中澤豐國際有限公司
RENZE HARVEST INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01282)

2024 ANNUAL RESULTS ANNOUNCEMENT

The board of directors (the "**Board**") of Renze Harvest International Limited (the "**Company**") would like to announce the audited consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2024 (the "**Year**").

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	**2024** **HK$'000**	2023 HK$'000
Revenue	*4*	**1,142,968**	740,268
Cost of sales		**(780,130)**	(601,688)
Gross profit		**362,838**	138,580
Other gains/(losses) — net	*5*	**28,783**	(7,391)
Other income	*5*	**4,606**	15,218
Fair value loss on investment properties		**(280,741)**	(20,704)
Recovery of impairment losses on financial assets arising from acquisition of a subsidiary		**–**	259,117
Gain on bargain purchase from acquisition of a subsidiary	*16*	**–**	550,515
Impairment losses on financial assets and contract assets — net	*6*	**(20,839)**	(382,958)
Write-down of inventories of properties	*6*	**(151,329)**	(170,009)
Distribution costs		**(43,563)**	(20,121)
Administrative expenses		**(217,669)**	(244,617)
(Loss)/profit from operations		**(317,914)**	117,630
Finance costs — net	*7*	**(59,741)**	(31,061)
Share of results of associates		**(12,235)**	(18,472)
(Loss)/profit before income tax		**(389,890)**	68,097
Income tax credit/(expense)	*8*	**70,300**	(12,816)
(Loss)/profit for the year		**(319,590)**	55,281

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended 31 December 2024

	Notes	**2024** **HK$'000**	2023 HK$'000
(Loss)/profit attributable to:			
Owners of the Company		**(227,171)**	102,497
Non-controlling interests		**(92,419)**	(47,216)
		(319,590)	55,281
Other comprehensive (expense)/income:			
Items that may be reclassified to profit or loss:			
Currency translation differences		**(146,228)**	(147,273)
Share of other comprehensive income/(expense) of associates		**11,147**	(19,984)
Items that will not be reclassified to profit or loss:			
Net changes in the fair value of equity instruments designated at fair value through other comprehensive income ("**FVOCI**")		**(924)**	(52,937)
Other comprehensive expense for the year		**(136,005)**	(220,194)
Total comprehensive expense for the year		**(455,595)**	(164,913)
Total comprehensive expense for the year attributable to:			
Owners of the Company		**(430,095)**	(57,667)
Non-controlling interests		**(25,500)**	(107,246)
		(455,595)	(164,913)

		2024 **HK cents**	2023 HK cents
(Loss)/earnings per share	10		
— Basic and diluted		**(8.48)**	4.74

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	2024 HK$'000	2023 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**351,704**	479,882
Investment properties		**4,919,531**	5,465,774
Intangible assets		**133,356**	151,199
Investments in associates		**–**	97,529
Financial assets at FVOCI	*11*	**23,312**	38,076
Finance lease receivables		**245**	840
Deferred tax assets		**19,242**	19,662
		5,447,390	6,252,962
Current assets			
Inventories		**48,189**	48,652
Properties under development		**1,597,328**	1,600,065
Completed properties held for sale		**777,221**	1,284,471
Loans and advances	*12*	**147,301**	132,339
Trade receivables	*13*	**268,160**	80,432
Contract assets		**17,445**	14,344
Finance lease receivables		**8,348**	1,113
Amount due from related companies		**–**	457,570
Prepayments, deposits and other receivables		**290,154**	380,540
Current tax recoverable		**36,304**	38,893
Financial assets at fair value through profit or loss (“**FVTPL**”)	*14*	**198,353**	141,807
Client trust bank balances		**169,812**	132,285
Pledged bank deposits and restricted deposits		**146,073**	515,367
Cash and cash equivalents		**777,707**	562,293
		4,482,395	5,390,171
Total assets		**9,929,785**	11,643,133

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2024

	Notes	**2024** **HK$'000**	2023 HK$'000
Current liabilities			
Trade and bills payables	*15*	**1,066,430**	1,119,629
Contract liabilities		**416,881**	530,471
Accruals and other payables		**653,232**	473,242
Borrowings		**1,276,997**	1,090,562
Lease liabilities		**2,154**	1,278
Current tax liabilities		**192,220**	189,300
		3,607,914	3,404,482
Net current assets		**874,481**	1,985,689
Total assets less current liabilities		**6,321,871**	8,238,651
Non-current liabilities			
Other payables		**13,623**	13,921
Borrowings		**332,896**	632,831
Lease liabilities		**2,834**	1,442
Deferred tax liabilities		**382,229**	491,205
		731,582	1,139,399
Total liabilities		**4,339,496**	4,543,881
NET ASSETS		**5,590,289**	7,099,252
EQUITY			
Share capital		**26,800**	26,800
Reserves		**5,066,839**	5,050,827
Equity attributable to owners of the Company		**5,093,639**	5,077,627
Non-controlling interests		**496,650**	2,021,625
TOTAL EQUITY		**5,590,289**	7,099,252

NOTES

1. GENERAL INFORMATION

Renze Harvest International Limited (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1–1111, Cayman Islands, and its principal place of business is Room 2308, 23/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong.

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

2. BASIS OF PREPARATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("**HKFRSs**"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange and the Hong Kong Companies Ordinance. Material accounting policy information adopted by the Group are disclosed below.

The HKICPA has issued certain new and amendments to HKFRSs which are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these consolidated financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the "**Group**") and the Group's interests in associates.

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

2. BASIS OF PREPARATION (Continued)

(b) Basis of preparation of the financial statements (Continued)

The preparation of financial statements in accordance with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS

3.1 Amendments to HKFRSs that are mandatorily effective for the current year

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group.

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 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

Except for the below, the application of the above amendments and HKFRSs has had no material impact on the Group's financial performance and position for the current and prior periods and/or the disclosures set out in these consolidated financial statements.

3. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

3.1 Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

Impacts on adoption of Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the "2020 Amendments") and Amendments to HKAS 1 Non-current Liabilities with Covenants (the "2022 Amendments")

The Group has adopted the amendments for the first time in current year.

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the amendments clarify that:

(i) What is meant by a right to defer settlement;

(ii) That a right to defer must exist at the end of the reporting period;

(iii) That classification is unaffected by the likelihood that an entity will exercise its deferral right; and

(iv) That only if an option at the discretion of the counterparty included in the terms of a convertible liability is itself an equity instrument in accordance with HKAS 32 Financial Instrument: Presentation would not affect the current or non-current classification of the liability.

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the 2022 Amendments specify that only covenants with which an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date, even if compliance with the covenant is assessed only after the reporting date. Covenants with which an entity must comply after the reporting date do not affect the classification of a liability as current or non-current at the reporting date.

In addition, the 2022 Amendments specify the disclosure requirements about information that enables users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period, if an entity classifies liabilities arising from loan arrangements as non-current when the entity's right to defer settlement of those liabilities is subject to the entity complying with covenants within twelve months after the reporting period.

3. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

3.1 Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

Impacts on adoption of Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the "2020 Amendments") and Amendments to HKAS 1 Non-current Liabilities with Covenants (the "2022 Amendments") (Continued)

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 1 January 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial adoption of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

3.2 Amendments to HKFRSs in issue but not yet effective

Up to the date of issue of these consolidated financial statements, the HKICPA has issued a number of new or amendments to HKFRSs, which are not yet effective for the year ended 31 December 2024 and which have not been early adopted in these consolidated financial statements. These developments include the following which may be relevant to the Group.

		Effective for annual periods beginning on or after
Amendments to HKAS 21	Lack of Exchangeability	1 January 2025
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature – dependent Electricity	1 January 2026
Amendments to HKFRS Accounting Standards	Annual improvements to HKFRS Accounting Standards-Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in financial Statements	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

3.2 Amendments to HKFRSs in issue but not yet effective (Continued)

HKFRS 18 Presentation and Disclosure of Financial Statements

This standard introduces the following three sets of new requirements to improve entities' reporting of financial performance and give investors a better basis for analysing and comparing entities:

- Presentation of new defined subtotals in the statement of profit or loss;
- Disclosures about management-defined performance measures; and
- Enhanced requirements for grouping (aggregation and disaggregation) of information.

HKFRS 18 supersedes HKAS 1 "Presentation of Financial Statements". Requirements in HKAS 1 that are unchanged have been transferred to HKFRS 18 and other HKFRSs. HKFRS 18 is effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. The Group is still currently assessing the impact that HKFRS 18 will have on the Group.

4. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer of the Company (the "**CEO**") that are used to make strategic decisions.

The reportable segments were classified as follows:

— Automation segment represents the trading of automated production related equipment trading business in Hong Kong and the People's Republic of China (the "**PRC**");

— Financial Services segment represents regulated business activities in respective to financial services under the Securities and Future Ordinance ("**SFO**") in Hong Kong;

— Property Investment and Development segment represents the properties investment activities, property development project, hotel and restaurant operations and provision of construction works in Hong Kong and the PRC; and

— Securities Investment segment represents the investment activities through direct investments in listed and unlisted securities.

The revenue from external parties is measured in a manner consistent with that in the consolidated financial statements.

Inter-segment pricing is based on similar terms as those available to other external parties.

4. SEGMENT INFORMATION (Continued)

Revenue from Automation segments are derived from the sales of automated production related products net of returns and installation and maintenance income. Revenue from Securities Investment segment is derived from realised and unrealised gains/(losses) of financial assets at FVTPL. Revenue from Financial Services segment includes commission and brokerage income on dealings in securities, interest income from money lending, management fee and performance fee income from financial services. Revenue from Property Investment and Development segment is derived from the sale of properties, property management income and rental income.

The CEO assesses the performance of the operating segments based on a measure of operations, which is in a manner consistent with that of the consolidated financial statements. The measurement of segment results excludes the effect of unallocated corporate income and expenses, as these type of activities are managed by central finance and accounting function, which manages the working capital of the Group. In addition, share of results of associates, reversal of/provision for impairment losses on financial assets and contract assets, gain on bargain purchase from acquisition of a subsidiary, recovery of impairment losses on financial assets arising from acquisition of a subsidiary are not allocated to segments.

4. SEGMENT INFORMATION (Continued)

Segment revenue and results

	Automation *HK$'000*	Financial Services *HK$'000*	Property Investment and Development *HK$'000*	Securities Investment *HK$'000*	Total *HK$'000*
Year ended 31 December 2024					
Revenue	**511,142**	**57,309**	**548,444**	**33,892**	**1,150,787**
Inter-segment revenue	**(2,317)**	**(3,205)**	**(2,297)**	**–**	**(7,819)**
Revenue from external customers	**508,825**	**54,104**	**546,147**	**33,892**	**1,142,968**
Segment results	**42,436**	**27,327**	**(425,582)**	**(22,195)**	**(378,014)**
Share of results of associates					**(12,235)**
Unallocated reversal of impairment losses on financial assets and contract assets — net					**9,731**
Unallocated other gains — net					**1,450**
Unallocated other income					**1,898**
Unallocated administrative expenses					**(46,661)**
Unallocated finance costs — net					**33,941**
Loss before income tax					**(389,890)**

4. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

	Automation *HK$'000*	Financial Services *HK$'000*	Property Investment and Development *HK$'000*	Securities Investment *HK$'000*	Total *HK$'000*
Year ended 31 December 2023					
Revenue	440,433	40,526	360,068	(84,445)	756,582
Inter-segment revenue	(8,586)	(2,347)	(5,381)	–	(16,314)
Revenue from external customers	431,847	38,179	354,687	(84,445)	740,268
Segment results	12,598	(70,531)	(249,479)	(86,120)	(393,532)
Share of results of associates					(18,472)
Unallocated impairment losses on financial assets and contract assets — net					(252,640)
Unallocated other gains — net					1,802
Unallocated other income					1,158
Unallocated administrative expenses					(33,128)
Unallocated finance costs — net					48,779
Gain on bargain purchase from acquisition of a subsidiary					550,515
Recovery of impairment losses on financial assets arising from acquisition of a subsidiary					163,615
Profit before income tax					68,097

4. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

Disaggregation of the Group's revenue from major products or service lines:

	2024	2023
	HK$'000	*HK$'000*
Revenue from contracts with customers within the scope of HKFRS 15		
— Sale of goods	**479,580**	413,499
— Sale of properties	**377,890**	196,149
— Installation and maintenance income	**5,904**	4,653
— Commission and brokerage income	**13,492**	12,992
— Management fee and performance fee income	**1,061**	533
— Others	**4,067**	1,579
	881,994	629,405
Revenue from other sources		
— Securities investment gain/(loss)	**21,508**	(99,035)
— Interest income	**56,219**	42,925
— Rental income	**183,247**	166,973
	260,974	110,863
Total revenue	**1,142,968**	740,268
Timing of revenue recognition		
At a point in time	**875,029**	624,219
Transferred over time	**6,965**	5,186
	881,994	629,405

5. OTHER GAINS/(LOSSES) — NET AND OTHER INCOME

	2024	2023
	HK$'000	*HK$'000*
Other gains/(losses) — net		
Gain on disposal of property, plant and equipment	**45,129**	28
Gain/(loss) on disposal of a subsidiary	**476**	(618)
Loss on derecognition of subsidiaries	**(20,438)**	–
Loss allowance on financial guarantee contract	**–**	(9,517)
Others	**3,616**	2,716
	28,783	(7,391)
Other income		
Dividend income	**762**	65
Government subsidies *(Note(a))*	**23**	3,031
Sundry income	**3,821**	12,122
	4,606	15,218

Note:

(a) For the years ended 31 December 2024 and 2023, the government subsidies represented the support of the Group's automation business from the relevant government authorities. The Group has complied with the requirements set out in the subsidy notice or relevant law and regulations.

