

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINESE ESTATES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 127)

FINAL RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The board of directors (the “Board”) of Chinese Estates Holdings Limited (the “Company”) would like to announce the audited consolidated results of the Company and its subsidiaries (together, the “Group”) for the financial year ended 31 December 2023 (the “Year”) pursuant to paragraph 45 of Appendix D2 (formerly Appendix 16) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”). The Group’s consolidated statement of comprehensive income and consolidated statement of financial position, all of which have been reviewed by the Audit Committee, together with the comparative figures of the corresponding year ended 31 December 2022 are set out as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	<i>Notes</i>	2023 HK\$'000	2022 HK\$'000
Revenue	3	479,589	1,434,990
Cost of goods and services provided		(49,257)	(58,261)
Gross profit		430,332	1,376,729
Other income	5	24,851	18,020
Investment expenses, net	6	(65,461)	(291,127)
Administrative expenses		(333,872)	(358,048)
(Loss) gain on disposals of equipment, net		(31)	352
Fair value changes on investment properties		(31,007)	528,481
Finance costs	7	(223,373)	(133,121)
Other gains and losses		6,585	(7,522)
Share of results of investments accounted for using the equity method		296,273	45,381
Profit before tax		104,297	1,179,145
Income tax expense	8	(27,158)	(26,825)
Profit for the year	9	77,139	1,152,320

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME *(continued)*

For the year ended 31 December 2023

	<i>Notes</i>	2023 HK\$'000	2022 HK\$'000
Other comprehensive income (expenses)			
<i>Items that will not be reclassified to profit or loss</i>			
Gains and losses on investments in equity instruments measured at fair value through other comprehensive income		(129,871)	(1,056,433)
Share of other comprehensive expenses of investments accounted for using the equity method		(181)	(160)
		<u>(130,052)</u>	<u>(1,056,593)</u>
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		281,501	(499,395)
Share of other comprehensive expenses of investments accounted for using the equity method		(830)	-
		<u>280,671</u>	<u>(499,395)</u>
Other comprehensive income (expenses) for the year (net of tax)		<u>150,619</u>	<u>(1,555,988)</u>
Total comprehensive income (expenses) for the year		<u><u>227,758</u></u>	<u><u>(403,668)</u></u>
Profit for the year attributable to:			
Owners of the Company		76,832	1,152,235
Non-controlling interests		307	85
		<u>77,139</u>	<u>1,152,320</u>
Total comprehensive income (expenses) for the year attributable to:			
Owners of the Company		227,451	(403,753)
Non-controlling interests		307	85
		<u>227,758</u>	<u>(403,668)</u>
Earnings per share (HK\$)			
Basic and diluted	11	<u>0.040</u>	<u>0.604</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 December 2023

	Notes	2023 HK\$'000	2022 HK\$'000
Non-current assets			
Investment properties		13,957,718	13,369,124
Property, plant and equipment		169,745	133,944
Right-of-use assets		85,056	91,934
Intangible assets		-	-
Investments accounted for using the equity method		2,036,149	1,840,959
Advances to associates		60,013	42,745
Financial assets measured at fair value through profit or loss		60,359	87,635
Financial assets measured at fair value through other comprehensive income		195,680	525,780
Advances to investee companies		419,905	101,905
Deferred tax assets		877	834
Pledged deposits		-	76,697
Deposits and prepayments	12	4,904	84,081
		<u>16,990,406</u>	<u>16,355,638</u>
Current assets			
Stock of properties		23,316	23,316
Financial assets measured at fair value through profit or loss		339,319	562,294
Financial assets measured at fair value through other comprehensive income		-	109,766
Advances to investee companies		211,507	-
Inventories		4,079	4,642
Debtors, deposits, other receivables and prepayments	12	204,431	186,468
Securities trading receivables and deposits		26,992	41,007
Tax recoverable		259	13,886
Pledged deposits		152,929	71,128
Time deposits, bank balances and cash		592,228	2,038,768
		<u>1,555,060</u>	<u>3,051,275</u>
Assets classified as held for sale		-	27,602
		<u>1,555,060</u>	<u>3,078,877</u>
Current liabilities			
Creditors and accruals	13	182,939	245,191
Securities trading and margin payable		6,963	9,809
Deposits and receipts in advance		84,205	84,595
Lease liabilities		43,275	35,332
Tax liabilities		6,568	4,022
Borrowings		2,191,525	2,681,151
Derivative financial instrument		99	-
		<u>2,515,574</u>	<u>3,060,100</u>
Net current (liabilities) assets		<u>(960,514)</u>	<u>18,777</u>
Total assets less current liabilities		<u>16,029,892</u>	<u>16,374,415</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*
At 31 December 2023

	2023 HK\$'000	2022 HK\$'000
Equity attributable to owners of the Company		
Share capital	190,762	190,762
Financial assets measured at fair value through other comprehensive income reserve	195,818	(1,743,622)
Contribution reserve	206,627	206,627
Statutory reserve	4,402	748
Special reserve	2,499,685	2,499,685
Capital redemption reserve	138,062	138,062
Translation reserve	(554,260)	(834,931)
Retained profits	<u>11,530,408</u>	<u>13,522,203</u>
	14,211,504	13,979,534
Non-controlling interests	<u>23,597</u>	<u>23,309</u>
Total equity	<u>14,235,101</u>	<u>14,002,843</u>
Non-current liabilities		
Borrowings	1,660,323	2,205,781
Amounts due to associates	21,431	34,579
Amounts due to investee companies	13,885	14,648
Amounts due to non-controlling shareholders	275	275
Lease liabilities	38,684	53,244
Deferred tax liabilities	<u>60,193</u>	<u>63,045</u>
	<u>1,794,791</u>	<u>2,371,572</u>
	<u>16,029,892</u>	<u>16,374,415</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

1. Basis of Preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations (“Ints”)) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and accounting principles generally accepted in Hong Kong. In addition, these consolidated financial statements include applicable disclosures required by the Listing Rules and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622).

These consolidated financial statements have been prepared under the historical cost basis, except for certain properties and financial instruments, which are measured at their fair values.

Going concern basis

As at 31 December 2023, the Group’s current liabilities exceeded its current assets by approximately HK\$960,514,000. Notwithstanding the above, these consolidated financial statements have been prepared on a going concern basis.

The management closely monitors the Group’s financial performance and liquidity position. The validity of the going concern basis of preparation of these consolidated financial statements depends upon the success of the Group’s future operations, its ability to generate adequate cash flows in order to meet its financial obligations as and when they fall due, and its ability to refinance or restructure its borrowings such that the Group can meet its future working capital and financing requirements.

Based on the latest communications with the banks, the directors of the Company (“Directors”) are not aware of any intention of the principal banks to withdraw their bank facilities or require early repayment of the bank borrowings, and the Directors believe that the existing bank facilities will be renewed or roll-overed when their current terms expire given the good track records and relationships the Group has with the banks.

The Directors have reviewed the Group’s cash flow projections prepared by the management. The cash flow projections cover a period of not less than twelve months from 31 December 2023. Based on the cash flow projections, the Directors believe that the Group will have sufficient financial resources to meet its financial obligations as and when they fall due in the coming twelve months from 31 December 2023. The management has made key assumptions in the preparation of the projections with regard to the anticipated cash flows from the Group’s operations, capital expenditures and the continuous availability of bank facilities. The Group’s ability to achieve the projected cash flows depends on the continuous availability of bank facilities from the banks.

In view of the above, the Directors are of the opinion that there will be sufficient financial resources available to the Group to enable it to meet its liabilities as and when they fall due and to continue as a going concern. Accordingly, the Directors have prepared these consolidated financial statements on a going concern basis.

2. Principal Accounting Policies

The accounting policies adopted in these consolidated financial statements for the Year are consistent with those followed in the preparation of the Group’s consolidated financial statements for the year ended 31 December 2022 except as described below.

In the current year, the Group has applied the following new and amendments to HKFRSs (“New and Amended HKFRSs”) issued by the HKICPA for the first time, including those which are mandatorily effective for the annual period beginning on or after 1 January 2023 for the preparation of these consolidated financial statements:

HKFRS 17	Insurance Contracts and the related Amendments
HKAS 1 and HKFRS Practice Statement 2 (Amendments)	Disclosure of Accounting Policies
HKAS 8 (Amendments)	Definition of Accounting Estimates
HKAS 12 (Amendments)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
HKAS 12 (Amendments)	International Tax Reform - Pillar Two Model Rules

2. Principal Accounting Policies (continued)

Except as described below, the application of the New and Amended HKFRSs 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.

Change in accounting policy as a result of application of the HKICPA guidance on the accounting implications of the abolition of the Mandatory Provident Fund - Long Service Payment offsetting mechanism in Hong Kong

In June 2022, the Government of the Hong Kong Special Administrative Region ("Government") gazetted the Hong Kong Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 ("Amendment Ordinance"), which will come into effect from 1 May 2025 ("Transition Date"). Once the Amendment Ordinance takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory contributions to mandatory provident fund ("MPF") scheme to reduce the long service payment ("LSP") in respect of an employee's service from the Transition Date (the abolition of the "offsetting mechanism"). In addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee's monthly salary immediately before the Transition Date and the years of service up to that date.

