Group's borrowings (2023: HK$nil).

17 TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2024	2023
	HK$'000	*HK$'000*
Trade receivables from property management and property investment business	**10,796**	4,299
Less: loss allowance	**(5,025)**	—
Total trade receivables, net	**5,771**	4,299
Interest receivables from bank deposits	**79,504**	122,892
Rental receivables	**79,723**	—
Other receivables, deposits and prepayments	**58,324**	31,307
Tax reserve certificate	**158,399**	158,399
	381,721	316,897
Non-current	**230,937**	230,789
Current	**150,784**	86,108
	381,721	316,897

The Group allows an average credit period ranging from 0 to 60 days to its customers of property management and property investment business from invoices issuance dates. The Group allows a credit period of 30 days to its customers of financing business. The following is an aged analysis of trade receivables presented based on invoice dates at the end of the reporting period:

	2024	2023
	HK$'000	*HK$'000*
Aged:		
0 to 60 days	**4,930**	2,413
61 to 180 days	**688**	1,439
Over 181 days	**153**	447
	5,771	4,299

18 LOANS RECEIVABLES

	2024	2023
	HK$'000	*HK$'000*
Loans receivables	**390,022**	418,259
Less: loss allowance	**(60,259)**	(58,158)
Total	**329,763**	360,101
The loan receivables analysed as follows:		
Non-current	**1,079**	158,657
Current	**328,684**	201,444
Total	**329,763**	360,101

Loans receivables to independent third parties are unsecured, carried at fixed interest rate ranged from 3.0% to 6.0% (2023: 4.0% to 6.0%) per annum and will be matured in 2025 to 2026 (2023: 2024 to 2025).

19 OTHER FINANCIAL ASSETS AT FVTPL

	2024	2023
	HK$'000	*HK$'000*
Equity securities listed in Hong Kong	**2,007**	2,703
Equity securities listed in the PRC	**8,823**	8,145
Equity securities listed in the overseas	**—**	5,311
Unlisted equity securities in the PRC	**—**	5,519
Unlisted fund investments in the PRC	**175,765**	228,582
Unlisted fund investments in the overseas	**98,989**	107,004
	285,584	357,264
Other financial assets analysed as follows:		
Non-current	**274,754**	346,416
Current	**10,830**	10,848
	285,584	357,264

20 TRADE PAYABLES, DEPOSITS RECEIVED AND ACCRUED CHARGES

	2024	2023
	HK$'000	*HK$'000*
Trade payables	**31,909**	30,376
Accruals for construction work	**430,527**	134,360
Deposits received for rental	**126,890**	31,974
Advance lease payments	**37,525**	7,710
Deposits received for management fee	**35,552**	55,578
Dividend payable	**111,231**	—
Other tax payables	**40,473**	21,698
Salaries payable and staff welfare payables	**56,304**	56,885
Other payables and accrued charges	**82,160**	76,509
	952,571	415,090

Trade payables are unsecured and are usually settle within the contract terms. The carrying amounts of trade and other payables are considered to be the same as their fair values. The following is an aged analysis of trade payables, based on the invoice date, at the end of the reporting period:

	2024	2023
	HK$'000	*HK$'000*
Aged:		
0 to 90 days	**7,008**	5,262
91 to 180 days	**966**	1,026
181 to 360 days	**383**	1,593
Over 360 days	**23,552**	22,495
	31,909	30,376

21 CONVERTIBLE BONDS

	2024	2023
	HK$'000	*HK$'000*
Financial liabilities at fair value through profit or loss		
– Convertible bonds	**199,719**	—

On 30 April 2024, the Company entered into the subscription agreement ("Subscription Agreement") with Mr. Ou Yaping (the "Controlling Shareholder" or "Subscriber"). Pursuant to the Subscription Agreement, the Company has conditionally agreed to issue, and the Subscriber has conditionally agreed to subscribe for, or procure his nominee(s) to subscribe for, the convertible bonds with an aggregate principal amount of HK$200,000,000. The convertible bonds was issued on 12 July 2024.

On 12 July 2024 ("Issue Date"), the Company issued a three-year zero coupon convertible bonds with a nominal value of HK$200,000,000 to Asia Pacific Promotion Limited, a company wholly owned by the Subscriber. The convertible bonds are denominated in HK$. The bonds entitle the holders to convert them into ordinary shares of the Company at any time between the 181 days after the Issue Date of the bonds and their settlement date on 12 July 2027 ("Maturity Date") at a conversion price of HK$0.085 per ordinary share. If the bonds not been converted, they will be redeemed on Maturity Date at par. The principal terms of the convertible bonds are set out below:

Principal amount	HK$200,000,000
Maturity Date	The third anniversary of the date of issue of the convertible bonds
Interest rate	The convertible bonds will not bear any interest
Conversion rights	A holder of the convertible bonds shall have the right to convert the whole or in part of the principal amount of the convertible bonds into conversion shares at the conversion price (subject to adjustments) on any business day during the period commencing from the date falling on the 181st day after the issue date of the convertible bonds, and ending on the maturity date of the convertible bonds, subject to the restrictions on the exercise of the conversion rights.
Conversion price	HK$0.085 per share of HK$0.01 each, subject to adjustments for, among other things, captialisation issue, sub-division, consolidation and reclassification of shares, issue of shares in lieu of the whole or any part of specifically declared cash dividend, capital distributions, cash dividend, offers to shareholders, issue of new shares for convertible or exchangeable securities at discount, issue of new shares at discount, consideration issues and other dilutive events.
Conversion shares	Assuming full conversion of the aggregate principal amount of the convertible bonds of HK$200,000,000 at the initial conversion price of HK$0.085 per Share, the convertible bonds will be convertible into a total of 2,352,941,176 new shares of the Company.
Redemption at option of the Company	The Company shall be entitled at its sole discretion, by giving not less than seven days' notice to the holder of the convertible bonds, propose to the holder of the convertible bonds to redeem the whole or any part of the outstanding convertible bonds (in multiples of HK$500,000 or such lesser amount as may represent the entire principal amount thereof) at any time after the date of issue of the convertible bonds up to and including the date falling seven days immediately before the maturity date of the convertible bonds.
Redemption at maturity	Unless previously redeemed in full as disclosed above, the Company shall be required upon the maturity date to redeem at 100% of all or any part of the principal amount of the convertible bonds in respect of which the conversion rights have not been exercised.

The convertible bonds are classified as financial liabilities at fair value through profit or loss in accordance with the substance of the contractual arrangements and the definitions of a financial liability.