6. (LOSS)/PROFIT FOR THE YEAR

	2024	2023
	HK$'000	*HK$'000*
Auditor's remuneration		
— Audit services	**3,073**	3,328
Cost of inventories and inventories of properties recognised as expenses	**801,424**	563,394
Amortisation of intangible assets	**48**	48
Depreciation of property, plant and equipment	**16,800**	56,180
Directors and chief executives emoluments	**4,040**	6,399
Employee benefit expenses	**79,989**	94,164
Foreign exchange loss	**28,531**	22,462
Short-term lease expenses	**3,012**	2,535
Write-down of inventories of properties:	**(151,329)**	(170,009)
— properties under development	**–**	(54,229)
— completed properties held for sale	**(151,329)**	(115,780)
Impairment losses on financial assets and contract assets — net	**20,839**	382,958

7. FINANCE COSTS — NET

	2024	2023
	HK$'000	*HK$'000*
Finance income:		
— Interest income on bank deposits	**42,763**	35,608
— Interest income on financial assets at amortised cost	**23,556**	26,185
	66,319	61,793
Finance costs:		
— Bank loans	**(10,388)**	(9,273)
— Corporate bonds	**(21,079)**	(16,477)
— Other loans	**(94,313)**	(66,484)
— Lease liabilities	**(280)**	(620)
	(126,060)	(92,854)
Finance costs — net	**(59,741)**	(31,061)

8. INCOME TAX (CREDIT)/EXPENSE

Income tax has been recognised in profit or loss as following:

	2024	2023
	HK$'000	*HK$'000*
Current tax		
— Hong Kong Profits tax	**656**	7,931
— PRC enterprise income tax	**5,314**	1,581
— PRC land appreciation tax ("**LAT**")	**18,879**	13,388
	24,849	22,900
Over-provision in prior years	**(277)**	(18)
	24,572	22,882
Deferred tax	**(94,872)**	(10,066)
	(70,300)	12,816

9. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company (the "**Shareholders**") during the reporting period, nor has any dividend been proposed since the end of the reporting period (2023: nil).

10. (LOSS)/EARNINGS PER SHARE

The basic (loss)/earnings per share for the year is calculated by dividing the loss attributable to owners of the Company of HK$227,171,000 (2023: profit HK$102,497,000) by the weighted average number of ordinary shares in issue of 2,680,000,000 (2023: 2,160,411,000) during the year. There were no potential dilutive ordinary share outstanding for both years and therefore the dilutive (loss)/earnings per share is the same as basic (loss)/earnings per share.

11. FINANCIAL ASSETS AT FVOCI

	2024	2023
	HK$'000	*HK$'000*
Equity investments designated at FVOCI		
Listed shares:		
— Equity securities — Norway	**–**	5,776
— Equity securities — the USA	**110**	37
— Equity securities — Hong Kong	**18,996**	28,057
	19,106	33,870
Unlisted shares	**4,206**	4,206
	23,312	38,076

The above equity investments were irrevocably designated at FVOCI as the Group considers these investments to be strategic in nature.

As at 31 December 2024, unlisted securities which quoted market price is not available of aggregated carrying amount of approximately HK$4,206,000 (2023: HK$4,206,000) are measured at fair value and determined by market approach using backsolve method which are not based on observable inputs.

The fair values of listed securities are determined on the basis of their quoted market prices at the end of reporting period.

11. FINANCIAL ASSETS AT FVOCI (Continued)

Changes in fair value of the above equity securities are recognised in other comprehensive income and accumulated within the financial assets at FVOCI reserve within equity. The Group transfers amounts from FVOCI reserve to retained earnings when the relevant equity securities are derecognised.

12. LOANS AND ADVANCES

	Notes	**2024** ***HK$'000***	2023 *HK$'000*
Loans and advances	*(a)*	**768,050**	802,190
Margin loans receivables	*(b)*	**78,234**	51,761
		846,284	853,951
Less: Provision for impairment		**(698,983)**	(721,612)
		147,301	132,339

Notes:

(a) The gross amounts of loans and advances of approximately HK$366,838,000 (2023: HK$442,055,000) are secured by charges over the properties and listed securities of the borrowers, and/or backed by guarantee. Credit limits are set for borrowers based on the quality of collateral held and the financial background of the borrowers. There is no significant change in the quality of those collaterals as a result of deterioration or changes in the collateral policies of the entity during both reporting periods.

The loans and advances are interest bearing at fixed rates, ranging from 5% to 18% (2023: 5% to 18%) per annum.

(b) The credit facility limits granted to margin clients are determined by the discounted market value of the collateral securities accepted by the Group.

The loans to margin clients are secured by the underlying pledged securities and are interest bearing at fixed rates, ranging from 5.6% to 18% (2023: 5.6% to 18%) per annum. The Group maintains a list of approved stocks for margin lending at a specified loan to collateral ratio. Any excess in the lending ratio will trigger a margin call and the clients have to make good the shortfall.

As at 31 December 2024, margin loan receivables were secured by securities pledged by the clients to the Group as collateral with undiscounted market value of approximately HK$231,008,800 (2023: HK$490,118,000). There is no significant change in the quality of those collaterals as a result of deterioration or changes in the collateral policies of the entity during both reporting periods.

13. TRADE RECEIVABLES

	2024	2023
	HK$'000	*HK$'000*
Trade receivables	**282,795**	93,591
Less: Provision for impairment	**(14,635)**	(13,159)
Trade receivables — net	**268,160**	80,432

For customers of Automation segment, a credit period ranging from 30 days to 180 days (2023: 30 days to 60 days) after acceptance is generally granted with exception of some trade customers where the credit period of 6 to 12 months (2023: 6 to 12 months) are granted. For customers of Property Investment and Development, the balances are due upon issuance of invoices or within 2 days (2023: upon issuance of invoices or within 2 days). The Group does not hold any collateral over these balances.

The ageing analysis of gross trade receivables based on invoice date are as follows:

	2024	2023
	HK$'000	*HK$'000*
0 to 30 days	**79,560**	30,147
31 to 60 days	**25,087**	6,223
61 to 90 days	**12,792**	2,031
91 to 120 days	**125,348**	12,228
Over 120 days	**40,008**	42,962
	282,795	93,591

14. FINANCIAL ASSETS AT FVTPL

	2024	2023
	HK$'000	*HK$'000*
Listed securities:		
— Equity securities — Hong Kong	**20,585**	12,957
Debt investments at FVTPL	**177,768**	128,850
	198,353	141,807

The fair value of the listed securities are based on their current bid prices in an active market.

