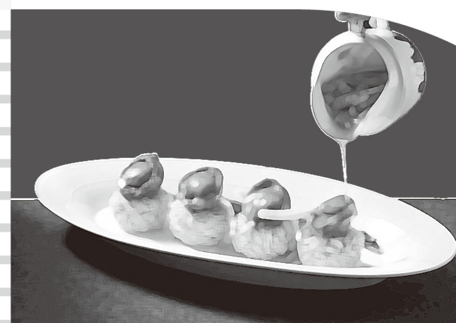
GBA集團有限公司

Stock Code : 261

2024 ANNUAL REPORT



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CORPORATE INFORMATION

COMPANY NAME
GBA Holdings Limited

BOARD AND COMMITTEES OF THE BOARD

Executive Directors
Ong Chor Wei *(Chairman)*
Lam Ka Lee
Wong Misa

Independent Non-executive Directors
Wu Wai Shan
Chan Sheung Yu
Leung Gar-gene Vincent

Audit Committee
Wu Wai Shan *(Chairman)*
Chan Sheung Yu
Leung Gar-gene Vincent

Remuneration Committee
Chan Sheung Yu *(Chairman)*
Wu Wai Shan
Ong Chor Wei
Leung Gar-gene Vincent

Nomination Committee
Ong Chor Wei *(Chairman)*
Chan Sheung Yu
Wu Wai Shan
Leung Gar-gene Vincent

COMPANY SECRETARY
Cheung Yin, *HKICPA*

AUTHORISED REPRESENTATIVES
Ong Chor Wei
Cheung Yin

PRINCIPAL BANKER
Bank of Communication (Hong Kong) Limited

AUDITORS
Baker Tilly Hong Kong Limited
Certified Public Accountants

FINANCIAL YEAR END
31 December

REGISTERED OFFICE
Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG
Room 1415, 14/F., Leighton Centre
77 Leighton Road
Causeway Bay
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN BERMUDA
Ocorian Management (Bermuda) Limited
Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG
Tricor Investor Services Limited
17th Floor, Far East Finance Centre
16 Harcourt Road
Hong Kong

COMPANY WEBSITE
www.gbaholdings.com

STOCK CODE
261

CHAIRMAN'S STATEMENT

RESULTS

On behalf of the Board, I present the annual results of the Group for the year ended 31 December 2024.

The Group's continuing operations recorded revenue of approximately HK$57.0 million in 2024, representing a decrease of approximately 27.2% from approximately HK$78.4 million in 2023. Loss attributable to the owners of the Company for the year ended 31 December 2024 (the "**Current Period**") was approximately HK$55.8 million, representing a decrease of approximately 43.3% from loss attributable to the owners of the Company of approximately HK$98.4 million for the year ended 31 December 2023 (the "**Corresponding Period**").

As the Company was still in a loss position, which mainly due to (i) decrease in fair value of financial assets at fair value through profit or loss due to lower fair value of financial assets; (ii) losses from the Catering Business as a result of the slow recovery of high-end catering market in Hong Kong; and (iii) losses from the property business as a result of weak selling price. The Board does not recommend payment of a final dividend for the year ended 31 December 2024 (2023: nil).

BUSINESS REVIEW

Property Business

All our property development projects, namely Landmark City, Evian Villa and CCT Land-Jun Mansion are located in the Anshan, Liaoning Province, the PRC, details of which are set out below.

Landmark City

Situated in the Tiexi District of the Anshan City, Landmark City enjoys convenient transport access and well-developed comprehensive ancillary facilities, and the project provides comfortable design, relatively low plot ratio and relatively high ratio of greenery and common areas. The project comprises residential buildings, underground car parks and retail shops, with a total gross floor area of approximately 212,000 square meters, built on a site area of 69,117 square meters. Landmark City is divided into three phases, comprising 22 residential towers, offering 2,132 flats and shop units in aggregate, with wide range of sizes from one-bedroom to four-bedroom apartments. Development of the entire Landmark City project was completed in 2013. As at 31 December 2024, approximately 95% of the entire project in terms of gross floor area has been sold accumulatively.

Evian Villa

Situated in the Hi-tech Development Zone of the Anshan City, Evian Villa is positioned as a luxurious residential community. Evian Villa is situated in one of the major educational and commercial areas in Anshan with comprehensive community facilities. Since first launch of the project, the development has received strong market response and have been well praised by the customers for its superior quality, top-notched design, low plot ratio, a greenery ratio of 42% and premium construction materials. In particular, the beautiful premier water system, an artificial lake in the center of the estate has received accolades from customers and buyers.

The project has a site area of 74,738 square meters and is divided into two phases, comprising 27 blocks of low-rise apartment buildings, under-ground car parking spaces and retail shops with total gross floor area of 126,000 square meters. Phase 1 comprises 14 blocks of gross floor area of 63,000 square meters and Phase 2 comprises 13 blocks of gross floor area of 63,000 square meters. Evian Villas provide flats and duplex apartments of 670 units in aggregate, comprising 291 units for Phase 1 and 379 units for Phase 2, with wide range of flat types. Development of the Phase 1 was completed in 2011. Approximately 67% of the residential units and 100% of the shops and car parks have been sold accumulatively up to 31 December 2024. Development of Phase 2 was completed in 2015. Approximately 75% of the residential units of Phase 2 has been sold accumulatively up to 31 December 2024. We will continue to sell the remaining units of Phase 1 and Phase 2 and the underground car parks of Phase 1 and Phase 2.

BUSINESS REVIEW (continued)

Property Business (continued)

CCT Land-Jun Mansion

CCT Land-Jun Mansion is located on the land lot site "DN1" of the Hi-tech Development Zone, adjacent to the Evian Villa project. This land site is unique and represents scarce land resource in the zone. Located in a prestigious residential location in Anshan, CCT Land-Jun Mansion enjoys well-developed community facilities. With a site area of approximately 83,000 square meters, this premier project will be developed into a luxury residential community comprising low-rise apartments with wide range of flat types, retail shops and underground car parks, with a planned total gross floor area of approximately 168,000 square meters. We pursue excellence and superior quality in the development of CCT Land-Jun Mansion, aiming to offer luxury and comfortable living environment to home buyers.

Development of CCT Land-Jun Mansion project has been divided in six phases, consisting of Phases 1.1, 1.2, 1.3, 2.1, 2.2 and 3, the status of which are described as follow:

(i) Phase 1.2 was firstly developed and construction was completed in 2020 and most of its residential units were sold in 2020. Phase 1.2 comprises 12 blocks of 423 units offering good range of flat types and size to meet market demand, together with 13 shop units and 249 underground car parks, with a total gross floor area of approximately 65,148 square meters. Up to 31 December 2024, approximately 84% of the total gross floor area of Phase 1.2 has been sold accumulatively.

(ii) Phase 1.1 comprises one luxury low-rise building with gross floor area of 5,935 square meters, offering 20 residential units and one shop. Construction of Phase 1.1 was completed in 2021. Up to 31 December 2024, approximately 22% of the total gross floor area of Phase 1.1 was sold.

(iii) Consisting of six residential towers, Phase 1.3 provides 94 units and 13 shops with a total gross floor area of 11,107 square meter. Completed in 2021, approximately 84% in terms of gross floor area was sold during 2024.

(iv) Completed in 2021, Phase 2.1 comprises 6 residential towers, providing gross floor area of 40,951 square meters of 192 apartments and 391 underground carpark spaces. Approximately 70% in terms of gross floor area of Phase 2.1 has been sold accumulatively up to the end of 2024.

(v) Completed in 2021, Phase 3 comprises 7 residential towers, providing 224 residential units with a total gross floor area of 24,471 square meters. Approximately 89% of the total gross floor area of Phase 3 has been sold accumulatively up to the end of 2024.

(vi) Phase 2.2 is still being developed and foundation has been completed in 2025. The development of Phase 2.2 will provide approximately 21,000 square meter comprising mostly of residential units with some shop units.

We continually commit to pursue excellence and superior quality in our property projects by delivering premium property quality, stylish designs, high greenery ratio, luxury, spacious and comfortable environment and attentive after-sales services to homebuyers. We have established ourselves as one of the highly reputable developers in Anshan and our projects have won numerous awards and received accolade from customers. All of our property projects have been sold very well and are well received by property buyers in the Anshan.

Finance Business

We continue to carry on the money lending business in Hong Kong and expanded our loan portfolio in 2024. The revenue of finance business recorded approximately HK$6.9 million for the Current Period as compared to approximately HK$5.9 million for the Corresponding Period. We expect this business will continue to contribute stable stream of interest income to the Group. We will explore opportunities to expand our finance business, including property mortgage, share mortgage, working capital financing and luxury goods financing.

BUSINESS REVIEW (continued)

Automobile Business

We continue to carry on the business of sale of automobile in 2024 to diversify our revenue base. The revenue of automobile business recorded absent for the Current Period as compared to approximately HK$11.7 million for the Corresponding Period. We expect this business will contribute a stable stream of income to the Group.

Catering Business

We continue to carry on the business of catering in 2024. The revenue of the catering business recorded approximately HK$27.5 million for the Current Period as compared to approximately HK$36.5 million for the Corresponding Period.

OUTLOOK

Looking forward to 2025, with more government policies to support property market in the PRC and stabilisation of the property sector in the PRC, the sales in our property business are expected to improve.

For the finance business, automobile business and catering and related business, we expect the overall business to remain stable or improve slightly as interest rate is expected to reduce and consumer demand is expected to improve slightly.

Moving forward, our company plans aiming to advance AI innovation and potential hires are expected to enhance operational efficiency and market presence, supporting sustainable value for shareholders.

The Group will continue to expand the business based on market demand and availability of funds.

With our resilient management and healthy financial position, we consider that we can overcome the current unprecedent challenges and that we can turn risks into opportunities. We will continue to pursue our core strategy of achieving long-term sustainable growth for the Company and enhancing long-term value to our shareholders. We will also continue to look for new business opportunities to improve shareholders returns.

APPRECIATION

On behalf of the Board, I wish to express our gratitude to the directors, the management and all our employees for their dedication, loyalty, and hard work to meet the challenges during the year. Furthermore, I am most grateful to our customers, shareholders, investors, bankers, landlords and suppliers for their continued encouragement and strong support to the Company throughout these unprecedent times.

Ong Chor Wei
Chairman

Hong Kong, 28 March 2025

BIOGRAPHIES OF DIRECTORS

EXECUTIVE DIRECTORS

Mr. ONG Chor Wei ("**Mr. Ong**"), aged 55, has been appointed as a non-executive Director with effect from 3 January 2022 and redesignated to an executive Director with effect from 7 April 2022. Mr. Ong is an executive director of Net Pacific Financial Holdings Limited and a non-executive director of Joyas International Holdings Limited, both of which are listed on the Singapore Exchange. He is also an independent non-executive director of Denox Environmental & Technology Holdings Limited (stock code: 1452).

Previously, Mr. Ong was an independent non-executive director of Smart Globe Holdings Limited (stock code: 1481), from 2017 to 2023, Nameson Holdings Limited (stock code: 1982), from 2016 to 2022, and O-Net Technologies (Group) Limited (stock code: 877), from 2010 to 2020. Mr. Ong was a non-executive director and re-designated as an independent non-executive director of Man Wah Holdings Limited (stock code: 1999), from 2010 to 2012 and from 2012 to 2022, respectively. He was also a non-executive director of Prosperous Printing Company Limited (stock code: 8385) from 2016 to 2020. Mr. Ong was a non-executive director of Vico International Holdings Limited (stock code: 1621) from 2017 to 2019. All of the above companies are listed on The Stock Exchange of Hong Kong Limited.

He was also an executive director on a part-time basis of Zibao Metals Recycling Holdings Plc (a company trading on AIM, a market operated by the London Stock Exchange Plc) from 2014 to 2019.

Mr. Ong has over 30 years of experience in finance and accounting. He holds a Bachelor of Laws degree from The London School of Economics and Political Science, The University of London. Mr. Ong also holds a distance learning degree in Masters in Business Administration which was jointly awarded by The University of Wales and The University of Manchester. Mr. Ong is an associate member of The Institute of Chartered Accountants in England and Wales and a member of the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

Ms. Wong Misa ("**Ms. Wong**"), aged 36, has been acting as an executive director and legal representative of Zhejiang Saihui Supply Chain Management Co. Ltd.* (transliteration of 浙江賽慧供應鏈管理有限公司), an indirect wholly-owned subsidiary of the Company, since March 2023. She is responsible for the daily operation, business networking and market development of Zhejiang Saihui.

Ms. Wong has also been appointed as chief executive officer of Owoh Concept Limited and Owoh Concept Digital Marketing (Shenzhen) Limited* (transliteration of 喔噢概念數字營銷(深圳)有限公司 since April 2021. From April 2020 to April 2021, she was appointed as a director of Yan Oi Tong Limited.

Ms. Wong was a chief operations officer of Imperium Financial Group Limited from March 2016 to March 2021. She also worked in Cobot Business Strategy Limited from January 2015 to February 2016 with her last position held as a president assistant.

Ms. Wong graduated from Hong Kong Institute of Education for Sustainable Development with Post-Graduate Diploma in Sustainable Development Planning in May 2023 and Executive Diploma in Sustainable Development Planning in January 2023.

Ms. Lam Ka Lee ("**Ms. Lam**"), aged 41, received a Bachelor of Business (Accounting) degree in 2007 and a Diploma in Business Administration in 2004, both from Swinburne University of Technology. Ms. Lam has over 10 years of experience in business management, investment banking and operation control. In 2017, she passed the Principles and Practice of Insurance, General Insurance, Long Term Insurance, and Investment-linked Long Term Insurance examinations, as part of the Insurance Intermediaries Qualifying Examination.

Ms. Lam worked as a trading support specialist at the Bank of America Merrill Lynch from June 2009 to October 2011. She then moved to Barclays Capital Asia Limited, working as an analyst from October 2011 to September 2012. Ms. Lam subsequently jointed ABN AMRO Clearing HK Limited, where she served as an operations officer from September 2012 to August 2016. From June 2016 to September 2019, Ms. Lam served as an executive Director of Huisheng International Holdings Limited (stock code: 1340), a company listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). From October 2019 to November 2020, Ms. Lam served as the head of operations of Black Marble Securities Limited, a subsidiary of Lerado Financial Group Company Limited (stock code: 1225) which is listed on the Stock Exchange. Mr. Lam has been appointed as a freelance wealth management manager of AIA International Limited since February 2017.

Ms. Lam is currently an independent director of Magic Empire Global Limited, a company listed on Nasdaq (ticker: MEGL), since 2022, where she chairs the nominating and corporate governance committee and serves as a member of the audit and compensation committee. Since November 2024, she is an executive director of Junee Limited a company listed on Nasdaq (ticker: JUNE).

* *For identification purpose only*

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Wu Wai Shan ("**Ms. Wu**"), aged 37, has been appointed as independent non-executive Director with effect from 10 June 2022. Ms. Wu is currently the Investor Relations Senior Manager of Beijing Enterprises Urban Resources Group Limited ("**Beijing Enterprises**") (stock code: 03718) since April 2020 and she joined Beijing Enterprises as Investor Relations Manager and Assistant Finance Manager from June 2017 to January 2018 and as Investor Relations Manager from January 2018 to April 2020. She is responsible for formulating the investor relations strategies for the Company and conducting meetings with investors.

Ms. Wu worked in Kong Sun Holdings Limited (stock code: 00295) from August 2016 to May 2017 with her last position held as Assistant Finance Manager. She also worked in China Mobile Games and Entertainment Group (HK) Limited from September 2015 to August 2016 with her last position held as Assistant Finance Manager. She also worked in China Resources Enterprise, Limited (currently named China Resources Beer (Holdings) Company Limited) (stock code: 00291) from May 2014 to June 2015 with her last position held as Deputy Financial Accounting Manager. She also worked in RSM Nelson Wheeler from July 2010 to November 2013 with her last position held as Senior Accountant.

Ms. Wu obtained a Bachelor of Business Administration in Accounting from Lingnan University in 2010. Ms. Wu was admitted as a member of the HKICPA since 2014.

Mr. Leung Gar-gene Vincent ("**Mr. Leung**"), aged 39, is an experienced finance and accounting professional. He is currently a director of Gemcoast Limited, a private company in Hong Kong principally engaged in providing financial consultancy services to its clients. He is a member of Chartered Accountants in Australia and New Zealand and is a member of its Hong Kong Council. He is also a licensed person to carry on Type 9 (asset management) regulated activity under the Hong Kong Securities and Futures Commission (the "**SFO**") since July 2019.

Since November 2017, Mr. Leung has been and continues to serve as an independent non-executive director of Prosperous Printing Company Limited (stock code: 8385). He was also appointed to the Board of China Evergrande New Energy Vehicle Group Limited (stock code: 708) as an independent non-executive director since August 2024. Previously, Mr. Leung was an independent non-executive director of Samson Paper Holdings Limited (currently named C&D Newin Paper & Pulp Corporation Limited) (stock code: 731) from July 2020 to January 2022.

Save as disclosed above, each of the Directors does not have any other relationship with any Directors, senior management, substantial shareholders or controlling shareholders.

Ms. Chan Sheung Yu ("**Ms. Chan**"), aged 38, has been appointed as an Independent non-executive Director with effect from July 2023. With eight years of senior management and leadership experience, Ms. Chan has worked across corporate governance frameworks, risk management, and operational efficiency optimization. Her professional background includes audit experience, with a focus on compliance and internal controls. She currently also serves as an independent non-executive Director of Prosperity Group International Limited (formerly known as Kingbo Strike Limited) (stock code: 1421) since December 2024, WS-SK Target Group Limited (stock code: 8427) since December 2024, and Dreameast Group Limited (stock code: 593) since January 2024.

Ms. Chan worked in Impression Investment Limited from July 2023 to December 2023 with her last position held as consultant. She served as a partner of Traditional Chinese Medical Vision Cloud* (中科醫視雲) from March 2018 to February 2023. Ms. Chan worked in Harvest Group from March 2017 to August 2019 with her last position held as Business Development Manager. She also worked in Nanyang Commercial Bank from July 2014 to March 2017 with her last position held as Internal Auditor.

Ms. Chan graduated from Aston Business School in United of Kingdom with master of science degree in Marketing Management in 2010 and a bachelor of Science in Combined Honors Business with Mathematics in 2008. Ms. Chan is certified as an anti-money laundering specialist by the Association of Certified Anti-Money Laundering Specialists.

* *For identification purpose only*

MANAGEMENT DISCUSSION AND ANALYSIS

The Group's revenue principally represented involved in the investment holding, development and sale of land and properties in the PRC (the "**Property Business**"), the money lender business in Hong Kong (the "**Finance Business**"), the automobile business in Hong Kong (the "**Automobile Business**") and the catering business in Hong Kong (the "**Catering Business**").

FINANCIAL REVIEW

Revenue

The revenue of the Group decreased by approximately 27.2% from approximately HK$78.4 million for the Corresponding Period, to approximately HK$57.0 million for the Current Period.

During the Current Period, the revenue of approximately HK$22.6 million was mainly derived from sales of some of the property units, whereas the revenue of approximately HK$24.3 million for the Corresponding Period. For the Current Period, the Property Business is the Group's business segment in terms of revenue, contributing approximately 39.6% of the Group's total revenue. However, the revenue from our Property Business remained by stable.

The Finance Business contributed revenue of approximately HK$6.9 million for the Current Period compared to approximately HK$5.9 million for the Corresponding Period.

The Automobile Business contributed revenue of absent for the Current Period compared to approximately HK$11.7 million for the Corresponding Period.

The Catering Business contributed revenue of approximately HK$27.5 million for the Current Period compared to approximately HK$36.5 million for the Corresponding Period. For the Current Period, the Catering Business is the Group's business segment in terms of revenue, contributing approximately 48.3% of the Group's total revenue.

The mainland of the PRC (the "**Mainland China**") and Hong Kong is the only market region of the Group, contributing all of the Group's total revenue for the year ended 31 December 2024 and 2023.

Cost of Revenue

The cost of revenue primarily consists of direct cost including construction materials and supplies and VAT for the property. The cost of revenue decreased by approximately 27.3% from approximately HK$83.0 million for the Corresponding Period to approximately HK$60.3 million for the Current Period, which was mainly due to the decrease in write-down properties held for sale to net realisable value due to higher write-down in the Corresponding Period.

Gross Loss and Gross Loss Margin

The gross loss was approximately HK$4.6 million for the Corresponding Period and the gross loss is approximately HK$3.3 million for the Current Period. The gross loss margin was approximately 5.87% for the Corresponding Period and the gross loss margin is approximately 5.75% for the Current Period. The decrease in our gross loss was mainly due to decrease in write-down properties held for sale to net realisable value due to higher write-down in Corresponding Period.

Change in Fair Value of Financial Assets at Fair Value through Profit or Loss

The financial assets at fair value through profit or loss decreased by approximately 64.9% from approximately HK$63.0 million for the Corresponding Period to approximately HK$18.1 million for the Current Period. The decrease was mainly due to lower fair value of financial assets.

Other Income and Gains

The Group recorded other income and gains of approximately HK$2.3 million for the Current Period as compared to approximately HK$4.4 million for the Corresponding Period. The decrease was mainly attributable to the decrease in gain on derecognition of an associate and other income.

FINANCIAL REVIEW (continued)

Selling and Distribution Expenses

Selling and distribution expenses consist primarily of advertising and sales agent fee. The selling and distribution expenses decrease by approximately 11.2% from approximately HK$8.0 million for the Corresponding Period compared to approximately HK$7.1 million for the Current Period. The decrease was mainly due to decrease in advertising.

Administrative Expenses

Administrative expenses consist primarily of auditors' remuneration, depreciation, directors' remuneration, legal and professional fee and staff costs. The administrative expenses decreased by approximately 21.7% from approximately HK$22.0 million for the Corresponding Period to approximately HK$28.1 million for the Current Period. The decrease was mainly due to decrease in legal and professional fee and repair and maintenance.

Loss for the Year

As a result of the foregoing, the Group recorded a loss of approximately HK$70.2 million for the Current Period as compared to a loss of approximately HK$100.8 million for the Corresponding Period, which was mainly due to (i) decrease in fair value of financial assets at fair value through profit or loss due to lower fair value of financial assets; (ii) loss from the Catering Business as a result of the slow recovery of high-end catering market in Hong Kong; and (iii) losses from the property business as a result of weak selling price.

LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group has been maintaining its capital adequacy ratios during the period under review.

As at 31 December 2024, the Group had total current assets of approximately HK$566.8 million (as at 31 December 2023: approximately HK$517.3 million), of which the cash and cash equivalents were approximately HK$14.8 million (as at 31 December 2023: approximately HK$39.7 million). The Group's current ratio (current assets divided by current liabilities) as at 31 December 2024 is approximately 436.32% (as at 31 December 2023: approximately 449.82%).

The Group had the bank overdraft approximately HK$9.9 million as at 31 December 2024 (as at 31 December 2023: approximately HK$2.9 million), reflecting a solid and healthy financial position of the Group.

CAPITAL COMMITMENTS

As at 31 December 2024, the Group had no capital commitment (31 December 2023: nil).

TREASURY MANAGEMENT

The Group employs a conservative approach to cash management and risk control. To achieve better risk control and efficient fund management, the Group's treasury activities are centralised.

The objective of the Group's treasury policies is to minimise risks and exposures due to the fluctuations in foreign currency exchange rates and interest rates. In the Current Period, the Group did not have any material interest rate risk as the Group did not have any bank borrowings. In the period under review, the Group did not have any significant foreign exchange exposure. We will continue to monitor our currency exposure but we have no intention to enter into any high-risk exchange derivatives.

ACQUISITIONS AND DISPOSALS OF MATERIAL SUBSIDIARIES AND ASSOCIATES

Save as disclosed, the Group did not acquire or dispose of any material subsidiaries and associates during the period under review.