22 BANK BORROWINGS AND OTHER FINANCIAL LIABILITIES

	2024 HK$'000	2023 HK$'000
Bank borrowings – secured	**2,717,641**	1,565,700
Other financial liabilities – unsecured	**39,217**	—
	2,756,858	1,565,700

	2024 HK$'000	2023 HK$'000
Carrying amounts of borrowings are repayable:		
Within one year	**485,183**	—
Within one year which contain a repayment on demand clause	**539,957**	1,345,700
Within a period of more than one year but not exceeding two years	**102,576**	11,000
Within a period of more than two years but not exceeding five years	**359,015**	209,000
Over five years	**1,270,127**	—
	2,756,858	1,565,700
Less: Amount classified as current liabilities	**(1,025,140)**	(1,565,700)
Amount due after one year and classified as non-current liabilities	**1,731,718**	—

Below assets were pledged respectively to banks to secure general banking facilities granted to the Group:

	2024 HK$'000	2023 HK$'000
Property, plant and equipment	**178,979**	—
Investment properties	**4,574,338**	441,501
Completed properties held for sale	**2,102,462**	—
Assets classified as held for sale	**911,265**	—
Pledged bank deposits	**710,583**	1,651,876
Trade receivables	**6,018**	—

As at 31 December 2024 and 2023, the Group has the following undrawn borrowing facilities:

	2024 HK$'000	2023 HK$'000
Expiring within one year	**718,575**	152,800

23 BUSINESS COMBINATION

Acquisition of RGAP Group

Sinolink Shanghai Investments Limited ("SSI"), a wholly-owned subsidiary of the Company, holds 490 Series B Shares, which was classified and accounted for under "Investments accounted for using the equity method" as at 31 December 2023, the carrying amount was zero after recognising the accumulated losses of RGAP.

On 20 December 2024, SSI entered into a sales and purchase agreement ("Agreement") with Rock-Shanghai Inc. ("RSI"), pursuant to the Agreement, RSI agreed to sell and SSI agreed to purchase all 510 Series A Shares held by RSI in RGAP at a cash consideration of US$2,000,000 (equivalent to approximately HK$15,560,000).

Upon the completion of the acquisition on 20 December 2024, the Group's effective equity interest in RGAP Group increased to 100%, the Group acquired controls over RGAP Group and it became an indirectly wholly-owned subsidiary of the Group.

The fair value of the Group's previously held 490 Series B Shares in RGAP Group formed part of the total consideration of the acquisition. The fair value of the previously held 490 Series B Shares in RGAP Group by the Group prior to the completion of the acquisition was estimated by an independent professional qualified valuer, to be HK$3,725,017,000, resulting in a remeasurement gain of HK$3,725,017,000 which was recognised in the consolidated statement of profit or loss.

RGAP Group is principally engaged in property development, property management and property investment and the presence in Shanghai, the PRC.

Details of the purchase consideration, the net assets acquired and provisional negative goodwill are as follows:

	HK$'000
Cash consideration	15,560
Fair value of previously held equity interests in RGAP Group	3,725,017
Total consideration	3,740,577

	Fair value on 20 December 2024 *HK$'000*
Property, plant and equipment	196,206
Investment properties	4,153,172
Stock of properties	2,102,462
Trade and other receivables and deposits	94,115
Cash and cash equivalents	116,529
Assets classified as held for sale	1,548,870
Bank borrowings and other financial liabilities	(2,216,902)
Deferred tax liabilities	(591,258)
Trade and other payables	(1,125,209)
Amounts due to related parties	(3,718)
Income tax payable	(6,434)
Net identifiable assets acquired	4,267,833
Less: Provisional negative goodwill	(527,256)
Total	3,740,577

Amounts recognised in the consolidated statement of profit or loss in relation to the business combination

	2024 ***HK$'000***
Fair value gain on step acquisition on investment accounted for using the equity method	**3,725,017**
Negative goodwill	**527,256**
Total gains arising from the business combination	**4,252,273**

24 SHARE CAPITAL

	Number of shares	Amount HK$'000
Shares of HK$0.01 each (2023: HK$0.10 each)		
Authorised:		
As at 1 January 2023, 31 December 2023 and 1 January 2024	15,000,000,000	1,500,000
Capital diminution (Note)	(8,625,996,904)	—
Capital increase (Note)	143,625,996,904	—
As at 31 December 2024	150,000,000,000	1,500,000
Issued and fully paid:		
As at 1 January 2023, 31 December 2023 and 1 January 2024	6,374,003,096	637,400
Capital reduction (Note)	—	(573,660)
As at 31 December 2024	6,374,003,096	63,740

Note:

On 31 May 2024, the Board proposed to implement the capital reorganisation which involved the capital reduction, the capital diminution and the capital increase ("Capital Reorganisation"). The Capital Reorganisation was approved by the shareholders of the Company at a special general meeting held on 3 July 2024 and became effective on 5 July 2024.

(i) Capital reduction

The capital reduction involved the reduction of par value of all the issued existing shares from HK$0.1 each to HK$0.01 each by cancelling the paid-up capital of the Company to the extent of HK$0.09 on each issued existing share.

(ii) Capital diminution

Subject to the capital reduction taking effect, the capital diminution took place which involved the cancellation of all authorised but unissued share capital of the Company in its entirety resulting in the diminution of the authorised share capital of the Company by such amount representing the amount of shares cancelled.

(iii) Capital increase

Subject to the capital diminution taking effect, the capital increase took place which involved the increase in the authorised share capital of the Company to HK$1,500,000,000 by the creation of such number of additional new shares as shall be sufficient to increase the authorised share capital of the Company to HK$1,500,000,000 divided into 150,000,000,000 new shares of par value of HK$0.01 each.

Upon the effective of Capital Reorganisation, the authorised share capital of the Company becomes HK$1,500,000,000 divided into 150,000,000,000 new shares of par value of HK$0.01 each, of which 6,374,003,096 new shares would have been issued and were fully paid or credited as fully paid. In addition, the par value of HK$0.1 of each of the 6,374,003,096 issued existing shares was reduced from HK$0.1 to HK$0.01 per issued new share by cancelling the paid-up share capital to the extent of HK$0.09 per issued existing share by way of a reduction of capital, the Company's existing issued share capital of approximately HK$637,400,000 was reduced by approximately HK$573,660,000 to HK$63,740,000, the amount was credited to the contributed surplus.