15. TRADE AND BILLS PAYABLES

	2024	2023
	HK$'000	*HK$'000*
Trade payables	**1,053,031**	1,076,783
Bills payables	**13,399**	42,846
	1,066,430	1,119,629

The ageing analysis of trade and bills payables based on invoice date is as follows:

	2024	2023
	HK$'000	*HK$'000*
0 to 30 days	**212,588**	207,664
31 to 60 days	**10,266**	2,991
61 to 90 days	**3,731**	4,996
91 to 120 days	**5,440**	2,961
Over 120 days	**834,405**	901,017
	1,066,430	1,119,629

The average credit period of trade payables ranged from 30 days to 60 days (2023: 30 days to 60 days) for suppliers of Automation segment; ranged from 1 day to 2 days (2023: 1 day to 2 days) after the trade date where the transactions are executed in relation to provision of securities brokerage services; and ranged from 180 days to 365 days (2023: 180 days to 365 days) in relation to Property Investment and Development segment.

16. DISPOSAL OF A SUBSIDIARY

Disposal of Shenzhen Bangkai Commercial Property Co., Ltd during the year ended 31 December 2024

On 15 March 2024, the Group entered into sales and purchase agreements with two independent third parties, regarding disposal of its 100% equity interest in Shenzhen Bangkai Commercial Property Co., Ltd which was principally engaged in property management services for a cash consideration of RMB5,000,000 (equivalent to approximately HK$5,516,000).

Net assets at the date of disposal were as follow:

	2024
	HK$'000
Property, plant and equipment	**145**
Investment property	**11,862**
Cash and cash equivalents	**14**
Trade and other receivables	**7,089**
Trade and other payables	**(13,659)**
Net assets disposed of	**5,451**
Gain on disposal of a subsidiary:	
Cash consideration	**5,516**
Net assets disposed of	**(5,451)**
Release of exchange reserve	**411**
	476
Net cash inflow arising on disposal:	
Cash consideration received	**5,516**
Cash and cash equivalents disposed of	**(14)**
	5,502

MARKET OVERVIEW

In 2024, China's GDP increased by approximately 5%, with industrial added value reaching RMB40.5 trillion. The overall scale of manufacturing sector has maintained its position as the world's largest for 15 consecutive years, driven by enhanced innovation capabilities in high-end equipment, artificial intelligence and other fields were further improved, leading to further industrial upgrades. The real estate market in Mainland China continued to adjust, with the introduction of a series of supporting policies to facilitate the stabilization of the market. However, it will take time for the market to resume its growth. In 2024, Hong Kong's focus on economic development resulted in stable growth. The Hong Kong SAR Government forecasted a year-on-year increase of 2.5% in 2024. However, internal and external factors led to a contraction in Hong Kong's consumer market and a continued decline in the property market. As an outward-looking economy, Hong Kong's exports were affected by changes in regional trade policies, putting pressure on the overall economy. The Hang Sang Index rose nearly 18% in 2024, marking the end of decline of a four-year decline. The scale of total asset of the asset and wealth management industry continued to grow, demonstrating a further recovery in Hong Kong's financial market, which will help enhance market confidence and benefit all sectors of Hong Kong's economy.

Automation Business

Benefiting from the continuous growth of China's electronics and information technology manufacturing sector, the Company's automation business experienced a significant revenue growth in 2024. In 2024, the consumer electronics market recovered, with global smartphone shipments reaching 1.24 billion units, representing a year-on-year increase of 6.4% as compared with 2023. The surging demand in the general market was mainly driven by the replacement of smartphones purchased during the pandemic and the replenishment by sales channels. The Chinese government has introduced policies to stimulate consumption, including consumption and trade-in incentives, which injected new vitality into the consumer electronics industry. The rapid development of artificial intelligence technology and its widespread application scenarios have ushered in the era of Industrial 4.0, characterized by artificial intelligence, big data, 5G and other technologies. As AI applications are witnessing explosive growth, various electronic product manufacturers are actively exploring new development opportunities for integration with large AI models. The rapidly growing demand for application scenarios and smart terminal products will drive the need for related manufacturing equipment, leading to a continued increase in market demand for intelligent electronic manufacturing equipment in the future. With the continuous upgrade of industrial structure and the increase of labor cost, more major manufacturers demand for intelligent manufacturing equipment. The manufacturers growing emphasis on intelligent manufacturing is driving the demand for high-end manufacturing equipment such as surface mount technology ("**SMT**") and semiconductors, placing the Group's automation business in a favorable position.

As a leader in the distribution and servicing of SMT equipment and semiconductor manufacturing equipment as well as in the provision of intelligent manufacturing solutions in China, Gallant Tech Limited ("**Gallant Tech**"), a subsidiary of the Group, has been serving customers in high-tech industries for over 20 years. With Chinese manufacturers improving their global competitiveness and expanding their manufacturing operations overseas, Gallant Tech is well-positioned to support these Chinese manufacturers abroad. In 2024, Gallant Tech actively aligned with the overseas strategy of its customers, offering them comprehensive manufacturing solutions overseas. Gallant Tech has launched business operations in countries such as Vietnam, Indonesia and Thailand, with overseas sales revenue accounting for more than 20% of the Company's annual revenue, significantly higher than in previous years. Amid trade policy changes and geopolitical reasons, our customers are increasingly moving their production bases outside of China. By actively seizing such business opportunities, Gallant Tech will continue to expand its overseas sales and service network and grow its service team, so as to ensure robust support for its customers.

Gallant Tech has actively optimized its business structure to provide customers with customized service solutions and comprehensive technical support. Cooperation with other distributors and leasing service providers has been strengthened to improve the leasing product portfolio. Flexible "combined leasing and sales" solutions with competitive pricing, empowered by the combination of equipment distribution and financial leasing businesses, continue to enhance its market competitiveness. The equipment leasing business recorded a significant growth during the Year.

Property Investment and Development Business

In 2024, China's real estate market remained under pressure, continuing to hover at the bottom. According to relevant data, the national real estate development investment dropped by 10.6% year-on-year in 2024, marking the largest drop in history, with the scale of investment falling back to the level of 2016. Newly commenced construction area decreased by 23% year-on-year, while area under construction dropped by 12.7%, and completed construction area fell by 27.7%, indicating that the real estate companies are cautious regarding quantitative increase in development. The land market also faced challenges, with residential land sales in 300 cities falling by more than 30% year-on-year.

In response to the ongoing downturn in the property market, the Political Bureau of the Central Committee of the PRC proposed measures to "stop the decline and promote the stabilisation of the property market", with a combination of policies, including the lifting of purchases and sales restrictions, lowering of down payment ratios and lending rates, and implementing tax exemptions and reductions, effectively lowering the threshold for home buyers. In the fourth quarter of 2024, Sales in first-tier cities in the Mainland increased by 40% year-on-year, while sales in second-tier cities increased by 14%, with notable improvements in cities such as Shenzhen and Guangzhou. 2025 is expected to see a continuation of the rebound trend seen in the fourth quarter of 2024, although a rapid rebound in sales growth may be difficult to achieve. Core cities are likely to lead in stabilising due to policy easing and released demand, while third- and fourth-tier cities will still face inventory pressure and population outflow constraints.