In July 2023, the HKICPA published the captioned accounting guidance relating to the abolition of the offsetting mechanism. In particular, the guidance indicates that entities may account for the accrued benefits derived from mandatory MPF contributions that are expected to be used to reduce the LSP payable to an employee as deemed contributions by that employee towards the LSP.

To better reflect the substance of the abolition of the offsetting mechanism, the Group has applied the above HKICPA guidance and changed its accounting policy in connection with its LSP liability.

The change in accounting policy in the current year had no material impact on the consolidated financial statements.

The Group has not early adopted the following amendments to HKFRSs and revised Int ("Amendments") that have been issued but are not yet effective.

HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
HKFRS 16 (Amendments)	Lease Liability in a Sale and Leaseback ¹
HKAS 1 (Amendments)	Classification of Liabilities as Current or Non-current ¹
HKAS 1 (Amendments)	Non-current Liabilities with Covenants ¹
HKAS 7 and HKFRS 7 (Amendments)	Supplier Finance Arrangements ¹
HKAS 21 (Amendments)	Lack of Exchangeability ²
HK Int 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ¹

¹ Effective for annual periods beginning on or after 1 January 2024

² Effective for annual periods beginning on or after 1 January 2025

³ Effective for annual periods beginning on or after a date to be determined

The Directors are in the process of assessing the potential impact of the Amendments but are not yet in a position to determine whether the Amendments will have a material impact on the Group's performance and financial position and on the disclosures. The Amendments may result in changes to how the Group's performance and financial position are prepared and presented in the future.

3. Revenue

Revenue represents the aggregate amounts of commission from brokerage, settlement charges from brokerage, cosmetics goods sold less returns, building and property management services income, amounts received and receivable from property rental income, interest income from bonds and structured products, dividend income from listed and unlisted equity investments and gain on sales of investments held-for-trading. Revenue is analysed as follows:

	2023 HK\$'000	2022 HK\$'000
Revenue from contracts with customers:		
<i>Recognised on a point in time basis</i>		
Brokerage and cosmetics income	14,107	15,647
<i>Recognised on over time basis</i>		
Building and property management services income	<u>51,694</u>	<u>52,038</u>
	<u>65,801</u>	<u>67,685</u>
Revenue from other sources:		
Property rental income	257,223	293,650
Interest income from		
- bonds (<i>note (i)</i>)	8,850	21,054
- structured products (<i>note (i)</i>)	253	972
	9,103	22,026
Dividend income from		
- listed equity investments (<i>note (i)</i>)	5,053	8,247
- unlisted equity investments (<i>note (ii)</i>)	76,600	1,014,750
	81,653	1,022,997
Gain on sales of investments held-for-trading	<u>65,809</u>	<u>28,632</u>
	<u>413,788</u>	<u>1,367,305</u>
Total revenue	<u><u>479,589</u></u>	<u><u>1,434,990</u></u>

Notes:

- (i) *The interest income from bonds and structured products and dividend income from listed equity investments were derived from financial assets measured at fair value through profit or loss ("FVTPL").*
- (ii) *The dividend income from unlisted equity investments was derived from financial assets measured at fair value through other comprehensive income ("FVTOCI").*

4. Operating Segments

The Group determines its operating segments based on the reports reviewed by the chief operating decision-makers that are used to make strategic decisions.

The Group has six reportable segments – (i) property development and trading; (ii) property leasing for retail; (iii) property leasing for non-retail; (iv) listed equity investments at FVTOCI; (v) investments and treasury products at FVTPL; and (vi) unlisted investments, investment holding and brokerage, and the remaining businesses of the Group grouped under all other segments. The segmentations are based on the information about the operations of the Group that management of the Group uses to make decisions.

Principal activities are as follows:

Property development and trading	–	Property development and sales of trading properties
Property leasing		
- Retail	–	Property leasing from retail properties
- Non-retail	–	Property leasing from non-retail properties
Listed equity investments at FVTOCI	–	Listed equity securities at FVTOCI
Investments and treasury products at FVTPL	–	Securities investments in investments held-for-trading, over-the-counter trading and structured products
Unlisted investments, investment holding and brokerage	–	Unlisted securities investments, trading and brokerage
All other segments	–	Cosmetics distribution and trading, provision of building and property management services and others

The Group evaluates performance on the basis of profit or loss from operations after tax expense and non-controlling interests but not including the major non-cash items. The major non-cash items are unrealised fair value changes on investment properties and other properties together with, if applicable, their respective deferred tax.

No operating segments have been aggregated in arriving at the six reportable segments described above.

Unallocated corporate assets mainly comprised land and building for own use, right-of-use assets, deferred tax assets and tax recoverable (2022: also included derivative financial instrument).

Unallocated corporate liabilities mainly comprised tax liabilities, bank borrowings, amounts due to associates, amounts due to investee companies, amounts due to non-controlling shareholders, lease liabilities and deferred tax liabilities.

The Group's reportable segments are strategic business units that operate different activities. They are managed separately because each business unit has different markets and requires different marketing strategies.

Further, the business units are also managed to operate in different countries separately. Revenue and results are attributed to countries on the basis of the property or asset location.

There was no major customer who individually accounted for 10% or more of the Group's revenue during the years ended 31 December 2023 and 2022.

4. Operating Segments (continued)

Operating segment information is presented below:

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2023

	Property development and trading HK\$'000	Property leasing		Listed equity investments at FVTOCI HK\$'000	Investments and treasury products at FVTPL HK\$'000	Unlisted investments, investment holding and brokerage HK\$'000	All other segments HK\$'000	Consolidated HK\$'000
		Retail HK\$'000	Non-retail HK\$'000					
Major cash items excluding in revenue								
- Hong Kong	-	-	-	44,662	328,217	-	-	372,879
- Other countries	-	-	-	-	490,974	-	-	490,974
	-	-	-	44,662	819,191	-	-	863,853
Revenue								
Dividend and interest income and gain on sales of investments held-for-trading								
- Hong Kong	76,000	-	-	-	17,255	-	600	93,855
- Other countries	-	-	-	-	62,710	-	-	62,710
Revenue from external customers								
- Hong Kong	-	30,525	121,433	-	-	3,032	62,769	217,759
- United Kingdom	-	31,613	73,652	-	-	-	-	105,265
	76,000	62,138	195,085	-	79,965	3,032	63,369	479,589
Revenue (excluding dividend income from segments of property development and trading and property leasing)								
	-	62,138	195,085	-	79,965	3,032	63,369	403,589
Attributable property sales from an investee company								
- Hong Kong	120,229	-	-	-	-	-	-	120,229
Attributable rental revenue from associates/investee companies								
- Hong Kong	-	16,248	49,916	-	-	-	-	66,164
- Mainland China	-	49,140	5,960	-	-	-	-	55,100
	120,229	127,526	250,961	-	79,965	3,032	63,369	645,082
Results								
Segment results								
- Hong Kong	76,000	26,030	116,890	-	(89,515)	30,189	37,556	197,150
- United Kingdom	-	28,865	65,059	-	-	3,671	-	97,595
- Mainland China	-	-	(13)	-	-	3,364	-	3,351
- Other countries	-	-	-	-	67,271	754	-	68,025
	76,000	54,895	181,936	-	(22,244)	37,978	37,556	366,121
Share of results of investments accounted for using the equity method								
Attributable gross income								
- Hong Kong	-	15,789	49,529	-	-	-	2,294	67,612
- Mainland China	-	49,140	5,960	-	-	-	-	55,100
Attributable operating cost								
- Hong Kong	-	(1,623)	(9,555)	-	-	-	-	(11,178)
- Mainland China	-	(19,612)	(3,320)	-	-	-	-	(22,932)
	76,000	98,589	224,550	-	(22,244)	37,978	39,850	454,723
Other income								
	-	-	13,436	-	-	-	-	13,436
Share of results of investments accounted for using the equity method								
- Income tax and others	-	38,616	4,839	-	-	-	(61)	43,394
	76,000	137,205	242,825	-	(22,244)	37,978	39,789	511,553
Unallocated items								
Unallocated corporate expenses, net								(317,153)
Finance costs								(223,373)
Income tax expense								(38,950)
Non-controlling interests								(307)
Operating loss for the year attributable to owners of the Company								
								(68,230)
Deferred tax credit on realised fair value changes on disposal of an investment property recognised in current year								
								528
Major non-cash items								
- Unrealised fair value changes on investment properties (including share of results of investments accounted for using the equity method)								133,270
- Deferred tax credit								11,264
Profit for the year attributable to owners of the Company								
								76,832
Core loss (excluding major non-cash items)								
Operating loss for the year attributable to owners of the Company								
								(68,230)
Accumulated realised fair value changes and related deferred tax on disposal of an investment property								
- Recognised in current year								528
- Recognised in prior years								521
Core loss for the year attributable to owners of the Company								
								(67,181)