MANAGEMENT DISCUSSION AND ANALYSIS

In 2024, the international situation was still austere, complicated and changeable, geopolitical and economic uncertainties continued to weigh on global financial markets. The increase of global inflation and hike in interest rate largely affected the prices which remain on the high level. However, domestic economy in China maintained a steady recovery trend with improving momentum. The government gradually eased the industrial policies to promote technological innovation, quality development, and structural optimisation among enterprises, and further underscored consumption-driven development concept in its economic report.

The financial technology ("FinTech") industry is a technology-driven financial innovation industry. The booming digital economy has provided a broad space for its development and the rapidly evolving digital technology has injected abundant vitality into the digital transformation of finance. Despite uncertainties in the development environment both domestically and abroad, the comprehensive development of digital transformation of finance driven by FinTech has become a definite trend with marvellous development prospects. As China emerged from the pandemic, the national economy has steadily restarted. The FinTech sentiment index has reached a new record since pandemic, reflecting the greater resilience and expected steady growth of the industry. China's FinTech industry is during its rapid development based on the current FinTech development status. Across the megatrend of the digital transformation of the financial services industry, China's FinTech market is expected to maintain at a compound annual growth rate of approximately 18% during the period, and reach RMB1.39 trillion by 2028.

The real estate market in the PRC has become an important pillar of the national economy and the wealth store after more than 20 years of rapid growth. However, concomitant with disappearing demographic dividend, entering late stages of urbanization, slowing down of economic growth, advancing of financial deleveraging and strengthening government regulation and control, is the real estate market facing unprecedented challenges and pressure. In the first half of 2024, the government departments at all levels actively optimised the property policies to facilitate a steady operation of real estate market, especially in business property loans, lowering mortgage interest rates, and reducing down payments for house purchases, while Shanghai, Guangzhou, Hangzhou, Xi' an and other cities relaxing purchase restrictions. During the second half of 2024, the real estate market was still in the stage of adjustment and transformation, and the government is expected to continue to appropriately relax some restrictive measures to stimulate housing demand and consumption on the premise of maintaining the same policy control.

In respect of inflation, the international economy is still operating below potential output and the overall inflationary pressure is low. As of July 2024, consumer price index (CPI) rose by 0.5% year-on-year from fall and Producer Price Index (PPI) dropped by 0.8% year-on-year. We believed that the overall price level is still difficult to get rid of downward pressure in a short period of time in the second half of the year, and the domestic demand needs to be strengthened by policies.

The internal and external environment faced by China is still complex and changeable, and the recovery rate of the domestic economy has further slowed down. The domestic effective demand is insufficient, and the endogenous driving force for the recovery of production, investment and consumption is not strong. Restoring and expanding demand is the key to the sustained recovery of the current economy. Overall, although supply-side and demand-side pressures still exist, the continued strength of economic stabilization policies will provide guarantees for the sound economic operation, which may help domestic production demand and consumer demand stabilize and recover.

Against this backdrop and macro environment, the Group has been exploring new growth approaches to capture potential opportunities arising from the new form of economic development, while seeking opportunities and launching initiatives for investing and participating in particularly financial technology and new economy sectors and striving for greater room to expand its operations in pursuit of sustainable development and stable return.

The Group has been actively responding to the Chinese government's and the Hong Kong SAR government's continued approach to promote FinTech development, and made great efforts in exploring the methodology of enhancing its business model and creating value for the Group. While maintaining to develop real estate business and financing services business, the Group actively collaborated with leading FinTech companies in the market and grasped every opportunity to develop in the FinTech market. For instance, we invested in ZhongAn Online P & C Insurance Co., Ltd. ("ZhongAn Online") (stock code: 6060), with whom we established a joint venture, ZhongAn Technologies International Group Limited ("ZA Global").

For the year ended 31 December 2024, the Group's revenue was HK$346.3 million, decreasing by 4.0% as compared to last year. Gross profit was HK$197.7 million, decreasing by 5.4% as compared to last year. The Company recorded profit attributable to owners of the Company of HK$3,968.7 million during the year, as compared a loss attributable to owners of the Company of HK$278.2 million of last year. Basic earnings per share amounted to HK62.26 cents, as compared to a basic loss per share of HK4.37 cents for last year.

FINANCING SERVICES BUSINESS

Financing services business is principally engaged in provision of efficient financial leasing solutions and multiple consultancy services, to satisfy technology and new economy companies' demands for financial services at different stages of development. The financing services business is financed by the Group's internal resources. In view of the fast development and adjustment in the financing services business in the PRC in recent years and our high standard requirements and emphasis on risk assessment on customers, the current source of customers are mainly by referral of close business partners or customers with excellent credit records.

As at 31 December 2024, the Group has a total of 5 borrowers (2023: 5) with total outstanding loan principal and interest receivables in the sum of HK$329.8 million (2023: HK$360.1 million), which comprised of entrusted loans of HK$159.1 million (2023: HK$161.9 million) to 1 borrower (2023: 1), other loans of HK$170.7 million (2023: HK$198.2 million) to 4 borrowers (2023: 4). As at 31 December 2024, a sum of HK$163.9 million (2023: HK$161.9 million) was due from the largest borrower of the Group and an aggregate sum of approximately HK$329.8 million (2023: HK$360.1 million) was due from the five largest borrowers of the Group.

As at 31 December 2024, the ageing analysis of the Group's outstanding loan receivables based on the remaining contractual maturity date is set out below:

	2024		2023	
	HK$'million	***% of total***	*HK$'million*	*% of total*
Within one year	**328.7**	**99.7%**	201.4	55.9%
In the second year	**1.1**	**0.3%**	158.7	44.1%
Total	**329.8**	**100.0%**	360.1	100.0%

For the year ended 31 December 2024, the interest income from financing services business amounted to HK$20.4 million (2023: HK$25.2 million) which mainly comprised interest income from entrusted loans of HK$8.4 million (2023: HK$9.4 million), interest income from other loans of HK$12.0 million (2023: HK$15.8 million).

The Group has provided business factoring services, specifically as receivables-based lending services in the PRC. In order to enhance its cashflow problem to meet its operation needs, trade receivables from customers are pledged to the Group to obtain a short term borrowings. The legal title of the receivables has not changed. Business factoring services are regulated by the Measures for the Supervision and Administration of Commercial Factoring Companies in Tianjin (《天津市商業保理公司監督管理暫行辦法》). The Group did not provide any receivables-based lending services in 2024 and 2023.