Given the complex economic situation, the Group's overall strategy for its property investment and development business in 2024 will focus on strategic contraction and targeted expansion. This involves accelerating the liquidation of the Group's inventory of immovable assets and recovering capital through asset realisation or refinancing to support the automation business and the investment and development of key properties.

Financial Services Business

In 2024, the global financial services industry navigated a complex landscape marked by elevated interest rates, geopolitical uncertainties, and shifting investor priorities. Despite these challenges, the financial services sector continued to evolve, with growing demand for innovative solutions such as thematic ESG-focused funds, digital asset offerings, and hybrid investment strategies. The Hong Kong Government reinforced its commitment to strengthening the city's position as a premier financial hub, introducing targeted measures to attract global capital and talents. Initiatives such as streamlined tax incentives for family offices, enhancements to the Cross-boundary Wealth Management Connect scheme etc. underscored efforts to revitalize the sector. These policies have begun to yield results, with a notable increase in family offices establishing regional headquarters in Hong Kong, drawn by its connectivity to Mainland China and global markets.

Looking ahead to 2025, we remain cautiously optimistic about Hong Kong's economic recovery. The city's unique role as a gateway linking international investors with Mainland China's vast market positions it to capitalize on the gradual stabilization of global interest rates and anticipated policy support for domestic demand in China. Hong Kong's ongoing efforts to build a diversified, sustainable, and dynamic financing platform will enhance its competitiveness as a global financial center.

BUSINESS REVIEW

Established in 2009 and listed on the main board of The Stock Exchange of Hong Kong Limited in December 2010, the Group is principally engaged in the business of automation, property investment and development, financial services and securities investment. Over the past years, the Group has been adhering to its philosophy of "sustainable development and giving back to the community" with its commitment to provide all-rounded quality products and services to maximise return for its shareholders and contribute to the well-being of the society. In the face of a challenging business environment, the Group will strive to improve its business planning and operating performance in 2025 to promote its long-term growth.

AUTOMATION BUSINESS

For the year ended 31 December 2024, the revenue of the automation segment recorded approximately HK$508.8 million (2023: approximately HK$431.8 million), representing an increase of 17.8% over last year and accounting for approximately 44.5% (2023: approximately 58.3%) of the Group's total revenue. The operating profit increased by 236.8% to approximately HK$42.4 million (2023: approximately HK$12.6 million). The growth in revenue and operating profit was primarily due to the increased desire of relevant electronic manufacturers to invest in equipment, driven by the continuous growth in sectors such as consumer electronics and automotive electronics. In addition, the accelerated deployment of overseas manufacturing bases by Chinese manufacturing customers also contributed to further improvement of revenue from sales of the Group's automation equipment.

Gallant Tech, a wholly-owned subsidiary of the Group, focuses on the sale of high-end intelligent manufacturing equipment, such as SMT and semiconductor production equipment, and provides ancillary services for the equipment sold, including technical support and equipment rental. Currently, Gallant Tech is one of the major suppliers of SMT production equipment and semiconductor packaging and testing equipment in the PRC market. Gallant Tech's vision is to become a leading supplier of high-end intelligent manufacturing equipment and solution provider in China's electronics manufacturing industry, as well as the most trusted partner in intelligent manufacturing, making intelligent manufacturing simple while adding greater value.

To provide customers with world-class intelligent manufacturing equipment and technical services, Gallant Tech's business model is based on the objective of timely response to the rapidly changing technological environment and customer needs and adopting the strategy of maintaining product competitiveness and upgrading core technologies, while setting the standards to improve overall product quality, service level and personnel quality. Gallant Tech primarily serves renowned manufacturers in telecommunications, computer, automotive electronics, smart charging station, new energy, integrated circuit and other electronics and information technology industries. The Company is the brand agent of ITW MPM printing machines, Koh Young inspection systems and other intelligent manufacturing equipment, all of which are top sellers among similar brands in China, while Fuji SMT pick-and-place machines have seen the highest sales growth in China. From its early involvement in the computer and display industries, to its development into mobile phones, smart home appliances, and industries such as the burgeoning new energy vehicles, 5G and artificial intelligence, Gallant Tech has been a key player in every industrial development and industrial upgrading of China's electronics manufacturing sector. As artificial intelligence continues to advance, the demand for intelligent and automated production methods will deepen across the electronics manufacturing industry, further driving the need for advanced intelligent manufacturing equipment among Chinese enterprises. Looking back on 2024, Gallant Tech has strengthened and improved the development of MES (Manufacturing Execution System) service modules, leading to increased adoption of its independently developed GT LINK MES system by its customers. GT LINK system is a one-stop, integrated system that collects, records and aggregates real-time production data from the customers' workshops by linking up the intelligent equipment that Gallant Tech carries. By consistently improving and developing the GT LINK system, Gallant Tech will provide customers with better customized services and more intelligent solutions for production lines management. To address customers' growing demand for artificial intelligence applications in intelligent manufacturing, Gallant Tech will implement its "artificial intelligence + manufacturing" strategy, increasing investment in technologies and resources, while exploring large model scenario applications in the industry, so as to provide customers with optimal artificial intelligence solutions for intelligent manufacturing.

PROPERTY INVESTMENT AND DEVELOPMENT BUSINESS

For the year ended 31 December 2024, the revenue of the property investment and development segment was approximately HK$546.1 million (2023: approximately HK$354.7 million), accounting for approximately 47.8% (2023: approximately 47.9%) of the Group's total revenue. The increase in revenue was mainly due to the accelerated disposal of properties in Ganzhou during the Year.

For the year ended 31 December 2024, the operating loss of the property investment and development segment was approximately HK$425.6 million, compared to the operating loss of approximately HK$249.5 million recorded in the previous year. The increase of the operating loss was primarily due to the recognition of the write-down of inventory properties amounting to approximately HK$151.3 million and fair value loss on investment properties amounting to approximately HK$280.7 million including Ganzhou Project and Shantou Project (defined below).

Shenzhen Bangkai Science and Technology Industrial Park Project

Bangkai Science and Technology Industrial Park (the "**Park**"), located at Fenghuang Town Industrial Zone in the hinterland of Guangming Science City in Guangming District, Shenzhen, is one of the 18 key development zones in Shenzhen. It is adjacent to Fenghuang Town Station of Metro Line 6 and Guangmingcheng Railway Station, and 1 km away from Guangming Exit of Longda Expressway. Occupying an area of 114,502 square meters and with a total construction area of 547,850 square meters, this project plans to build an industry-city complex integrating science and technology research and development ("**R&D**"), pilot plant, headquarters base, business office, smart apartment and leisure and business. The project consists of three phases, of which Phases I and II, consisting a total of seven buildings, have been completed, with a total area of 187,199 square meters in property ownership certificates and a rentable area of 187,379 square meters, including office, R&D plant, apartments, hotel and ancillary business.