4. Operating Segments (continued)
Consolidated Statement of Financial Position
At 31 December 2023

	Property development and trading HK\$'000	Property leasing		Listed equity investments at FVTOCI HK\$'000	Investments and treasury products at FVTPL HK\$'000	Unlisted investments, investment holding and brokerage HK\$'000	All other segments HK\$'000	Consolidated HK\$'000
		Retail HK\$'000	Non-retail HK\$'000					
Assets								
Segment assets								
- Hong Kong	700,602	1,242,024	6,116,023	-	229,910	299,745	247,838	8,836,142
- United Kingdom	-	951,704	6,284,203	-	-	-	-	7,235,907
- Mainland China	108,018	-	104	-	-	-	-	108,122
- Other countries	-	-	-	-	117,916	106	-	118,022
Investments accounted for using the equity method								
- Hong Kong	43,426	392,433	1,431,632	-	-	1,582	4,325	1,873,398
- Mainland China	-	72,258	90,493	-	-	-	-	162,751
Advances to associates								
- Hong Kong	1,945	-	162	-	-	3	3	2,113
- Mainland China	-	25,706	32,194	-	-	-	-	57,900
Reportable segment assets	853,991	2,684,125	13,954,811	-	347,826	301,436	252,166	18,394,355
Unallocated corporate assets								151,111
Consolidated total assets								18,545,466
Liabilities								
Segment liabilities								
- Hong Kong	36,717	16,128	97,335	6	284	9,945	18,844	179,259
- United Kingdom	-	18,447	76,429	-	-	-	-	94,876
- Mainland China	35	-	32	-	-	2	-	69
- Other countries	-	-	-	-	2	-	-	2
Reportable segment liabilities	36,752	34,575	173,796	6	286	9,947	18,844	274,206
Unallocated corporate liabilities								4,036,159
Consolidated total liabilities								4,310,365
Additions to non-current assets (other than financial instruments and deferred tax assets)								
	-	233	319,898	-	-	207	402	

Other Material Items
For the year ended 31 December 2023

	Reportable segments HK\$'000	Adjustments for unallocated items HK\$'000	Adjustment related to realised fair value changes HK\$'000	Adjustments for major non-cash items HK\$'000	Consolidated statement of comprehensive income HK\$'000
Interest income	46,425	-	-	-	46,425
Finance costs	-	(223,373)	-	-	(223,373)
Net income (expenses)	46,425	(223,373)	-	-	(176,948)
Depreciation of:					
- Property, plant and equipment	-	(58,791)	-	-	(58,791)
- Right-of-use assets	-	(45,811)	-	-	(45,811)
Fair value changes on investment properties	-	-	-	(31,007)	(31,007)
Share of results of investments accounted for using the equity method	131,996	-	-	164,277	296,273
Income tax (expense) credit	-	(38,950)	528	11,264	(27,158)
Non-controlling interests	-	(307)	-	-	(307)

4. Operating Segments (continued)
Consolidated Statement of Comprehensive Income
For the year ended 31 December 2022

	Property development and trading HK\$'000	Property leasing		Listed equity investments at FVTOCI HK\$'000	Investments and treasury products at FVTPL HK\$'000	Unlisted investments, investment holding and brokerage HK\$'000	All other segments HK\$'000	Consolidated HK\$'000
		Retail HK\$'000	Non-retail HK\$'000					
Major cash items excluding in revenue								
- Hong Kong	-	-	-	164,304	642,080	-	-	806,384
- Other countries	-	-	-	-	920,467	-	-	920,467
	-	-	-	164,304	1,562,547	-	-	1,726,851
Revenue								
Dividend and interest income and gain on sales of investments held-for-trading								
- Hong Kong	1,014,000	-	-	-	21,461	-	750	1,036,211
- Other countries	-	-	-	-	37,444	-	-	37,444
Revenue from external customers								
- Hong Kong	-	29,867	121,329	-	-	4,639	63,046	218,881
- United Kingdom	-	35,766	106,688	-	-	-	-	142,454
	1,014,000	65,633	228,017	-	58,905	4,639	63,796	1,434,990
Revenue (excluding dividend income from segments of property development and trading and property leasing)								
	-	65,633	228,017	-	58,905	4,639	63,796	420,990
Attributable property sales from an investee company								
- Hong Kong	186,808	-	-	-	-	-	-	186,808
Attributable rental revenue from associates/investee company								
- Hong Kong	-	16,752	45,883	-	-	-	-	62,635
- Mainland China	-	19,266	5,173	-	-	-	-	24,439
	186,808	101,651	279,073	-	58,905	4,639	63,796	694,872
Results								
Segment results								
- Hong Kong	1,014,000	25,331	116,920	-	(112,683)	13,901	37,450	1,094,919
- United Kingdom	-	27,675	95,893	-	-	450	-	124,018
- Mainland China	-	-	(225)	-	-	5,798	-	5,573
- Other countries	-	-	-	-	(161,381)	22,846	-	(138,535)
	1,014,000	53,006	212,588	-	(274,064)	42,995	37,450	1,085,975
Share of results of investments accounted for using the equity method								
- Attributable gross income								
- Hong Kong	-	16,008	45,536	-	-	-	2,246	63,790
- Mainland China	-	19,266	5,173	-	-	-	-	24,439
- Attributable operating cost								
- Hong Kong	-	(1,689)	(8,467)	-	-	-	-	(10,156)
- Mainland China	-	(12,575)	(3,141)	-	-	-	-	(15,716)
	1,014,000	74,016	251,689	-	(274,064)	42,995	39,696	1,148,332
Other income	-	-	2,487	-	-	-	-	2,487
Finance income	-	-	-	-	56	-	-	56
Other gains and losses	-	-	(7,381)	-	-	-	-	(7,381)
Share of results of investments accounted for using the equity method								
- Income tax and others	-	(9,600)	(2,945)	-	-	-	(227)	(12,772)
	1,014,000	64,416	243,850	-	(274,008)	42,995	39,469	1,130,722
Unallocated items								
Unallocated corporate expenses, net								(342,677)
Unallocated finance costs								(133,177)
Income tax expense								(15,698)
Non-controlling interests								(85)
Operating profit for the year attributable to owners of the Company								
								639,085
Major non-cash items								
- Unrealised fair value changes on investment properties (including share of results of investments accounted for using the equity method)								524,277
- Deferred tax expense								(11,127)
Profit for the year attributable to owners of the Company								
								1,152,235
Core profit for the year attributable to owners of the Company								
								639,085

4. Operating Segments (continued)
Consolidated Statement of Financial Position
At 31 December 2022

	Property development and trading HK\$'000	Property leasing		Listed equity investments at FVTOCI HK\$'000	Investments and treasury products at FVTPL HK\$'000	Unlisted investments, investment holding and brokerage HK\$'000	All other segments HK\$'000	Consolidated HK\$'000
		Retail HK\$'000	Non-retail HK\$'000					
Assets								
Segment assets								
- Hong Kong	216,170	2,556,174	5,941,338	109,766	350,351	310,488	236,041	9,720,328
- United Kingdom	-	902,062	6,073,410	-	-	-	-	6,975,472
- Mainland China	110,556	-	2,659	-	-	740	-	113,955
- Other countries	-	-	-	-	251,138	290,596	-	541,734
Investments accounted for using the equity method								
- Hong Kong	51,796	381,393	1,396,670	-	-	1,615	9,485	1,840,959
Advances to associates								
- Hong Kong	1,947	-	149	-	-	2	1,225	3,323
- Mainland China	-	-	39,422	-	-	-	-	39,422
Reportable segment assets	<u>380,469</u>	<u>3,839,629</u>	<u>13,453,648</u>	<u>109,766</u>	<u>601,489</u>	<u>603,441</u>	<u>246,751</u>	<u>19,235,193</u>
Assets classified as held for sale								27,602
Unallocated corporate assets								<u>171,720</u>
Consolidated total assets								<u><u>19,434,515</u></u>
Liabilities								
Segment liabilities								
- Hong Kong	36,067	15,394	107,305	18	194	11,837	9,375	180,190
- United Kingdom	-	14,060	142,389	-	-	-	-	156,449
- Mainland China	59	-	2,267	-	-	2	-	2,328
- Other countries	-	-	-	-	625	3	-	628
Reportable segment liabilities	<u>36,126</u>	<u>29,454</u>	<u>251,961</u>	<u>18</u>	<u>819</u>	<u>11,842</u>	<u>9,375</u>	<u>339,595</u>
Unallocated corporate liabilities								<u>5,092,077</u>
Consolidated total liabilities								<u><u>5,431,672</u></u>
Additions to non-current assets (other than financial instruments and deferred tax assets)								
	<u>-</u>	<u>19,468</u>	<u>320,780</u>	<u>-</u>	<u>-</u>	<u>14</u>	<u>124</u>	