The Group has provided entrusted loans to certain PRC customers. Entrusted loans are loans made to the customers, using a licensed bank as a servicing agent. The Group will pay the licensed bank a service fee and the credit risk is borne by the Group. Entrusted loans service is regulated by the Administrative Measures on Entrusted Loans of Commercial Banks* (《商業銀行委託貸款管理辦法》) issued by China Banking and Insurance Regulatory Commission* (中國銀行保監督管理委員會). During the year ended 31 December 2024, entrusted loans are provided to an independent third party with principal of RMB150 million (2023: RMB180 million). In 2023, the loans are unsecured, interest rates are fixed at 5% per annum, and with original expiry date on 18 August 2024 and 27 December 2024. During the year ended 31 December 2024, the loans with a fixed 5% interest have been extended to 13 August 2025 and secured by a share charge of 49% equity interest of the borrower. For further details, please refer to the Company's announcement dated 25 July 2024.

* *For identification purpose only*

The Group had loan receivables provided to independent third parties. The Group had provided financial leasing services in the PRC for customers (from individuals to corporates) for equipment (ranging from office equipment, 3C equipment and motor vehicles). Financing lease services is regulated by the Interim Measures for the Supervision and Administration of Shanghai Finance and Leasing Companies* (《上海市融資租賃公司監督管理暫行辦法》). During the year ended 31 December 2022, financial leasing services interest rates are fixed and ranged from 5.5% to 10.0% per annum and terms of leases are ranged from 6 months to 5 years. The Group did not provide any financial leasing services in 2024 and 2023.

As at 31 December 2024, loan receivables to independent third parties are unsecured, carried at fixed interest rate ranged from 3.0% to 6.0% (2023: 4.0% to 6.0%) per annum and will be matured in 2025 to 2027 (2023: 2024 to 2025). We made continuous efforts to enhance risk management of the financial leasing and factoring business.

Credit risk and impairment assessment

In order to minimize the credit risk, management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit rating system to assess the potential customer's credit quality and defines credit limits by customer. The internal credit rating system is a matrix of factors by performing background search and considering historical creditworthiness information, industry recognition. Credit risk of loans receivables, finance lease receivables, entrusted loans and receivables-based lending services are assessed individually. Collateral can be one of the ways to mitigate credit risk to certain extent, nevertheless, the Group mostly provides financing services based on the stringent credit assessment and puts more emphasis on the counterparties' ability to meet obligations out of their cash flows, income, net worth and historical credit records.

The Group has closely monitored the recoverability of the receivables to these counterparties, including considering the reasonableness and supportiveness of both available quantitative and qualitative information, ensured that adequate collateral is received from these counterparties and taken effective measures to ensure timely collection of outstanding balances. Effective measures include periodic visit to customers, regular updates of financial information and obtaining customer's future prospects.

Management has overall responsibility for the Group's credit policies and oversees the credit quality of the Group's receivables and loans portfolio. In addition, management reviews the recoverable amount of loan receivables individually at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts.

* *For identification purpose only*

For the year ended 31 December 2024, the provision for impairment loss on loan receivables amounted to approximately HK$3.4 million (2023: HK$28.8 million), representing a decrease of approximately HK$25.4 million. The net impairment loss was comprised of a reversal of impairment loss made for loan receivables categorised for entrusted loans of approximately HK$1.2 million (2023: HK$5.9 million) and an impairment loss made for loan receivables categorised for other loans of approximately HK$4.6 million (2023: HK$34.7 million), respectively. The Group applies general approach to provide for Expected Credit Loss for loan receivables prescribed by Hong Kong Financial Reporting Standard ("HKFRS") 9 Financial Instruments. Loans receivables are assessed individually by the management of the Group by reference to past default experience, current past due exposure of the debtor, the nature and prospect of the debtor's operation.

In determining whether there have been significant increases in credit risk, the following key criteria are taken into account:

(a) an actual or expected significant deterioration in the borrower's external (if available) or internal credit rating;

(b) significant deterioration in external market indicators of credit risk for the corporate borrower;

(c) existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the borrower's ability to meet its debt obligations;

(d) an actual or expected significant deterioration in the operating results of the corporate borrower;

(e) significant increases in credit risk on other financial instruments of the same corporate borrower;

(f) an actual or expected significant adverse change in the regulatory, economic or technological environment of the borrower that results in a significant decrease in the borrower's ability to meet its debt obligations;

(g) status of the loan and interest receivables as at the reporting date, including any breach of contract such as a default or past due event as at the reporting date; and

(h) whether it is probable that the borrower will enter bankruptcy or other financial reorganisation.

A borrower will be regarded as credit-impaired if he/she is in default of the loan principal, or has entered bankruptcy or other financial reorganisation, or has severely delayed payments of the loan principal or interests.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

AA Investment Management Limited ("AA Investment") is a wholly-owned subsidiary of the Company and is a Hong Kong-based securities trading and asset management company which holds Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) Licenses of the Securities and Futures Commission of Hong Kong ("SFC") to carry out regulated activities in the financing services sector.

AA Investment offers its retail and institutional clients a fully digital investment fund dealing services through different channels (mobile application and/or backend integration). In 2024, global financial markets experienced increased volatility due to interest rate changes. Looking ahead to 2025, the management team of AA Investment will closely monitor market conditions and uncertainties, and is committed to implementing prudent and robust strategies that align with the best interests of our clients.

During the year ended 31 December 2024, AA Investment has generated approximately HK$0.5 million income (2023: HK$0.5 million).

We believe that there are new opportunities within the challenges arising from the current economic recoveries. Although the clients are faced with increasing liquidity risks in the short term, which may impose downward pressure on the Group's asset quality and in turn impact its shortterm operating results to a certain extent, we are confident that with improvement in the situation for mid to long-run, enterprises with high growth will gradually recover from liquidity shortage and remain favorable in the market, to which the Group will pay close attention. We will take proactive measures to tackle the new challenges brought by the complex situation.

JOINT VENTURE – ZA GLOBAL

Peak3 (Overseas Technology Export)

Peak3 (Hong Kong) Limited ("Peak3"), formerly known as ZA Tech Global Limited ("ZA Tech"), was incubated by ZA Global in 2018 to provide technology solutions to international enterprise customers. In March 2024, it completed its external series A financing of USD35 million, led by Bennet (HK) Limited. In June 2024, ZA Tech officially changed its name to Peak3, as a tribute to the stylized three peaks in ZA Global's logo. The new Peak3 brand represents three pinnacles: scaling the heights of innovation, surpassing performance limits, and delivering superior reliability.