In 2024, the operation of the Park faced challenges on two fronts. On the one hand, the supply of business offices in Guangming District, Shenzhen continued to rise, resulting in further intensified competition. On the other hand, the overall economy of 2024 remained weak due to the ongoing downturn of the property sector, and there was a decline in the operating condition of a small number of tenants in the Park.

Under the challenging economic situation, the management team at the Park followed the policy direction of the Guangming District Government and actively launched investment promotion work. Leveraging its excellent geographical location and comprehensive industrial support services, the Park's key corporate clients, medium-sized, small and start-up corporate clients remained stable in operations and tenancy. Although the occupancy rate of the apartments experienced a slight drop due to ongoing renovations, the Park's occupancy rate was maintained at 90% throughout the year of 2024, ranking among the highest occupancy rates in Shenzhen Guangming District's key industrial parks. In 2024, the Park organised 16 industrial service activities and 5 community activities in collaboration with Guangming District Industry and Information Technology Bureau, Guangming District Science and Technology Innovation Bureau and other partners. The Park was also ranked top in the service satisfaction evaluation activities for industrial customers organised by Guangming District Government for a number of times. In addition, the multi-industry integration in the Park has also garnered high praise from its clients.

Ganzhou Real Estate Project ("Ganzhou Project")

The Group has developed two large-scale comprehensive real estate projects in Ganzhou, Jiangxi, namely Century Plaza and Taigu Plaza. The residential buildings and apartments of the two projects were all sold out. Currently, office buildings and hotels are all also fully occupied. The shopping malls of the two projects, namely Universal Square* (環球匯) and Joyous Square* (歡樂匯), are operated by the company in Ganzhou.

In 2024, the Group stepped up its efforts to revitalise its properties in Ganzhou, adopting various methods such as whole sale, whole lease and public auction. The Group successfully completed the auction of two hotels in its inventory, namely the Taigu Plaza Hotel and the Century Plaza Hotel, through a combination of online and offline auctions. The inventory of Century Plaza office properties was revitalised by way of whole sale and the first stage of delivery and settlement was completed. The Group's cash reserves were enriched through the auction and sales of properties. As at 31 December 2024, only two shopping malls and underground car parks in Universal Square and Joyous Square, were remained as inventory of real estate properties in the Ganzhou area.

The operations of Universal Square and Joyous Square remain stable, with Universal Square housing a number of renowned brands and being a popular integrated shopping centre in Ganzhou as well as a popular destination for visitors.

Shantou Real Estate Project ("Shantou Project")

In 2024, the Group completed the additional acquisition of 42.33% equity interest in Shantou Taisheng Technology Limited ("**Shantou Taisheng**"), and is currently holding 93.33% equity interest in Shantou Taisheng. Shantou Taisheng is engaged in the development of a real estate construction project – Shantou Times Bay* (汕頭時代灣) located at Longhu District, Shantou City, Guangdong Province, the PRC. The project encompasses a total land area of approximately 167,000 sq.m. and a gross floor area of approximately 951,000 sq.m. It is divided into three zones: South, Central and North, featuring office and commercial buildings, residential units and loft apartments.

With regard to sales in 2024, the property market in Shantou City was relatively quiet due to the continuous downturn in the Mainland property market, resulting in slow turnover for office properties. Despite the challenges faced by Shantou Taisheng, the sales team leveraged on the project's excellent geographical location and focused on the sales of existing office properties in the southern district of the project. Targeted sales and inventory turnover strategies were formulated to facilitate transactions.

In terms of investment promotion and operation, the excellent geographical environment and the strong support from the Shantou Overseas Chinese Pilot Zone Government have attracted a number of enterprises and institutions such as Shantou Overseas Chinese Pilot Zone Management Committee, Shantou Overseas Chinese Economic Pattern Co-operation and Experimental Zone Cultural Development Bureau, Shantou Banking and Insurance Association to move in.

FINANCIAL SERVICES BUSINESS

The Group continues to provide comprehensive financial services in Hong Kong through its subsidiaries, maintaining its commitment to bridging onshore and offshore capital markets. Upholding its operational philosophy of stability and innovation, the Group contributes to the economy by delivering all-aspect financial solutions to its clients. For the year ended 31 December 2024, the financial services segment generated approximately HK54.1 million in revenue (2023: approximately HK$38.2 million revenue), representing a year-on-year increase of approximately 41.6% and accounting for approximately 4.7% of the Group's total revenue (2023: 5.2%). The operating profit amounted to approximately HK27.3 million (2023: approximately HK 70.5 million operating loss).

Securities Brokerage Services

The securities brokerage team remains unwavering in its commitment to delivering professional, comprehensive and convenient services including agency securities trading, margin financing, placing and underwriting services, financial products and one-stop integrated investment and financing solutions for institutional investors, high-net-worth individuals and listed companies.

During the year under review, the Hong Kong stock market faced significant challenges. The market was impacted by a combination of global and local factors, including persistently high interest rates, geopolitical tensions, economic slowdown and currency volatility. These factors contributed to a subdued trading environment which reduced investor participation and lowered trading volumes across the industry.

Despite these challenges, our team demonstrated resilience and adaptability to mitigate the impact of market headwinds. We remain steadfast in our commitment to drive profitability: we focus on operational efficiency, we leverage our expertise and innovative capabilities to deliver client-centric solutions and assist their navigation through the complexities of the market. Looking ahead, we are optimistic about the opportunities that lie ahead with global interest rates expected to stabilize and potential easing of geopolitical tensions, we anticipate a gradual recovery in investor confidence and market activity. Our strategic initiatives for the coming year include investing in technology to furnish the seamless and efficient trading experiences for our clients; diversifying our spectrum of financial products and services to meet the evolving needs of our clients; deepening our engagement with high-net-worth and institutional clients through personalized solutions and tailored advisory services; and identifying growth opportunities in emerging markets and cross-border collaborations to expand our footprint.

As we continue to adapt to the dynamic market environment, we remain focused on delivering value to our clients and stakeholders, ensuring long-term success for the Group. We are confident that these efforts will position us for sustainable growth and profitability in 2025 and beyond.

Asset Management Services

As we progress into 2025, Hong Kong's asset management industry is navigating a landscape marked by both opportunity and significant challenges. The recent removal of foreign ownership caps is a positive development aimed at attracting international investors. However, the sector must contend with the ramifications of ongoing trade wars and the unpredictable policies of the United States, which continue to create volatility in global markets. Additionally, Hong Kong has taken significant steps in the cryptocurrency space. Since January 2025, the Securities and Futures Commission (the "**SFC**") has issued three more crypto operational licenses to virtual asset trading platforms, bringing the total licensed platforms to ten. This cautious yet progressive approach aims to regulate the virtual asset industry while enhancing investor protection. With more platforms seeking SFC's approval for operation, Hong Kong is positioning itself as a leading hub for digital assets in Asia. Despite these hurdles, the city's strategic position as a financial hub offers unique opportunities for growth, provided that firms can adapt swiftly to evolving market conditions and investor expectations. We expect that several long-term macro factors will drive the ongoing growth of the industry. These include the expansion of the capital market, a growing awareness among investors regarding professional asset management services, and improved distribution efforts.