Other Material Items

For the year ended 31 December 2022

	Reportable segments HK\$'000	Adjustments for unallocated items HK\$'000	Adjustments for major non-cash items HK\$'000	Consolidated statement of comprehensive income HK\$'000
Interest income	40,195	-	-	40,195
Finance income (costs)	56	(133,177)	-	(133,121)
Net income (expenses)	40,251	(133,177)	-	(92,926)
Depreciation of:				
- Property, plant and equipment	-	(62,983)	-	(62,983)
- Right-of-use assets	-	(57,045)	-	(57,045)
Fair value changes on investment properties	-	-	528,481	528,481
Share of results of investments accounted for using the equity method	49,585	-	(4,204)	45,381
Income tax expense	-	(15,698)	(11,127)	(26,825)
Non-controlling interests	-	(85)	-	(85)

5. Other Income

	2023 HK\$'000	2022 HK\$'000
Included in other income are:		
Rental services income	3,252	3,354
Leasing administration services and property administration services income	5,121	4,806
Advisory and consultancy services income	39	38
Dilapidations settlement and surrender premium received from tenants in respect of properties in the United Kingdom	13,436	2,487
Exchange gain, net	422	-
Government subsidy - Employment Support Scheme (<i>note</i>)	-	4,697
Overprovision of reinstatement costs in respect of leased properties	-	1,200
	36,260	26,572

Note: During the year ended 31 December 2022, the government subsidy was granted under Employment Support Scheme which aimed to retain employment under the Anti-epidemic Fund of the Government.

6. Investment Expenses, Net

	2023 HK\$'000	2022 HK\$'000
Financial assets/liabilities measured at fair value through profit or loss:		
Unrealised loss arising from change in fair value of bonds	(65,863)	(160,172)
Realised (loss) gain arising from change in fair value of bonds		
- Change in fair value	(6,435)	179
- Exchange component of change	529	76
Net loss arising from change in fair value of bonds	(71,769)	(159,917)
Unrealised (loss) gain arising from change in fair value of structured product and derivative financial instruments	(99)	5
Realised loss arising from change in fair value of structured products and derivative financial instruments	(614)	(574)
Net loss arising from change in fair value of structured products and derivative financial instruments	(713)	(569)
Unrealised loss arising from change in fair value of investments held-for-trading	(29,820)	(158,105)
Unrealised gain arising from change in fair value of club and corporate debentures	1,760	2,432
Realised loss arising from change in fair value of a club debenture	(582)	-
Net gain arising from change in fair value of club and corporate debentures	1,178	2,432
Unrealised gain arising from change in fair value of cross currency swap	-	1,250
Realised loss arising from change in fair value of cross currency swap	(1,250)	(1,623)
Net loss arising from change in fair value of cross currency swaps	(1,250)	(373)
Other investment income, net	847	8,468
Interest income from other financial assets	36,066	16,937
	(65,461)	(291,127)

7. Finance Costs

	2023 HK\$'000	2022 HK\$'000
Interest on:		
Bank borrowings	229,066	129,783
Other borrowings	-	5
Lease liabilities	3,768	1,173
Total interest	<u>232,834</u>	<u>130,961</u>
Exchange gain on translation of foreign currency bank and other borrowings	(1,356)	(932)
Other finance costs	<u>2,883</u>	<u>7,567</u>
	<u>234,361</u>	<u>137,596</u>
Less: Interest capitalised to investment properties under construction	<u>(10,988)</u>	<u>(4,475)</u>
	<u>223,373</u>	<u>133,121</u>

During the Year, the Group has capitalised borrowing costs at a rate of 5.48% (2022: 2.49%) per annum, amounting to approximately HK\$10,988,000 (2022: HK\$4,475,000) on qualifying assets.

8. Income Tax Expense

	2023 HK\$'000	2022 HK\$'000
The charge comprises:		
Current tax:		
Hong Kong Profits Tax	3,215	2,316
Other than Hong Kong	16,066	16,781
	19,281	19,097
Underprovision (overprovision) in prior years:		
Hong Kong Profits Tax	(124)	(877)
Other than Hong Kong	13,454	(2,635)
	13,330	(3,512)
Deferred tax:		
Current year (credit) charge	(5,453)	11,240
	<u>27,158</u>	<u>26,825</u>

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime are taxed at a flat rate of 16.5% (2022: 16.5%). The People's Republic of China ("PRC") Enterprise Income Tax for the PRC subsidiaries are calculated at the PRC Enterprise Income Tax rate of 25% (2022: 25%). During the Year, the Group is subject to tax rate in the United Kingdom that has been changed from 19% to 25% (2022: 19%). Taxation arising from other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

9. Profit for the Year

	2023 HK\$'000	2022 HK\$'000
Profit for the year has been arrived at after (charging) crediting:		
Total staff costs:		
Staff costs, including Directors' emoluments	(129,920)	(136,921)
Retirement benefit scheme contributions, net of forfeited contributions of approximately HK\$408,000 (2022: nil)	(8,140)	(8,615)
	(138,060)	(145,536)
Auditors' remuneration for audit services:		
Auditors of the Company	(2,128)	(2,038)
- Current year		
Other auditors	(592)	(542)
- Current year		
- Underprovision in prior years	-	(33)
	(2,720)	(2,613)
Auditors' remuneration for non-audit services:		
Auditors of the Company	(450)	(100)
Depreciation of:		
- Property, plant and equipment	(58,791)	(62,983)
- Right-of-use assets	(45,811)	(57,045)
	(104,602)	(120,028)
Exchange loss, net	-	(22,354)
Rental expenses from short-term leases	(3,875)	(2,202)
Cost of cosmetics products sold	(5,334)	(6,170)
Share of tax of investments accounted for using the equity method (included in share of results of investments accounted for using the equity method)		
- Share of tax credit (expense) of associates	1,786	(8,793)
Gross proceeds on sales of investments held-for-trading	617,279	1,486,761
Carrying amount of investments held-for-trading disposed of	(550,345)	(1,455,081)
Transaction costs on sales of investments held-for-trading	(1,125)	(3,048)
Gain on sales of investments held-for-trading included in revenue	65,809	28,632
Gross rental income from investment properties	257,223	293,650
Less: Direct operating expenses from investment properties that generated rental income during the year	(7,673)	(17,712)
Direct operating expenses from investment properties that did not generate rental income during the year	(12,719)	(10,344)
	236,831	265,594
Reversal of allowance for credit losses (allowance for credit losses) recognised, net in respect of:		
- Advances to associates	7,326	(7,421)
- Interest receivables from bonds	-	(11,156)
- Trade receivables	-	(1)

10. Dividends

On 15 August 2023, the Board had resolved not to declare any interim dividend for 2023 (2022: nil).

No final dividend for the Year (2022: nil) has been recommended by the Board.

11. Earnings per Share

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	2023 HK\$'000	2022 HK\$'000
Earnings:		
Earnings for the purposes of basic and diluted earnings per share		
Profit for the year attributable to owners of the Company	<u>76,832</u>	<u>1,152,235</u>
	Number of shares	
	2023	2022
Number of shares:		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	<u>1,907,619,079</u>	<u>1,907,619,079</u>

Diluted earnings per share for the years ended 31 December 2023 and 2022 were the same as the basic earnings per share as there were no potential ordinary shares of the Company in issue during both years.

12. Debtors, Deposits, Other Receivables and Prepayments

	2023 HK\$'000	2022 HK\$'000
Trade receivables (net of allowance for credit losses)	6,607	8,936
Deposits and prepayments	54,683	136,045
Interest receivables from bonds and structured products (net of allowance for credit losses)	4,665	2,791
Other receivables	<u>143,380</u>	<u>122,777</u>
	<u>209,335</u>	<u>270,549</u>
Analysed for reporting purpose as:		
Non-current	4,904	84,081
Current	<u>204,431</u>	<u>186,468</u>
	<u>209,335</u>	<u>270,549</u>

Included in debtors, deposits, other receivables and prepayments are trade receivables of approximately HK\$6,607,000 (2022: HK\$8,936,000), which comprised rental and building management fee receivables billed in advance and settlements from tenants which are expected upon receipts of billings and receivables from property management services and cosmetics business.

The carrying amounts of trade receivables (net of allowance for credit losses) of the Group's major businesses are as follows:

	2023 HK\$'000	2022 HK\$'000
Rental receivables from property leasing	1,262	1,183
Receivables from building and property management services	3,296	6,152
Receivables from cosmetics business	<u>2,049</u>	<u>1,601</u>
	<u>6,607</u>	<u>8,936</u>

12. Debtors, Deposits, Other Receivables and Prepayments (continued)

The following is the aged analysis of trade receivables (net of allowance for credit losses), presented based on the respective revenue recognition dates, at the end of the reporting period:

	2023 HK\$'000	2022 HK\$'000
0 - 30 days	3,336	4,813
31 - 60 days	1,652	2,640
61 - 90 days	933	637
Over 90 days	686	846
	<u>6,607</u>	<u>8,936</u>

13. Creditors and Accruals

Included in creditors and accruals are trade payables of approximately HK\$2,516,000 (2022: HK\$2,136,000).