Peak3 focuses on the development and sales of technology and artificial intelligence (AI) solutions for insurance companies and insurance intermediaries in global markets. Peak3's product portfolio includes its cloud-native and modular insurance core and orchestration platforms, which support life, health and property & casualty insurance and are used by leading global insurers, digital platforms and other intermediaries.

In 2024, Peak3 focused on the expansion of its product capabilities, including the development of capabilities for commercial lines and employee benefits, new AI capabilities to automate claims processing and fraud detection, and investments into localizations to better serve the specific requirements of its clients. To support its strong growth in Europe with new client implementations in six new countries in 2024, Peak3 set up its European technology center in Serbia.

Peak3 recorded annual recurring revenue[1] ("ARR") of HK$168 million in December 2024, an increase of approximately 18.5% compared to ARR in December 2023.

ZA Bank Limited ("ZA Bank")

ZA Bank, a subsidiary of ZA Global and a digital bank in Hong Kong, became one of the first banks in Hong Kong having been granted a digital banking license on 27 March 2019, and officially commenced operation on 24 March 2020. ZA Bank aims to build a local one-stop digital financial service platform in Hong Kong to provide diversified, convenient and inclusive financial services to retail customers and SMEs.

At present, ZA Bank has become one of the digital banks in the Hong Kong market that offers the most comprehensive functions and products, building a one-stop integrated digital financial service platform through its mobile app, which operates in a fully digitalized mode. The bank is currently the only digital bank that offers users 24/7 digital banking services such as deposits, loans, transfers, card spending, foreign exchange, insurance, investment and business banking.

1 Annual recurring revenue refers to annualized recurring revenue from active contracts as of December 2024.

ZA Bank had over 800,000 retail users as of 31 December 2024, with over half having chosen ZA Bank as their default receiving bank through the Faster Payment System (FPS).

ZA Bank became the first digital bank in Hong Kong to be granted a Type 1 regulated activity (dealing in securities) license by the SFC in January 2022, and has been actively expanding its product suite for investment business since then. Following the launch of investment fund services in August 2022, ZA Bank officially introduced its US stock trading services in February 2024, further meeting users' wealth management needs.

ZA Bank also capitalizes on opportunities brought by Web3 and strategically plans related businesses in the field, to support the Hong Kong SAR government's development vision of building a Web3 hub and to participate in building a vibrant Web3 sector and ecosystem.

In July 2024, shortly after the Hong Kong Monetary Authority announced the list of participants of the stablecoin issuer sandbox. ZA Bank subsequently announced that it would become the first local digital bank to provide dedicated "reserve banking services" for stablecoin issuers, making it one of the first banks in Hong Kong to provide such services.

In November 2024, ZA Bank became Asia's first[2] licensed bank to provide cryptocurrency trading services for retail investors in Hong Kong. In partnership with the world's leading licensed virtual asset exchange, ZA Bank allows users to buy and sell top cryptocurrencies directly in HK$ and USD through the ZA Bank App, without having to switch to other applications or platforms. This brand-new service greatly simplifies the investment process and makes ZA Bank the only licensed bank in Asia that currently provides fund, US stock and virtual asset trading services for retail investors, further strengthening ZA Bank's leading position in the field of digital wealth management.

In terms of technology, ZA Bank, as a leading digital bank driven by technology, has successfully migrated its core system to the "Cross-cloud operations (跨雲雙活)" cloud-based infrastructure, thereby providing users with more durable, scalable and resilient 24/7 banking services.

ZA Bank has been widely recognized by leading international media outlets for its outstanding performance in the digital banking sector. ZA Bank is the only digital bank in Hong Kong to be included in the list of 2024 Fintech Innovators Asia of the Fortune magazine, and the first Hong Kong bank to be named "Rising Star" in "Awards for Excellence" by Euromoney. It has been named "Virtual Bank of the Year - Retail Banking" for the second consecutive year in the "Triple A Digital Awards" by The Asset. ZA Bank's express online business account opening service was also awarded the "SME Digital Innovation of the Year - Hong Kong" by Asian Banking & Finance. In addition, ZA Bank won the "Good Organization Award" presented by the Hong Kong Police Force in recognition of its efforts in financial security, making it the only bank to receive this honour in 2024 and the first digital bank to win this award.

2 "The first in Asia" among licensed banks in an Asian country/region (other than West Asia) that has a complete virtual asset regulatory system and was a FATF member state as of 20 November 2024, and is limited to licensed banks that provide retail investors with direct cryptocurrency trading services using fiat currency through their main applications.

As at 31 December 2024, ZA Bank had a deposit balance of approximately HK$19,399 million representing a year-on-year increase of 65.9%. Gross loan balance was approximately HK$5,782 million, representing a year-on-year increase of 7.1%, with a loan-to-deposit ratio of 29.8%. Meanwhile, benefiting from the interest rate hike cycle and the diversification of loan products, ZA Bank's net interest margin further improved to 2.41% in 2024 from 1.94% in the same period of 2023, which was better than the industry average.

During the reporting period, with the launch of new products, ZA Bank recorded net revenue of approximately HK$548 million, representing a year-on-year increase of 52.6%. Meanwhile, ZA Bank focused on business quality and operating efficiency improvement, and the net loss amounted to HK$232 million, down by nearly HK$167 million from the same period of last year. The loss margin narrowed by approximately 69 percentage points to 42% from 111% in the corresponding period of 2023.

PROPERTY RENTAL

For the year ended 31 December 2024, total rental income amounted to HK$170.5 million, representing an increase of 2.7% as compared to last year. At a post-COVID period since early 2023, the economy had not yet recovered as expected, and it is still a hard period for the property industry. We have lowered our unit rental to renew our existing tenants and to attract new tenants. This policy has been effectively and slightly improved our occupancy rate and rental income during the year.

The aforesaid rental income was mainly contributed by our commercial property portfolio, composed of *The Vi City, Sinolink Garden Phase One to Four* and *Sinolink Tower*. The rental income of the *Rockbund Project*, operated by the RGAP Group from the acquisition date to 31 December 2024 is not material to the Group.

Sinolink Tower

Located in the Luohu district in Shenzhen, *Sinolink Tower*, composed of the hotel and office complex of *Sinolink Garden Phase Five,* has a total gross floor area ("GFA") of approximately 50,000 square meters, of which hotel space occupies 30,000 square meters and office space occupies 20,000 square meters.

For the year ended 31 December 2024, the occupancy rate of the office portion of *Sinolink Tower* was approximately 34%. Tenants are mainly engaged in jewelry, investment and real estate business.