Atlantic Asset Management Limited, approved by the SFC, allows our managed fund to invest less than 10% of assets under management (AUM) in Virtual Assets. Furthermore, we provide asset management and investment advisory services to high-net-worth individuals, corporations, and institutional clients in global markets. As of the date of this report, we act as the investment manager for two segregated portfolio company funds with three segregated portfolios with total assets under management at around HK$192 million. In 2024, the fund performed positively, demonstrating our effective investment strategy and adaptability in a changing market environment.

In the coming year, we expect our fund to focus on global equities, futures and options. The coverage areas include indices, foreign exchange, commodities and cryptocurrency. It invests in five different strategies: buy and hold fixed income securities or high-yield bonds until maturity; top-down and then bottom-up position-taking approaches; special situations with a focus on mergers and acquisitions, new issues and event-driven areas; market-neutral long/short equities and futures; and swing trading strategies that rely on typical indicators and ratios to detect signals for upcoming movements, including arbitrage and short-term trading.

Money-lending Business

The Group, through its wholly owned subsidiary, namely Glory Sun Credit Limited ("**Glory Sun Credit**"), engaged in the money lending business primarily on the provision of short-term and long-term share mortgage loans, property mortgage loans and collateral loans to customers in Hong Kong under the Money Lenders Ordinance (Cap. 163) (the "**MLO**").

In light of the challenging economic and property environment, Glory Sun Credit has adopted stringent credit control to conduct its share mortgage loan and property mortgage loan business to reduce associated credit risks. As at 31 December 2024, the overall weighted average loan-to-value ratio of its loan portfolio was at 96.6% (2023: 68.0%).

Compliance with Ordinances and Regulations

Glory Sun Credit has strictly complied with all relevant laws and regulations. The MLO and the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615) (the "**AMLO**") have a significant influence on the money lending business during the current year.

The MLO acts as the principal ordinance governing the money lending business in Hong Kong while the AMLO governs the matters in relation to the money laundering and terrorist financing. During the current year, Glory Sun Credit did not receive any objection from the Registrar of Money Lenders (the "**Registrar**") nor the Commissioner of Police regarding the renewal of the money lenders licence. Glory Sun Credit has also established policies and procedures to strictly follow the Guideline on Compliance of Anti-Money Laundering and Counter-Terrorist Financing Requirements for Licensed Money Lenders (the "**AML-CTF Guideline**") issued by the Registrar for the money lending business operations to mitigate the risks of money laundering and terrorist financing.

To the best of its knowledge, Glory Sun Credit has complied with the MLO and AMLO in all material aspects, and that it is not aware of any matter that might come to its attention that the money lenders licence would be suspended, terminated or would not be renewed in foreseeable future.

Business Model and Loan Portfolios

Glory Sun Credit mainly offers share mortgage loans, property mortgage loans and collateral loans.

For share mortgage loans, Glory Sun Credit granted secured loans to customers and held collaterals against loan receivables in the form of mortgages over listed shares owned by these customers. All of these collaterals were listed in Hong Kong. The gross share mortgage loans receivable was accounted for approximately nil of the entire gross loan receivable of Glory Sun Credit as at 31 December 2024 (2023: 64.1%). The interest rates of the share mortgage loans, mainly determined with reference to factors such as the quality and liquidity of the collaterals provided by the customers, loan-to-value ratios, loan amounts, tenors, and customers' net worth, ranged from 8.0% to 18.0% (2023: 8.0% to 18.0%).

For property mortgage loans, Glory Sun Credit granted secured loans to customers and held collaterals against loan receivables in the form of mortgages over properties owned by these customers. All of these collaterals were located in Hong Kong, of which more than 66.6% of them were residential properties. The gross property mortgage loans receivable was accounted for approximately nil of the entire gross loan receivable of Glory Sun Credit as at 31 December 2024 (2023: 32.6%). The interest rates of the property mortgage loans, mainly determined with reference to factors such as the quality, type and location of the collaterals provided by the customers, type of mortgages, loan-to-value ratios, loan amounts, tenors, and customers' net worth, ranged from 6.0% to 9.5% (2023: 6.0% to 9.5%).

During the current year, the customers comprised individuals and corporations in Hong Kong and were all independent third parties (within the meaning of Chapter 14A of the Listing Rules).

As at 31 December 2024, Glory Sun Credit had 2 (2023: 7) active accounts, of which 0 (2023: 3) of them were individual customers and the remaining of 2 (2023: 4) were corporate customers; and of which 0 (2023: 3) of them were share mortgage loan customers and 0 (2023: 3) of them were property mortgage loan customers.

During the current year, the top five customers (as determined by interest income generated) accounted for approximately 100.0% (2023: 99.8%) of the total revenue of Glory Sun Credit, and the single largest customer accounted for approximately 52.7% (2023: 79.1%) of the total revenue.

As at 31 December 2024, the largest and top five customers (as determined by loan receivable balance) of the total gross loan receivables balance accounted for 76.7% (2023: 50.8%) and 100.0% (2023: 45.6%) respectively.

Credit Approval Processes and Credit Risk Assessment Policies

All information and data provided by customers for loan applications will have to go through credit assessment and approval procedures in accordance with credit risk policies.

Prior to the acceptance of any loan application submitted by customers, Glory Sun Credit will carry out know-your-customer procedures ("**KYC procedures**") to verify the identities of customers and assess the credit risk associated with these customers by referring to documents, data and information available from reliable and independent sources, such as government and public authorities. It will also assess the risk of money laundering and terrorist financing associated with the customers in accordance with its established policy and the AML-CTF Guideline.

Glory Sun Credit will verify the ownership of the collaterals provided by the customers and confirm if there is any incumbency on them.

With reference to the application information and the results of the KYC procedures, the credit team would make recommendations to the management on the proposed terms of the loan. Here are the main factors being taken into consideration during the loan approval stage:

(i) For property mortgage loan applications

- the quality, type and location of the properties provided by customers as collaterals;
- type of mortgages (i.e. first mortgage or second mortgage);
- loan-to-value ratios;
- loan amounts;
- tenors; and
- customers' net worth.

(ii) For share mortgage loan applications

- the quality and liquidity of the collaterals provided by customers;
- loan-to-value ratios;
- loan amounts;
- tenors; and
- customers' net worth.