The following is the aged analysis of trade payables, presented based on the invoice date, at the end of the reporting period:

	2023 HK\$'000	2022 HK\$'000
0 - 90 days	765	1,628
Over 90 days	1,751	508
	<u>2,516</u>	<u>2,136</u>

14. Capital Commitments

	2023 HK\$'000	2022 HK\$'000
Authorised and contracted for:		
Redevelopment expenditure of properties	523,046	638,180
Refurbishment of properties	27,516	2,396
Purchases of equipment and leasehold improvement	8,748	14,399
Capital investment in limited partnership (note)	-	51,866
	<u>559,310</u>	<u>706,841</u>

Note: The Group had committed to make a capital contribution of United States dollar ("US\$")100,000,000 in an exempted limited partnership formed under the Exempted Limited Partnership Law (Revised) of the Cayman Islands ("Cayman Islands Partnership"). During the Year, the Group proceeded winding up of this investment fund and it was dissolved at the end of the reporting period. Up to 31 December 2022, approximately US\$93,349,000 (equivalent to approximately HK\$724,064,000) among the contribution had been contributed by the Group. As at 31 December 2022, the outstanding amount was approximately US\$6,651,000 (equivalent to approximately HK\$51,866,000, after exchange adjustment).

15. Contingent Liabilities

	2023 HK\$'000	2022 HK\$'000
Guarantee given to a bank in respect of banking facilities in lieu of the cash public utility deposit jointly utilised by subsidiaries	15,000	15,000
Guarantee given to a bank in respect of a banking facility utilised by an investee company/indemnity given to a third party in relation to an investee company	613,830	613,830
	<u>628,830</u>	<u>628,830</u>

No provision for financial guarantee contracts and/or deed of indemnity have been made as at 31 December 2023 and 2022 as the Directors considered the default risk is low.

DIVIDENDS

The Board has not recommended the payment of final dividend for the Year (2022: nil).

Having considered the Company's dividend policy, to preserve more cash for the Group's future financial, property investment or securities investment opportunities, the Board has not recommended the payment of final dividend for the Year (2022: nil).

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the members' eligibility to attend and vote at the forthcoming annual general meeting of the Company to be held on 24 May 2024 (the "2024 AGM"), the register of members will be closed from 21 May 2024 to 24 May 2024, both days inclusive. In order to be eligible to attend and vote at the 2024 AGM, all properly completed share transfers documents accompanied by the relevant share certificates must be lodged for registration with the Company's Branch Registrar and Transfer Office in Hong Kong, namely Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 20 May 2024.

FINANCIAL OPERATION REVIEW

Results

Revenue

Revenue for the Year amounted to HK\$479.6 million (2022: HK\$1,435.0 million), a decrease of 66.6% over last year and comprised gross rental income of HK\$257.2 million (2022: HK\$293.7 million), gain on sales of investments held-for-trading on a net basis of HK\$65.8 million (2022: HK\$28.6 million), dividend income from listed and unlisted equity investments of HK\$81.7 million (2022: HK\$1,023.0 million), interest income from bonds and structured products of HK\$9.1 million (2022: HK\$22.0 million), building and property management services income of HK\$51.7 million (2022: HK\$52.0 million) and others of HK\$14.1 million (2022: HK\$15.7 million). The decrease in revenue was mainly due to decrease of dividend income from an investee company engages in property development and trading of HK\$938.0 million for the Year.

Gross Profit

Gross profit for the Year amounted to HK\$430.3 million (2022: HK\$1,376.7 million), a decrease of 68.7% as compared with last year which was also mainly due to decrease in dividend income from an investee company for the Year.

Property Leasing

For property leasing, the rental revenue in non-retail section decreased by 14.4% to HK\$195.1 million and retail section decreased by 5.5% to HK\$62.1 million during the Year. The total rental income in revenue for the Year recorded a decrease of 12.4% to HK\$257.2 million as compared with last year of HK\$293.7 million. The decrease in rental income was mainly due to the Group's investment properties located in the United Kingdom are undergoing redevelopment and asset enhancement works.

Together with the attributable rental revenue generated from associates and investee companies of HK\$121.3 million (2022: HK\$87.0 million), the total attributable rental revenue to the Group amounted to HK\$378.5 million (2022: HK\$380.7 million), which represents a decrease of 0.6% over last year.

Attributable net rental income for the Year showed HK\$323.1 million, a decrease of 0.8% over HK\$325.7 million in last year.

Property Development and Trading

During the Year, the Group did not dispose of any trading property (2022: no disposal).

In respect of properties held by an investee company, sales of 80 units and certain parking spaces of Grand Central in Kwun Tong (10% interest) were recorded by the investee company during the Year. Following the recognition of sales and profits by the investee company, the investee company declared dividends and hence dividend income from the investee company had contributed HK\$76.0 million (2022: HK\$1,014.0 million) to the Group's revenue and profit during the Year.

The Group's investee company recorded attributable sales of HK\$120.2 million (2022: HK\$186.8 million) for the Year.

Securities Investments

The Group has in the ordinary and usual course of business conducted its securities investment activities, as at 31 December 2023, comprised listed equity investments, bonds and treasury products. During the Year, the net loss (excluding gain/loss recognised in financial assets measured at FVTOCI reserve) recognised from securities investments and treasury products representing net loss on investments and treasury products at FVTPL of HK\$22.2 million (2022: HK\$274.0 million).

Investments and Treasury Products at Fair Value Through Profit or Loss

During the Year, the Group disposed of listed investments held-for-trading and recognised a realised gain of HK\$65.8 million (2022: HK\$28.6 million) (the gains/losses of which was included in revenue) with gross proceeds of HK\$617.3 million (2022: HK\$1,486.8 million). In addition, realised loss on bonds of HK\$5.9 million (2022: realised gain of HK\$0.3 million) and realised loss on structured products and derivative financial instruments of HK\$0.6 million (2022: HK\$0.6 million) were recorded during the Year.

During the Year, the Group recorded an unrealised loss of HK\$95.8 million (2022: HK\$318.3 million) representing the changes in fair value of bonds, listed equity investments and structured product and derivative financial instrument, comprised unrealised loss on bonds of HK\$65.9 million (2022: HK\$160.2 million), unrealised loss on listed investments held-for-trading of HK\$29.8 million (2022: HK\$158.1 million) and unrealised loss on derivative financial instrument of HK\$0.1 million (2022: minimal unrealised gain on structured product), which had no effect on the cash flow of the Group. The unrealised loss on bonds mainly included bonds issued by PRC-based real estate developers, the Group believes that the decrease in price of bonds in the industry of PRC-based real estate in the Year, among others, was owing to concerns about the liquidity and going concern issues and the tightening gearing policy over the real estate developers in the PRC. Given the unsatisfactory performance of stock market in Hong Kong during the Year, the price of listed equity investments experienced a downside in general.

During the Year, interest income from bonds and structured products (which were included in revenue) amounted to HK\$8.8 million (2022: HK\$21.0 million) and HK\$0.3 million (2022: HK\$1.0 million) respectively. Together with dividend income from listed equity investments at FVTPL (which were included in revenue) of HK\$5.1 million (2022: HK\$8.3 million), the Group recognised interest/dividend income from investments and treasury products at FVTPL of HK\$14.2 million (2022: HK\$30.3 million) for the Year.

Summing up the realised and unrealised gain/loss and adding the net income from net dividend income, interest income and other investment income/expenses of HK\$14.3 million (2022: net income from net dividend income, interest income, other investment income/expenses and net finance income/costs of HK\$16.0 million), the net loss recognised from securities investments and treasury products was HK\$22.2 million (2022: HK\$274.0 million) for the Year.

Listed Equity Investments at Fair Value Through Other Comprehensive Income

During the Year, the Group disposed all of its listed equity investment at FVTOCI and recorded a realised loss of HK\$65.2 million (inclusive of transaction costs) (2022: realised gain of HK\$15.0 million (inclusive of transaction costs) and an unrealised loss on fair value change of HK\$105.7 million), was recognised as other comprehensive expense. Realised gain/loss on fair value change is a cash item while unrealised fair value change is a non-cash item and will not affect the cash flow of the Group.

Other Income and Expenses

During the Year, the Group recorded other income of HK\$24.9 million (2022: HK\$18.0 million).

During the Year, administrative expenses decreased by 6.7% to HK\$333.9 million (2022: HK\$358.0 million). Finance costs increased by 67.8% to HK\$223.4 million (2022: HK\$133.1 million) during the Year, including exchange gain of HK\$1.4 million (2022: HK\$0.9 million) on translation of foreign currency bank borrowing. The increase in finance costs was mainly due to the surge in average interest rate during the Year.

Other gains and losses for the Year recorded a net gain of HK\$6.6 million (2022: loss of HK\$7.5 million), the turning from loss to gain for the Year was mainly due to reversal of allowance for credit loss recognised in respect of advance to an associate of HK\$7.4 million of which the credit loss was recorded in 2022.