CHARGE ON ASSETS

As at 31 December 2024, the Group's pledged time deposit amounted to approximately HK$10.0 million (31 December 2023: approximately HK$3.0 million).

CONTINGENT LIABILITIES

As at 31 December 2024, the Group did not have any significant contingent liabilities (31 December 2023: nil).

SEGMENT INFORMATION

The Group is principally engaged in Property Business in the PRC, the Finance Business, the Automobile Business and the Catering Business in Hong Kong. Details of the segment information of the Group are set out in note 4 to the consolidated financial statements.

EMPLOYEES AND REMUNERATION POLICY

The total number of employees of the Group as at 31 December 2024 was 70 (31 December 2023: 71). The Group's remuneration policy is built on principle of equality, motivating, performance-oriented and market-competitive remuneration package to employees. Remuneration packages are normally reviewed on an annual basis. Apart from salary payments, other staff benefits include mandatory provident fund contributions, medical insurance coverage and performance related bonuses. Share options may also be granted to eligible employees and persons of the Group. There were 45,000,000 share options outstanding as at 31 December 2024 (as at 31 December 2023: nil share options outstanding) under the 2021 Scheme.

IMPORTANT EVENTS AFFECT THE GROUP DURING THE FINANCIAL YEAR AND UP TO THE DATE OF THIS REPORT

1. Share Option

On 26 January 2024, the Company resolved to grant share options to five eligible participants, including two directors and three employees of the Group, under the 2021 Scheme to subscribe for a total of 45,000,000 ordinary shares at exercise price of HK$0.152 per share, subject to acceptance of the grantees, representing approximately 4.64% of the issued share capital of the Company. The options granted must be held by the grantees for twelve months from the date of grant before the options can be exercised. Exercise period of the options is ten years from the date of grant (i.e. from 26 January 2024 to 25 January 2034 (both dates inclusive).

2. Connected Transaction Extension of Loans

On 10 October 2024, the Company, an indirect wholly-owned subsidiary of the Company, and OwOh Concept Limited ("**OwOh**") entered into the Supplemental Agreement to extend the Original Maturity Date, and amend and supplement certain terms of the Loan Agreement. As at the date of Connected Transaction Extension of Loans announcement, OwOh is a company wholly-owned by Ms. Wong Misa, an executive Director.

For the details in relation to the Connected Transaction Extension of Loans, please refer to the announcement of the Company dated 10 October 2024.

IMPORTANT EVENTS AFFECT THE GROUP DURING THE FINANCIAL YEAR AND UP TO THE DATE OF THIS REPORT (continued)

3. **Placing of New Shares under General Mandate**

On 31 December 2024, the Company entered into a placing agreement (the "**Placing Agreement**") with Advent Securities (Hong Kong) Limited as placing agent (the "**Placing Agent**"), pursuant to which the Company conditionally agreed to placing of up to 194,016,000 Placing Shares under General Mandate.

The completion of the Placing took place on 23 January 2025. An aggregate of 194,016,000 Placing Shares have been placed by the Placing Agent to not less than six Placees at the Placing Price of HK$0.087 per Placing Share Pursuant to the terms and conditions of the Placing Agreement.

For the details in relation to the Placing, please refer to the announcement of the Company dated 31 December 2024 and 23 January 2025.

4. **Share Consolidation**

A special general meeting was held on 17 March 2025, at which, resolution was passed in relation to the share consolidation on the basis that every five (5) issued and unissued Existing Shares of HK$0.04 each will be consolidated into one (1) ordinary shares of HK$0.20 each (the "**Share Consolidation**"). There are 1,164,173,660 Existing Shares in issue which are fully paid or credited as fully paid.

For the details in relation to the Share Consolidation, please refer to the announcement of the Company dated 27 January 2025, and 17 March 2025, and the circular of the Company dated 24 February 2025.

Save as disclosed above, there were no other significant events subsequent to the year end and up to the date of this annual report.

DIVIDEND

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

There is no arrangement under which a shareholder of the Company has waived or agreed to waive any dividend.

FOREIGN CURRENCY EXPOSURE

Since the Group's business activities are mainly operated in Hong Kong and mainly denominated in Hong Kong dollars, the Directors consider that the Group's risk in foreign exchange is insignificant.

SIGNIFICANT INVESTMENT

The Group has not any significant investment subsequent to the year end and up to the date of this annual report.

USE OF PROCEEDS FROM RIGHTS ISSUE

Based on the Rights Issue of HK$0.12 per Unsubscribed Rights Shares and 418,619,360 Rights Shares by the Company, the net proceeds from the Rights Issue received by the Company, after deducting the underwriting fees and commissions and estimated expenses paid and payable by the Company in relation to the Rights Issue, are approximately HK$48.30 million. Such net proceeds are intended to be or have been applied for the purposes of (1) general working capital of the Company; (2) investments in the catering and food related business and to settle of the transaction consideration; (3) investments in the Live Streaming Business; and (4) expansion of the finance business of the Company.

For the details in relation to the Rights Issue, please refer to the announcement of the Company dated 7 June 2023, 14 September 2023 and 21 September 2023 and the circular of the Company dated 28 August 2023.

USE OF PROCEEDS FROM RIGHTS ISSUE (continued)

The use of net proceeds from the Rights Issue as at 31 December 2024 was as follows:

	Planned use of the net proceeds up to 31 December 2024 HK$'000	Actual use of the net proceeds up to 31 December 2024 HK$'000	Unutilised net proceeds up to 31 December 2024 HK$'000	Expect used timeline
General working capital of the Company	9,660	9,358	302	March 2025
Investments in the catering and food related business and to settle of the transaction consideration	14,400	11,357	3,043	March 2025
Investments in the Live Streaming Business	14,400	294	14,106	December 2025
Expansion of the finance business	9,660	9,660	–	N/A
Total	48,300	30,669	17,451	

USE OF PROCEEDS FROM PLACING

Being on the placing of HK$0.087 per placing share and an aggregate of 194,016,000 Placing Shares. The net proceeds from the Placing received by the Company, after deducting the placing agent commission and estimated expenses paid and payable by the Company in relation to the Placing, are approximately HK$15.65 million. Such net proceeds are intended to be or have been applied for the purposes of (1) general working capital of the Company; and (2) expansion of the finance business of the Company.

For the details in relation to the Placing, please refer to the announcement of the Company dated 31 December 2024 and 23 January 2025.

The use of net proceeds from the Placing as at 31 December 2024 was as follows:

	Planned use of the net proceeds up to 31 December 2024 HK$'000	Actual use of the net proceeds up to 31 December 2024 HK$'000	Unutilised net proceeds up to 31 December 2024 HK$'000	Expect used timeline
General working capital of the Company	6,260	–	6,260	31 December 2025
Expansion of the finance business	9,390	–	9,390	31 December 2025
Total	15,650	–	15,650	

SUSTAINABLE DEVELOPMENT

SUSTAINABILITY STRATEGY

The Group regards sustainability as a core strategy in maintaining and developing the Company for the long term and our efforts in fulfilling corporate social responsibility will contribute to the long term value to the Company and the community in which we operate.

ENVIRONMENTAL PROTECTION AND PRODUCT SAFETY

Our environmental objective is to operate and develop our business in a manner that minimises the impacts to the environment and natural resources. We endeavor to improve our operation efficiency and our goods and services in order to maximise productivity and minimise wastages. Our policy is to ensure that our operations comply with relevant environmental laws, rules and regulations. For quality and safety of our goods and services, we provide high quality products and comply fully with the relevant international and local health, quality and safety standards. The Group has adopted a high standard of quality control system to ensure the goods and services are up to the relevant applicable standards and regulations.

As for our mainland property projects, we commit to pursue excellence in our goods and services. The property projects are designed and built in strict compliance with all the relevant laws and regulations regarding environmental protection and safety. Construction material are carefully selected to meet a high standard of safety and quality which at least comply with the local standard and even higher. During construction, on-site supervision and inspection is conducted on a weekly basis to check and ensure quality of construction is met to a high standard.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS THAT HAVE A SIGNIFICANT IMPACT ON THE COMPANY

It is the Company's policy to comply with all the relevant laws and regulations in the places where we operate. The management always keeps abreast of the latest development in the laws and regulations which are relevant and have a significant impact on the Group. During the year, there was no significant non-compliance of any laws, regulations or rules that have a significant impact on the Group and its operations.

RELATIONSHIP WITH CUSTOMERS AND SUPPLIERS

The Group committed to deliver premium products and services to customers to meet their satisfaction and expectation.

As for property development business, the Company strives in delivering premium customer experience with superior products and excellent service. We have established a very good reputation as a quality developer with strong financial position. We regard our customers as friends, care their needs with heart and provide valued-added after-sale services. Social and caring activities are held for customers from time to time to promote customer relationship and loyalty. Our efforts have generated benefits to the goodwill and promote sales of our property units.

RELATIONSHIP WITH EMPLOYEES

We treasure our employees which are one of the most valuable assets to the Group. We offer competitive remuneration package, provident fund, welfare and benefits and comply with all the relevant labour laws and regulations which apply to our operations. Our key management personnel have worked with the Group for a long time.

We encourage staff training and development. We encourage our employees to join external training in job-related courses, seminars and programmes. Furthermore, training courses and seminars are organised for different grades of employees from time to time.

WORKPLACE QUALITY

The Group has placed significant resources in providing a safe, healthy, clean and comfortable workplace for our employees, in Hong Kong and in China. We are committed to offer a safe and comfortable working environment to our employees.

Amidst the COVID-19 pandemic, we have implemented various measures including work from home, flexible working hours and various precautionary measures in order to protect our workplace and our staff from the infection of the coronavirus.

CONTRIBUTION TO THE COMMUNITY

The Company has contributed its efforts and resources to support the community in which it operates for many years. Furthermore, the Group also encourages its employees to participate in various charitable activities and volunteering events in the local community in which it has operations.

Details of the discussion of the Group's environmental policies and performance, the Group's compliance with relevant laws and regulations that have a significant impact on the Group are set out in the section headed "Environmental, Social and Governance" of this annual report.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES

To create a long term value for the interests of the Shareholders is the Board's main objective. As such, the Board is highly committed to achieving a high standard of corporate governance and striving to maintain the management practices in a transparent and responsible way. The Board reviews and improves the Group's corporate governance practices and business ethics on an ongoing basis.

For the year ended 31 December 2024 and up to the date of this annual report, the Company complied with all the code provisions, where applicable, as set out in the Corporate Governance Code (the "**CG Code**") in Appendix 14 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") except for the deviation mentioned in the Section of "Chairman and Chief Executive" in the annual report.

Code Provision B.2.2

Code Provision B.2.2 provides that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Pursuant to the bye-laws of the Company, the Chairman and the managing Director (who is currently assumed by Mr. Ong) shall not be subject to retirement by rotation in each year. The Board considers that the continuity of the Chairman and his leadership will be essential for the stability of the key management of the Group. On the other hand, the Board will ensure that all Directors save for the Chairman will rotate at least once every three years in order to comply with the Code Provision B.2.2.

MODEL CODE FOR SECURITIES TRANSACTIONS BY THE DIRECTORS

The Company has adopted the Model Code for securities transactions by the Directors of Listed Issuers (the "**Model Code**") on terms no less exacting than the required standard set out in the Model Code. Having made specific enquiry of all Directors, they confirmed that they have complied with the required standard set out in the Model Code adopted by the Company throughout the financial year ended 31 December 2024.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Save as disclosed, during the year ended 31 December 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

THE BOARD

Responsibilities, accountabilities and contributions

The Board is responsible for leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance and is responsible for promoting the development of the Company by directing and supervising its affairs. The Directors take decisions objectively in the interests of the Company.

The management of the Group was delegated the authority and responsibility by the Board for day-to-day management of the businesses of the Group, with division heads responsible for different aspects of the business. The Board meets at least four times each year and meets as and when required. Appropriate and sufficient information including notices were provided to the Board's members in a timely manner. During the financial year ended 31 December 2024, the Board held seven meetings.

THE BOARD (continued)

Responsibilities, accountabilities and contributions (continued)

The Board members have also attended the Shareholders' general meeting to answer questions from Shareholders. During the financial year ended 31 December 2024, the Company held one Shareholders' general meeting. The attendance of each of the Directors at the Board meetings ("**BM**") (either in person or by phone) and at the Shareholders' general meeting ("**GM**") held in 2024 is set out as follows:

	Number of meetings attended/ eligible to attend	
Name of the Directors	**BM**	**GM**
Executive Directors		
Ong Chor Wei	7/7	1/1
Lam Ka Lee	7/7	1/1
Wong Misa	7/7	1/1
Independent Non-executive Directors		
Wu Wai Shan	7/7	1/1
Leung Gar-gene Vincent	7/7	1/1
Chan Sheung Yu	7/7	1/1

The company secretary of the Company is responsible for taking minutes of the Board meetings and all Board's minutes are open for inspection by the Directors upon reasonable notice. The Directors have access to the advice and services of the company secretary to ensure that board procedures, and all applicable law, rules and regulations, are followed.

The Directors have access to relevant and timely information and, upon reasonable request, may seek independent professional advice in appropriate circumstances, at the Company's expenses. Appropriate insurance cover has been arranged in respect of the legal action against the Directors and the management of the Group. The Board considers that the Group has sufficient and appropriate liability insurance to cover the Directors and the management of the Group against any legal liability arising from their performance of duties.

Change of Composition of the Board and the Board Committees

There were no changes to the composition of the Board and the Board Committees during the year ended 31 December 2024, as well as up to the date of this annual report.

The Composition of the Board

As at the date of this annual report, the Board was composed of three executive Directors, namely Mr. Ong Chor Wei, Ms. Lam Ka Lee and Ms. Wong Misa and three INEDs, namely Ms. Wu Wai Shan, Ms. Chan Sheung Yu and Mr. Leung Gar-gene Vincent. The biographical details of all Directors are set out in the section headed "Biographies of Directors" of this annual report.

The Board's composition has maintained a balance and diversity of skills, expertise, experience and qualifications appropriate of the requirements, promotion and development of the businesses of the Group.

Directors give sufficient time and attention to the Group's affairs. The Company also requires the Directors to disclose to the Company annually and in a timely manner for any change regarding the number and the nature of offices held in public companies or organisations and other significant commitments with indications of the time involved.

THE BOARD (continued)

Responsibilities, accountabilities and contributions (continued)

The Composition of the Board (continued)

The Company has complied with Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules relating to the appointment of a sufficient number of the INEDs, at least an INED with appropriate professional qualifications or accounting or related financial management expertise and the number of INEDs representing at least one-third of the Board throughout the financial year ended 31 December 2024.

The Company has received annual confirmation of independence for the year ended 31 December 2024 from Ms. Wu Wai Shan, Ms. Chan Sheung Yu and Mr. Leung Gar-gene Vincent in accordance with Rule 3.13 of the Listing Rules. The Board has assessed their independence and concluded that all INEDs (including those INEDs who serve more than nine years) are independent within the definition of the Listing Rules.

None of the members of the Board has any financial, business, family or other material/relevant relationships with each other.

Independence of the Board

The Group recognizes the significance of impartial viewpoints and contributions in the decision-making process of the Board. The Company has established mechanisms to ensure independent views and input are available to the Board including but not limited to, all Directors are entitled to seek independent professional advice as and when required, all Directors (including Independent non-executive Directors) are encouraged to express their views in an open and candid manner during BM and committees meetings.

Further, to ensure that the Board is well-informed, the Company has three Independent non-executive Directors which represent at least one-third of the Board who bring diverse perspective and expertise to the Board. The Audit Committee, which is exclusively composed of Independent non-executive Directors, is responsible for supervising the Group's financial reporting process, reviewing the Group's internal control and internal audit functions. For the Nomination Committee and Remuneration Committee, a majority of members of these committees are Independent non-executive Directors. The Independent non-executive Directors have provided open and objective challenge to the management and brought outside knowledge of the business and markets in which the Group operates and provide informed insight and responses to the management. By appointing Independent non-executive Directors to these committees, the Company ensures that independent perspectives are well-represented in critical areas of the Company's operations. The Nomination Committee shall assess the independence of Independent non-executive Directors upon appointment and annually to ensure they can continually exercise independent judgment.

The Board will assess the implementation and effectiveness of the above mechanisms on an annual basis to ensure that independent views are available to the Board.

Directors' continuing professional development

A newly appointed Director, if any, will be provided with necessary induction and information to ensure he has a proper understanding of the Group's operations and businesses as well as his responsibilities under the Listing Rules and the other applicable regulatory requirements.

The Company provides Directors with updates and briefings on the latest developments and changes regarding the Listing Rules and other applicable regulatory requirements from time to time so as to ensure compliance and enhance their awareness of good corporate governance practices. Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. Directors are requested to provide the Company with a record of the training they received.

THE BOARD (continued)

Responsibilities, accountabilities and contributions (continued)

Directors' continuing professional development (continued)

According to the records provided by the Directors, a summary of training received by the Directors for the year ended 31 December 2024 is as follows:

	Type of continuous professional development	
Name of the Directors	**Receiving updates and briefings from the Company/self-study**	**Attending seminar(s)/ conference and/or forums organised by external parties**
Ong Chor Wei	√	N/A
Lam Ka Lee	√	N/A
Wong Misa	√	N/A
Wu Wai Shan	√	N/A
Chan Sheung Yu	√	N/A
Leung Gar-gene Vincent	√	N/A

The training participated by the Directors in 2024 is relevant to their duties and responsibilities as a director of the Company.

The Board is responsible for the overall management of the Company in accordance with the bye-laws of the Company ("**Bye-Laws**") and is entitled to delegate its powers in respect of daily management to any executive Directors, committees of the Board and the management team. The Board is primarily responsible for approving and monitoring the Company's major corporate matters, the evaluation of the performance of the Company and oversight of the management. The senior management of the Group is responsible for the implementation of the business strategies and the day-to-day operations of the Group under the leadership of the executive Directors. The Directors have full access to all the information of the Group in relation to the business operation and financial performance of the Group.

To the knowledge of the Directors, the Board members have no financial, business, family or other material/relevant relationships with each other.

TERMS OF APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

All the Directors are appointed for a specific term of not more than three years. Save for the Chairman and the managing Director (both roles currently being assumed by Mr. Ong) who shall not be subject to retirement by rotation in each year, all the other Directors (including the INEDs) are subject to retirement by rotation and re-election at the AGM in accordance with the bye-laws of the Company.

Re-election and retirement of the Directors

The bye-laws of the Company provide that (i) one-third (or the number nearest to one-third) of the Directors (except the Chairman and the managing Director) shall retire from office by rotation and be eligible for re-election at each AGM; and (ii) any Director appointed by the Board, either to fill a casual vacancy on or as an addition to the existing Board, shall hold office until the next following AGM and shall be eligible for re-election at that meeting.

Mr. Ong currently assumes as the Chairman and the managing Director and shall not be subject to the retirement by rotation pursuant to the bye-laws of the Company. The reasons for the deviation from the Code Provision B.2.2 under the CG Code are set out in the section headed "Corporate Governance Practices" above.

CHAIRMAN AND CHIEF EXECUTIVE

In respect of code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separated and should not be performed by the same individual for a balance of power and authority. Mr. Ong Chor Wei is the chairman of the Board of the Company. He is the substantial Shareholder and the controlling Shareholder and has considerable experience in the adhesive related industry. The Board considers that the situation will not impair the balance of power and authority between the Board and the management of the Company because the balance of power and authority is governed by the operations of the Board which comprises experienced and high caliber individuals with demonstrated integrity. Furthermore, decisions of the Board are made by way of majority votes. The Board believes that this structure is conducive to a more precise and more promptly response to the fast changing business environment and a more efficient management and implementation of business process.

BOARD COMMITTEES

The Board currently has established three committees, which are the Remuneration Committee, the Audit Committee and the Nomination Committee, with clearly defined written terms of reference. The main roles and responsibilities of these three board committees, including all authorities delegated to them by the Board, as set out in the terms of reference, are published on the website of the Stock Exchange at www. hkexnews.hk and the website of the Company at www.gbaholdings.com in the sub-section of “Corporate Governance” under the section of “Investor Information”.

Remuneration Committee

The Remuneration Committee was established in 2005 with specific written terms of reference formulated in accordance with the requirements of the Listing Rules.

The main responsibilities of the Remuneration Committee include, *inter alia*, (i) making recommendations to the Board on the policy and structure for the remuneration of the Directors and senior management of the Group; (ii) reviewing the management’s remuneration proposals with reference to the Board’s corporate goals and objectives; (iii) making recommendations to the Board on the remuneration package of individual Directors and senior management of the Group (adopting the approach described under Code Provision E.1.2 (c)(ii) of the CG Code); (iv) reviewing and making recommendations to the Board the fees payable to the INEDs; and (v) reviewing and making recommendations to the Board the compensation, if any, payable to the Directors and senior management of the Group in connection with any loss or termination of office or appointment.

The Remuneration Committee has four members who are three INEDs, namely Ms. Chan Sheung Yu (“**Ms. Chan**”), Ms. Wu Wai Shan (“**Ms. Wu**”) and Mr. Leung Gar-gene Vincent (“**Mr. Leung**”) and one executive Directors, namely Mr. Ong. The Remuneration Committee is currently chaired by Ms. Chan.

During the financial year ended 31 December 2024, the Remuneration Committee held one meetings and its main work during 2024 included:

(i) reviewing and making recommendations to the Board on the policy and structure for the remuneration of the Directors; and

(ii) reviewing and making recommendations to the Board on the remuneration package of the Directors.

For the sake of good corporate governance practice, none of the members of the Remuneration Committee participated in the discussions and decision on matters relating to his remuneration.

BOARD COMMITTEES (continued)

Remuneration Committee (continued)

The attendance record of the members at the meetings of the Remuneration Committee in 2024 is set out as follows:

Members of the Remuneration Committee	Number of meetings attended/held
Chan Sheung Yu	1/1
Wu Wai Shan	1/1
Ong Chor Wei	1/1
Leung Gar-gene Vincent	1/1

The Group provides competitive remuneration packages to the Directors and senior management. The emoluments of Directors are determined based on skill, knowledge, experience and performance of the Directors and achievements and performance of the Company and taking into account market conditions. In addition, approved share option scheme has been established to provide incentives and rewards to eligible participants who include the Directors and senior management.

Details of the remuneration payable to each Director of the Company for the year ended 31 December 2024 are set out in Note 9 to the consolidated financial statements.

The remuneration of the members of senior management by band for the year ended 31 December 2024 is set out below:

Remuneration bands	Number of persons
Nil–HK$1,000,000	2
HK$1,000,000 to HK$1,500,000	1
	3

Audit Committee

The Company has established the Audit Committee since 2002 with specific written terms of reference formulated in accordance with the requirements of the Listing Rules. The primary duties of the Audit Committee are to ensure the objectivity and credibility of the Company's financial reporting, risk management and internal control systems as well as to maintain an appropriate relationship with the external and internal auditors of the Company.

The main responsibilities of the Audit Committee include, *inter alia*, (i) reviewing the financial statements of the Group's interim and annual reports before submitting them to the Board for approval; (ii) reviewing and making recommendations to the Board on the appointment, re-appointment and removal of the external auditors and the terms of engagement including the remuneration of the external auditors; (iii) discussing with the external auditors the nature and scope of the audit; (iv) monitoring and assessing the independence and objectivity of the external auditors and the effectiveness of the audit process in accordance with the applicable standards; (v) reviewing and monitoring the financial reporting and the reporting judgment contained in them; (vi) reviewing the financial controls, risk management and internal control systems (including the adequacy of resources, and the effectiveness of the financial and internal audit function); and (vii) to review the Group's accounting policies and practices and any changes of them with the management of the Group, and the internal and external auditors of the Company.