O Hotel, the Group's first hotel that is dedicated to delivering a personalised experience, has 188 rooms and suites, a trendy restaurant, a specialty coffee shop, a premium fitness club and other facilities. During the year, the hotel continued to operate in a challenging business environment. At the post-COVID period, the occupancy rate increased progressively but still at a low level. The management has adopted measures for more stringent cost control and better services to improve the overall performance of the hotel.

Rockbund Project

Located in the Bund in Shanghai, *Rockbund Project* is an integrated property project jointly developed by the Group and The Rockefeller Group International, Inc. The project has a total site area of 18,000 square meters with a GFA of 105,000 square meters, and comprises of the repairs and operation of heritage buildings, and the construction of some new structures. The Group has proceeded to redevelop the historical site and structures into an upscale mixed-use neighborhood with residential, commercial, retail, food and beverages, offices and cultural facilities. The preserved heritage buildings have already commenced operation and have been leased out. The foundation of the new building structures have been completed, with structural works well under way. The entire project had been commenced operations gradually since the completion of the construction in 2023.

On 30 April 2024, Shanghai Bund de Rockefeller Group Master Development Co., Ltd., ("SHRGMD"), originally an investment accounted for using equity method of the Group, principally engaged in the development of *Rockbund Project,* entered into a Sales and Purchase Agreement with ZhongAn Online (the "Buyer"), pursuant to which and subject to the terms and conditions therein, SHRGMD agreed to sell and the Buyer agreed to purchase two properties in *Rockbund Project* for a total consideration of RMB1,436.6 million.

The gross GFA of the two properties totalled 15,943.98 square metres, representing approximately 15% of the whole *Rockbund Project*.

During the year ended 31 December 2024, the sale of one of the property has been completed while the other will be completed in 2025. As at 31 December 2024, the carrying amount of the incompleted properties is recorded as "properties held for sale" in the consolidated statement of financial position.

PROPERTIES UNDER DEVELOPMENT

As at 31 December 2024, the Group has the following properties under development:

Ningguo Mansions

Located in the Changnin District of Shanghai, *Ningguo Mansions* is a residential project currently in the construction and inspection phase. The project, with a total site area of 13,600 square metres and a plot ratio of 1.0, will be developed into 11 quadrangle courtyards boasting a fusion of Chinese and Western cultures, each with a GFA of 1,000 to 1,500 square meters. David Chipperfield Architects, a British architecture design company, is in charge of the construction, decoration and design of the project. Situated in one of the most accessible, low-density and tranquil luxury neighborhoods in Shanghai, *Ningguo Mansions* is approximately 10-minute and 30-minute ride away from the airport and the downtown respectively.

The project has completed inspection, with 4 luxuriously decorated buildings and 7 bare shells, and the landscaping work is undergoing subsequent improvement and inspection. Later, appropriate operational arrangements will be made based on market demand and the actual conditions.

OTHER BUSINESSES

Other businesses within the Group include property, facility and project management services. For the year ended 31 December 2024, the Group recorded a revenue of HK$155.5 million from other businesses, which is stable as compared with last year of HK$169.5 million.

SIGNIFICANT INVESTMENT

As at 31 December 2024, total equity instruments at fair value through other comprehensive income amounted to HK$1,024.6 million (2023: HK$1,574.6 million), mainly representing that of ZhongAn Online owned by the Group of approximately HK$950.9 million (2023: HK$1,445.0 million), which was measured at fair value at the end of this reporting period. As at 31 December 2024, the significant investment of the Group is as follows:

	Number of shares held as at 31 December 2024	Percentage of shareholding as at 31 December 2024	Unrealised fair value loss recognised in other comprehensive income for the year ended 31 December 2024	Realised fair value gain/(loss) recognised in other comprehensive income for the year ended 31 December 2024	Dividends received for the year ended 31 December 2024	Approximate percentage of the Group's total assets as at 31 December 2024	Cost of investment	Market value as at 31 December 2024
		%	*HK$'000*	*HK$'000*	*HK$'000*	*%*	*HK$'000*	*HK$'000*
Hong Kong listed shares								
Hong Kong listed shares - ZhongAn Online (Stock code: 6060)	81,000,000	5.51	(469,995)	—	—	5.75	92,000	950,940

ZhongAn Online is an online Insurtech company, incorporated in the PRC with limited liability and is a joint stock company engaged in FinTech business, which provides internet insurance services, insurance information technology services and online banking services to customers.

The performance and prospects of the Group's significant investment during the year are detailed below:

During the year ended 31 December 2024, the gross written premiums of ZhongAn Online was approximately RMB33,417 million, a year-on-year increase of approximately 13.3%; the net profit attributable to owners of the parent company was approximately RMB603 million, a year-on-year increase of approximately 105.4%.

Of all the industries, we consider that the FinTech industry has the greatest development potential. FinTech has experienced rapid development over the past several years, and this technology is continuously being applied to various financial service scenarios, which not only increases the efficiency of the financial service industry, but also provides the general public with more products and service options.

As the first internet-based Insurtech company in China, ZhongAn Online upheld the mission of "empowering the finance business with technologies and providing insurance services with a caring hand". ZhongAn Online embraced the two-winged growth strategy of "Insurance + Technology", and adhered to integrating technologies into the whole insurance value chain. By empowering the insurance value chain with technologies and adopting an ecosystem-oriented approach, ZhongAn Online focuses on the Internet life from the customer end through self-operated channels and over 300 platforms operated by its ecosystem partners, in order to meet the diversified protection demands of customers and create value for them. ZhongAn Online proved and upgraded its technology strength in the operation of its insurance business, and aims to enable the Internet insurance industry chain to export Insurtech and facilitate the digital transformation of the industry.

In the future, ZhongAn Online, as a pioneer in the Insurtech and FinTech industry, will utilize its experience accumulated in Insurtech sector in the PRC to release the synergetic value of various ecosystems, and grow along with the industry with openness and long-term win-win as its goal.

PROSPECTS

Looking ahead, the global economy continues to face challenges. Whilst there is a general expectation that interest rates will trend downward, potentially offering relief to businesses and consumers, the extent and pace of reducing interest rates remain uncertain. In addition to the prolonged period of high interest rates, geopolitical tensions and economic uncertainties persist, which pose risks that could temper the pace of global economic recovery and growth. According to the World Economic Outlook Update released by the International Monetary Fund (IMF) in January 2025, global growth is projected at 3.3% both in 2025 and 2026, which is below the historical average of 3.7% from 2000 to 2019.