Investments Accounted for Using the Equity Method

The share of results of investments accounted for using the equity method for the Year recorded a profit from the share of results of associates of HK\$296.3 million (2022: HK\$45.4 million). The increase of share of results of associates was mainly due to fair value change of investment properties held by associates turned from loss to gain and recognition of reversal of impairment loss by an associate during the Year.

Fair Value Changes on Investment Properties

Investment properties of the Group in Hong Kong and Mainland China were revalued at 31 December 2023 by Peak Vision Appraisals Limited (“Peak Vision Appraisals”) whereas investment properties in the United Kingdom were revalued by Moore Transaction Services Limited (“Moore Transaction”). Peak Vision Appraisals and Moore Transaction are independent qualified professional property valuers. An unrealised loss on fair value changes of investment properties of HK\$31.0 million (2022: unrealised gain of HK\$528.5 million) was recorded during the Year. The unrealised fair value change is a non-cash item and will not affect the cash flow of the Group.

Profit, Core Loss/Profit, Dividends, Repurchase and Total Comprehensive Income/Expenses

Profit

Profit for the Year attributable to owners of the Company was HK\$76.8 million as compared to HK\$1,152.2 million for last year. The decrease in profit for the Year was mainly due to (a) decrease in dividend income from an investee company; (b) turnaround of fair value changes of investment properties from gain to loss; and (c) increase in finance costs; despite of (d) decrease in net loss from results of investments and treasury products at FVTPL; and (e) increase in share of results of investments accounted for using the equity method during the Year. Earnings per share for the Year was HK\$0.04 (2022: HK\$0.60).

Core Loss/Profit

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

If the net gain on the major non-cash items of HK\$144.5 million (2022: HK\$513.1 million) is excluded, but the accumulated realised fair value gain and related deferred tax recognised in prior years on disposal of an investment property of HK\$0.5 million is included, the Group will have a core loss for the Year attributable to owners of the Company of HK\$67.2 million (2022: core profit of HK\$639.1 million) and a core loss per share of HK\$0.04 (2022: core profit per share of HK\$0.34).

The major non-cash items represented the attributable net unrealised fair value gain on investment properties together with their respective deferred tax from the Group and its associates of HK\$144.5 million (2022: HK\$513.1 million).

Dividends

No dividend was paid during the Year (2022: nil).

Repurchase

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

Total Comprehensive Income/Expenses

Total comprehensive income for the Year attributable to owners of the Company was HK\$227.5 million or HK\$0.12 per share (2022: total comprehensive expenses of HK\$403.8 million or HK\$0.21 per share), which comprised (a) profit for the Year attributable to owners of the Company of HK\$76.8 million (2022: HK\$1,152.2 million); and (b) other comprehensive income for the Year attributable to owners of the Company of HK\$150.6 million (2022: other comprehensive expenses of HK\$1,556.0 million) which mainly included (i) Pound Sterling ("GBP") exchange gain of foreign operations of HK\$284.6 million (2022: exchange loss of HK\$484.0 million); (ii) realised loss of HK\$65.2 million (inclusive of transaction costs) (2022: realised gain of HK\$15.0 million (inclusive of transaction costs) and unrealised loss of HK\$105.7 million) on fair value change of a listed equity investment at FVTOCI; and (iii) unrealised loss of HK\$49.7 million (2022: HK\$862.5 million) on fair value change of an unlisted equity security at FVTOCI as a result of the decrease in the carrying amount of the unlisted equity security by the corresponding amount upon declaration of dividend of HK\$76.0 million (2022: HK\$1,014.0 million) (as disclosed in the subparagraph headed "Property Development and Trading" of paragraph headed "Results" above).

Net Asset Value

As at 31 December 2023, the Group's net asset value attributable to owners of the Company amounted to HK\$14,211.5 million (2022: HK\$13,979.5 million), an increase of HK\$232.0 million or 1.7% when compared with 31 December 2022. With the total number of ordinary shares in issue of 1,907,619,079 as at 31 December 2023 and 2022, the net asset value per share attributable to owners of the Company was HK\$7.45 (2022: HK\$7.33). The movement in net asset value represented total comprehensive income for the Year attributable to owners of the Company of HK\$227.5 million and forfeiture of unclaimed dividends recorded in retained profits of HK\$4.5 million.

In view of the redevelopment plan of properties in Tsuen Wan, Hong Kong and "120 Fleet Street" in London, United Kingdom, certain redevelopment expenditures which have been authorised and contracted for have been disclosed in "Capital Commitments" in Note 14 to the consolidated financial statements. Going forward, further investment in capital expenditures for these two redevelopment properties are planned.

In addition, the Group also invested 10% interest in a property development project located at New Kowloon Inland Lot No. 6590, Kai Tak, Kowloon, Hong Kong. Details of the transaction were set out in the announcement and circular of the Company dated 14 September 2023 and 6 October 2023 respectively. Other than the existing projects and those disclosed in the final results, the Group did not have material acquisition or disposal of assets and any future plans for material investment or capital assets.

Net Current Liabilities

The Group recorded net current liabilities as at 31 December 2023 of HK\$960.5 million (2022: net current assets of HK\$18.8 million), of which current assets were HK\$1,555.1 million (2022: HK\$3,078.9 million) and current liabilities were HK\$2,515.6 million (2022: HK\$3,060.1 million).

The Directors are of the opinion that there will be sufficient financial resources available to the Group to enable it to meet its liabilities as and when they fall due. The Group believes that the net current liabilities position as at 31 December 2023 would not have adverse financial effect to the Group's liquidity or gearing position and the Group has ability to continue as a going concern.

Securities Investments

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

Securities Investments and Treasury Products

As at 31 December 2023, the portfolio of securities investments and treasury products of HK\$342.4 million comprised listed investments held-for-trading, bonds and derivative financial instrument (presented as financial assets/liabilities measured at FVTPL (non-current and current assets/liabilities)) (2022: HK\$702.3 million comprised listed investments held-for-trading, bonds and structured product (presented as financial assets measured at FVTPL (non-current and current assets)) in aggregate of HK\$592.5 million and listed equity investment (presented as financial assets measured at FVTOCI) of HK\$109.8 million), representing 1.8% (2022: 3.6%) of total assets.

Unlisted Securities Investments

The Group also invested in the Cayman Islands Partnership (presented as financial assets measured at FVTOCI) and the carrying amount was HK\$290.0 million as at 31 December 2022. During the Year, the Group has contributed US\$1.4 million (equivalent to approximately HK\$10.6 million) which was funded from its distribution and received distributions of US\$35.4 million (equivalent to approximately HK\$276.1 million) (which were included in financial assets measured at FVTOCI). The Group recognised fair value loss for the Year of HK\$24.5 million (which was recognised in financial assets measured at FVTOCI reserve). The Group proceeded winding up of the Cayman Islands Partnership and it was dissolved at the end of the reporting period.

Risk Management

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

Equity

The number of issued ordinary shares as at 31 December 2023 and 2022 were 1,907,619,079.

Debt and Gearing

As at 31 December 2023, the Group's total debt amounted to HK\$3,933.8 million (2022: HK\$4,975.5 million), comprised bank borrowings of HK\$3,851.8 million (2022: HK\$4,886.9 million) and lease liabilities amounted to HK\$82.0 million (2022: HK\$88.6 million). Cash and deposits at banks amounted to HK\$592.2 million (2022: HK\$2,038.8 million), pledged deposits amounted to HK\$152.9 million (2022: HK\$147.8 million) and net debt (including lease liabilities) amounted to HK\$3,188.7 million (2022: HK\$2,788.9 million).

Total debt to equity ratio (including lease liabilities) was 27.6% (2022: 35.5%) and net debt to equity ratio (including lease liabilities) was 22.4% (2022: 19.9%), which are expressed as a percentage of total debt, and net debt, respectively, over the total equity of HK\$14,235.1 million (2022: HK\$14,002.8 million).

If the securities investments and treasury products of HK\$342.4 million (2022: HK\$702.3 million) are included, the net debt to equity ratio would be 20.0% (2022: 14.9%).

As at 31 December 2023, the Group's bank borrowings of HK\$3,851.8 million, 49.1%, 7.8%, 1.9% and 41.2% were repayable within 1 year, on demand (bank borrowings that contain repayment on demand clause but repayable within a period of more than one year), 1 to 2 years and 2 to 5 years respectively. Of which the Group's bank borrowings were denominated in HK\$ (58.0%) and GBP (42.0%). As at 31 December 2023, the Group's bank borrowings were carried at interest rates calculated with reference to cost of funds, Hong Kong Interbank Offered Rate or compounded reference rate and all the Group's bank borrowings were on floating rate basis. No hedging for interest rate is subsisted at the end of the reporting period.