The Audit Committee consists of three members who are three INEDs, namely Ms. Chan, Ms. Wu and Mr. Leung. The Audit Committee is currently chaired by Ms. Wu. Each of Ms. Wu and Mr. Leung is a qualified accountant with extensive accounting and financial experience. All members of the Audit Committee hold the relevant industry or legal, accounting and financial experience necessary to advise on the Board's strategies and other related matters. All members of the Audit Committee have complete and unrestricted access to the internal and external auditors and all employees of the Company.

BOARD COMMITTEES (continued)

Audit Committee (continued)

The Audit Committee has been provided with sufficient resources to perform its duties.

During the financial year ended 31 December 2024, the Audit Committee held five meetings and its main work during 2024 included reviewing:

(i) the 2023 annual report, including the Corporate Governance Report, the Directors' Report, the Financial Statements, continuing connected transactions, 2022 annual results announcement and connected transaction announcement;

(ii) the 2024 interim report and 2024 interim results announcement;

(iii) the plans, reports, fees, involvement in non-audit services and terms of engagement of the external auditors;

(iv) the plans, resources and work of the Company's internal auditors;

(v) the adequacy and effectiveness of the Company's financial reporting system, the system of internal controls in operation, risk management system and associated procedures within the Group;

(vi) the terms of reference of the Audit Committee regarding the enhancement of the criteria for assessing independence of potential independent non-executive director candidate; and

(vii) the whistleblowing policy to reflect new company name of the Company.

The attendance record of the members at the meetings of the Audit Committee in 2024 is set out as follows:

Members of the Audit Committee	Number of meetings attended/held
Wu Wai Shan	2/2
Leung Gar-gene Vincent	2/2
Chan Sheung Yu	2/2

Nomination Committee

The Company has established the Nomination Committee since 2012 with specific written terms of reference in line with the Code Provisions under the CG Code. The main responsibilities of the Nomination Committee include, *inter alia*, (i) reviewing the structure, size and composition (including the skills and knowledge and experience) of the Board at least annually; (ii) making recommendations on any proposed changes to the Board to complement the Company's corporate strategy; (iii) identifying individuals suitably qualified to become board members and selecting or making recommendations to the Board on the selection of individuals nominated for directorships; (iv) assessing the independence of INEDs; and (v) making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman.

The Nomination Committee consists of four members who are three INEDs, namely Ms. Wu, Ms. Chan and Mr. Leung and one executive Director, namely Mr. Ong. The Nomination Committee is currently chaired by Mr. Ong.

BOARD COMMITTEES (continued)

Nomination Committee (continued)

Nomination Policy

The Company adopted a nomination policy (the "**Nomination Policy**") in January 2019. A summary of the Nomination Policy is stated as below:

– to nominate suitable candidates to the Board for it to consider and make recommendations to the Board on the appointment or re-appointment of Directors and succession planning (if considered necessary);

– skills, experience and diversity of perspectives which are relevant to the operations of the Group;

– the selection criteria, the nomination procedures and process are set out in the Board Diversity Policy; and

– to propose a person for election as Director(s) by the Shareholder(s), of which are set out in the "Procedures for Shareholders to Propose a Person for Election as a Director".

The Nomination Committee will review the Nomination Policy, as appropriate, to ensure the effectiveness of the Nomination Policy.

During the financial year ended 31 December 2024, the Nomination Committee held one meeting and its main work during 2024 included:

(i) reviewing the structure, size, composition, diversity of the Board;

(ii) reviewing the Board Diversity Policy, the Nomination Policy and the terms of reference of the Nomination Committee;

(iii) reviewing the confirmation from the Directors on time commitment in performing their duties as Directors;

(iv) assessing the independence of the INEDs; and

(v) making the recommendations to the Board on the nomination of the Directors for re-election at the AGM.

The attendance record of the members at the meeting of the Nomination Committee in 2024 is set out as follows:

Members of the Nomination Committee	Number of meetings attended/held
Ong Chor Wei	1/1
Wu Wai Shan	1/1
Leung Gar-gene Vincent	1/1
Chan Sheung Yu	1/1

BOARD COMMITTEES (continued)

Nomination Committee (continued)

Board Diversity Policy

The Board has adopted the Board Diversity Policy in August 2013 which sets out the approach to achieve diversity on the Board. The Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. As from the adoption of the Board Diversity Policy, the Company seeks to achieve Board diversity through a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills knowledge and length of service, which are the measurable objectives for implementing the Board Diversity Policy. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Nomination Committee will review the Board Diversity Policy, as appropriate to ensure its continued effectiveness from time to time.

There are several considerations that factor into the Nomination Committee's nomination process including legal requirements, best practices, and skills required to complement the Board's skill set and the number of Directors required to discharge the duties of the Board and its committees. Neither the Board nor the Nomination Committee will set any restrictions such as gender, age, cultural or educational background when short-listing candidates. The Company believes that a truly diverse Board will include and make use of differences in the skills, regional and industry experience, background and other qualities of Directors.

The Board and the Nomination Committee shall review and monitor the implementation of the Board Diversity Policy at least annually taking into account the Group's business model and specific needs. The Nomination Committee shall, if appropriate, make recommendations to the Board to complement the Company's corporate strategy.

During the financial year ended 31 December 2024 and as at the date of this annual report, the Board comprises a range of expertise including finance and accounting, investor relations, and sales and marketing. Further, the Board is made up of different age group and both genders. As such, the Board considers that its current board composition is diversified with appropriate balanced professional background, skill and experience, and has achieved gender diversity in respect of the Board. The Board nomination and appointments will continue to be made on merit basis based on the Group's evolving business needs from time to time, while having due regarding to gender diversity. The Nomination Committee will continue to strictly adhere to the Board Diversity Policy to ensure that there is at least 1 female Director in the Board such that a robust pipeline of female successors to the Board can be established in the near future.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing corporate governance duties which include (i) developing, reviewing and approving the Company's policies and practices on corporate governance; (ii) reviewing and monitoring the training and continuous professional development of the Directors and senior management; (iii) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements; (iv) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and the Directors; and (v) reviewing the Company's compliance with the CG code and disclosure in the Corporate Governance Report.

CORPORATE GOVERNANCE FUNCTIONS (continued)

During the financial year ended 31 December 2024, the Board held two meetings to develop and review the Company's policy and practice on corporate governance and to perform other corporate governance duties stated in the paragraph above. The attendance record of the members of the Board at the corporate governance meetings in 2024 is set out as follows:

Directors	Number of meetings attended/held
Ong Chor Wei	2/2
Wu Wai Shan	2/2
Leung Gar-gene Vincent	2/2
Lam Ka Lee	2/2
Wong Misa	2/2
Chan Sheung Yu	2/2

According to code provision C.2.7 of the CG Code, the Chairman should at least annually hold meetings with the Independent non-executive Directors without the presence of other Directors. During the financial year ended 31 December 2024, the Chairman has held such meeting with the Independent non-executive Directors.

AUDITORS' REMUNERATION

The remuneration paid to the external auditors of the Company, Baker Tilly Hong Kong Limited, for the year ended 31 December 2024 is set out as follows:

Services rendered	Fees paid/payable HK$'000
Audit services	1,250
Non-audit services:	
Tax compliance services	–
Other services	–
Total	1,250

GENDER RATIO IN WORKFORCE

The Group is dedicated to achieving a balance between growth and diversity in its business and governance practices. The Group is committed to ensuring that recruitment at all levels, including the Board, adheres too stringent diversity criteria in order to consider an extensive pool of talented individuals. The Group firmly believes that diversity is an asset to the Group and that more balanced gender ratio fosters a more inclusive and innovative workplace.

The Group will continue to take gender diversity into consideration during recruitment and increase the representation of women in our workforce. For details of the gender ratio in the workforce, please refer to the section headed "Employment" in Environmental, Social and Governance Report of this annual report.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for the preparation of the financial statements of the Company and ensure that they are prepared in accordance with the statutory requirements and applicable accounting standards. The Directors also ensure the timely publication of such financial statements. The Directors aim to present a balanced and understandable assessment of the Group's position and prospects.

The statement of the external auditors of the Company, Baker Tilly Hong Kong Limited, with regard to their reporting responsibilities on the Company's financial statements is set out in the section headed "Independent Auditor's Report" in this annual report.

The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any material uncertainties relating to the events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

RISK MANAGEMENT AND INTERNAL CONTROL AND INTERNAL AUDIT

The Board is entrusted with the overall responsibility for establishing and maintaining the Group's risk management and internal control systems on an ongoing basis and reviewing their effectiveness. The Group's risk management and internal control systems have been designed for safeguarding assets, maintaining proper accounting records and ensuring reliability of the financial information. The Board also reviews and considers the adequacy of resources, staff qualifications and experience, and training programmes and budget of the Company's accounting, internal audit and financial reporting functions. The risk management and internal control systems are designed to provide reasonable but not absolute assurance against material misstatement or loss, and to manage rather than eliminate risk of failure to meet the business objectives.

The Company has established the internal audit department for many years and the department performs risk-based audit on the effectiveness of the internal control system of the Group yearly. The internal audit department of the Company reports to the Chairman. The annual audit plan of the internal audit department is reviewed and approved by the Audit Committee and summary of major audit findings and control weaknesses, if any, and follow-up actions are reviewed by the Audit Committee.

During the financial year ended 31 December 2024, the Board reviewed the effectiveness and adequacy of risk management and internal control systems of the Group and considered them effective and adequate.

Objective of risk management and internal control

The Company recognises the importance of risk management and internal control in the achievement of its strategic goals. The Company maintains a conservative approach to manage and align risk to its strategy of achieving sustainability and delivering long-term returns to Shareholders.

RISK MANAGEMENT AND INTERNAL CONTROL AND INTERNAL AUDIT (continued)

Process and procedure for risk management and internal control

1. The Board has the overall responsibility for evaluating the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems. The Board oversees management in the design, implementation and monitoring of the risk management and internal control systems.

2. The Board through the Audit Committee, reviews the adequacy the Group's risk management and internal control systems.

3. The Group employs an enterprise risk management framework to manage risk.

4. The management of business units/divisions are responsible for the day-to-day management of operational risks and implementation of mitigation measures.

5. All division heads are required to provide a confirmation annually to the Board on the effectiveness of the risk management and internal control systems.

6. The Internal Audit Department of the Group is responsible for reviewing and appraising effectiveness of risk management and internal control systems and reporting results to the Board through the Audit Committee.

Top and emerging risks

The top and emerging risks framework enable the Group to identify current and forward-looking risks so that the Group may take actions that either prevents them, crystallising or limits their effect. Top risks are those that may have a material impact on the financial results, reputation or business model of the Group in the year ahead. Emerging risks are those that have large unknown components any may form beyond a one-year horizon. If these risks were to occur, they could occur have material effect on the Group. The Group's top and emerging risks are summarised as follows:

– the coronavirus pandemic;

– geopolitical risks;

– global economic outlook and capital flows;

– major changes of government policies that have significant impact on the Group's operations;

– information technology security and risks;

– sales and receivable management;

– production and supplier management; and

– human resources management.

The above top and emerging risks were reviewed by the Audit Committee and discussed by the Board. Measures have been formulated and implemented to mitigate such risks. These risks will be changed to respond to changes in the Group's business and the external environment.

RISK MANAGEMENT AND INTERNAL CONTROL AND INTERNAL AUDIT (continued)

Policy on the prevention of misuse of inside information

The Group has implemented an information disclosure policy that provides comprehensive guidelines on the handling and dissemination of inside information. The Board is responsible for monitoring and implementing the procedural requirements of the information disclosure policy, including overseeing the release of inside information. The policy requires that members of the Group, including the Directors, may not disseminate inside information relating to the Group to any external parties unless authorised by the Board.

COMPANY SECRETARY

Ms. Cheng Yin was appointed by the Board as the company secretary of the Company. She has taken no less than 15 hours of relevant professional training during the financial year ended 31 December 2024.

SHAREHOLDERS' RIGHTS

Right to convene special general meeting

Shareholder(s) may convene a special general meeting on requisition, as provided by the Companies Act 1981 of Bermuda.

Shareholder(s) holding not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall have the right, by written requisitions to the Board or the Company Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition(s) pursuant to Section 74 of the Companies Act.

The written requisition must state the purpose of the meeting, and must be signed by the requisitionists concerned and deposited at the registered office of the Company, and may consists of several documents in like form each signed by one or more requisitionists.

If, within 21 days from such deposit of the requisition, the Board do not proceed to convene such special general meeting, the requisitionists, or any of them representing more than on half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of 3 months from the date of the deposit of the requisition.

Right to put enquiries to the Board

Shareholders have the right to put enquiries to the Board and all such enquiries can be addressed to the "Company Secretarial Department" of the Company by mail to Rm1415, 14/F, Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong.

Right to put forward proposals at general meetings

Pursuant to bye-law 103 of the Company's bye-laws, no person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a written notice ("**Nomination Notice**") signed by such Shareholder(s) individually or collectively holding not less than one-tenth of the then total paid up capital of the Company as at the date of the Nomination Notice carrying the right of attending and voting at the general meeting of the Company for which such Nomination Notice is given of his intention to propose such person(s) for election and also a written notice signed by each person to be proposed of his willingness to be elected shall have been lodged at the head office or at the registration office provided that the number of candidates to be nominated by the qualified Shareholder individually or the group of qualified Shareholders collectively for election at any general meeting shall be limited to three (3), subject to the maximum number of Directors of the Company, if any, and provided that the minimum length of the period during which such written notices are given, shall be at least seven (7) days and that (if the written notices are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgment of such written notices shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

DIVIDEND POLICY

Pursuant to Code Provision F.1.1 of the CG Code, the Company should have a policy on payment of dividends.

The Company has adopted the dividend policy (the "**Dividend Policy**") in January 2019, according to which the Company may declare and distribute dividends to the Shareholders, to allow Shareholders to share the Company's profits and for the Company to retain adequate reserves for future growth.

The recommendation of the payment of any dividend is subject to the absolute discretion of the Board, and any declaration of final dividend will be subject to the approval of the Shareholders.

In proposing any dividend payout, the Board shall also take into account, inter alia, the Group's financial results, the general financial condition of the Group, the Group's current and future operations and any other factors that the Board thinks appropriate from time to time. The Company's ability to pay dividends is also subject to the requirements of the Listing Rules, all relevant applicable laws, rules and regulations in Bermuda and the Memorandum of Association and the bye-laws of the Company.

INVESTORS RELATIONS

Significant changes in constitutional documents

During the financial year ended 31 December 2024, there was no change in the Company's constitutional documents. A consolidated version of the Company's constitutional documents is available on the Company's website at www.gbaholdings.com and the website of the Stock Exchange at www.hkexnews.hk.

Shareholders' communication policy

The Company recognizes the importance of maintaining an on-going dialogue with its shareholders, and in particular, through AGM and other general meetings.

The Group's website (www.gbaholdings.com) is one of the principal channels of communication with our shareholders and potential investors where a wealth of information regarding the Company can be found. All corporate communications of the Company, including but not limited to annual and interim reports, announcements, circulars, terms of references of Board committees and other corporate information are available on the website.

Shareholders, other stakeholders and public member may at any time direct their enquiries about the Company by mail to Rm1415, 14/F, Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong and by email to corporate@gbaholdings.com.

The Company has reviewed the implementation and effectiveness of its shareholders communication policy and conclude that the policy is effective. Shareholders are given clear guidance on how and when it can communicate with Company, and are provided with regular updates on the Group's financial performance, strategic direction, and material business developments. In addition, our shareholders communication policy is regularly reviewed and updated to reflect changes in regulatory landscape and best practices, ensuring that the Company remains responsive to evolving shareholders' expectation and needs.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

GBA Holdings Limited (the "**Company**" together with its subsidiaries, hereinafter referred to as the "**Group**" or "**we**" or "**us**") is pleased to present the Environmental, Social and Governance Report for the year ended 31 December 2023.

The Group has remained steadfast in our commitment to sustainable development by putting it as the top priority of our long-term development goals. As the most important leading role of the Group, the board (the "**Board**") of directors (the "**Directors**") of the Company holds the ultimate responsibility to oversee, manage and monitor the Group's environmental, social and governance issues and progress.

As a responsible corporate citizen, the Group has set clear short-term and long-term sustainable development vision and goals to achieve ongoing emission reduction according to governmental requirements of different countries and regions.

Relevant emission reduction targets and corresponding strategies are established and climate-related factors have been incorporated into the Group's strategic planning, business model and other decision-making processes. The Board regularly monitors and reviews the effectiveness of management approach, including reviewing the Group's environmental, social and governance performance and adjusting corresponding action plans. Effective implementation of environmental, social and governance policies relies on the collaboration of different departments. Following the recommendations given by The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), in order to endeavor to achieve the objective of sustainability development, the Group has established an inter-departmental environmental, social and governance working group to coordinate different departments and enhance their mutual co-operation, for ensuring consistent work performance which could be aligned with the stakeholders' expectations.

The Group strives to ensure the establishment of appropriate and effective risk management and internal control systems for supervision of the identification and assessment of environmental, social and governance and climate-related risks and opportunities, and response to the challenges and impacts of different times.

Looking ahead, the Board will continue to review and monitor the environmental, social and corporate governance performance of the Group and provide material, reliable, consistent and comparable environmental, social and corporate governance information to its stakeholders for making contributions to create a better environment.

ABOUT THIS REPORT

The Group contributes to sustainable development by delivering environmental, social and governance (the "**ESG**") benefits to all stakeholders in a balanced way. This year, the Group is pleased to present our Environmental, Social and Governance Report (the "**ESG Report**") for the year ended 31 December 2024 for the purpose of demonstrating our efforts on sustainable developments to our stakeholders.

This Report is prepared in accordance with the requirements of Rule 13.91 and the reporting framework set forth in the "Environmental, Social and Governance Reporting Guide" (the "**Guide**") under Appendix 27 of the Main Board Rules Governing the Listing of Securities ("**Listing Rules**") on the Stock Exchange of Hong Kong Limited ("**Stock Exchange**"), and in complying with the Guide and Corporate Governance Code. The Board of directors of the Company is accountable to the overall responsibility of Group's Environmental, Social and Governance strategy and reporting, and is also responsible for setting up effective equipment and process assessment and identifies important environmental, social and governance factors and issues ("**ESG Key Issues**") and related risks.

Reporting Period

The reporting period of this Report is from 1 January 2024 to 31 December 2024 (the "**Reporting Period**").

Reporting Scope

Unless otherwise indicated, this Report primarily covers companies with substantial effect to the financial of the Group and actual operational units/outlets and our offices located in Hong Kong and China.

The information disclosed in this Report is derived from the Group's internal statistical results from various departments and operational units/outlets.

Contact us

The Group welcomes any opinions and suggestions from stakeholders. Please feel free to provide your valuable opinions on this Report via corporate@gbaholdings.com or mail to Room 1415, 14/F., Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong.

STAKEHOLDER ENGAGEMENT

As stakeholder's engagement is an essential part in the continuous advancement of sustainability performance, the Group values all stakeholders and respects its opinions on its operation and ESG affairs.

Based on the business scope of the Group, the Group has identified its main stakeholders, which include the shareholders/investors, customers, employees, bankers, landlords, suppliers as well as governments and regulator authorities.

Through the following stakeholders' engagement and communication channels, the Group incorporates the issues of concerns to each stakeholder group as follows:

Stakeholder Groups	Major Channels for communications	Issues Concerned
Shareholders/Investors	• Annual general meetings and general meetings • Annual reports and interim report • Announcements and circulars	• Economic performance • Corporate governance • Compliance operation • Anti-corruption • Employment and labor standards
Customers	• Activities for customers • Customer service center • Websites	• Product quality and customer service • Customer satisfaction and complaint channel • Protect consumer information • Security and privacy
Employees	• Employee communication channels (e.g. internal emails and memorandum) • Regular management communication and performance appraisals • Leisure activities • Staff welfare	• Staffs training • Labor standard • Staff safety and health • Staff training and promotion
Banks	• Visits • Correspondences	• Economic performance • Corporate governance • Compliance operation • Anti-corruption
Landlords	• Visits • Correspondences	• Economic performance • Compliance operation
Suppliers	• Product launch briefings • Visits • Correspondences	• Anti-corruption • Supply chain management • Protection of intellectual property rights
Governments/Regulator authorities	• On-site inspection • Correspondences • Annual reports and interim reports • Announcements and circulars	• Compliance with statutes • Anti-corruption • Employment and labor standards

STAKEHOLDER ENGAGEMENT (continued)

Reporting principles	Interpretation	Application of reporting principles
Materiality	The Group should focus on reporting the ESG issues that have an important impact on the Group and its stakeholders.	The Group determines the impact of various ESG issues on the Group's operations through the materiality assessment. Based on the results of the assessment, the Group identifies material ESG issues and makes key disclosures in this ESG Report.
Quantitative	The Key Performance Indicators ("**KPIs**") must be measurable and clearly state the calculation criteria and methods.	This ESG Report is prepared in accordance with the ESG Reporting Guide and discloses KPIs in a quantitative manner. The KPIs are supplemented by explanatory notes to establish benchmarks where feasible.
Balance	The Group should objectively and truthfully report on its ESG performance during the Reporting Period.	This ESG Report is based on an objective and impartial manner to ensure that the information disclosed faithfully reflects the overall performance of the Group in ESG aspects.
Consistency	The Group should use consistent disclosure and statistical methods to help stakeholders analyze and evaluate the organization's past and current performance. The Group should also explain any changes to the method.	The Group uses consistent report disclosure, methods and statistical methods for comparative analysis and continuous review of the Group's sustainable development status.

OVERVIEW OF MATERIAL ESG ASPECTS

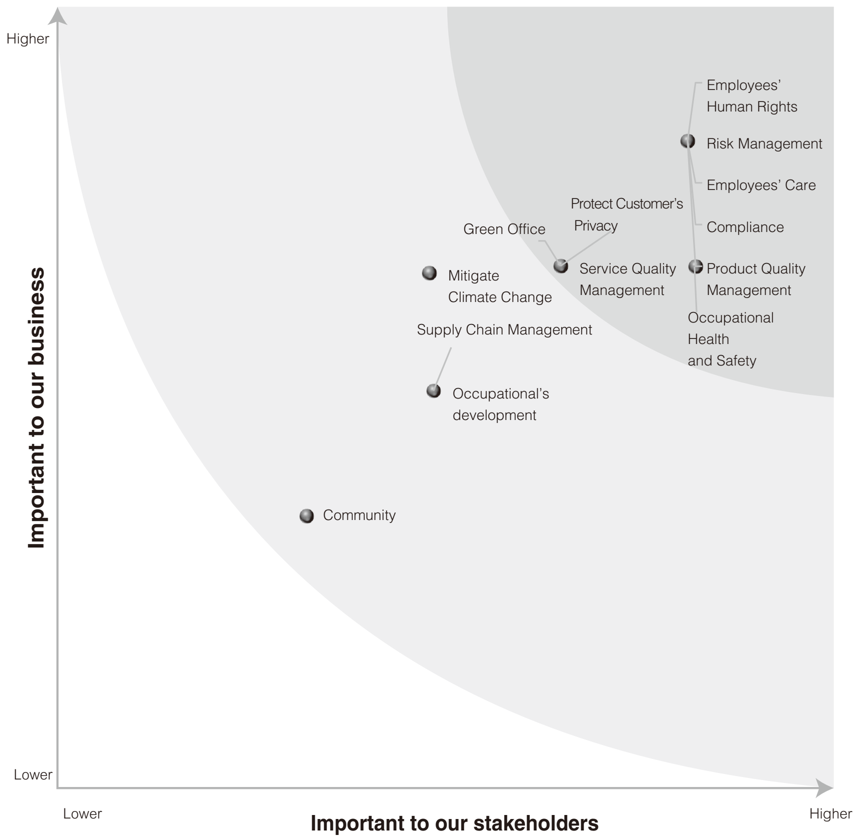
The Group is committed to making eager effort to have an accessible and clear dialogue with stakeholders, including employees, customers, shareholders, investors, suppliers, banks and landlords.