In terms of China's economic outlook, the country continues to face challenges. China's economy grew by around 5% in 2024, which was fueled by stimulus measures, strong exports and high-tech investments. However, the country is still affected by challenges such as weak domestic demand and demographic pressures. Structural reforms and targeted policies will be crucial for sustaining growth into 2025.

Though a package of pro-economic growth policies have been rolled out in China in 2024 that led to positive changes in many areas, the foundation for economic recovery is not solid yet. Foreign demand has not been strong enough to compensate for weak domestic demand, the growth of emerging industries is insufficient to counterbalance the decline in traditional industries, and challenges of structural and cyclic economic transformation are still evident. In 2025, changes in domestic and foreign policies will be the biggest variable influencing China's economic trends. Domestically, the implementation and enhancement of incremental policies will be crucial for economic recovery. Externally, the tariff adjustments imposed by the U.S. may significantly impact China's exports. It is expected that China's GDP growth will remain at around 5% in 2025.

Supported by policies, consumption in China is expected to gradually recover. In 2025, consumption growth is likely to pick up slightly. Firstly, the consumer goods trade-in policy is expected to further demonstrate its effectiveness. Secondly, the potential for service consumption is likely to be further realized. Thirdly, falling interest rates on existing housing loans will ease repayment pressures on residents, improve their cash flow, and unlock certain consumption potential.

2025 marks the final year of China's 14th Five-Year Plan period. Despite a more uncertain external environment, opportunities are expected to arise from changes in domestic expectations, intensified policies, accelerated growth of new economic drivers, and a stabilizing real estate market. The growth of money supply and aggregate financing to the real economy is expected to rise steadily, driven by enhanced policies and recovering financing demand. The regulatory mechanism for monetary policies will be further refined, with overall interest rates continuing to decline. Initially declining before rising, the capital market is expected to see a structural slow bull trend.

Of all the industries in which we operate, we believe that the Fintech industry holds the greatest potential for development. Fintech has experienced rapid growth over the past several years and continues to increasingly be applied across various financial service scenarios. This not only enhances the efficiency of the financial services industry but also provides the general public with a wider range of products and service options. Notably, amidst the outbreak of the COVID-19 pandemic at the beginning of 2020, Fintech played a crucial role in transforming and improving people's lifestyles by offering faster and more convenient services and experiences. We have witnessed significant advancements to and the potential for further development in technology, which in turn present more opportunities and greater value.

In terms of our business development, while we strive to balance the profitability and growth of our existing business and operations, we are also committed to exploring new development opportunities. The Group will continue to leverage the momentum of the Fintech industry's growth, with the aim that strategic resource allocation and effective management will support the Group's stable growth and deliver long-term value to our Shareholders.

FINANCIAL REVIEW

During the year ended 31 December 2024, total revenue of the Group was HK$346.3 million (2023: HK$360.8 million), decreasing by 4.0% as compared to last year. At a post-COVID period since early 2023, the economy had not yet recovered as expected, and it is still a hard period for the property industry. We have lowered our unit rental to renew our existing tenants and to attract new tenants. This policy has been effectively and slightly improved our occupancy rate during the year but the overall rental income is still slightly decreased as compared to last year.

The Group recorded an other income of approximately HK$78.1 million (2023: HK$95.7 million). The other income for the year was mainly contributed from the bank interest income from bank deposits and pledged bank deposits. The decrease in bank interest income was mainly due to the drop of interest rate and decrease in bank deposits during the year.

The Group recorded a net other losses of approximately HK$25.5 million for the year ended 31 December 2024 (2023: net other gains of HK$0.6 million). The net other losses for the year was mainly contributed from the net exchange losses recorded during the year. RMB had been depreciated for around 2.2%.

The total operating costs (including cost of sales, selling and administrative expenses) for the year ended 31 December 2024 was approximately HK$265.9 million (2023: HK$267.9 million), representing a slightly decrease of approximately 1%. This was due to the cost control measures implemented by the Group on the overall operating expenses for the year.

The Group recorded a fair value loss of the investment properties of approximately HK$100.2 million (2023: HK$253.5 million), mainly contributed by the capital depreciation of our commercial property portfolio and car parks located in the PRC for rental.

The Group recorded an impairment loss on financial assets of approximately HK$3.4 million (2023: HK$28.8 million). The decrease was due to certain impaired financial assets in 2023 had been novated to RGAP, one of originally investments accounted for using the equity method in the second half of 2023.

The Group recognised finance costs of approximately HK$73.9 million (2023: HK$87.1 million). The decrease was mainly due to the decrease in average bank borrowings and the decrease in interest rate during the year.

The Group recorded profit attributable to the owners of the Company of HK$3,968.7 million for the year ended 31 December 2024, compared to a loss attributable to the owners of the Company of HK$278.2 million for last year. This was mainly due to the various factors outlined above and the net effects of the following factors:

(i) a significant one-off gains arising from business combination for RGAP of approximately HK$4,252.3 million;

(ii) a decrease in fair value loss of the investment properties by approximately HK$153.3 million. The fair value loss of the investment properties of approximately HK$100.2 million (2023: HK$253.5 million);

(iii) an increase in net fair value losses on other financial assets at fair value through profit or loss by approximately HK$59.7 million. The fair value loss recognized for the year was approximately HK$62.0 million (2023: HK$2.3 million).

The Group's total borrowings was HK$2,756.9 million as at 31 December 2024 (2023: HK$1,565.7 million). The borrowings of the Group are denominated in HK$ or RMB and are interested at floating rate. The Group's borrowings are denominated as follows:

	2024	2023
	HK$'million	*HK$'million*
HK$	**—**	1,565.7
RMB	**2,756.9**	—
Total	**2,756.9**	1,565.7

They were due for repayment within the following periods:

	2024	2023
	HK$'million	*HK$'million*
Within 1 year	**485.2**	—
Within 1 year, which contain a repayment on demand clause	**540.0**	1,345.7
After 1 year but within 2 years	**102.6**	11.0
After 2 years but within 5 years	**359.0**	209.0
After 5 years	**1,270.1**	—
Total	**2,756.9**	1,565.7

The management of the Group will continue to evaluate and closely monitor the borrowing portfolio and interest rate risks of the Group, and may consider taking appropriate measures to hedge material interest rate risks when necessary.