Pledge of Assets

As at 31 December 2023, the Group had pledged the following assets with their respective carrying amounts:

- (a) The Group's investment properties of HK\$9,281.6 million (2022: HK\$8,869.0 million), properties of HK\$40.3 million (2022: HK\$38.2 million) and bank deposits of HK\$152.9 million (2022: HK\$147.8 million) were pledged to the banks to secure general banking facilities granted to the Group.
- (b) Interests in certain subsidiaries of the Company have been pledged as part of the security to secure certain bank borrowings granted to the Group.

Financial and Interest Income/Expenses

Interest income was included in revenue and investment expenses, net. Interest income for the Year increased to HK\$46.4 million (2022: HK\$40.2 million), representing an increase of 15.4% as compared with last year which was mainly due to increase in interest income from bank deposits as result of the increase in interest rates during the Year.

Finance costs included interest expenses on bank borrowings and lease liabilities; exchange difference on translation of foreign currency borrowings; and arrangement fee and facility and commitment fee expenses. Interest expenses (excluding interest expenses on lease liabilities) for the Year amounted to HK\$218.1 million, representing a significant increase of 74.1% over last year of HK\$125.3 million. Interest capitalised for the Year was HK\$11.0 million (2022: HK\$4.5 million). The increase in interest expenses was mainly due to the surge in average interest rate during the Year. The average interest rate over the year under review was 5.93% (2022: 2.58%), which was expressed as a percentage of total interest paid (excluding interest on lease liabilities) over the average total interest-bearing borrowings.

Remuneration Policies

As at 31 December 2023, the Group employed a total of 495 staff (2022: 498 staff) including about 249 staff (2022: 260 staff) employed under the estate management company in Hong Kong and 9 staff (2022: 8 staff) in the United Kingdom.

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

United Kingdom and Mainland China

As at 31 December 2023, the Group's investment properties (excluding properties occupied for own use) in the United Kingdom with carrying amount of GBP705.4 million (equivalent to approximately HK\$7,023.7 million) (2022: GBP717.2 million (equivalent to approximately HK\$6,746.3 million)) incurred a net loss of HK\$297.6 million (2022: net profit of HK\$468.3 million) to the Group for the Year, the loss mainly included in gross profit, other income, fair value changes on investment properties, administrative expenses, finance costs and taxation. Due to appreciation of GBP against HK\$ during the Year, GBP exchange gain of foreign operations included in other comprehensive income for the Year amounted to HK\$284.6 million (2022: exchange loss of HK\$484.0 million). As at 31 December 2023, the Group's net investment in the United Kingdom amounted to HK\$5,517.3 million (2022: HK\$4,570.9 million) representing 38.8% (2022: 32.6%) of the Group's total equity.

Profit incurred by the Group's investment in Mainland China (mainly included in administrative expenses, share of results of investments accounted for using the equity method, other gains and losses and taxation (2022: also included in fair value changes on investment properties)) for the Year amounted to HK\$156.9 million (2022: loss of HK\$28.8 million). Due to depreciation of Renminbi ("RMB") against HK\$ during the Year, RMB exchange loss of foreign operations included in other comprehensive income for the Year amounted to HK\$4.0 million (2022: HK\$15.4 million). The Group's net investment in Mainland China as at 31 December 2023 amounted to HK\$352.5 million (2022: HK\$200.8 million) representing 2.5% (2022: 1.4%) of the Group's total equity.

Property Valuation

As at 31 December 2023, property valuations in respect of the Group's investment properties in Hong Kong and Mainland China were carried out by Peak Vision Appraisals (2022: B.I. Appraisals Limited), whereas the investment properties in the United Kingdom were carried out by Moore Transaction (2022: LCH (Asia-Pacific) Surveyors Limited), both are independent qualified professional property valuers. The valuations were based on investment method and/or direct comparison method and/or residual method as the valuation methodologies and were used in preparing 2023 final results.

The Group's investment properties were valued at HK\$13,957.7 million (2022: HK\$13,396.7 million (including those presented as assets classified as held for sale)), a decrease of 0.2% over 2022 after adjusted for the additions, disposal and exchange adjustments of investment properties during the Year. The decrease in fair value of HK\$31.0 million was recognised in the consolidated statement of comprehensive income for the Year. The Group shared an increase in fair value of investment properties of associates of HK\$164.3 million for the Year.

The decrease in fair value of HK\$31.0 million was mainly derived from the decrease in fair value of redevelopment properties located in Hong Kong and the United Kingdom. The unrealised fair value change is a non-cash item and will not affect the cash flow of the Group.

FINANCIAL INFORMATION

The financial information in this announcement does not constitute the Group's consolidated financial statements for the Year, but represents an extract from those consolidated financial statements. The final results of the Group for the Year have been reviewed by the Audit Committee of the Company.

Scope of work of HLB Hodgson Impey Cheng Limited

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income, and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Group's auditors, HLB Hodgson Impey Cheng Limited, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by HLB Hodgson Impey Cheng Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by HLB Hodgson Impey Cheng Limited on the preliminary announcement.

BUSINESS REVIEW

Hong Kong Property Investment and Development

As at 31 December 2023, the occupancy rate of the shops of Causeway Place in Causeway Bay was approximately 89.57%.

During the Year, the average occupancy rate of the office property, Harcourt House in Wanchai was approximately 74.64%. Together with the retail portion, the average occupancy rate of Harcourt House was approximately 76.27% during the Year.

Nos. 14-18 Ma Kok Street is an industrial site in Tsuen Wan. It will be redeveloped into a 25-storey industrial building (including 2 basement levels for parking and loading/unloading facilities). Its total gross floor area is approximately 227,954 square feet. Construction of the new development is currently underway, with the main contract works (basement and superstructure) in progress. The new building is expected to be completed by early 2025 and presale of the industrial units is rescheduled to the first quarter of 2024.

Nos. 86 and 88 Apliu Street is a 25-storey residential-cum-commercial building in Sham Shui Po. Retail portion at ground floor was fully let during the Year. Since September 2023, other floors have been let to a non-governmental organisation to operate a youth hostel in the name of Joseph's House under the "Youth Hostel Scheme – Subsidy Scheme for Using Hotels and Guesthouses as Youth Hostels" approved by the Government. Joseph's House consists a total of 42 rooms with up to 84 hostel places.

No. 1 Hung To Road (33.33% interest), a 33-storey industrial building in Kwun Tong, the average occupancy rate was approximately 99.27% during the Year.

Olympian City 3 (25% interest), the retail mall in The Hermitage residences in West Kowloon, the occupancy rate was approximately 98.11% as at 31 December 2023.

Coronation Circle (15% interest), the retail mall in The Coronation residences in West Kowloon, the average occupancy rate was approximately 29.85% during the Year.

Grand Central (10% interest) is a joint venture development project of the Group in Kwun Tong awarded by the Urban Renewal Authority, with a total gross floor area of around 1,853,561 square feet. It comprises two phases with 4 residential tower blocks and provides 1,999 residential units in aggregate. Up to 31 December 2023, 1,022 units of first phase and 971 units of second phase were sold and completed.

In September 2023, the Group formed a joint venture to acquire the land parcel at New Kowloon Inland Lot No. 6590, Kai Tak Area 2A Site 2 and Site 3, Kai Tak, Kowloon (10% interest) by tender. The total site area of the land is approximately 145,303 square feet and its total gross floor area is around 992,279 square feet. The land was handed over from the Government in October 2023. It will be developed into a residential and retail development together with government, institution or community facilities. The development is expected to be completed by the fourth quarter of 2030.

Mainland China Property Investment

Hilton Beijing (50% interest), is a five-star international hotel having 506 rooms. 5th to 14th floors of the hotel main tower were pending for renovation. Therefore, during the Year, there were 308 rooms available for rent and its average occupancy rate was approximately 85.66%.

Oriental Place (50% interest), is a 10-storey office building next to Hilton Beijing. Its average occupancy rate was approximately 86.33% during the Year.

Overseas Property Investment and Development

“120 Fleet Street” consists of a freehold office building known as River Court and the Grade II* listed Daily Express Building, situated at 116-129 Fleet Street, London, United Kingdom. It provides a total net internal area of approximately 429,980 square feet, together with certain car parking spaces. As at 31 December 2023, demolition works of River Court were completed. River Court will be redeveloped into a 21-storey high rise Grade A office led, mixed use building with 2 basement levels, and is expected to comprise approximately 540,800 square feet of office space and approximately 18,600 square feet of retail space and will be renamed as Evergo Tower, while Daily Express Building will be retained and refurbished. The project is expected to be completed in late 2026 tentatively.

“14 St George Street” is a freehold office building located in London, United Kingdom with total net internal area of around 51,861 square feet. Office accommodation is arranged over lower ground, ground and four upper floors. Its average occupancy rate during the Year was approximately 98.48%.

“61-67 Oxford Street and 11-14 Soho Street” is a mixed use freehold building located in London, United Kingdom, comprising approximately 55,151 square feet in aggregate. The building provides retails, office and residential accommodation, occupying approximately 33,843 square feet, 13,694 square feet and 7,614 square feet respectively, over lower ground, ground and six upper floors. As at 31 December 2023, it was fully let.