The Group engages its key stakeholders through diversified channels such as staff meetings, telephone communication, annual general meeting and business communication etc., to judge their expectations and evaluate on how we could deal with ESG issues in our best manner.

This Report serves as an important tool to address the key concerns and interests of our stakeholders.

The material ESG aspects of the Group for the Reporting Period and their respective relevance to our business operations are summarised in this Report below.

According to the business path of our company and our long-term ESG policy, we define our materiality matrix as below:



A. ENVIRONMENTAL

As mentioned above, this Report primarily covers companies with substantial effect to the financial of the Group and actual operational units/outlets and our back offices located in Hong Kong and China.

The businesses we operate do not generate significant pollution. We mainly consume electricity and water in our operations and significant solid and liquid wastes are produced in the operations. The operation of our finance business has very minimal impact on the environment. The operation of our catering and food related business has including in the Reporting Period.

During the Reporting Period, the Group did not receive any violation notices and fines or complaints in relation to its emissions, wastes and discharge or other environmental obligations.

The Group do not have any significant non-compliance with local environmental laws and regulations relating to greenhouse gas (GHG) emissions, discharges of pollutants into water and land, and generation of hazardous and non-hazardous waste that have a significant impact on the Group during the Reporting Period.

The Group was not aware of any material non-compliance with local environmental laws and regulations relating to greenhouse gas (GHG) emissions, discharges of pollutants into water and land, and generation of hazardous and non-hazardous waste that have a significant impact on the Group during the Reporting Period.

A.1 Air and Greenhouse Gas Emissions (GHG)

During the business operations of the Group, our offices and business operations consume a relative low level of the electricity energy. The Group also own a private car for the purpose of employees' business commuting which generate air pollutants. The daily use of electricity by offices and operating units/outlets in Hong Kong and China generate indirect GHG emissions purchased from CLP Holdings Limited and power stations in China, such as nitrogen oxides ("**NO_x**"), sulphur oxides ("**SO_x**") and particulate matters ("**PM**").

A summary of the Group's emissions for 2023 and 2024 is as follows:

	2023	**2024**
Emission		
NO_x (kg)	0	**0**
SO_x (kg)	0.01	**0.01**
PM (kg)	0	**0**
GHG Emission		
1. Direct GHG Emission (ton)	1.6	**1.6**
2. Indirect GHG Emission (ton)	108.1	**130.4**
3. Other GHG Emission (ton)	16.2	**12.8**
Total greenhouse gas emissions (ton)	125.8	**144.7**
GHG intensity (ton/million HK$)	1.6	**1.6**

Note:

- The Group's emission intensity is calculated by dividing the total volume by the Group's total revenue for the year ended 31 December 2024, which was approximately HK$57.0 million.

A. ENVIRONMENTAL (continued)

A.1 Air and Greenhouse Gas Emissions (GHG) (continued)

A.1.1 Emission and Carbon Footprint Management

The Group is aware that a significant portion of our GHG emission and carbon footprints was constituted by general electricity consumption. As such, we actively maintain a steady focus on reducing our energy consumption to reduce our impact on the environment.

The Group adopted several specific energy-saving initiatives and practices to reduce our GHG emission and to conserve energy usage, including but not limited to:

- Maintaining indoor temperature at an optimal level for comfort;
- Encouraging employees to switch off machines and devices, such as switch off computers and monitors when not in use; and
- Placing “Green Message” reminders on office equipment and workplaces to further enhance employees’ environmental awareness.

We are dedicated to contributing to environmental protection. We will continue to review the effectiveness of the existing initiatives and continue to identify opportunities for increasing energy efficiency in future years.

A.2 Waste

Our Group continuously strengthens the management of wastes and we are committed to protect the environment. We aim to minimise the generation of wastes from our operations and ensure the waste materials are handled in an environmental friendly manner.

The Group has formulated the Group’s “*Waste Management Policy*” in accordance with the “*Environmental Protection Law of the People’s Republic of China*”, which contains specific provisions in compliance with “Pollution Control Standard for Storage of Hazardous Waste”, “Pollution Control Standard for Storage and Disposal Site of General Industrial Solid Waste”, “Technical Specification for Identification of Hazardous Waste” and “Identification Standard for Hazardous Waste”.

Our business implements in the standards stipulated in the “Regulations on the Management of Hazardous Waste Transfer Coupons”. At the same time, we have developed a series of management measures in accordance with the announcement of the “*Guidelines for the Development of Management Plans for Hazardous Waste Generating Units*” in the national hazardous waste directory.

A summary of the Group’s waste data for 2023 and 2024 is as follows:

	2023	**2024**
Waste		
Hazardous waste (ton)	Trace amount	**Trace amount**
Hazardous waste intensity (ton/million HK$)	N/A	**N/A**
Non-hazardous Waste (ton)	Trace amount	**Trace amount**
Non-hazardous waste intensity (ton/million HK$)	N/A	**N/A**

A. ENVIRONMENTAL (continued)

A.2 Waste (continued)

A.2.1 Management of hazardous and non-hazardous waste

The Group's restaurant and office operations do not generate and discharge hazardous wastes which are of significance and material to the environment. The main wastes from our restaurant's operations are:

- residual food and unused raw food materials exceeding their perishable conditions, which are organic by nature; and
- paper and packaging materials from purchases, napkins and dining utensils used by customers.

The Group, being a responsible catering business operator, is aware of its obligation and role in resource conservation and waste reduction and following measures have been taken:

- careful estimations of the purchase of ingredients to avoid surplus and residuals; and
- increase public awareness of food waste.

While in the Group's head office, the wastes generated are papers and packaging materials, which are mostly non-hazardous. The amount of waste generated is insignificant and is collected daily by the office cleaners. The office sometimes will also generate hazardous wastes such as battery and printing toner boxes, which are quite insignificant in amount.

The non-hazardous wastes produced mainly come from day-to-day operation of our offices in Hong Kong and China, including ordinary office waste and paper with a relatively low level of consumption during the Reporting Period.

Nevertheless, we still make every effort to reduce and control the emission of waste at source, related management methods include but not limit to below measures:

- encouraging employees to copy or print on both sides as much as possible and reuse of single-sided printed papers;
- collecting and recycling waste paper by the administrative department;
- encouraging employees to reuse envelopes; and
- sharing environmental protection information to employees to enhance their environmental awareness.

A. ENVIRONMENTAL (continued)

A.3 Use of Resources

The Group strives to take all feasible measures to incorporate sustainability into its business operations and improve its environmental performance. The resources used by the Group are principally attributed to the consumption of electricity and water at the back offices and operating units/outlets; and paper usage at the back offices. Realising that resource conservation is crucial for maintaining environmental sustainability, we promote green office management and encourage our employees to be aware of the need for resource conservation in daily operations.

The consumption of the Group's resources in 2023 and 2024 is as follows:

	2023	**2024**
Energy used (000's kWh)		
Transportation (petrol and diesel)	6.80	**6.30**
Electricity purchased	821.64	**811.44**
Total energy consumption (000's kWh)	827.93	**817.77**
Energy intensity (000's kWh/million HK$)	10.56	**14.35**
Water consumption (m^3)	22,708.0	**16,646.0**
Water intensity (m^3/million HK$)	289.6	**292.0**

Notes:

- In year 2022, the Group did not report any packing material consumption.
- Since 2023, the Group has new traditional Chinese restaurant.
- The Group consumption intensity is calculated by dividing the total volume by the Group's total revenue for the year ended 31 December 2024, which was approximately HK$57.0 million.

A.3.1 Gasoline Consumption

Gasoline is consumed during the daily catering business from using cooking equipment.

A.3.2 Electricity Consumption Management

Electricity is consumed during the daily business operations from using electrical equipment. To promote an environmentally friendly office, the Group promotes and advises several measures as disclosed in section A.1.1 of this Report.

A. ENVIRONMENTAL (continued)

A.3 Use of Resources (continued)

A.3.3 Water Consumption

Water is another important resource. The water used by the Group is supplied by the Hong Kong Water Supplies Department and authorized water suppliers in China.

Although non-significant amount of water is consumed through the business activities, the Group also encourages water saving by posting water conservation labels in the workplaces, washrooms and staffs pantries to remind the employees to use water effectively. There is no water pressure on the Group's water sources.

A.3.4 Management of Packaging Materials Consumption

The Group's catering business has implement for the takeaway packing material used for foods recorded in the Reporting Period.

A.3.5 Paper Consumption Management

Although papers usage during our operation at the offices is insignificant, the Group also implements measures as mentioned in subsection headed "Management of hazardous and non-hazardous wastes" under section "A.2 Waste Management" above with the aim of reducing paper consumption.

A.4 Environment and Natural Resources

The Group's production and business operations have no significant impact on the environment and natural resources. The Group has disclosed above the manner and strategies to reduce the environmental impact of its business operations. The Group is continuously concerned about the impact of its actions on the environment and natural resources and strictly implements various environmental protection measures. In addition, we also encourage our partners to use natural resources wisely and take various actions to contribute positively to the environment through other means.

For example, we tried out best to promote green buildings and commit to protect environment across project planning, design, use of construction materials to construction. We require all our contractors to implement appropriate environmental protection measures and minimise production of wastes during construction. Contractors are also required to treat and dispose of solid and liquid wastes generated through construction in a manner not less stringent than the requirements set out in the relevant environmental laws and regulations. The properties which we built are installed with energy saving systems, such as ground heating system, thermal insulation mortar, water heating appliances, and outer wall bricks etc, which have generated noticeable energy savings effects on the buildings which we have developed.

A. ENVIRONMENTAL (continued)

A.5 Climate Change

The Group's major business is in real estate development and catering. Our managerial level is aware of the risks arising from climate change and has taken measures to actively address them. The following are the physical risks and transition risks that we identified to be associated with our Group's business:

	Risks	Affected business: Property development, investment
Physical Risks	Flood and typhoon	1) affects the delivery period of supplied materials; 2) causing delays in construction progress; 3) causing damage to the property.
	Cold wave	Excessive snow, unable to work
	Hot weather	Outdoor employees are prone to heatstroke
Transition Risks	Policy and law	1) More stringent environmental requirements for property development by law and regulation; 2) More environmental data and details are required to be disclosed from listed companies.
	Market	Potentially more favorable to green assets

A.6 Emission, Waste and Water Consumption Reduction Target

The Group actively cooperates with the relevant national carbon emission policies and integrates into the overall development of the country. We have set relevant environmental targets to actively implement the national "3060" carbon strategy. We have set environmental targets for 2025, with 2024 as our base year: In 2026, we will review the attainment of the Group's 2024 greenhouse gas emissions target.

Environmental Category	Items	2025 Goals (base year: 2024)
Carbon Emission	Direct/Indirect/Others	5% reduction in total emissions
Air Pollution	NO_x, SO_x, PM	5% reduction in total emissions
Energy Efficiency	Electricity	5% reduction in total consumption
Waste Reduction	Office waste	5% reduction in production
	Construction waste	5% reduction in production
	Demolition waste	5% reduction in production
Water Efficiency	Water Use	10% reduction in total consumption

B. SOCIAL

We value our employees and their development as one of the most valuable assets of the Group. Also, we care about the well-being of our employees and consider their physical and mental health to be critical to the success of the Group.

B.1 Employment

Each operating segment of the Group has developed a sound remuneration, recruitment, working hours, welfare, medical and retirement insurances, promotion and dismissal policies for our employees at operational level.

During the Reporting Period, the Group has not identified any material non-compliance with applicable laws and regulations in Hong Kong and China relating to employment that would have a significant impact on the Group. Such laws and regulations include but not limited to the Hong Kong Employment Ordinance, the Hong Kong Employee's Compensation Ordinance, the Hong Kong Minimum Wage Ordinance and related laws in China.

Summary of the employees and turnover rate to be classified by gender, employment type, age and geographical groups as of 31 December 2024 as below:

	No. of employees	Number of employees who left employment	Turnover rate %
By gender			
Female	31	23	74.2
Male	39	41	105.1
By employment type			
Full-time	64	64	100.0
Part-time	6	0	0
By age group			
18–30	10	11	110.0
31–45	36	30	83.3
46–60	20	22	110.0
Above 60	4	1	25.0
By geographical location			
Hong Kong	43	61	141.9
Mainland China	27	3	11.1

B. SOCIAL (continued)

B.2 Health and Safety

We care about our employees. The Group has placed significant resources in providing a safe, healthy, clean and comfortable workplace for our employees, in all the places where we operate.

We put workplace safety as our number one priority in our workplace environment initiatives. We comply with all local laws, rules and regulations relating to workplace safety. All our work places and offices in Hong Kong and China are maintained in safe, healthy, clean and comfortable manner so that all employees enjoy working with the Group. We provide a favorable working environment for our employees, and 100% of our indoor office environment attained the “Good” air quality standard rate.

Summary on work-related fatalities and injuries covered from 1 January 2024 to 31 December 2024:

	2022	2023	**2024**
Work-related fatalities			
No. of people	0	0	**0**
Percentage (%)	0	0	**0**
Work-related injuries			
No. of people	0	0	**0**
Lost days due to work injury	0	0	**0**

We strictly comply with the Worker’s Compensation Insurance Ordinance, provide a series of training for our employees and take various measures to ensure their safety. Listed below are some of the measures that the Group regularly practices in accordance with applicable local workplace safety regulations for reducing the accidents rate of workplace:

- Providing personal protective equipment and other safety equipment at the workplace.
- Prohibiting smoking at the offices, workplace and outlets.
- Regular cleaning of the water boiling machines and water supply filters.
- Daily garbage removal and floor cleaning.

B.3 Development and Training

We encourage staff training and development. Employees are encouraged to join external training in job-related courses, seminars and programmes.

In addition, training programmes, courses and seminars are developed or organised both internally and externally for different grades of employees from time to time, with an objective of advancing their competence for performance improvement and career development.

During the Reporting Period, we have provided an internal training to employees aiming at enhancing their technical, management and professional skills and ability.

B. SOCIAL (continued)

B.4 Labour Standard

Our employees are the Group's valuable assets and we persist in being a good employer. We offer competitive remuneration package, provident fund, welfare and benefits in order to attract, develop and retain competent and capable people for the sustainable growth of the Group. We strictly comply with all the relevant labour laws and regulations which apply to our operations.

The Group strictly abides by the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases and the Law of the People's Republic of China on Trade Unions*, and we strictly implements the *Regulations on the Paid Annual Leave of Employee*, advocates efficient work, and encourages employees to complete tasks during working hours. If overtime, employees can take compensation leave based on the overtime hours. The Group is dedicated to putting an end to the unreasonable overtime work phenomenon.

Preventing Child Labour and Forced Labour

The Group has adopted clear policies of not using forced labour and child labour in the places where we have operations. We established the Group's internal "*Regulations on Prohibition of Child Labor*" in accordance with the "*Policy on Prohibition of Child Labor*" of the *Law of the People's Republic of China on the Protection of Minors* and the *Law of the People's Republic of China on Labor Contracts*. We require recruiters to check the identity cards of appointees and prohibit the recruitment of minors under the age of 18 and the referral of minors under the age of 18 for employment. During the Reporting Period, the Group did not have any breach cases of child labour and forced labour.

Promoting Gender Equality

We attach importance to gender equality. Within the Group, in accordance with the Law *of the People's Republic of China on the Protection of Rights and Interests of Women* and the *Special Provisions on Labour Protection for Female Employees*, we have adopted a series of measures to promote equality in employment and strive to achieve equal opportunities for men and women. At present, the number of female employees was equal to male employees, and we will continue to make efforts to contribute to the promotion of social equity.

B.5 Supply Chain Management

The Group believes that a quality and sustainable supply chain is a guarantee for the Group to provide high quality services. We have established an internal procurement system to ensure the safety of the supply chain in accordance with the relevant laws and regulations, and we strictly follow the established system.

The Group manages a list of qualified suppliers and contractors. Quotations are sought for purchase or supply of essential materials, components, equipment and machinery, and office supplies. We have a system in place to evaluate and review regularly all major suppliers and contractors from aspects of prices, quality, and business reputations to their CSR policies and practices. We give priority to those suppliers and contractors who advocate the Group's environmental and CSR initiatives, if other attributes of the suppliers and contractors are equal. At the same time, we incorporate supply chain management into our risk assessment so as to prepare contingency plans for possible supply chain concerns in advance.

B. SOCIAL (continued)

B.5 Supply Chain Management (continued)

During the Reporting Period, the data for the supply chain management as follows:

Suppliers in Year 2024	2023 Numbers	**2024 Numbers**
Total number of suppliers	136	**99**
By geographical region		
– Liaoning, China	63	**69**
– Fujian, China	1	**1**
– Zhejiang, China	1	**2**
– Jiangsu, China	2	**2**
– Beijing, China	1	**1**
– Shanghai, China	2	**2**
– Hong Kong	66	**22**

B.6 Product Responsibility

Our property projects in Anshan, China are developed with superior quality, top-notched design, low plot ratio, a high ratio of greenery and built with premium construction materials. These projects are therefore well received by customers.

We commit to deliver premium customer experience with superior products and excellent services to our house buyers in the Mainland China.

We comply with all relevant international and local environmental, health and safety standards, applicable to our operations.

We have consistently adhered to the principal of "quality first" and always regard quality as the first priority in the process of designing, development and construction of our property projects. Construction materials are carefully selected to meet a high standard of safety and quality which comply with the local standard and even higher. During construction, on-site supervision and inspection is conducted on a weekly basis to check and ensure quality of construction is met to a high standard.

The Group established a customer service centre to serve customers as well as, if any, handle complaints related to our property and services and verifying customer's feedback, suggestions and complaints. During the reporting period, the Group did not receive any complaints about the quality of services and the quality of products,

For any food catering business, clean hygienic, safe and quality of food and services are the lifelines for survival and reasons for prosperity. The Group fully understands their importance and continues to implement a strict internal quality control standard in its operation processes to ensure continuous highest quality, clean hygiene and food safety serving to its customers. The managers and the head chef are charged with the responsibility for ensuring that the right procedures are implemented in their restaurants.

B. SOCIAL (continued)

B.6 Product Responsibility (continued)

The Group closely monitor the freshness and safety of its incoming raw ingredients, which are normally sourced from reputable and reliable suppliers. The preparation and processing procedures such as selection, washing, cutting, seasoning, cooking and serving are carried out by the kitchen staff under the supervision of the head chefs who will ensure the quality of the food on site. The kitchen workers are taught how to clean and keep raw ingredients fresh and to use different sets of cutting boards and knives for raw food and cooked food. Raw and cooked food are strictly controlled and monitored on their storage to avoid cross-contamination. All food-processing equipment must be cleaned thoroughly before use for processing another dish. The cooking process is an art and a skill, the chefs have been taught and trained professionally on the job and even by external classes to ensure high quality and delicacy food are prepared and cooked for the customers. After the customers consume the food, the used utensils are collected, washed and dried immediately. The managers are responsible for overseeing the quality of services in the restaurants who have the experiences to provide top quality customer services including reception, seating, ordering and food servicing, billing and to handle emergency incidents and complaints. The restaurant has to be cleaned to the highest level with designer decorations and settings to ensure quality and safety to the customers at an affordable price. A good traceability system enables us to perform effective product recall systematically if a complaint about a product involves safety or compliance issues. This can avoid endangering customers or putting the Group at risk of legal action. We will provide relevant information to the supplier to conduct detailed investigation, as well as to formulate corrective and preventive measures. The recall case will be reported to the Management Board as well for attention. During the Reporting Period, there were no cases of product recalls for safety and health reasons.

In addition, the Group maintains close relationship with its business peers to keep abreast of the latest food sources, customer tastes and product development and knowledge.

During the Reporting Period, the Group did not receive serious complaints on the quality and safety of its food and services which were subject to recalls or would be detrimental to its brands, business and operation. The Group is confident that given its existing quality assurance process and management on food and services offered, it can achieve similar result in the coming years.

Apart from providing the highest quality of food and services, the Group has in place policies and procedures to ensure all customer complaints or concerns are addressed at the appropriate levels and in a timely manner, and guarantees its customers full satisfaction on its food quality and services. Restaurant managers have been trained to handle complaints with smiles, politeness and patience, any rejected food, due to below quality expectation, are promptly replaced or substituted by other choices of the customers.

During the Reporting Period, the established complaints handling routes and channels have functioned well and the Group did not experience serious complaints on the quality of food and services which led to disruption of its business operation. The Group is again confident to maintain similar good results for the coming year.

B.6.1 Personal Data Privacy Policy

We strictly comply with the laws of mainland China and Hong Kong in maintaining a high level of security and privacy protection on personal data. Great importance is attached to the privacy of personal data to resolutely maintain and protect personal information. We only collect personal data that we believe to be relevant and required to conduct our business. We use personal data only for the purpose for which data is collected or for a directly related purpose unless consent is obtained from customers. Personal data will not be transferred or disclosed to any entities other than the members of our organisation without consent from customers, unless otherwise required by the laws or notification is given to customers in advance. In addition, we maintain appropriate safety measures to prevent unauthorised access to personal data.

We observe and protect intellectual property rights, and oppose any form of intellectual property infringement. We have ensured its strict implementation through established corporate policies, systems and processes.

During the Reporting Period, the Group did not receive any complaints in relation to leakage of customer data.

B. SOCIAL (continued)

B.7 Anti-corruption

We have created and nourished a corporate culture of honesty and integrity. It is the Group's policy to prohibit the Group and its employees from illegally offering, giving, accepting money or cash equivalents in business engagements.

In accordance with the relevant laws and regulations, we have established an internal anti-corruption management system, which includes "*whistleblower complaint protection rules*" and "*anti-money laundering rules*".

We encourage and require our management and staff to maintain their conduct concerning obedience to the law, integrity, honesty and professionalism. We have adopted and maintained a whistleblowing policy to facilitate employees to raise matters of significant concern in confidence.

During the Reporting Period, the Group was not aware of any material non-compliance with the relevant laws and regulations relating to bribery, fraud, extortion or money laundering. There have been no corruption cases involving the Group and its employees. Such laws and regulations include but not limited to the Hong Kong Prevention of Bribery Ordinance.

B.8 Community Engagement

The Group also encourages its employees to participate in various charitable activities and volunteering events in the local community in which it has operations.

Our property projects in Anshan, China have built facilities for use as clinics, kindergartens, supermarkets, day care centre for aged people and other community facilities, which are given free of charge to the local government for use by people living in the area. These facilities not only improve the living environment by providing comprehensive facilities to our housing projects but would also help create harmonious local community.

REPORT OF THE DIRECTORS

The Directors present their report and the audited financial statements of the Group for the year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. During the year 2024, the principal activities of the subsidiaries comprised the Property Business in the PRC, the Finance Business in Hong Kong, the Automobile Business in Hong Kong and the Catering and Food Related Business in Hong Kong.

BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2024 is set out on pages 3 to 5 and pages 8 to 12 of this annual report.

RESULTS

The Group's loss for the year ended 31 December 2024 and the Group's financial position at that date are set out in the financial statements on pages 59 to 114 of this annual report.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements and restated/reclassified as appropriate, is set out on page 116 of this annual report. This summary does not form part of the audited financial statements.

EQUITY-LINKED AGREEMENT

Other than the share option schemes disclosed in the section sub-headed "Share Option Schemes" on page 102 of this annual report and set out in note 30 to the consolidated financial statements, no other equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year.

SHARE CAPITAL

Details of the movement of the share capital of the Company during the year ended 31 December 2024 are set out in note 29 to the consolidated financial statements.

Details of the movement of the share options of the Company during the year ended 31 December 2024 were disclosed in the section sub-headed "Share Option Schemes" on pages 47 to 50 of this annual report and set out in note 30 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws or the laws of the Bermuda, which oblige the Company to offer new shares on a pro rata basis to existing Shareholders.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SHARES

Save for the placing of the Company's new shares and the Share Consolidation as disclosed in note 29 to the financial statements, neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the listed Shares during the year ended 31 December 2024.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 29 and 38 to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

At 31 December 2024, the Company had no reserve available for distribution in accordance with the provisions of the Companies Act 1981 of Bermuda. The Company's share premium account, in the amount to approximately HK$387.1 million, may be distributed in the form of fully paid bonus shares.