CHARGE OF ASSETS

As at 31 December 2024, property, plant and equipment of HK$179.0 million (2023: Nil), investment properties of HK$ 4,574.3 million (2023: 441.5 million), completed properties held for sale of HK$2,102.5 million (2023: Nil), assets classified as held for sale of HK$911.3 million (2023: Nil), pledged bank deposits of HK$710.6 million (2023: HK$1,651.9 million) and trade receivables of HK$6.0 million (2023: Nil) were pledged to banks to secure general banking facilities granted to the Group.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2024, the Group's gearing ratio, calculated on the basis of total borrowings over shareholders' equity, was 25.6% as compared with 25.2% as at 31 December 2023. The Group remained financially strong with a net cash position.

The Group's cash and bank balances (including bank deposits, pledged bank deposits, and cash and cash equivalents) amounted to HK$1,743.8 million as at 31 December 2024 (2023: HK$2,648.5 million), mostly denominated in RMB, HK$ and USD. As at 31 December 2024, the Group has undrawn borrowing facilities of HK$718.6 million (2023: HK$152.8 million) which will expire within one year.

The Group funds its operations and capital commitments by internal resources, bank and other borrowings and can be further funded by the potential undrawn borrowing facilities.

We have continued to maintain a healthy and sound financial position and have followed a set of funding and treasury policies to manage our capital resources and mitigate potential risks involved.

FOREIGN EXCHANGE EXPOSURE

Majority of the subsidiaries of the Group operate in the PRC with most of the transactions in relation to operations are denominated and settled in RMB. Fluctuations of RMB exchange rates would impact the Group's net asset value in the preparation of the Group's consolidated accounts. If RMB appreciates/depreciates against HK$, the Group would record a(n) increase/decrease in the Group's net asset value. During the year ended 31 December 2024, in respect of the Group's exposure to potential foreign exchange risks arising from the currency exchange rate fluctuations, it did not make any arrangement or use any financial instruments to hedge against potential foreign exchange risks. However, the management will continue to monitor foreign exchange risks and adopt hedging measures where necessary.

CAPITAL COMMITMENTS

As at 31 December 2024, the Group had commitments of HK$52.4 million (2023: HK$32.2 million) in respect of properties under development.

CONTINGENT LIABILITIES

As at 31 December 2024, guarantees offered to banks as security for the mortgage loans arranged for the Group's property buyers amounted to HK$2.7 million (2023: HK$3.0 million).

EVENT AFTER THE REPORTING PERIOD

On 3 March 2025 (after trading hours), Sinolink Properties Limited (百仕達地產有限公司) ("**Sinolink Properties**"), a 80%-owned subsidiary of the Company. as transferor, Shenzhen Baihuan Education Consulting Service Co., Ltd.* (深圳百喚教育諮詢服務有限公司) (the "**Transferee**") as transferee and Shenzhen Luohu Sinolink Primary School* (深圳市羅湖區百仕達小學) (the "**School**") entered into a transfer agreement, pursuant to which Sinolink Properties has agreed to transfer and the Transferee has agreed to accept the transfer of operation right and respective assets and liabilities of the School at nil consideration. Please refer to the announcements of the Company dated 3 March 2025 for details.

Save as disclosed above, there are no other material events affecting the Group that need to be reported to the shareholders of the Company after the reporting period.

FINAL DIVIDEND

In order to retain resources for the Group's business development, the Board does not recommend payment of a final dividend for the year ended 31 December 2024 (2023: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2024, the Group employed approximately 627 full time employees for its principal activities. The Group recognises the importance of high calibre and competent staff and continues to provide remuneration packages to employees with reference to prevailing market practices and individual performance. Other various benefits, such as medical and retirement benefits, are also provided. In addition, share options may be granted to eligible employees of the Group in accordance with the terms of the approved share option scheme of the Company.

* *For identification purpose only*

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

There was no purchase, sale or redemption of the Company's listed shares by the Company or any of its subsidiaries for the year ended 31 December 2024.

CORPORATE GOVERNANCE

During the year, the Company has complied with the code provisions as set out in the Corporate Governance Code in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") save as disclosed below.

Pursuant to code provision C.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the year, Mr. XIANG Ya Bo had undertaken both the roles of the Chairman of the Board and the Chief Executive Officer of the Group until his retirement at the conclusion of the annual general meeting held on 30 May 2024 (the "2024 AGM"). Since then, Mr. TANG Yui Man Francis has undertaken both roles of the Chairman of the Board and the Chief Executive Officer of the Group after the conclusion of the 2024 AGM. The Board considers that vesting the roles of the chairman of the Board and the Chief Executive Officer in Mr. XIANG Ya Bo and after his retirement, in Mr. TANG Yui Man Francis is beneficial to the management and business development of the Group and will provide a strong and consistent leadership to the Group. Therefore, having considered the current business operation and the size of the Group, the Board is of the view that Mr. TANG Yui Man Francis currently acting as both the Chairman of the Board and also as the Chief Executive Officer of the Group is acceptable and in the best interest of the Group. There are adequate balance of power and safeguards in place. The Board will review this situation periodically and would ensure that the present structure would not impair the balance of power of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirmed that in respect of the year ended 31 December 2024, all Directors have complied with the required standard set out in the Model Code.

AUDIT COMMITTEE

The Company has an audit committee (the "Audit Committee") which was established in accordance with the requirements of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee comprises three independent non-executive directors, namely, Ms. Chen Hui, Mr. Tian Jin and Mr. Xin Luo Lin. The Audit Committee meets regularly with the Company's senior management and the Company's auditor to consider the Company's financial reporting process, effectiveness of internal controls, audit process and risk management.

The annual results of the Group for the year ended 31 December 2024 had been reviewed by the Audit Committee.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company (the "AGM") was scheduled to be held on Friday, 23 May 2025. The notice of AGM will be published on the Company's website at www.sinolinkhk.com and the designated website of the Stock Exchange at www.hkexnews.hk in due course.

The register of members of the Company will be closed from Tuesday, 20 May 2025 to Friday, 23 May 2025, both days inclusive, during which period no share transfer will be effected. In order to identify the entitlement for attending the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 19 May 2025.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my appreciation to the staff and management team of the Group for their contribution during the year and also to give my sincere gratitude to all our shareholders for their continual support all these years.

On behalf of the Board
Sinolink Worldwide Holdings Limited
TANG Yui Man Francis
Chairman and Chief Executive Officer

Hong Kong, 24 March 2025

As at the date of this announcement, the Board comprises, Mr. TANG Yui Man Francis (Chairman and Chief Executive Officer) as Executive Director; Mr. OU Jin Yi Hugo and Mr. OU Jin Yao Norris as Non-executive Directors; and Ms. CHEN Hui, Mr. TIAN Jin and Mr. XIN Luo Lin as Independent Non-executive Directors.