“11 and 12 St James’s Square and 14 to 17 Ormond Yard” is a mixed use freehold building located in London, United Kingdom. Its total net internal area is around 82,374 square feet. Office accommodation is arranged over lower ground, ground and six upper floors. The occupancy rate was approximately 46.90% during the Year on average. Upgrading works to part of the office spaces were commenced in October 2023.

Securities Investment

The Group’s strategy is to maintain securities investment portfolio for treasury management. As at 31 December 2023, the Group’s securities investment portfolio comprised of listed equity investments, bonds and treasury products. The Group’s primary objectives when managing capital are to safeguard the abilities of the entities in the Group to continue as a going concern, so that it can continue to provide returns for shareholders of the Company. The Group’s strategy for future investments is to invest in a diversified portfolio to minimise risks with attractive yield, good liquidity and issuers from reputable entities, so as to maintain a healthy financial status and grasp every good investment chance.

The net loss recognised from securities investments and treasury products for the Year was approximately HK\$22.2 million. Details of the performance of securities investments are disclosed in the “Financial Operation Review” of this announcement.

The Group will continue to closely monitor its portfolio of securities investment to achieve satisfactory returns.

OTHER INFORMATION

Leasing of Windsor House – Connected Transaction and Continuing Connected Transaction

On 13 March 2023, the Group (as tenant) entered into a tenancy agreement in relation to the renewal of the leasing of the whole of 39th floor of Chubb Tower, Windsor House (the “Premises”) with a company indirectly owned by Ms. Chan, Hoi-wan (an Executive Director, the Chief Executive Officer of the Company and a trustee of the substantial shareholders of the Company (who are her minor children)) as trustee for her minor children (as landlord) (the “Transaction”), for the purpose of continuing to use the Premises as being part of the headquarter of the Group. The Transaction constituted a connected transaction and a continuing connected transaction for the Company under the Listing Rules as more described in the Company’s announcement dated 13 March 2023.

Changes in Directors, Group Financial Controller, Company Secretary, Authorised Representative and Members of Board Committees

On 10 March 2023, the Board appointed Mr. Leung, Yun-fai as an Independent Non-executive Director (“INED”), and a member of the Audit Committee, the Remuneration Committee, the Nomination Committee and the Investment Committee of the Company respectively with effect from the conclusion of relevant Board meeting held on 10 March 2023.

On 10 May 2023, Mr. Lam, Kwong-wai (“Mr. Lam”) resigned from his offices of an Executive Director, the Group Financial Controller and the Company Secretary of the Company with effect from the conclusion of the annual general meeting of the Company held on 25 May 2023 (the “AGM”). Following the resignation of Mr. Lam, he ceased to act as an authorised representative of the Company under Rule 3.05 of the Listing Rules (the “Authorised Representative”) as well as a member and the Chief Investment Officer of the Investment Committee of the Company. The Board appointed Ms. Chau, Yuen-fun as the Group Financial Controller; Ms. Mak, Kai-yee as the Company Secretary and the Authorised Representative; and Ms. Chan, Lok-wan (an Executive Director) as a member and the Chief Investment Officer of the Investment Committee in succession to Mr. Lam.

The Board currently comprised eight Directors with INEDs representing more than one-third of the Board.

Forfeiture of Unclaimed Dividends

As announced on 21 July 2023, all dividends declared on or before 31 May 2017 remaining unclaimed on 21 August 2023 be forfeited and reverted to the Company.

Contract for Services – Continuing Connected Transactions

On 16 August 2023, the Group entered into a contract for services with Ms. Chan, Hoi-wan (an Executive Director, the Chief Executive Officer of the Company and a trustee of the substantial shareholders of the Company (who are her minor children)), whereby the Group agreed to provide to Ms. Chan, Hoi-wan and/or her associate(s) or relative(s) leasing administration services, sale administration services, property management services, property administration services, asset management and maintenance services, rental services, advisory and consultancy services, and other ordinary services for a term of three years commenced on 1 November 2023 (the “Contract”). The entering into of the Contract and the transactions contemplated thereunder constituted continuing connected transactions for the Company under the Listing Rules as more described in the Company’s announcement dated 16 August 2023.

Formation of Joint Venture and Successful Tender of Land by Joint Venture – Major Transaction

As announced on 14 September 2023, a joint venture (formed and ultimately held by the Company, Sino Land Company Limited (stock code: 83), China Overseas Land and Investment Limited (stock code: 688) and Great Eagle Holdings Limited (stock code: 41)) had on 13 September 2023 received confirmation from the Government accepting its tender for the land situated at Kai Tak Area 2A Site 2 and Site 3, Kai Tak, Kowloon, Hong Kong (the “Land”) at the land premium of HK\$5,350 million (the “Acquisition”).

The Land will be developed into a residential and retail development together with government accommodation with disposal of the residential units erected thereon as the prime objective.

The Acquisition and the joint venture arrangements constituted major transaction for the Company under the Listing Rules as more described in the Company's announcement dated 14 September 2023 and circular dated 6 October 2023.

PROSPECTS

The global economy proved to be more resilient than expected in 2023, at 3% global gross domestic product growth surpassed consensus expectations by 1 percentage point; and was trending towards a state of new normalcy, amid the uncertainties that have been occurring over the past year, like tightening financial conditions, simmering geopolitical tensions, stubborn inflation, etc.

The local residential property market, amid the persistent high interest rates and the challenging external environment, has turned more sluggish in the third quarter of 2023. Buyers' purchasing power is still heavily affected by the interest rates and the slow economic growth. It is anticipated that potential interest rate cuts in the later parts of 2024, together with the recent Government's relaxation measures, could stimulate market transaction volume and stabilise prices.

Supported by inbound tourism and private consumption, Hong Kong's economy has continued to revive since the last quarter of 2023, will remain as key drivers behind a solid economic growth in the near term. The Group considers the Government's initiatives in organising of promotional activities and mega events for tourism could attract more inbound tourists and boost customer spending, which would benefit the Group's retail investment properties.

On the social community front, the Group joined hands with a non-governmental organisation to develop a youth hostel project, named Joseph's House, which has begun operations during 2023. The Group is dedicated to creating values for society. In future, we will continue to participate charitable activities to show our love, care and support to the society, and to further strengthen the connection with the community and bring positive changes to the community.

In the United Kingdom, the Group is undergoing property redevelopment and asset enhancements for our investment properties located in the heart of London, and thus rental income will be affected. The Group believes that the revamped properties will meet high demands of top-tier international commercial occupiers. We consider sustainability as a strategy in creating long-term business value.

Looking into the year ahead, volatility and uncertainties are likely to remain in place. The Group is poised to meet challenges and seek opportunities for future growth.

CORPORATE GOVERNANCE

Throughout the Year, the Company had applied the principles and complied with the code provisions and certain recommended best practices set out in the Corporate Governance Code contained in Appendix C1 (formerly Appendix 14) to the Listing Rules, except the following deviation(s):-

Chairman / Non-executive Director Attending General Meeting

Mr. Lau, Ming-wai, the Chairman of the Board and a Non-executive Director, was unable to attend the AGM as he had business engagement. Mr. Chan, Kwok-wai, the chairman of the Audit Committee and Remuneration Committee, was elected as the chairman of the AGM to ensure effective communication with shareholders of the Company at the AGM. The chairman of the Nomination Committee, Ms. Phillis Loh, Lai-ping had also attended the AGM.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms without deviation from the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 (formerly Appendix 10) to the Listing Rules (the "Model Code"). All Directors, after specific enquiries by the Company, confirmed that they had complied with the required standard set out in the Model Code and the said code of conduct during the Year.

The Company has also adopted a code of conduct regarding securities transactions by relevant employees on terms no less exacting than the required standard set out in the Model Code. All the relevant employees (the “Relevant Employees”) who, because of office or employment, are likely to be in possession of unpublished inside information in relation to the Group’s securities had been requested to follow such code when dealing in the securities of the Company. After specific enquiries by the Company, the Relevant Employees confirmed that they had complied with the required standard set out in the said code during the Year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

During the Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities.

APPRECIATION

We would like to take this opportunity to express our gratitude to the shareholders for their continuing support. We would also like to express our sincere thanks to all staff members for their dedication and hard work.

On behalf of the Board
Lau, Ming-wai
Chairman

Hong Kong, 15 March 2024

As at the date of this announcement, the Board comprised Ms. Chan, Hoi-wan and Ms. Chan, Lok-wan as Executive Directors, Mr. Lau, Ming-wai and Ms. Amy Lau, Yuk-wai as Non-executive Directors, and Mr. Chan, Kwok-wai, Mr. Leung, Yun-fai, Ms. Phillis Loh, Lai-ping and Mr. Ma, Tsz-chun as Independent Non-executive Directors.

Website: <https://www.chineseestates.com>

This results announcement is published on the website of the Company (<https://www.chineseestates.com>) and the HKEXnews website (<https://www.hkexnews.hk>).

Results Highlights will also be posted on the Company’s website on 15 March 2024.