CHARITABLE CONTRIBUTIONS

During the year ended 31 December 2024, the Group did not make any charitable contributions (2023: nil).

MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers during the financial year ended 31 December 2024 is as follows:

	Percentage of the Group's total			
	Sales		Purchases	
	2024	2023	**2024**	2023
Largest customer	**8.6%**	14.9%		
Five largest customers in aggregate	**15.9%**	31.4%		
Largest supplier			**21.8%**	33.9%
Five largest suppliers in aggregate			**67.4%**	65.6%

Save as disclosed above, none of the Directors or any of their associates or shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's total number of issued Shares) had any interest in the Group's five largest customers or suppliers.

DIRECTORS

The Directors during the year and up to the date of this annual report were as follows:

Executive Directors:
Ong Chor Wei
Lam Ka Lee
Wong Misa

Independent non-executive Directors:
Wu Wai Shan
Leung Gar-gene Vincent
Chan Sheung Yu

Pursuant to bye-law 99 of the Company's bye-laws, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to one-third) shall retire from office by rotation save any Director holding office as Chairman or managing Director.

Further, according to bye-law 102(A) and 102(B) of the Company's bye-laws, any Director appointed by the Board or by ordinary resolution either to fill a casual vacancy or as an addition to the Board shall hold office only until the next following annual general meeting of the Company. The Directors to retire at an annual general meeting of the Company shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.

Pursuant to bye-laws 99, 102(A) and 102(B) of the Company's bye-laws, each of Ms. Lam, Ms. Wong, Ms. Wu, Mr. Leung and Ms. Chan will retire from office as Directors and, being eligible, offer themselves for re-election at the forthcoming AGM.

In accordance with the Company's bye-laws, save for the Chairman and the managing Director (both roles currently being assumed by Mr. Ong Chor Wei), who is not subject to retirement by rotation, all Directors are subject to retirement by rotation and re-election at the AGM.

DIRECTORS' BIOGRAPHIES

Biographical details of the Directors are set out on pages 6 to 7 of this annual report.

DIRECTORS' REMUNERATION

The Directors' fees are subject to the Shareholders' approval at the AGM. Other emoluments are determined by the Board with reference to directors' duties, responsibilities and performance and the results of the Group.

Details of the Directors' remuneration are set out in note 9 to the financial statements.

DIRECTORS' SERVICE CONTRACTS

During the year, no Director had a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN SIGNIFICANT CONTRACTS

No Director nor a connected entity of a Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the holding companies of the Company, or any of the Company's subsidiaries was a party during the year ended 31 December 2024.

SHARE OPTION SCHEMES

The 2021 Scheme

At the annual general meeting held on 23 June 2021 (the "**2021 AGM**"), an ordinary resolution was passed by the Shareholders to adopt the new 2021 Scheme. Unless otherwise cancelled or amended, the 2021 Scheme will be valid for 10 years from the date of adoption on 23 June 2021.

During the year ended 31 December 2024, the movements on the share options under the 2021 Scheme was as follows:

				Number of share options				
Name and/or category	**Date of grant**	**Exercise period**	**Exercise price per Share** HK$	**Outstanding as at 1 January 2024**	**Granted during the year**	**Exercised during the year**	**Cancelled/ Lapsed during the year**	**Outstanding as at 31 December 2024**
Executive Directors								
Lam Ka Lee	26/1/2024	26/1/2024 – 25/1/2034	0.152	–	9,000,000	–	–	9,000,000
Wong Misa	26/1/2024	26/1/2024 – 25/1/2034	0.152	–	9,000,000	–	–	9,000,000
Sub-total for the Directors				–	18,000,000	–	–	18,000,000
Employees	26/1/2024	26/1/2024 – 25/1/2034	0.152	–	27,000,000	–	–	27,000,000
Total				–	45,000,000	–	–	45,000,000

SHARE OPTION SCHEMES (continued)

The 2021 Scheme (continued)

When the 2021 Scheme was approved by the Shareholders at the 2021 AGM and the Shareholders also approved that the total number of Shares which may be allotted and issued upon exercise of all share options to be granted under the 2021 Scheme and any other share option scheme(s) must not in aggregate exceed 10% of the Shares in issue as at the date of the 2021 AGM (i.e. 18,384,610,000 Shares (the "**Scheme Limit**")). As at the date of the 2021 AGM, the total number of issued Shares was 183,846,100,000. Shares which would have been issuable have lapsed or canceled in accordance with the terms of the 2021 Scheme and any other share option scheme(s) will not be counted for the purpose of the 10% limit.

On 25 June 2021, the Listing Committee granted approval for the listing of, and permission to deal in, such 18,384,610,000 Shares on the Stock Exchange which may fall to be allotted and issued by the Company pursuant to the terms and conditions of the 2021 Scheme.

On 18 July 2021, Shareholders have passed a special resolution approving (i) the share consolidation of every one hundred (100) existing shares of par value of HK$0.01 each in the issued share capital of the Company into one(1) consolidated share of par value of HK$1.00 (the "**Share Consolidation**"); (ii) immediately upon the Share Consolidation becoming effective, the share capital of the Company will be reduced whereby (a) where applicable, any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation shall be cancelled; (b) the issued share capital of the Company of HK$1,838,461,000 divided into 1,838,461,000 Consolidated Shares shall be reduced to HK$18,384,610 divided into 1,838,461,000 new shares by cancelling the paid-up capital of the Company to the extent of HK$0.99 on each of the issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from HK$1.00 to HK$0.01 (the "**Capital Reduction**"); and (c) the credit arising from the Capital Reduction in the amount of approximately HK$1,820,076,390 will be credited to the contributed surplus account (within the meaning of the Companies Act 1981 of Bermuda (as amended) (the "**Companies Act**")) up to the effective date for use by the Directors in any manner permitted by the Companies Act and the bye- laws of the Company; and (iii) change the board lot size for trading on the Stock Exchange from 80,000 existing shares to 8,000 new shares conditional upon the Share Consolidation and Capital Reduction becoming effective.

On 10 October 2022, the Company is completed the enlarged by the allotment and issue of the Placing Shares up to 2,206,153,200 shares.

The Company implement the Rights Issue on the basis of four (4) Rights Shares for every five (5) Shares at the Subscription Price of HK$0.12 per Subscribed Rights Shares. The completion of the Rights Issue took place on 21 September 2023 and aggregate 418,619,360 Rights Shares will be issued and allotted to five independent places at the placing price of HK$0.12 per Unsubscribed Rights Share.

Upon the Share Consolidation and Capital Reduction becoming effective, the Scheme Limit has been adjusted to 183,846,100 shares in accordance with the terms and conditions of the 2021 Share Option Scheme and the Listing Rules.

Shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the 2021 Scheme and any other share option scheme(s) of the Company at any time shall not exceed 30% of the total number of the Shares in issued from time to time. No share option shall be granted under any share option scheme(s) (including the 2021 Scheme) of the Company or any of its subsidiaries if this will result in the 30% limit being exceeded.

As at the date of this annual report, there were 9,000,000 share option granted under the 2021 Scheme. As at the date of this annual report, the total number of share options available for grant under the 2021 Scheme is 232,834,732 and the total number of Shares which may be issued upon grant and exercise of all such share options is 232,834,732, which represents approximately 3.87% of the total issued Shares.

SHARE OPTION SCHEMES (continued)

The 2021 Scheme (continued)

The purpose of the 2021 Scheme

The 2021 Scheme is to enable the Company continues to grant share options to the Eligible Participants, as incentives and/or rewards for their contribution or potential contribution to the Group and/or any entity interest in which any member of the Group holds any entity interest (the "**Invested Entity**") and/or the holding company of the Company (if applicable).

The eligible participants of the 2021 Scheme

The eligible participants of the 2021 Scheme include:

(a) any director or proposed director (whether executive, non-executive or independent non-executive director), any executive, officer, employee or any person to whom any offer of employment has been made, executive or officer (whether full-time or part-time, on an employment or contractual or honorary basis or otherwise and whether paid or unpaid) of the Group;

(b) any supplier or services provider or goods provider to offer more economic and quality supplies to the Group;

(c) any customer to maximise the quantity of their orders and increase loyalty to the Group;

(d) any adviser, professional, consultant and agent to provider better services to the Group; and

(e) business partner or shareholder(s) of any Invested Entity and/or holding company of the Company and/or any member of the Group who have contributed or will contribute to the growth and development of the Group

(collectively as the "**Eligible Participants**")

The maximum entitlement of each Eligible Participant under the 2021 Scheme

The total number of Shares issued and which may fall to be issued upon exercise of the share options granted under the 2021 Scheme and any other share option scheme(s) of the Company (including exercised, cancelled and outstanding share options) to each Eligible Participant in any 12-month period up to the date of the grant shall not exceed 1% of the total number of Shares in issue as at the date of grant.

Any further grant of share options in excess of this 1% limit shall be subject to the issue of a circular by the Company and the approval of the Shareholders in a general meeting with such Eligible Participant and his/her associates abstaining from voting and/or other requirements prescribed under the Listing Rules from time to time. Any circular to be issued by the Company must disclose, amongst other things, the details of the share options, including share options exercised or outstanding.

Any grant of share options to a director, chief executive or substantial shareholder of the Company or any of their respective associates is required to be approved by the INEDs, excluding the INED(s) who is/are grantee(s) of the share options.

SHARE OPTION SCHEMES (continued)

The 2021 Scheme (continued)

The maximum entitlement of each Eligible Participant under the 2021 Scheme (continued)

If the Company proposes to grant share options to a substantial shareholder of the Company or any INEDs or their respective associates which will result in the number of Shares issued and to be issued upon exercise of share options granted (including share option s exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of the offer of such grant:

(a) representing in aggregate over 0.1% of the total number of Shares in issue as at the date of the offer; and

(b) having an aggregate value in excess of HK$5 million, based on the closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange as at the date of each offer, such further grant of share options will be subject to the issue of a circular by the Company and the approval of the Shareholders in general meeting at which the grantee, his/her associates and all core connected persons (as defined in the Listing Rules) of the Company shall abstain from voting, and/or such other requirements prescribed under the Listing Rules from time to time except that the grantee, his/her associates and all core connected persons (as defined in the Listing Rules) of the Company may vote against the relevant resolution at the general meeting, provided that his/her intention to do so has been stated in the circular.

Time of exercise and duration of share option

There is no specific requirement under the 2021 Scheme that a share option must be held for any minimum period before it can be exercised, but the terms of the 2021 Scheme provide that the Board has the discretion to impose a minimum period at the time of grant of any particular share option.

The date of grant of any particular share option is the date when the duplicate offer document constituting acceptable of the share option duly signed by the grantee, together with a remittance in favour of the Company of HK$1.00 by way of consideration is received by the Company, such date must be on or before the 28th date after the share option is offered to the relevant grantee(s).

The period during which a share option may be exercised will be determined by the Board at its absolute discretion, save that no share option may be exercised more than 10 years after it has been granted. No share option may be granted upon the expiry of the 10th anniversary of the approval date of the 2021 Scheme. Subject to the earlier termination by the Company in general meeting or by the Board in accordance with the terms of the 2021 Scheme, the 2021 Scheme shall be valid and effective for a period of 10 years commencing on the adoption date which is 23 June 2021.

Exercise price of the share option

The exercise price for a Share in respect of any particular share option granted under the 2021 Scheme (which shall be payable upon exercise of the share option) shall be such price as the Board in its absolute discretion shall determine, save that such price will not be less than the highest of:

(a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day (and for this purpose shall be taken to be the date of the Board meeting at which the Board proposes to grant the share options);

(b) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the 5 business days immediately preceding the date of grant; and

(c) the nominal value of share.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2024, the Directors and the chief executive of the Company and/or any of their respective associates had the following interests and short positions in the shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) (i) as recorded in the register required to be kept by the Company under section 352 of the SFO; or (ii) as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO; or (iii) as notified to the Company and the Stock Exchange pursuant to the Model Code adopted by the Company:

Interests and short positions in the Shares and the underlying Shares as at 31 December 2024

Long Positions

		No. of Shares/underlying Shares			
Name of Directors	**Capacity/nature of interests**	**No. of Shares**	**No. of share options**	**Total interests**	**Approximate % of the total number of issued Shares***
Executive Directors					
Ong Chor Wei	Interest of controlled corporations	18,192,000 (Note 1)	–	18,192,000	1.88%

* The percentage was calculated based on 970,157,660 Shares in issue as at 31 December 2024.

Note:

1. Ong Chor Wei ("**Mr. Ong**") beneficially owns 100% of the issued share capital of Top Pioneer Holdings Limited ("**Top Pioneer**"). Therefore, Mr. Ong are deemed to be interested in all the Shares held by Top Pioneer for the purpose of the SFO. Mr. Ong and Top Pioneer are regarded as a group of Controlling Shareholders acting in concert to exercise their voting rights in the Company and they together will be interested in a total of 1.88% of the issued share capital of the Company. Mr. Ong is a director of Top Pioneer.

Save as disclosed above, as at 31 December 2024, none of the Directors and the chief executive of the Company and/or any of their respective associates had any interest and short position in the shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code adopted by the Company.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed under the sections headed "Share Option Schemes" and "Directors' and Chief Executive's Interests in Shares and Underlying Shares" above, at no time during the year was the Company, or any of its holding companies, subsidiaries or associated corporations, a party to any arrangement to enable the Directors and the chief executive of the Company (including their respective spouse and children under 18 years of age) to acquire benefits by means of the acquisition of the shares or underlying shares in, or debentures of, the Company or any of its associated corporations.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31 December 2024, so far as was known to the Directors, the following persons (not being the Directors or the chief executive of the Company) had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO:

Long Positions

Name of substantial Shareholders	Capacity/nature of interests	Number of the Shares		Approximate % of the total number of issued shares*
		No. of Shares	Total interests	
Top Pioneer Holdings Limited	Beneficial owner	18,192,000	18,192,000	1.88
Ong Chor Wei (Note 4)	Interest of controlled corporations	18,192,000	18,192,000	1.88
CCT Telecom Securities Limited (Note 1)	Security interest in shares	53,667,100	53,667,100	5.53
CCT Fortis Holdings Limited (Note 2)	Security interest of controlled corporation	67,083,875	67,083,875	6.91
CCT Capital International Holdings Limited (Note 2)	Security interest of controlled corporation	67,083,875	67,083,875	6.91
Mak Shiu Tong, Clement (Note 3)	Security interest of controlled corporation	67,083,875	67,083,875	6.91
Mak Chun Kiu (Noted 3)	Security interest of controlled corporation	67,083,875	67,083,875	6.91
Xu Lei	Beneficial owner	97,136,000	97,136,000	10.01
申木平	Beneficial owner	48,560,000	48,560,000	5.01

* The percentage was calculated based on 970,157,660 Shares in issued as at 31 December 2024.

Notes:

1. On 21 October 2022, 53,667,100 Shares and 13,416,775 Shares of the Company were charged by Top Pioneer Holdings Limited in favour of CCT Telecom Securities Limited and Ever Sino Group Limited, respectively.

2. As at 31 December 2024, CCT Telecom Securities Limited and Ever Sino Group Limited were direct wholly-owned subsidiaries of CCT Capital International Holdings Limited, which is in turn a direct wholly-owned subsidiary of CCT Fortis Holdings Limited ("**CCT Fortis**").

3. As at 31 December 2024, an aggregate of 73.37% shares of CCT Fortis were held by Capital Winner Investments Limited ("**Capital Winner**"), Capital Force International Limited ("**Capital Force**") and New Capital Industrial Limited ("**New Capital**"). Each of Capital Winner, Capital Force and New Capital was owned as to 51% and 49% by Mak Shiu Tong, Clement and Mak Chun Kiu, respectively. Mak Shiu Tong, Clement further held 1.59% of the shares of CCT Fortis. Therefore, each of Mak Shiu Tong, Clement and Mak Chun Kiu is deemed to be interested in the shares of CCT Fortis.

4. Ong Chor Wei ("**Mr. Ong**") beneficially owns 100% of the issued share capital of Top Pioneer Holdings Limited ("**Top Pioneer**"). Therefore, Mr. Ong are deemed to be interested in all the Shares held by Top Pioneer for the purpose of the SFO. Mr. Ong and Top Pioneer are regarded as a group of substantial shareholders acting in concert to exercise their voting rights in the Company and they together will be interested in a total of 1.88% of the issued share capital of the Company.

Save as disclosed above, the Directors and the chief executive of the Company are not aware that there is any party (not being the Directors or the chief executive of the Company) who, as at 31 December 2024, had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

In the opinion of the Directors, the Company has complied with all the Code Provisions under the CG Code throughout the year from 1 January 2024 to 31 December 2024, except for the minor deviations from Code Provisions C.2.1 and B.2.2 of the CG Code. Detailed information of such deviations and their respective considered reasons as well as other information on the corporate governance practices of the Company are set out in the section headed “Corporate Governance Report” in this annual report.

DISCLOSURE ON CHANGE OF INFORMATION OF DIRECTORS PURSUANT TO RULE 13.51(B)(1) OF THE LISTING RULES

Upon specific enquiry by the Company and following confirmations from the current Directors, there is no change in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float of not less than 25% of the total issued share capital of the Company as required under the Listing Rules throughout the financial year under review and up to the date of this annual report.

PERMITTED INDEMNITY PROVISION

The Company’s bye-laws provide that each Director or other officer of the Company shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which he or she may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of his or her duty in office. In addition, the Company has maintained appropriate directors and officers liability insurance in respect of relevant legal actions against the Directors.

MANAGEMENT CONTRACTS

Save for employment contracts, no other contracts, relating to the management and/or administration of the whole or any substantial part of any business of the Company were entered into or subsisted during the year ended 31 December 2024.

DIRECTORS’ INTEREST IN COMPETING BUSINESS

During the year, none of the Directors or any of their respective associates is interested in any business competing or likely to compete with the Group’s business that is discloseable under Rule 8.10(2) of the Listing Rules.

AUDITORS

The consolidated financial statements for the year ended 31 December 2024 has been audited by Baker Tilly. Baker Tilly will retire, and being eligible, offer themselves for re-appointment at the forthcoming annual general meeting. A resolution for their re-appointment as auditor of the Company will be proposed at the forthcoming annual general meeting.

EVENT AFTER THE REPORTING PERIOD

On 23 January 2025, the Company completed the placing of shares to not less than six placees and issued 194,016,000 new ordinary shares of the Company, with net proceeds of approximately HK$15.7 million after deducting issuing expenses of HK$1.2 million. All new ordinary shares issued an allotted rank *pari passu* in all respects with the then existing ordinary shares of the Company in issue. Details of the placing of shares are set out in the Company’s announcement dated 23 January 2025.

Pursuant to a special resolution passed at the special general meeting by the Company’s shareholders on 17 March 2025, the Company’s share were consolidated on the basis that every 5 existing shares of par value of HK$0.04 each in the issued share capital of the Company was consolidated into 1 consolidated share of HK$0.2 each.

ON BEHALF OF THE BOARD OF
GBA HOLDINGS LIMITED

Ong Chor Wei
Chairman
Hong Kong

28 March 2025

INDEPENDENT AUDITOR'S REPORT

bakertilly
天職國際

To the shareholders of GBA Holdings Limited
(Incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of GBA Holdings Limited and its subsidiaries ("**the Group**") set out on pages 60 to 115, which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including material accounting policy.

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

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("**HKSAs**") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "**Code**") and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

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

KEY AUDIT MATTERS (continued)

Key audit matter	How our audit addressed the key audit matter
Net realisable value of properties held for sale and properties under development	
We identified the net realisable value of properties held for sale and properties under development as a key audit matter because of its significance to the consolidated financial statements, and significant management judgement and estimates are required to determine their values. Management of the Group takes into account factors including unit selling prices of existing and pre-sale properties and estimated costs to completion. To support their assessment of the net realisable value of the properties held for sale and properties under development. An external valuer was engaged by management to determine their values. As at 31 December 2024, the carrying amount of properties held for sale and properties under development was HK$245,262,000 and HK$105,580,000 respectively. Related disclosures are included in notes 3, 17 and 18 to the consolidated financial statements.	Our audit procedures in relation to the net realisable value of properties held for sale and properties under development included: • Evaluating the competence, capabilities, and objectivity of the valuer and obtaining an understanding of the valuer's scope of work and their valuation approaches; • Involving our valuation expert to challenge the reasonableness of the key assumptions and appropriateness of valuation models applied; and • Assessing the reasonableness of key inputs used in the valuation, on a sample basis, by referencing to recent sales transactions for similar properties and assessed the estimated costs to completion with reference to available construction cost information for properties in similar location.
Valuation of unlisted equity interests in High Step Developments Limited ("High Step")	
We identified the valuation of the Group's 19.8% unlisted equity interests in High Step measured at fair value through profit or loss as a key audit matter because of its significance to the consolidated financial statements, and significant management judgement and estimates are required to determine its fair value. Management of the Group engaged an external valuer to perform the valuation of the unlisted equity investment at the end of the reporting period and takes into account certain unobservable inputs in the valuation in the absence of current price in an active market for similar investments. As at 31 December 2024, the carrying amount of the investment in High Step included in the Group's financial assets at fair value through profit or loss was HK$93,000,000 and fair value loss of HK$16,000,000 was recognised in profit or loss during the year ended 31 December 2024. Related disclosures are included in notes 3, 23 and 35 to the consolidated financial statements.	Our audit procedures in relation to valuation of equity interests in High Step included: • Understanding the rationale of the management of the Group in assessing the valuation of the unlisted equity investment; • Evaluating the competence, capabilities, and objectivity of the valuer and obtaining an understanding of the valuer's scope of work and their valuation approaches; • Involving our valuation expert to challenge the reasonableness of the key assumptions and appropriateness of valuation models applied; and • Assessing the reasonableness of key inputs used in the valuation of the unlisted equity investment.

OTHER INFORMATION

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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

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

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

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

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

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

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

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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

The engagement director on the audit resulting in this independent auditor's report is Chu, Johnny Chun Yin.

Baker Tilly Hong Kong Limited
Certified Public Accountants
Hong Kong, 28 March 2025

Chu, Johnny Chun Yin
Practising certificate number P08355

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2024

	Notes	2024 HK$'000	2023 HK$'000
REVENUE			
– Contracts with customers	5	**50,145**	72,524
– Interest income on loan receivables	5	**6,904**	5,857
		57,049	78,381
Cost of revenue		**(60,328)**	(82,981)
Gross loss		**(3,279)**	(4,600)
Changes in fair value of financial assets at fair value through profit or loss		**(18,095)**	(63,035)
(Recognition)/reversal of impairment loss on trade and other receivables		**(475)**	826
(Recognition)/reversal of impairment loss on loan and interest receivables		**(825)**	430
Impairment loss on goodwill		**(9,357)**	–
Impairment loss on property, plant and equipment		**(9,620)**	–
Other gains and losses	7	**2,288**	4,359
Selling and distribution expenses		**(7,141)**	(8,040)
Administrative expenses		**(21,994)**	(28,087)
Finance costs	8	**(1,729)**	(1,501)
Share of loss of an associate		**–**	(1,185)
LOSS BEFORE TAX	6	**(70,227)**	(100,833)
Income tax credit/(expense)	11	**3,874**	(226)
LOSS FOR THE YEAR		**(66,353)**	(101,059)
Loss for the year attributable to:			
– Owners of the Company		**(55,781)**	(98,407)
– Non-controlling interest		**(10,572)**	(2,652)
		(66,353)	(101,059)
LOSS PER SHARE	13		
Basic and diluted		**HK(5.7) cents**	HK(14.5) cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	2024 HK$'000	2023 HK$'000
LOSS FOR THE YEAR	**(66,353)**	(101,059)
OTHER COMPREHENSIVE LOSS		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(15,452)**	(11,898)
OTHER COMPREHENSIVE LOSS FOR THE YEAR	**(15,452)**	(11,898)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(81,805)**	(112,957)
Total comprehensive loss attributable to:		
– Owners of the Company	**(71,233)**	(110,305)
– Non-controlling interest	**(10,572)**	(2,652)
	(81,805)	(112,957)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	Notes	2024 HK$'000	2023 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment	14	**129**	20,760
Loan receivables	21	**–**	70,000
Goodwill	16	**–**	9,357
Financial assets at fair value through profit or loss	23	**93,000**	109,000
Rental and utilities deposits		**–**	2,892
Deferred tax assets	28	**–**	865
		93,129	212,874
Current assets			
Properties under development	17	**105,580**	80,700
Properties held for sale	18	**245,262**	278,780
Inventories	19	**48,195**	46,706
Trade receivables	20	**566**	996
Loan and interest receivables	21	**98,145**	16,116
Prepayments and other receivables	22	**29,471**	37,695
Financial assets at fair value through profit or loss	23	**14,763**	13,663
Pledged time deposit	24	**10,000**	3,000
Cash and cash equivalents	24	**14,830**	39,663
		566,812	517,319
Total assets		**659,941**	730,193
EQUITY AND LIABILITIES			
Issued capital	29	**38,806**	38,806
Reserves		**508,542**	576,526
Equity attributable to owners of the Company		**547,348**	615,332
Non-controlling interests	32	**(17,314)**	(6,742)
Total equity		**530,034**	608,590
Non-current liabilities			
Lease liabilities	27	**–**	6,598
Current liabilities			
Bank overdraft	24	**9,911**	2,949
Trade payables	25	**33,851**	46,073
Tax payable		**4**	–
Other payables and accruals	26	**79,543**	58,258
Lease liabilities	27	**6,598**	7,725
		129,907	115,005
Total liabilities		**129,907**	121,603
Net current assets		**436,905**	402,314
Total assets less current liabilities		**530,034**	615,188
Total equity and liabilities		**659,941**	730,193

Ong Chor Wei
Chairman

Wong Misa
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2024

	Attributable to owners of the Company									
	Issued capital HK$'000	**Share premium account** HK$'000	**Capital reserve** HK$'000	**Contributed surplus**[#] HK$'000	**Share option reserve** HK$'000	**Exchange reserve** HK$'000	**Accumulated losses** HK$'000	**Total** HK$'000	**Non-controlling interest** HK$'000	**Total** HK$'000
At 1 January 2023	22,062	356,840	733,350	1,820,076	–	(80,197)	(2,173,532)	678,599	–	678,599
Loss for the year	–	–	–	–	–	–	(98,407)	(98,407)	(2,652)	(101,059)
Other comprehensive loss for the year:										
Exchange differences related to foreign operations	–	–	–	–	–	(11,898)	–	(11,898)	–	(11,898)
Total comprehensive loss for the year	–	–	–	–	–	(11,898)	(98,407)	(110,305)	(2,652)	(112,957)
Shares issued (note 29)	16,744	30,294	–	–	–	–	–	47,038	–	47,038
Acquisition of a subsidiary (note 31)	–	–	–	–	–	–	–	–	(4,090)	(4,090)
At 31 December 2023	38,806	387,134	733,350	1,820,076	–	(92,095)	(2,271,939)	615,332	(6,742)	608,590
Loss for the year	–	–	–	–	–	–	(55,781)	(55,781)	(10,572)	(66,353)
Other comprehensive loss for the year:										
Exchange differences related to foreign operations	–	–	–	–	–	(15,452)	–	(15,452)	–	(15,452)
Total comprehensive loss for the year	–	–	–	–	–	(15,452)	(55,781)	(71,233)	(10,572)	(81,805)
Equity-settled share option arrangements	–	–	–	–	3,249	–	–	3,249	–	3,249
At 31 December 2024	**38,806**	**387,134**	**733,350**	**1,820,076**	**3,249**	**(107,547)**	**(2,327,720)**	**547,348**	**(17,314)**	**530,034**

[#] The contributed surplus represents the reduction amount arising from the capital reorganisation during the year ended 31 December 2022 of which the Company's shares were consolidated by cancelling the paid-up capital of the Company to the extent of the reduction ratio.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2024

	Notes	2024 HK$'000	2023 HK$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		**(70,227)**	(100,833)
Adjustments for:			
Changes in fair value of financial assets at fair value through profit or loss		**18,095**	63,035
Interest income	7	**(1,210)**	(453)
Finance costs	8	**1,729**	1,501
Depreciation	14	**10,311**	8,095
Gain from derecognition of an associate	7	**–**	(1,285)
Loss on disposal of property, plant and equipment	7	**58**	–
Write-down of collectible cars	6	**4,350**	–
Write-down of properties under development and properties held for sale	6	**3,083**	13,424
Recognition/(reversal) of impairment loss on trade and other receivables		**475**	(826)
Recognition/(reversal) of impairment loss on loan and interest receivables		**825**	(430)
Impairment loss on goodwill	16	**9,357**	–
Impairment loss on property, plan and equipment	14	**9,620**	–
Share of results of an associate		**–**	1,185
Equity-settled share option expense	30	**3,249**	–
		(10,285)	(16,587)
Decrease in properties under development and properties held for sale		**(11,659)**	21,458
(Decrease)/increase in inventories		**(5,839)**	(46,706)
Decrease in trade receivables		**151**	25,207
Increase in loan and interest receivables		**(12,854)**	(6,617)
Decrease/(increase) in prepayments, other receivables and other assets		**9,799**	(10,106)
(Decrease)/increase in trade payables		**(10,858)**	10,381
Increase/(decrease) in other payables and accruals		**14,174**	(5,210)
Cash used in operations		**(27,371)**	(28,180)
Interest paid		**(580)**	(708)
Tax refunded/(paid)		**4,743**	(289)
Net cash used in operating activities		**(23,208)**	(29,177)
CASH FLOWS FROM INVESTING ACTIVITIES			
Bank interest received		**1,210**	453
Withdrawal from fund investment		**5,731**	–
Purchases of property, plant and equipment		**(772)**	(321)
Purchase of financial assets at fair value through profit or loss		**(48,397)**	–
Disposal of financial assets at fair value through profit or loss		**39,471**	–
Other loan repaid		**(1,643)**	–
Advances to an associate		**–**	(2,525)
Net cash outflow on acquisition of a subsidiary	31	**–**	(2,338)
Net cash flows used in investing activities		**(4,400)**	(4,731)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid for bank overdraft		**(519)**	(137)
Interest paid for other loan raised		**(630)**	(656)
Proceeds from issue of shares	29	**–**	50,613
Transaction costs paid for the issue of shares	29	**–**	(3,575)
Principal portion of lease payments	33(a)	**(6,320)**	(4,918)
Other loan raised	33(a)	**9,745**	2,662
Advance from non-controlling interest	33(a)	**567**	2,450
Net cash flows from financing activities		**2,843**	46,439
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(24,765)**	12,531
Cash and cash equivalents at beginning of year		**39,714**	27,557
Effect of foreign exchange rate changes, net		**(30)**	(374)
CASH AND CASH EQUIVALENTS AT END OF YEAR	24	**14,919**	39,714

NOTES TO FINANCIAL STATEMENTS

31 December 2024

1. CORPORATE AND GROUP INFORMATION

GBA Holdings Limited (the "**Company**") is a public limited company incorporated in Bermuda and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**"). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), which is the same as the Company's functional currency.

The Company is an investment holding. The activities of its principal subsidiaries are set out below.

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Name	Place of incorporation/ registration and business	Issued ordinary/ registered capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
CCT Land (Anshan) Property Development Company Limited*	PRC/Mainland China	RMB50,000,000 Registered	–	100	Property development
CCT Land Development (Anshan) Company Limited*	PRC/Mainland China	HK$380,000,000 Registered^	–	100	Property development
CCT Land Finance Limited	Hong Kong	HK$1 Ordinary	–	100	Finance business
Elite Venture Associates Limited	British Virgin Islands ("**BVI**")	US$2 Ordinary	–	100	Automobile business
Tactical Assets Ventures Limited	British Virgin Islands ("**BVI**")	US$2 Ordinary	–	100	Automobile business
Kei Waa Limited	Hong Kong	HK$10,000 Ordinary	–	51	Catering and related food business

^ Registered as wholly-foreign-owned enterprises under the People's Republic of China ("**PRC**") law.

* The English names of these companies represent translation from Chinese names by the management as these companies do not have English names.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Company and its subsidiaries (the "**Group**"). To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which have been measured at fair value.

Basis of consolidation

The consolidated financial statements for the year ended 31 December 2024 incorporate the financial statement of the Company and entities controlled by the Company and its subsidiaries.

A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interest, even if this results in the non-controlling interest having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment loss, unless the investment is classified as held for sale.

2.2 APPLICATION OF NEW AND AMENDMENTS TO HKFRSs AND CHANGES IN MATERIAL ACCOUNTING POLICIES

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to HKAS 1	*Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)*
Amendments to HKAS 1	*Non-current Liabilities with Covenants*
Amendments to HKAS 7 and HKFRS 7	*Supplier Finance Arrangements*

The application of the amendments has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2.3 AMENDMENTS TO HKFRSs ISSUED BUT NOT YET EFFECTIVE

The Group has not early applied the following new and amendments to HKFRS Accounting Standards, that have been issued but are not yet effective, in these consolidated financial statements.

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[3]
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[1]
Amendments to HKFRS Accounting Standards	*Annual Improvements to HKFRS Accounting Standards – Volume 11*[3]
Amendments to HKAS 21	*Lack of Exchangeability*[2]
HKFRS 18	*Presentation and Disclosure in Financial Statements*[4]

[1] Effective for annual periods beginning on or after a date to be determined.
[2] Effective for annual periods beginning on or after 1 January 2025.
[3] Effective for annual periods beginning on or after 1 January 2026.
[4] Effective for annual periods beginning on or after 1 January 2027.

Except as described below, the directors of the Company anticipate that the application of all other amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 "Presentation of Financial Statements". This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and HKFRS 7 "Financial Instruments: Disclosure". Minor amendments to HKAS 7 "Statement of Cash Flows" and HKAS 33 "Earnings per Share" are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

2.4 MATERIAL ACCOUNTING POLICIES

Associates

An associate is an entity in which the Group has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions. An investment in an associate is accounted for in the consolidated financial statements under the equity method.

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset.

Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income Taxes” and HKAS 19 “Employee Benefits respectively”; and

- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16 “Leases”) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

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

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

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Fair value measurement

The Group measures its financial assets at fair value through profit or loss at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the consolidated statement of profit or loss in the period in which it arises.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold improvement	20% or over the lease term, whichever is shorter
Furniture and office equipment	10%–20%
Motor vehicles	20%

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Properties under development

Properties under development are intended to be held for sale after completion.

Properties under development are stated at the lower of cost and net realisable value and comprise land costs, construction costs, borrowing costs, professional fees and other costs directly attributable to such properties incurred during the development period.

Properties under development are classified as current assets unless the construction period of the relevant property development project is expected to complete beyond the normal operating cycle. On completion, the properties are transferred to properties held for sale.

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value.

Cost of properties held for sale is determined by an apportionment of total land and building costs attributable to the unsold properties.

Net realisable value is determined by reference to the sale proceeds from the properties sold in the ordinary course of business, less applicable variable selling expenses, or by management estimates based on the prevailing market conditions.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) *Right-of-use assets*

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Premises	Over the lease term

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Leases (continued)

Group as a lessee (continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as an expense on a straight-line basis over the lease term.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 "Revenue from Contracts with Customers" in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest ("**SPPI**") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Initial recognition and measurement (continued)

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes fund investment and equity investment which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on the equity investments are also recognised as changes in fair value of financial assets at fair value through profit or loss in the statement of profit or loss when the right of payment has been established.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or

- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("**ECLs**") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has reviewed the recoverable amount individually and collectively that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Financial liabilities

Initial recognition and measurement

The Group's financial liabilities (including bank overdraft, trade payables and other payables) are recognised initially at fair value.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost

After initial recognition, bank overdraft, trade payables and other payables are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of taxable temporary differences associated with investments in subsidiaries and an associate, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries and an associate, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

Property development business

Revenue from the sale of properties is recognised at the point in time when control over the properties is transferred to the buyers and the Group has the present right to payment and the collection of the consideration is probable.

Automobile business

Revenue from the sale of collectible cars is recognised at the point in time when control of the collectible car is transferred to the customer, generally on delivery of the collectible cars.

Catering business

Revenue from restaurant operations is recognised at the point in time when catering services have been provided to customers.

Revenue from the sale of food products is recognised at a point in time when control of the asset is transferred to the customer, generally on delivery of the food products.

Interest income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the net carrying amount of the financial asset.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("**equity-settled transactions**").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of the reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of share options, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated losses.

Other employee benefits

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "**MPF Scheme**") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

Under the MPF Scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000. Contributions to the plan vest immediately, there is no forfeited contributions that may be used by the group to reduce the existing level of contribution.

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries are required to contribute a percentage of the payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at exchange rates that approximate to those prevailing at the dates of the transactions. The resulting exchange differences are recognised in other comprehensive income and accumulated in a separate component of equity. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in the statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group.

3. KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

3. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Valuation of properties under development and properties held for sale

Properties under development and properties held for sale are stated at the lower of cost and net realisable value. The estimated net realisable value is the estimated selling price less selling expenses and the estimated cost of completion (if any), which are estimated based on the best available information.

If there is an increase in costs to completion or a decrease in net sales value, the net realisable value will decrease and this may result in a provision for properties under development and properties held for sale. Such provision requires the use of judgement and estimates. Where the expectation is different from the original estimate, the carrying value of and the provision for properties in the periods in which such estimate is changed will be adjusted accordingly.

As at 31 December 2024, the carrying amount of properties held for sale and properties under development was HK$245,262,000 (2023: HK$278,780,000) and HK$105,580,000 (2023: HK$80,700,000) respectively.

Fair value measurement of equity interests in High Step Developments Limited ("High Step")

The Group's 19.8% equity interests in High Step are classified as financial assets measured at fair value through profit or loss. The fair value cannot be derived from active markets and is determined using valuation techniques with unobservable inputs. Estimation is required in establishing fair values which includes considerations of certain unobservable inputs as detailed in note 35 to the financial statements. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the consolidated statement of financial position and the level where the instruments are disclosed in the fair value hierarchy. Significant management estimates are required in determining the valuation of financial instruments which are categorised as Level 3 in the fair value hierarchy.

As at 31 December 2024, the carrying amount of equity interests in High Step included in the Group's financial assets at fair value through profit or loss was HK$93,000,000 (2023: HK$109,000,000) and fair value loss of HK$16,000,000 (2023: HK$59,000,000) was recognised in profit or loss during the year ended 31 December 2024.

Estimated impairment of goodwill and property, plant and equipment of the catering business cash generating units

Determining whether goodwill and property, plant and equipment are impaired requires an estimation of recoverable amounts of the respective cash generating unit ("**CGU**") in which the goodwill and property, plant and equipment have been allocated. The management of the Group estimates the value in use using the present value of the future cash flows expected to arise from the catering business CGU based on the cash flows from operations, taking into account revenue growth rates, gross margin and terminal growth rate used in the cash flow projections and a suitable discount rate by reference to comparable companies. The discount rate reflects current market assessments of time value of money and the risks specific to the asset or the CGU for which the future cash flow estimates have not been adjusted. Where the actual future cash flows are less than expected or there is a downward revision of future estimated cash flows due to unfavourable changes in facts and circumstances, a material impairment loss may arise.

During the year ended 31 December 2024, the Group recognised impairment losses on goodwill and property, plant and equipment relating to the catering business CGU of HK$9,357,000 (2023: Nil) and HK$9,620,000 (2023: Nil), respectively. Details of the recoverable amount calculation of the CGU are disclosed in note 16.

Expected credit losses on loan and interest receivables

The Group applies the general approach in calculating expected credit losses under HKFRS 9 for loan and interest receivables. The Group applies various elements in assessing the expected credit loss, which involved forward-looking information, expected future cash flows and collateral values. Details of loan and interest receivables are set out in note 21 to the financial statements.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and has the following reporting segments:

(a) Property business segment representing the development and sale of properties;

(b) Finance business segment representing the finance business;

(c) Automobile business segment representing the trading and sale of collectible cars business; and

(d) Catering business segment representing the restaurant operation and selling of food products in Hong Kong.

The chief decision maker ("**CODM**"), being the most senior executive management of the Group, monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that finance costs, share of profit/loss of an associate, fair value gains/losses from the Group's financial instruments as well as the head office and corporate expenses are excluded from such measurement.

Segment assets exclude financial assets at fair value through profit or loss and corporate and other unallocated assets as these assets are managed on a group basis.

Segment liabilities exclude corporate and other unallocated liabilities as these liabilities are managed on a group basis.

	Property business		Finance business		Automobile business		Catering business		Unallocated		Total	
	2024 HK$'000	2023 HK$'000	**2024 HK$'000**	2023 HK$'000	**2024 HK$'000**	2023 HK$'000	**2024 HK$'000**	2023 HK$'000	**2024 HK$'000**	2023 HK$'000	**2024 HK$'000**	2023 HK$'000
Segment revenue												
Sales to external customers	**22,601**	24,282	**–**	–	**–**	11,700	**27,544**	36,542	**–**	–	**50,145**	72,524
Interest income	**–**	–	**6,904**	5,857	**–**	–	**–**	–	**–**	–	**6,904**	5,857
	22,601	24,282	**6,904**	5,857	**–**	11,700	**27,544**	36,542	**–**	–	**57,049**	78,381
Segment (loss)/profit	**(13,124)**	(30,925)	**4,246**	5,342	**(4,519)**	375	**(29,768)**	(7,519)	**–**	–	**(43,165)**	(32,727)
Finance costs	**–**	–	**–**	–	**–**	–	**(580)**	(969)	**(1,149)**	(532)	**(1,729)**	(1,501)
Reconciled items:												
Share of loss of an associate	**–**	–	**–**	–	**–**	–	**–**	–	**–**	(1,185)	**–**	(1,185)
Corporate and other unallocated expenses	**–**	–	**–**	–	**–**	–	**–**	–	**(7,238)**	(2,385)	**(7,238)**	(2,385)
Changes in fair value of financial assets at fair value through profit or loss	**–**	–	**–**	–	**–**	–	**–**	–	**(18,095)**	(63,035)	**(18,095)**	(63,035)
(Loss)/profit before tax	**(13,124)**	(30,925)	**4,246**	5,342	**(4,519)**	375	**(30,348)**	(8,488)	**(26,482)**	(67,137)	**(70,227)**	(100,833)
Income tax credit/(expense)											**3,874**	(226)
Loss for the year											**(66,353)**	(101,059)

4. OPERATING SEGMENT INFORMATION (continued)

	Property business		Finance business		Automobile business		Catering business		Unallocated		Total	
	2024 HK$'000	2023 HK$'000	**2024 HK$'000**	2023 HK$'000	**2024 HK$'000**	2023 HK$'000	**2024 HK$'000**	2023 HK$'000	**2024 HK$'000**	2023 HK$'000	**2024 HK$'000**	2023 HK$'000
Other segment information:												
Addition of property, plant and equipment	**–**	–	**–**	–	**–**	–	**772**	321	**–**	–	**772**	321
Depreciation	**3**	10	**–**	–	**–**	–	**10,308**	8,085	**–**	–	**10,311**	8,095
Recognition/(reversal) of impairment loss on trade and other receivables	**196**	(831)	**–**	–	**–**	–	**279**	5	**–**	–	**475**	(826)
Recognition/(reversal) of impairment loss on loan and interest receivables	**–**	–	**825**	(430)	**–**	–	**–**	–	**–**	–	**825**	(430)
Impairment loss on goodwill	**–**	–	**–**	–	**–**	–	**9,357**	–	**–**	–	**9,357**	–
Impairment loss on property, plant and equipment	**–**	–	**–**	–	**–**	–	**9,620**	–	**–**	–	**9,620**	–
Loss on disposal of property, plant and equipment	**58**	–	**–**	–	**–**	–	**–**	–	**–**	–	**58**	–
Write-down of collectible cars	**–**	–	**–**	–	**4,350**	–	**–**	–	**–**	–	**4,350**	–
Write-down of properties under development and held for sale	**3,083**	13,424	**–**	–	**–**	–	**–**	–	**–**	–	**3,083**	13,424

	Property business		Finance business		Automobile business		Catering business		Unallocated		Total	
	2024 HK$'000	2023 HK$'000	**2024 HK$'000**	2023 HK$'000	**2024 HK$'000**	2023 HK$'000	**2024 HK$'000**	2023 HK$'000	**2024 HK$'000**	2023 HK$'000	**2024 HK$'000**	2023 HK$'000
Segment assets	**378,366**	398,197	**98,278**	86,116	**47,680**	46,250	**5,868**	38,128	**–**	–	**530,192**	568,691
Reconciled items:												
Corporate and other unallocated assets	**–**	–	**–**	–	**–**	–	**–**	–	**129,749**	161,502	**129,749**	161,502
Total assets	**378,366**	398,197	**98,278**	86,116	**47,680**	46,250	**5,868**	38,128	**129,749**	161,502	**659,941**	730,193
Segment liabilities	**78,687**	75,232	**1,498**	790	**–**	–	**29,344**	38,721	**–**	–	**109,529**	114,743
Reconciled items:												
Corporate and other unallocated liabilities	**–**	–	**–**	–	**–**	–	**–**	–	**20,378**	6,860	**20,378**	6,860
Total liabilities	**78,687**	75,232	**1,498**	790	**–**	–	**29,344**	38,721	**20,378**	6,860	**129,907**	121,603

4. OPERATING SEGMENT INFORMATION (continued)

Geographical information

The Group's operations are mainly located in Mainland China and Hong Kong. All revenue from external customers and non-current assets are all derived and located in Mainland China and Hong Kong, based on the location where the Group's products and properties were sold to customers and the locations of the assets, respectively.

Information about major customers

For the year ended 31 December 2024, there was no customer (2023: one customer within in the Automobile Business contributing revenue of HK$11,700,000) who contributed 10% or more of the Group's total revenue.

5. REVENUE

Revenue represents amounts received and receivable for sale of properties, sale of collectible cars, restaurant operations, sale of food products and interest income during the year.

An analysis of revenue is as follows:

	2024 **HK$'000**	2023 HK$'000
Revenue from contracts with customers under HKFRS 15		
Restaurant operations	**27,544**	28,934
Sale of properties	**22,601**	24,282
Sale of collectible cars	**–**	11,700
Sale of food products	**–**	7,608
	50,145	72,524
Revenue from other sources		
Interest income on loan receivables	**6,904**	5,857
	57,049	78,381

5. REVENUE (continued)

(i) Disaggregated revenue information

Segments	Property business 2024 HK$'000	Property business 2023 HK$'000	Automobile business 2024 HK$'000	Automobile business 2023 HK$'000	Catering business 2024 HK$'000	Catering business 2023 HK$'000	Total 2024 HK$'000	Total 2023 HK$'000
Type of goods and services								
Restaurant operations	**–**	–	**–**	–	**27,544**	28,934	**27,544**	28,934
Sale of properties	**22,601**	24,282	**–**	–	**–**	–	**22,601**	24,282
Sale of collectible cars	**–**	–	**–**	11,700	**–**	–	**–**	11,700
Sale of food products	**–**	–	**–**	–	**–**	7,608	**–**	7,608
	22,601	24,282	**–**	11,700	**27,544**	36,542	**50,145**	72,524
Geographical markets								
Mainland China	**22,601**	24,282	**–**	–	**–**	–	**22,601**	24,282
Hong Kong	**–**	–	**–**	11,700	**27,544**	36,542	**27,544**	48,242
	22,601	24,282	**–**	11,700	**27,544**	36,542	**50,145**	72,524
Timing of revenue recognition								
Point in time	**22,601**	24,282	**–**	11,700	**27,544**	36,542	**50,145**	72,524

The following table shows the amount of revenue recognised in the current reporting period that was included in the contract liabilities at the beginning of the reporting period:

	2024 HK$'000	2023 HK$'000
Sale of properties	**1,707**	6,341

5. REVENUE (continued)

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of properties

The performance obligation is satisfied upon transfer of properties to the buyers and the Group has the present right to payment and the collection of the consideration is probable.

The amounts of transaction prices allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	2024 **HK$'000**	2023 HK$'000
Amounts expected to be recognised as revenue:		
Within one year	**25,367**	7,539

All the amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

Sales of collectible cars

The performance obligation is satisfied upon delivery of the collectible cars and payment is generally based on the terms of the sale and purchase agreements.

Restaurant operations

The performance obligation is satisfied at a point in time when such services are rendered in the restaurant and are mainly on demand or credit card settlement.

Sale of food products

The performance obligation is satisfied upon delivery of the products and is generally due within 60 days from delivery depending on the customers.

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

	2024 HK$'000	2023 HK$'000
Carrying amount of properties sold	**21,080**	21,458
Write-down of properties under development and properties held for sale	**3,083**	13,424
Cost of properties sold	**24,163**	34,882
Carrying amount of collectible cars sold	**–**	11,310
Write-down of collectible cars	**4,350**	–
Cost of collectible cars sold	**4,350**	11,310
Cost of food related products sold	**–**	7,076
Materials and consumable used in catering	**8,597**	8,554
Depreciation	**10,311**	8,095
Auditor's remuneration	**1,492**	1,518
Employee benefit expense (excluding directors' and chief executive's remuneration):		
Wages and salaries	**14,791**	11,610
Equity-settled share based payments	**1,887**	–
Pension scheme contributions	**542**	400
	17,220	12,010

7. OTHER GAINS AND LOSSES

	2024 HK$'000	2023 HK$'000
Bank interest income	**1,210**	453
Gain on derecognition of an associate (note 15)	**–**	1,285
Loss on disposal of property, plant and equipment	**(58)**	–
Others	**1,136**	2,621
	2,288	4,359

8. FINANCE COSTS

An analysis of finance costs is as follows:

	2024 HK$'000	2023 HK$'000
Interest on other loan and bank overdraft	**1,149**	793
Interest on lease liabilities	**580**	708
	1,729	1,501

9. DIRECTORS' REMUNERATION

Directors' remuneration for the year is as follows:

	2024 HK$'000	2023 HK$'000
Fees:		
Executive directors	–	–
Independent non-executive directors	360	351
	360	351
Other emoluments:		
Salaries, allowances and benefits in kind	1,080	1,120
Equity-settled share-based payments	1,362	–
Pension scheme contributions	42	41
	2,484	1,161
	2,844	1,512

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

	2024 HK$'000	2023 HK$'000
Wu Wai Shan	120	120
Leung Gar-gene Vincent (appointed on 27 March 2023)	120	92
Chan Sheung Yu (appointed on 28 July 2023)	120	50
Lau Yik Lok (resigned on 28 July 2023)	–	69
Lam Chi Keung (resigned on 27 March 2023)	–	20
	360	351

There were no other emoluments payable to the independent non-executive directors during both years.

9. DIRECTORS' REMUNERATION (continued)

(b) Executive directors

	Fees HK$'000	Salaries, allowances and benefits in kind HK$'000	Equity-settled share-based payments HK$'000	Pension scheme contributions HK$'000	Total remuneration HK$'000
2024					
Executive directors:					
Ong Chor Wei	**–**	**600**	**–**	**18**	**618**
Lam Ka Lee	**–**	**240**	**681**	**12**	**933**
Wong Misa	**–**	**240**	**681**	**12**	**933**
	–	**1,080**	**1,362**	**42**	**2,484**

	Fees HK$'000	Salaries, allowances and benefits in kind HK$'000	Pension scheme contributions HK$'000	Total remuneration HK$'000
2023				
Executive directors:				
Ong Chor Wei	–	600	19	619
Yuk Kai Yao (resigned on 31 August 2023)#	–	320	12	332
Lam Ka Lee (appointed on 30 June 2023)	–	120	6	126
Wong Misa (appointed on 31 August 2023)	–	80	4	84
	–	1,120	41	1,161

During both years, no remuneration was paid by the Group to the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office. There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during both years.

Mr. Yuk was the Company's chief executive from 1 June 2022 to 31 August 2023 and his remunerations disclosed above include those for services rendered by him as chief executive.

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two (2023: two) directors and none (2023: one) of them was also the chief executive. Details of their remuneration are set out in note 9 above. Details of the remuneration for the year of the remaining three (2023: three) highest paid employees are as follows:

	2024 HK$'000	2023 HK$'000
Salaries, allowances and benefits in kind	**2,347**	1,088

The number of the remaining highest paid employees who are neither the directors nor chief executive of the Company whose remuneration fell within the following band is as follows:

	Number of employees	
	2024	2023
Nil to HK$1,000,000	**2**	3
HK$1,000,001 to HK$1,500,000	**1**	–
	3	3

11. INCOME TAX CREDIT/(EXPENSE)

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK$2 million (2023: no provision for Hong Kong profits tax has been made during as the Group did not generate any assessable profits arising in Hong Kong during the year).

PRC land appreciation tax ("**LAT**") shall be levied at progressive rates ranging from 30% to 60% of the appreciation value, represented by the excess of sales proceeds of properties over prescribed direct costs 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. The PRC LAT shall be payable provisionally upon entering into pre-sales contracts of the properties, followed by final ascertainment of the gain at the completion of the properties development.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	2024 HK$'000	2023 HK$'000
Current tax		
PRC LAT	**291**	289
Hong Kong profits tax	**4**	–
Overprovision in prior years	**(5,034)**	–
Deferred tax charge/(credit) (note 28)	**865**	(63)
	(3,874)	226

11. INCOME TAX CREDIT/(EXPENSE) (continued)

A reconciliation of the tax expense to loss before tax at the statutory rates for the respective jurisdictions in which the Company and the majority of its subsidiaries are domiciled are as follows:

2024

	Hong Kong HK$'000	The PRC HK$'000	Total HK$'000
Loss before tax	(57,394)	(12,833)	(70,227)
Tax at the statutory tax rate (Note)	(9,518)	(3,208)	(12,726)
Income not subject to tax	(250)	(3,205)	(3,455)
Expenses not deductible for tax	8,878	357	9,235
Utilisation of tax losses previous not recognised	(194)	–	(194)
Tax effect of tax loss not recognised	1,953	6,056	8,009
PRC LAT	–	291	291
Overprovision in respect of prior years	–	(5,034)	(5,034)
Tax charge at the Group's effective tax rate	869	(4,743)	(3,874)

2023

	Hong Kong HK$'000	The PRC HK$'000	Total HK$'000
Loss before tax	(66,185)	(34,648)	(100,833)
Tax at the statutory tax rate (Note)	(10,921)	(8,662)	(19,583)
Income not subject to tax	(141)	–	(141)
Expenses not deductible for tax	9,942	441	10,383
Tax effect of deductible temporary difference not recognised	205	–	205
Utilisation of tax losses previous not recognised	(330)	–	(330)
Tax effect of tax loss not recognised	1,182	8,221	9,403
PRC LAT	–	289	289
Tax charge at the Group's effective tax rate	(63)	289	226

Note: The applicable tax rate for Hong Kong and the PRC is 16.5% and 25% (2023: 16.5% and 25%).

12. DIVIDENDS

No dividends have been paid or declared by the Company for the year ended 31 December 2024 (2023: Nil).

13. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on:

	2024 HK$'000	2023 HK$'000
Loss		
Loss attributable to owners of the Company for the purpose of basic and diluted loss per share	**(55,781)**	(98,407)

	2024	2023
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**970,157,660**	677,194,836

The incremental shares from assumed exercise of share options granted by the Company are excluded in calculating the diluted loss per share during the years ended 31 December 2024 because they are antidilutive. There were no outstanding share options for the year ended 31 December 2023.

14. PROPERTY, PLANT AND EQUIPMENT

	Right-of-use assets HK$'000	Owned assets Leasehold improvement HK$'000	 Furniture and office equipment HK$'000	 Motor vehicles HK$'000	Total HK$'000
COST					
At 1 January 2023	–	–	662	1,323	1,985
Addition	–	28	293	–	321
Acquisition of subsidiaries (note 31)	17,560	8,726	2,052	–	28,338
Exchange realignment	–	–	(17)	(33)	(50)
At 31 December 2023	17,560	8,754	2,990	1,290	30,594
Addition	–	–	772	–	772
Disposal	–	–	(603)	(21)	(624)
Lease modification	(1,405)	–	–	–	(1,405)
Exchange realignment	–	–	(22)	(46)	(68)
At 31 December 2024	**16,155**	**8,754**	**3,137**	**1,223**	**29,269**
DEPRECIATION AND IMPAIRMENT					
At 1 January 2023	–	–	(594)	(1,190)	(1,784)
Depreciation provided for the year	(5,268)	(2,246)	(581)	–	(8,095)
Exchange realignment	–	–	15	30	45
At 31 December 2023	(5,268)	(2,246)	(1,160)	(1,160)	(9,834)
Depreciation provided for the year	(6,462)	(3,001)	(848)	–	(10,311)
Impairment loss recognised	(4,425)	(3,507)	(1,688)	–	(9,620)
Disposal	–	–	547	19	566
Exchange realignment	–	–	19	40	59
At 31 December 2024	**(16,155)**	**(8,754)**	**(3,130)**	**(1,101)**	**(29,140)**
CARRYING VALUES					
At 31 December 2024	**–**	**–**	**7**	**122**	**129**
At 31 December 2023	12,292	6,508	1,830	130	20,760

Due to the continuous loss from the catering business, the management concluded that there was an indication that the related property, plant and equipment may be impaired and conducted a review of the recoverable amount of the relevant business as disclosed in note 16. As a result of the review, the Group recognised an impairment loss of HK$9,620,000 (2023: nil) to fully provide for the property, plant and equipment related to the catering business.

15. INVESTMENT IN AN ASSOCIATE

	HK$'000
As at 1 January 2023	2,500
Share of loss recognised	(1,185)
Derecognition of an associate	(1,315)
As at 31 December 2023 and 31 December 2024	–

On 17 March 2023, the Group completed the acquisition of the entire equity interests of Charm Vision Enterprises Incorporated ("**Charm Vision**"), a limited company incorporated in the BVI, which holds 25% interest in Kei Waa Limited ("**KWL**") at a consideration of HK$2,500,000.

Upon completion of the acquisition of Charm Vision, KWL was accounted for as a subsidiary of the Group as the Group effectively holds 51% interest in KWL and hence KWL ceased to be an associate on that date. The Group's previously held equity interest in KWL was remeasured to fair value of HK$2,600,000 at 17 March 2023 and resulted in a gain of HK$1,285,000 recognised in the profit or loss during the year ended 31 December 2023.

Details of the acquisition is disclosed in note 31.

16. GOODWILL

	HK$'000
At 1 January 2023	–
Acquisition of a subsidiary (Note 31)	9,357
At 31 December 2023	9,357
Impairment loss recognised	(9,357)
At 31 December 2024	–

The carrying amount of goodwill was arisen from acquisition of a subsidiary as set out on note 31 and is allocated to the catering business CGU for impairment testing.

Impairment testing of the catering business CGU

During the year, the management considered that there was an indication of impairment of the catering business, primarily due to the continued losses incurred since acquisition. These losses are attributed to the challenging market conditions faced by the catering industry in Hong Kong, including keen competition, rising operational costs, and shifting consumer preferences. Due to these difficulties and the uncertainty surrounding the business's future profitability, the management conducted on impairment assessment to review the recoverable amount of the CGU of catering business of which the goodwill and respective property, plant and equipment are allocated.

The recoverable amount of the CGU of catering business has been determined based on a value in use calculation. The calculation uses cash flow projections based on financial budgets approved by management of the Group with a pre-tax discount rate of 17% (2023: 17%). A key assumption for the value in use calculation is the budgeted growth rate, which is determined based on past performance and management's expectations for the market development in Hong Kong.

Based on the results of the assessment, the management determined that the recoverable amount of the catering business CGU was nil and less than its carrying amount. An impairment loss on goodwill and the related property, plant and equipment of HK$9,357,000 (2023: nil) and HK$9,620,000 (2023: nil), respectively, have been recognised in profit or loss. The impairment loss has been allocated first to goodwill and then to property, plant and equipment to the extent the carrying amount of the asset is not reduced below the highest of its fair value less costs of disposal, its value in use and zero.

17. PROPERTIES UNDER DEVELOPMENT

	2024 HK$'000	2023 HK$'000
Properties under development expected to be completed within normal operating cycle, included under current assets and recoverable	**126,493**	101,613
Provision for impairment	**(20,913)**	(20,913)
	105,580	80,700

The carrying value of land use rights included in properties under development was HK$23,539,000 (2023: HK$24,673,000):

The properties under development are all located in the PRC and the relevant land use rights have remaining lease term of 61 (2023: 62) years.

18. PROPERTIES HELD FOR SALE

	2024 HK$'000	2023 HK$'000
Properties held for sale	**341,870**	388,208
Provision for impairment	**(96,608)**	(109,428)
	245,262	278,780

All the properties held for sale are stated at the lower of cost and net realisable value.

The carrying value of land use rights included in properties held for sale was HK$52,757,000 (2023: HK$60,228,000):

The properties held for sale are all located in the PRC and the relevant land use rights have remaining lease term ranging from 53 to 61 (2023: 54 to 62) years.

19. INVENTORIES

	2024 HK$'000	2023 HK$'000
Collectible cars	**47,680**	46,250
Food, beverages and others	**515**	456
	48,195	46,706

20. TRADE RECEIVABLES

	2024 HK$'000	2023 HK$'000
Trade receivables	**845**	1,001
Less: Loss allowance	**(279)**	(5)
	566	996

The Group's trade receivables from sale of properties and collectible cars are settled based on the terms of the sale and purchase agreements. The Group's sales of food products are generally due within 60 days depending on the customers. The Group's trading terms for restaurant operations are mainly on demand or credit card settlement.

The Group seeks to maintain strict control over its outstanding receivables and has a credit policy to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral and other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2024 HK$'000	2023 HK$'000
Current to 30 days	**561**	546
31 to 60 days	**5**	174
61 to 90 days	**–**	61
91 to 180 days	**–**	215
Total	**566**	996

The movements in the loss allowance for trade receivables are as follows:

	2024 HK$'000	2023 HK$'000
At 1 January	**5**	4,997
Impairment losses recognised, net	**279**	5
Amount written-off	**(5)**	(5,497)
Exchange difference	**–**	500
At 31 December	**279**	5

The Group applies the simplified approach under HKFRS 9 and assesses the expected credit loss individually for its trade receivables. As at 31 December 2024 and 2023 an impairment allowance for these balances of approximately HK$279,000 (2023: HK$5,000) has been provided.

21. LOAN AND INTEREST RECEIVABLES

	2024 HK$'000	2023 HK$'000
Loan receivables	**90,000**	82,000
Interest receivables	**13,037**	8,183
Less: Loss allowance	**(4,892)**	(4,067)
	98,145	86,116
Less: Current portion	**(98,145)**	(16,116)
Non-current portion	**–**	70,000

The loan and interest receivables were unsecured, carried interest ranging from 7% to 15% (2023: 7% to 8%) and repayable within one year, except for loan and interest receivables of HK$6,598,000 (2023: Nil) which was secured by the borrower's property, carried interest at 18% per annum and repayable within one year.

As at 31 December 2024, the net carrying amount of loan and interest receivables to OwOh Concept Limited ("**OwOh**") was approximately HK$4,352,000 (2023: HK$4,681,000). The loan to OwOh was unsecured, carried interest at 8%, and the maturity date was extended during the year ended 31 December 2024 to be repayable in 2025. Following the appointment of Ms. Wong Misa as an executive Director of the Company with effect from 31 August 2023, OwOh, which is wholly-controlled by Ms. Wong became a related party of the Company. The maximum outstanding amount during the year ended 31 December 2024 was HK$4,681,000 (2023: the period from 31 August 2023 to 31 December 2023: HK$4,681,000).

Also included in loan and interest receivables is a balance of approximately HK$78,158,000 (2023: HK$74,080,000) due from CCT Fortis Holdings Limited ("**CCT Fortis**"), a former substantial shareholder of the Company of which its shares are listed on the Stock Exchange and controlled by a former director of the Company. The loan to CCT Fortis was unsecured, carried interest at 7% and repayable in 2025.

An impairment analysis is performed at each reporting date by considering the probability of default of the borrowers. As at 31 December 2024 and 2023, all balances were measured expected credit losses using general approach under HKFRS 9 and impairment allowance of approximately HK$4,892,000 (2023: HK$4,067,000) had been provided respectively based on the impairment analysis. Details of the impairment analysis is set out in note 36.

Movements on the Group's loss allowance for loan and interest receivables are as follow:

	2024 HK$'000	2023 HK$'000
At 1 January	**4,067**	4,497
Recognised/(reversal) during the year	**825**	(430)
At 31 December	**4,892**	4,067

22. PREPAYMENTS AND OTHER RECEIVABLES

	2024 HK$'000	2023 HK$'000
Prepayments	**24,986**	35,877
Rental and utilities deposits	**2,892**	–
Other receivables	**2,065**	2,094
Less: Loss allowance	**(472)**	(276)
	29,471	37,695

An impairment analysis is performed at each reporting date by considering the probability of default of the financial assets. Under general approach of HKFRS 9, as at 31 December 2024 and 2023, none of the financial assets included in the above balances were overdue and all balances were categorised within stage 1 for measurement of expected credit losses. As at 31 December 2024, the loss allowance for the financial assets included in the above balances was assessed to be HK$472,000 (2023: HK$276,000).

Movements on the Group's loss allowance for other receivables and other assets and amount due from an associate are as follows:

	2024 HK$'000	2023 HK$'000
At 1 January	**276**	1,107
Recognised/(reversal) during the year	**196**	(831)
At 31 December	**472**	276

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Notes	2024 HK$'000	2023 HK$'000
Unlisted equity investment	(a)	**93,000**	109,000
Unlisted fund investment	(b)	**5,614**	13,663
Listed equity investment		**9,149**	–
		107,763	122,663
Less: Current portion		**(14,763)**	(13,663)
Non-current portion		**93,000**	109,000

Notes:

(a) The unlisted equity investment represents 19.8% equity interest in High Step, which owns a property redevelopment project in Huiyang, the amount was classified as financial assets at fair value through profit or loss as the Group has not elected to recognise the fair value gain or loss through other comprehensive income.

(b) The unlisted fund investment was mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest. The unlisted fund investment was held by the Group for trading and was classified as financial assets at fair value through profit or loss under current assets. The unlisted fund investment was denominated in Euro.

24. PLEDGED TIME DEPOSIT AND CASH AND CASH EQUIVALENTS

	2024 HK$'000	2023 HK$'000
Cash and bank equivalents	**14,830**	39,663
Pledged time deposit	**10,000**	3,000
	24,830	42,663
Less: Bank overdraft	**(9,911)**	(2,949)
Cash and cash equivalents as stated in the consolidated statement of cash flows	**14,919**	39,714

At the end of the reporting period, the cash and cash equivalents of the Group denominated in RMB were HK$1,054,000 (2023: HK$1,341,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

Banking facility available to the Group amounting to HK$10,000,000 (2023: HK$10,000,000) as at 31 December 2024 is secured by a deed of charge over deposits. As at 31 December 2024, the Group had utilised the facility in the amount of approximately HK$9,911,000 (2023: HK$2,949,000).

25. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2024 HK$'000	2023 HK$'000
Current to 30 days	**6,663**	1,100
31 to 60 days	**1,593**	417
61 to 90 days	**–**	143
Over 90 days	**25,595**	44,413
	33,851	46,073

The trade payables are non-interest-bearing and are normally settled on terms ranging from 30 to 120 days.

26. OTHER PAYABLES AND ACCRUALS

	Notes	**2024 HK$'000**	2023 HK$'000
Other payables		**22,511**	25,019
Other loans	(a)	**13,900**	5,798
Amount due to non-controlling interests	(b)	**10,630**	10,063
Accruals		**7,135**	9,839
Contract liabilities	(c)	**25,367**	7,539
		79,543	58,258

Notes:

(a) Included in the balance is (i) a loan of HK$3,955,000 (2023: HK$5,798,000) from Mideast Investment Limited, an independent third party, which is unsecured, carried interest rate at 5% per annum and repayable within one year and (ii) loans of HK$9,945,000 (2023: Nil) from Everway Technology Limited, an independent third party, that is secured by 51% equity interest of KWL held by the Group, carries a weighted-average interest rate of 4.9% per annum and repayable within one year.

(b) The amounts are unsecured, interest-free and repayable on demand.

(c) Contract liabilities include proceeds and/or deposits received from buyers in connection with the Group's sale of properties.

27. LEASES

The Group as a lessee

The Group has lease contracts for office properties and a restaurant used in its operations. Leases of office properties and the restaurant have lease terms of three years. Other lease contracts generally have lease terms of 12 months or less. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

	Lease liabilities	
	2024 HK$'000	2023 HK$'000
Carrying amount at 1 January	**14,323**	–
On acquisition of a subsidiary (Note 31)	**–**	19,241
Accretion of interest recognised during the year	**580**	708
Lease modification	**(1,405)**	–
Payments	**(6,900)**	(5,626)
Carrying amount at 31 December	**6,598**	14,323
Analysed into:		
Current portion	**6,598**	7,725
Non-current portion	**–**	6,598
	6,598	14,323

The weighted average incremental borrowing rate applied to lease liabilities is 5.5% (2023: 5.5%). The maturity analysis of lease liabilities is disclosed in note 36 to the financial statements.

27. LEASES (continued)

The Group as a lessee (continued)

(b) The amounts recognised in profit or loss in relation to leases are as follows:

	2024 **HK$'000**	2023 HK$'000
Interest on lease liabilities	**580**	708
Depreciation charge of right-of-use assets	**6,462**	5,268

(c) The total cash outflow for leases is disclosed in note 33(b) to the financial statements.

At 31 December 2024, the Group's lease liabilities are payable as follows:

	2024 **HK$'000**	2023 HK$'000
Within one year	**6,598**	7,725
Two to five years	**–**	6,598
	6,598	14,323

28. DEFERRED TAX ASSETS

	Tax losses	
	2024 **HK$'000**	2023 HK$'000
Carrying amount at 1 January	**865**	–
Acquisition of a subsidiary (note 31)	**–**	802
(Charged)/credited to profit or loss for the year (note 11)	**(865)**	63
At 31 December	**–**	865

The Group had tax losses arising in Hong Kong of approximately HK$71 million as at 31 December 2024 (2023: HK$60 million) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group also had tax losses arising in Mainland China of approximately HK$98 million (2023: HK$112 million) that will expire in one to five years for offsetting against future taxable profits. During the year ended 31 December 2024, tax losses arising in mainland China of approximately HK$38 million (2023: Nil) had expired. Deferred tax assets have not been recognised in respect of these losses as it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

29. ISSUED CAPITAL

Ordinary Shares

	Note	2024 HK$'000	2023 HK$'000
Authorised:			
75,000,000,000 (2023: 75,000,000,000) ordinary shares of HK$0.04 (2023: HK$0.04) each	(i)	**3,000,000**	3,000,000

	Notes	2024 No. of shares	2024 HK$'000	2023 No. of shares	2023 HK$'000
At 1 January		**970,157,660**	**38,806**	2,206,153,200	22,062
Capital reorganisation and share consolidation	(i)	**–**	**–**	(1,654,614,900)	–
Shares issued upon rights issue and placing	(ii)	**–**	**–**	418,619,360	16,744
At 31 December		**970,157,660**	**38,806**	970,157,660	38,806

Notes:

(i) Pursuant to a special resolution passed at the special general meeting by the Company's shareholders on 14 August 2023, the number of authorised shares of the Company decreased from 300,000,000,000 shares of par value of HK$0.01 each to 75,000,000,000 shares of par value of HK$0.04 each, of which 2,206,153,200 shares were consolidated into 551,538,300 shares effective from 16 August 2023.

(ii) Pursuant to a special resolution passed at the special general meeting by the Company's shareholders on 14 August 2023, the Company proposed rights issue on the basis of four rights shares for every five consolidated shares (after the share consolidation above) at the subscription price of HK$0.12 per rights share. On 11 September 2023, insufficient applications have been received and accordingly the rights issue was under-subscribed.

On 18 September 2023, under the terms specified in respect of unsubscribed rights shares in the placing agreement, 229,280,000 unsubscribed rights shares had been successfully placed on a best effort basis to five independent placees at the placing price of HK$0.12 per unsubscribed rights share. The gross proceeds from the placing were approximately HK$27.5 million and the new shares rank pari passu with the existing shares in all respects.

On 21 September 2023, the Company issued 189,339,360 shares by way of rights issue on the basis of four right shares for every five existing ordinary shares held by the shareholders at a subscription price of HK$0.122 per share. The gross proceeds from the rights issue were approximately HK$23.1 million and the new shares rank pari passu with the existing shares in all respects.

The total net proceeds from the rights issue and placing after deducting the relevant expenses were approximately HK$47,038,000.

30. SHARE OPTION SCHEME

The 2021 Scheme

The Company's new share option scheme was adopted by the Company on 23 June 2021 ("**2021 Scheme**") and will be valid for 10 years from the date of adoption.

The 2021 Scheme is to enable the Company continues to grant share options to the eligible participants, as incentives and/or rewards for their contribution or potential contribution to the Group, any invested entity, and/or the holding company of the Company (if applicable).

Pursuant to the 2021 Scheme, the total number of shares which may be allotted and issued upon exercise of all share options to be granted under the 2021 Scheme and any other share option scheme(s) must not in aggregate exceed 10% of the shares in issue as at 23 June 2021 (i.e. 18,384,610,000 shares). Upon the share consolidation and capital reorganisation as disclosed in note 29, the limit has been adjusted to 45,961,525 (2022: 183,846,100) shares, which represents 4.74% (2022: 8.33%) of the total issued shares as at 31 December 2023, in accordance with the terms and conditions of the 2021 Scheme and the Listing Rules.

Shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the 2021 Scheme and any other share option scheme(s) of the Company at any time shall not exceed 30% of the total number of the Shares in issued from time to time. The total number of shares issued and which may fall to be issued upon exercise of the share options granted under the 2021 Scheme and any other share option scheme(s) of the Company (including exercised, cancelled and outstanding share options) to each eligible participant in any 12-month period up to the date of the grant shall not exceed 1% of the total number of shares in issue as at the date of grant, unless otherwise subject to certain approval conditions.

The offer of a grant of the share options may be accepted within 28 days from the date of offer, upon payment of a nominal consideration of HK$1 in total by the grantee. The period during which a share option may be exercised will be determined by the board of directors at its absolute discretion, save that no share option may be exercised more than 10 years after it has been granted. No share option may be granted upon the expiry of the 10th anniversary of the approval date of the 2021 Scheme.

The exercise price shall be such price as determined by the board of directors at its absolute discretion, save that such price will not be less than the highest of: (a) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant; (b) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the 5 business days immediately preceding the date of grant; and (c) the nominal value of share.

On 26 January 2024, the Company resolved to grant share options to five eligible participants, including two directors and three employees of the Group, under the 2021 Scheme to subscribe for a total of 45,000,000 ordinary shares at exercise price of HK$0.152 per share, subject to acceptance of the grantees, representing approximately 4.64% of the issued share capital of the Company. The options granted must be held by the grantees for twelve months from the date of grant before the options can be exercised. Exercise period of the options is ten years from the date of grant (i.e. from 26 January 2024 to 25 January 2034 (both dates inclusive). Details of the options granted were set out in the Company's announcement dated 26 January 2024.

30. SHARE OPTION SCHEME (continued)

The 2021 Scheme (continued)

The following table is a movement of the share options granted under the 2021 Scheme during the year:

	2024 Weighted average exercise price HK$ per share	2024 Number of share options
At 1 January	–	–
Granted during the year	0.152	45,000,000
At 31 December	0.152	45,000,000
Exercisable at the end of the year	–	–

The fair value of the share options granted during the year was HK$3,487,000 (2023: Nil). The Group recognised share option expenses of HK$3,249,000 (2023: Nil) during the year ended 31 December 2024.

The fair value of the equity-settled share options was estimated as at the date of grant, using the binomial option pricing model, taking into account the terms and conditions upon which the share options were granted. The following table lists the inputs to the model used:

	2024
Dividend yield (%)	0.00
Expected volatility (%)	74.22
Historical volatility (%)	74.22
Risk-free interest rate (%)	3.54
Expected life of share options (year)	10.00
Weighted average share price (HK$ per share)	0.152

The expected life of the options is based on management expectation and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

No other feature of the share options granted was incorporated into the measurement of fair value.

31. ACQUISITION OF A SUBSIDIARY

As referred to in note 15, upon completion of the acquisition of Charm Vision, KWL ceased to be an associate and became an indirect non-wholly owned subsidiary of the Group on 17 March 2023.

The following table summarises the consideration paid for the acquisition, the fair value of assets acquired and liabilities assumed at the acquisition date:

	HK$000
Recognised amounts of identifiable assets acquired and liabilities assumed at the date of acquisition	
Property, plant and equipment	28,338
Rental and utility deposits	2,851
Deferred tax assets	802
Trade receivables	468
Other receivable	465
Cash and cash equivalents	162
Trade payable	(933)
Other payables	(7,296)
Lease liabilities	(19,241)
Amount due to shareholders of KWL	(13,963)
Net liabilities assumed	(8,347)
Goodwill arising on acquisition:	
Consideration transferred	2,500
Add: fair value of previously held interests of KWL	2,600
Add: non-controlling interests acquired	(4,090)
Less: recognised amounts of net liabilities acquired	8,347
	9,357
Net cash outflow from the acquisition:	
Total consideration paid	2,500
Cash and cash equivalent acquired	(162)
	2,338

Goodwill arose on the acquisition as there are expected synergies from utilising the Group's management and investment competencies to develop in the catering and related business. None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes. The non-controlling interests recognised at the acquisition date was measured by reference to the proportionate share of recognised amounts of the net liabilities acquired as disclosed above.

The revenue included in the consolidated income statement from the acquisition date to 31 December 2023 contributed by KWL was HK$28,934,000. KWL also contributed loss of HK$5,412,000 over the same period. Had KWL been consolidated from 1 January 2023, the consolidated income statement would show pro-forma revenue of HK$82,430,000 and a loss of HK$105,618,000 for the year ended 31 December 2023. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2023, nor is it intended to be a projection of future results.

32. NON-CONTROLLING INTERESTS

The non-controlling interests are entirely contributed from KWL, the non-wholly-owned subsidiary of the Company. Summarised financial information (before intragroup eliminations) in respect of KWL is set out below.

	2024 HK$'000	2023 HK$'000
Non-current assets	**–**	24,320
Current assets	**5,868**	4,456
Non-current liabilities	**–**	(6,598)
Current liabilities	**(41,203)**	(35,937)
Net liabilities	**(35,335)**	(13,759)
Equity attributable to owners of the Company	**18,021**	7,017
Non-controlling interests	**(17,314)**	(6,742)

	1.1.2024 to 31.12.2024 HK$'000	17.3.2023 to 31.12.2023 HK$'000
Revenue	**27,544**	28,934
Expenses	**(49,120)**	(34,346)
Loss and total comprehensive expense for the year	**(21,576)**	(5,412)
Loss and total comprehensive expense for the year attributable to:		
– Owners of the Company	**(11,004)**	(2,760)
– Non-controlling interests	**(10,572)**	(2,652)
	(21,576)	(5,412)
Net cash outflow from operating activities	**(3,256)**	1,653
Net cash outflow from investing activities	**(770)**	(310)
Net cash inflow from financing activities	**2,413**	1,141
Net cash outflow	**(1,613)**	2,484

There are no significant restrictions on the ability of KWL to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group.

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Changes in liabilities arising from financing activities

	Other loan HK$'000	Amount due to non-controlling interests HK$'000	Lease liabilities HK$'000	Total HK$'000
At 1 January 2023	3,136	–	–	3,136
Acquisition of a subsidiary	–	7,613	19,241	26,854
Changes from financing cash flows	2,662	2,450	(4,918)	194
At 31 December 2023 and 1 January 2024	5,798	10,063	14,323	30,184
Lease modification	–	–	(1,405)	(1,405)
Changes from financing cash flows	8,102	567	(6,320)	2,349
At 31 December 2024	**13,900**	**10,630**	**6,598**	**31,128**

(b) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

	2024 **HK$'000**	2023 HK$'000
Within operating activities	**(580)**	(708)
Within financing activities	**(6,320)**	(4,918)
	(6,900)	(5,626)

34. RELATED PARTY TRANSACTIONS

(a) In addition to those detailed elsewhere in these financial statements, the Group had the following material transactions:

	2024 **HK$'000**	2023 HK$'000
OwOh:		
Interest income (Note)	**360**	120

Note: OwOh became a related party since 31 August 2023 and the amount disclosed for the year ended 31 December 2023 represented for the period from 31 August 2023 to 31 December 2023.

(b) Compensation of key management personnel of the Group:

	2024 **HK$'000**	2023 HK$'000
Short term employee benefits	**2,484**	1,161

Further details of directors' and chief executive's emoluments are included in note 9 to the financial statements.

35. FINANCIAL INSTRUMENTS

Categories of financial instruments

	2024 HK$'000	2023 HK$'000
Financial assets		
Fair Value through profit or loss	**107,763**	122,663
Amortised Cost	**128,026**	134,485
	235,789	257,148
Financial liabilities		
Amortised Cost	**97,938**	99,741

Fair value and fair value hierarchy of financial instruments

Management considers that the carrying amounts of the Group's financial instruments carried at amortised cost reasonably approximate to fair values.

Management has assessed that the fair values of cash and cash equivalents, trade receivables, loan and interest receivables, trade payables, financial assets included in prepayments, other receivables and other assets and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's finance team is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance team reports directly to the directors and the audit committee. At each reporting date, the finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the directors. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair value of unlisted equity investment at fair value through profit or loss has been estimated using net asset value method based on the underlying property held by the unlisted equity investment, which has been estimated using direct comparison and residual method on the basis that the underlying property will be redeveloped into commercial and residential purposes.

The fair value of unlisted fund investment at fair value through profit or loss has been stated with reference to the adjusted net asset value provided by the relevant administrator of the investment fund. The fair value measurement is positively correlated to the net asset value of the underlying fund.

The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in the statement of profit or loss, are reasonable, and that they were the most appropriate values at the end of the reporting period.

35. FINANCIAL INSTRUMENTS (continued)

Fair value and fair value hierarchy of financial instruments (continued)

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 December 2024:

	Valuation technique	Note	Significant unobservable input	Range	Relationship of fair value to the input
Unlisted equity investment	Net asset value method (based on direct comparison and residual method of the underlying property)	23(a)	Adjusted market prices of the underlying property	HK$8,240 to HK$10,500 (2023: HK$7,440 to HK$9,600) per square metre	Increase/decrease in price per square metre would result in increase/ decrease in fair value (Note (i))
			Estimated future development costs	HK$5,430 (2023: HK$5,295) per square metre	Increase/decrease in cost per square metre would result in decrease/ increase in fair value (Note (ii))
Unlisted fund investment	Net asset value method	23(b)	Underlying asset's value	N/A	Increase/decrease in underlying assets' value would result in increase/ decrease in fair value

Notes:

(i) A 2% decrease/increase in the market price per square metre adopted holding all other variables constant would decrease/increase the carrying amount of the shares by HK$6,000,000 (31 December 2023: HK$7,000,000).

(ii) A 2% decrease/increase in the development cost per square metre adopted holding all other variables constant would decrease/increase the carrying amount of the shares by HK$4,000,000 (31 December 2023: HK$5,000,000).

35. FINANCIAL INSTRUMENTS (continued)

Fair value and fair value hierarchy of financial instruments (continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Fair value hierarchy

Assets measured at fair value

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1) HK$'000	Significant observable inputs (Level 2) HK$'000	Significant unobservable inputs (Level 3) HK$'000	Total HK$'000
Financial assets at fair value through profit or loss	**9,149**	**–**	**98,614**	**107,763**

As at 31 December 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1) HK$'000	Significant observable inputs (Level 2) HK$'000	Significant unobservable inputs (Level 3) HK$'000	Total HK$'000
Financial assets at fair value through profit or loss	–	–	122,663	122,663

The movements in fair value measurements within Level 3 during the year are as follows:

	2024 HK$'000	2023 HK$'000
Investments at fair value through profit or loss		
At 1 January	**122,663**	185,698
Withdrawal from fund investment	**(5,731)**	–
Changes in fair value recognised in the statement of profit or loss	**(18,318)**	(63,035)
At 31 December	**98,614**	122,663

The Group did not have any financial liabilities measured at fair value as at 31 December 2024 and 2023.

During the years ended 31 December 2024 and 2023, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise financial assets at fair value through profit or loss and cash and cash equivalents. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables, loan and interest receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December. The amounts presented are gross carrying amounts for financial assets.

As at 31 December 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1 HK$'000	Stage 2 HK$'000	Stage 3 HK$'000	Simplified approach HK$'000	Total HK$'000
Trade receivables	–	–	–	845	845
Loan and interest receivables	20,438	82,599	–	–	103,037
Deposits and other receivables	4,957	–	–	–	4,957
Pledged time deposit	10,000	–	–	–	10,000
Cash and cash equivalents	14,830	–	–	–	14,830
	50,225	82,599	–	845	133,669

As at 31 December 2023

	12-month ECLs	Lifetime ECLs			
	Stage 1 HK$'000	Stage 2 HK$'000	Stage 3 HK$'000	Simplified approach HK$'000	Total HK$'000
Trade receivables	–	–	–	1,001	1,001
Loan and interest receivables	12,484	77,699	–	–	90,183
Deposits and other receivables	4,710	–	–	–	4,710
Pledged time deposit	3,000	–	–	–	3,000
Cash and cash equivalents	39,663	–	–	–	39,663
	59,857	77,699	–	1,001	138,557

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Maximum exposure and year-end staging (continued)

The directors are of the opinion that the credit risks of trade receivables, deposits and other receivables, pledged bank deposit and cash and cash equivalents are limited based on past experience, historical settlement records and considering the banks are financial institutions with high credit ratings assigned by international credit-rating agencies. Therefore, no further details of the Group's internal credit risk grading assessment and credit risk exposure of these balances are disclosed.

For loan and interest receivables, management has the overall responsibility for overseeing the credit quality of the Group's loan portfolio. The Group reviews the recoverable amount of loan and interest receivables individually or collectively at each reporting date to ensure that adequate provisions for impairment losses are made for irrecoverable amounts. In this regard, management considers that the Group's credit risk is significantly reduced.

The tables below detail the Group's internal credit risk grading assessment and credit risk exposures of loan and interest receivables:

Internal credit rating	Description	12-month or Lifetime ECL	Gross carrying amounts		Range of estimated loss rates	
			2024 HK$	2023 HK$	**2024**	2023
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	12-month ECL	**12,787**	4,682	**0.50%–1.86%**	0.52%
Moderate risk	The counterparty has a moderate risk of default and does not have any past-due amounts	12-month ECL	**7,651**	7,802	**5.21%**	5.43%
Watch list	Debtor has a moderate risk of default, sometimes repays after due dates but usually settle in full	Lifetime ECL (not credit-impaired)	**82,599**	77,699	**5.38%**	4.66%

At 31 December 2024, the Group had concentrations of credit risk as 80% (2023: 86%) of the Group's loan and interest receivables were due from the Group's largest customer.

At 31 December 2024, the Group had concentrations of credit risk as 26% (2023: 35%) and 89% (2023: 93%) of the Group's trade receivables were due from the Group's largest and five largest external customers, respectively.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade and loan and interest receivables) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on contractual undiscounted payments, is as follows:

As at 31 December 2024

	Within one year or on demand HK$'000	In the second year HK$'000	In the third to fifth years HK$'000	Total HK$'000
Lease liabilities	6,750	–	–	6,750
Trade payables	33,851	–	–	33,851
Other payables and loans	54,176	–	–	54,176
Bank overdraft	9,911	–	–	9,911
	104,688	–	–	104,688

As at 31 December 2023

	Within one year or on demand HK$'000	In the second year HK$'000	In the third to fifth years HK$'000	Total HK$'000
Lease liabilities	8,325	6,750	–	15,075
Trade payables	46,073	–	–	46,073
Other payables and loans	50,719	–	–	50,719
Bank overdraft	2,949	–	–	2,949
	108,066	6,750	–	114,816

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2024 and 2023.

37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2024 HK$'000	2023 HK$'000
ASSETS		
Non-current asset		
Investments in subsidiaries	**519,041**	576,655
Current assets		
Prepayments and other receivables	**–**	45
Cash and cash equivalents	**7,677**	33,988
	7,677	34,033
Total assets	**526,718**	610,688
EQUITY AND LIABILITIES		
Issued capital	**38,806**	38,806
Reserves (Note)	**484,285**	568,415
Total equity	**523,091**	607,221
Non-current liabilities		
Current liabilities		
Other payables and accruals	**3,627**	3,467
Total liabilities	**3,627**	3,467
Total equity and liabilities	**526,718**	610,688
Net current assets	**4,050**	30,566
Total assets less current liabilities	**523,091**	607,221

Note:

A summary of the Company's reserves is as follows:

	Share premium account HK$'000	**Capital reserve** HK$'000	**Contributed surplus** HK$'000	**Share option reserve** HK$'000	**Accumulated losses** HK$'000	**Total** HK$'000
At 1 January 2023	356,840	(55,749)	1,820,076	–	(1,468,876)	652,291
Loss and total comprehensive loss	–	–	–	–	(114,170)	(114,170)
Shares issued upon rights issue	30,294	–	–	–	–	30,294
At 31 December 2023	387,134	(55,749)	1,820,076	–	(1,583,046)	568,415
Loss and total comprehensive loss	–	–	–	–	(87,379)	(87,379)
Equity-settled share option arrangements	–	–	–	3,249	–	3,249
At 31 December 2024	**387,134**	**(55,749)**	**1,820,076**	**3,249**	**(1,670,425)**	**484,285**

38. EVENTS AFTER THE REPORTING PERIOD

On 23 January 2025, the Company completed the placing of shares to not less than six placees and issued 194,016,000 new ordinary shares of the Company, with net proceeds of approximately HK$15.7 million after deducting issuing expenses of HK$1.2 million. All new ordinary shares issued an allotted rank *pari passu* in all respects with the then existing ordinary shares of the Company in issue. Details of the placing of shares are set out in the Company's announcement dated 23 January 2025.

Pursuant to a special resolution passed at the special general meeting by the Company's shareholders on 17 March 2025, the Company's share were consolidated on the basis that every 5 existing shares of par value of HK$0.04 each in the issued share capital of the Company was consolidated into 1 consolidated share of HK$0.2 each.

39. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 28 March 2025.

OTHER INFORMATION

PARTICULARS OF PROPERTIES UNDER DEVELOPMENT AS AT 31 DECEMBER 2024

Name of projects	Locations	Uses	Site area (square metres) (approximately)	Gross floor area (square metres) (approximately)	Stage of completion	Attributable interest of the Group
CCT Land-Jun Mansion Phase 2.2	A parcel of land located at North of Yueling Road, Gaoxin District, Anshan City, Liaoning Province, Mainland China	Residential, commercial and car parks	18,000	21,000	Under construction	100%

PARTICULARS OF PROPERTIES HELD FOR SALE AS AT 31 DECEMBER 2024

Name of projects	Locations	Uses	Gross floor area (square metres) (approximately)	Stage of completion	Attributable interest of the Group
Landmark City Phases I and II	No. 253 Jiu Dao Road, Tiexi District, Anshan City, Liaoning Province, Mainland China	Residential and commercial	3,000	Completed	100%
Landmark City Phase III	No. 253 Jiu Dao Road, Tiexi District, Anshan City, Liaoning Province, Mainland China	Residential, commercial and car parks	22,000	Completed	100%
Evian Villa Phase I	No. 37 Qian Ye Street, Gaoxin District, Anshan City, Liaoning Province, Mainland China	Residential, commercial and car parks	21,000	Completed	100%
Evian Villa Phase II	No. 37 Qian Ye Street, Gaoxin District, Anshan City, Liaoning Province, Mainland China	Residential, commercial and car parks	17,000	Completed	100%
Phase 1.1, 1.2, 1.3, 2.1 and 3 of CCT Land-Jun Mansion	No. 368 Qianhua Street, Gaoxin District, Anshan City, Liaoning Province, Mainland China	Residential, commercial and car parks	38,000	Completed	100%

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements and restated/reclassified as appropriate, is set out below.

RESULTS

	Year ended 31 December				
	2024 HK$'000	2023 HK$'000	2022 HK$'000	2021 HK$'000	2020 HK$'000
CONTINUING OPERATIONS					
REVENUE	**57,049**	78,381	55,517	469,331	394,624
Cost of sales	**(60,328)**	(82,981)	(118,768)	(434,727)	(418,185)
Gross (loss)/profit	**(3,279)**	(4,600)	(63,251)	34,604	(23,561)
Other income and gains, net	**2,288**	4,359	6,852	4,046	16
Selling and distribution expenses	**(7,141)**	(8,040)	(8,758)	(21,004)	(31,673)
Administrative expenses	**(21,994)**	(28,087)	(45,230)	(54,315)	(46,691)
Other expenses, net	**(38,372)**	(61,779)	(65,271)	(22,085)	(33,379)
Finance costs, net	**(1,729)**	(1,501)	(84)	(93)	(22)
Share of loss of an associate	**–**	(1,185)	–	–	–
LOSS BEFORE TAX FROM CONTINUING OPERATIONS	**(70,227)**	(100,833)	(175,742)	(58,847)	(135,310)
Income tax credit/(expense)	**3,874**	(226)	(332)	(981)	25,177
LOSS FOR THE YEAR FROM CONTINUING OPERATIONS	**(66,353)**	(101,059)	(176,074)	(59,828)	(110,133)
DISCONTINUED OPERATIONS					
Loss for the year from discontinued operations	**–**	–	–	–	(13,648)
LOSS FOR THE YEAR	**(66,353)**	(101,059)	(176,074)	(59,828)	(123,781)
Attributable to:					
Owners of the Company	**(55,781)**	(98,407)	(176,074)	(59,828)	(123,781)
Non-controlling interest	**(10,572)**	(2,652)	–	–	–
	(66,353)	(101,059)	(176,074)	(59,828)	(123,781)

ASSETS, LIABILITIES AND NON-CONTROLLING INTEREST

	As at 31 December				
	2024 HK$'000	2023 HK$'000	2022 HK$'000	2021 HK$'000	2020 HK$'000
TOTAL ASSETS	**659,941**	730,193	753,679	977,143	1,482,249
TOTAL LIABILITIES	**(129,907)**	(121,603)	(75,080)	(98,191)	(555,444)
NON-CONTROLLING INTEREST	**17,314**	6,742	–	–	–
	547,348	615,332	678,599	878,952	926,805