Loan Impairment Assessment

The Group has developed policies and procedures to appropriately assess and measure the expected credit loss ("**ECL**") in accordance with impairment requirements of HKFRS 9. Details of the movement of provision for impairment and written-off of loan and advances receivables are disclosed in Note 12.

IMPAIRMENT LOSS ON LOANS AND ADVANCES RECEIVABLES

As at 31 December 2024, the Group recognised impairment loss on loans and advances receivables of approximately HK$698,983,000 (the "**Impairment Loss**"). The Group engaged an independent professional qualified valuer (the "**Valuer**") to carry out a valuation of the ECL as at 31 December 2024 (the "**Valuation Report**"). The movement of impairment loss for the year ended 31 December 2024 is illustrated as below:

	HK$'000
At 1 January 2023	629,343
Provision for impairment	351,386
Recovery of impairment losses on financial assets arising from acquisition of a subsidiary	(259,117)
At 31 December 2023 and 1 January 2024	721,612
Recovery of impairment losses	(22,629)
At 31 December 2024	698,983

Save as disclosed in the 2024 Annual Report, further information regarding the Impairment Loss is set out below:

Nature of the Impairment Loss

The balance of loans and advances receivables represents the outstanding principals and interests from customers of the Group on financial services segment (the "**Financial Services Segment**") and unallocated business units. As at 31 December 2024, accumulated impairment loss on loans and advances receivables of the Financial Services Segment of approximately HK$191,060,000 (2023: approximately HK$200,985,000) was recognised and loans and advances receivables of the unallocated business units of approximately HK$507,923,000 (2023: approximately HK$520,627,000) was recognised.

Details on the Circumstances and Reasons for the Impairment Loss

The debtors of the Group in the Financial Services Segment and unallocated business units faced unexpected cash flow issues due to the downturn of the Chinese economy in the past few years resulting serious disruption and adverse impact to the macro-economic environment. Therefore, the probability of recovery of outstanding debts from these debtors is questionable. The Group carried out an assessment of the ECL of loan and advance receivables of the Financial Services Segment and unallocated business units with reference to the Valuation Report performed by the Valuer, which was based on certain key assumptions. Key assumptions used by the Valuer included probability of default ("**PD**") of 100% considering defaulted status of loan and advance receivables without repayment and loss given default ("**LGD**") of over 90% with reference to post-default market bond price movements. Based on the Valuation Report, the management of the Group considered the recoverability to be low. The Group has been following up the status and the Group has taken and/or is planning to take legal actions against the legal representative of the such customers.

Movement of impairment losses on loans and advances

For events and circumstances that lead to the Company in recognising or further making impairment of its loans, factors would normally include (a) delay in settlement of loan interest or loan principal amounts by the borrowers on the due date; (b) legal actions being taken by the Company against the borrowers; (c) decrease in value of the collaterals due to the decline in the global equity market in general; and (d) the decrease in confidence in the properties development industry in China considering some of the borrowers of the Company are in this industry.

During the year ended 31 December 2024, a recovery of impairment loss of around HK$22.6 million was recognised (2023: impairment loss of HK$351.4 million), of which HK$19.4 million (2023: HK$334.9 million) was related to other loan receivables ("**Impairment of Other Loan Receivables**") apart from regular money lending business. The recovery of impairment losses was mainly related to certain borrowings recovered from disposal of the pledged assets. The other loans were considered an attempt by the Group to establish business relationships with the debtors, given that the debtors are the owners of property development projects in the PRC. The Group might consider investing in the projects if the developments gone well and the Group assessed the possibility to convert the other loans to equity in the projects. By way of granting loans instead of capital injection at the early stage of project provides an exit strategy to the Group if the project development did not proceed as expected. Either way is in line with the Group's business strategy in diversifying investments, and to generate profits for the Group, whether in short-term as loan interest income, or in long-term as revenue from property segment.

Notwithstanding that these borrowings were secured by corporate guarantee and equity interests, taken into consideration that (i) the borrowers are principally engaged in property development business in China and the property sector in China over the past few years has been thrust into a severe debt crisis; (ii) failure of borrowers in making timely loan settlement to the subsidiary of the Company on the loan maturity date; and (iii) legal proceedings have already been instituted by the Group against the PRC project companies, impairments were recognised on their overdue loans outstanding during the year ended 31 December 2024 and 2023.

Due to the above factors, the business strategy has not been materialised, not owing to the strategy itself but the fact that PRC property development projects or other related opportunities are not the best investment options for the time being given the current macro environment. Depending on the worthiness and potential of the investment projects themselves, the Group may revisit the said strategy in the future.

SECURITIES INVESTMENT

The Group has been investing in listed shares in Hong Kong, the PRC and foreign countries and adjusting its investment strategy to ensure that it is sufficiently prudent to cope with the uncertainties in the financial market. For the year ended 31 December 2024, the securities investment business generated a gain of approximately HK$33.9 million (2023: loss of approximately HK$84.4 million). The operating loss of the segment amounted to approximately HK$22.2 million (2023: approximately HK$86.1 million).

OTHER INVESTMENTS

As at 31 December 2024 and 31 December 2023, the Company held 32% equity interest in Yunnan International Holding Group Limited, an associate principally engaged in the business of clean energy, health, investment management, new energy and financial services. Through the cooperation with the shareholders of the associate, the Company vigorously participated in the strategic construction brought by The Belt and Road Initiative.

PROSPECT

Looking ahead to 2025, following the pace of global economic recovery in the post-epidemic era, the Company will shift the focus of industrial development from quantitative to qualitative growth, seeking innovation while maintaining stability, and supporting the country's development direction of new productive forces. The Company will actively and steadily promote the development of its various business segments to maintain Hong Kong's unique status as an international financial center.

Prospects of Automation Business

The automation segment has been providing automation manufacturing devices and services for the industries of smartphones, Internet of Things, semi-conductors, automobile electronics in the PRC. The application of automation manufacturing equipment, including SMT production equipment, in key industries in the PRC is still in the rising stage of development. Following the gradual sophistication of 5G application business regimes together with the accelerating progress proposed by China in terms of the new infrastructure facilities construction as representative of 5G, Artificial Intelligence, Industrial Internet and Internet of Things, there will be a new source of vitality to benefit the development of the automation segment.

To enhance sales revenue and market competitiveness, the Company will further enrich its product portfolio by continuing to develop new products in terms of semiconductor equipment, other automation equipment and related materials. It will also seek to obtain more authorisations to act as suppliers' agent. Considering the increasing number of manufacturing clients establishing production bases overseas, the Company will conduct business with a global mindset and implement overseas market strategies in a timely manner. In terms of overseas market expansion, the Company will follow the footsteps of its clients to align with their overseas market layouts and provide long-term service planning.

The Company will focus on leveraging its core strengths, combining market demand with technological development trends, and strategically positioning itself in business areas with growth potential. It aims to create competitive new products and services to meet the diverse needs of customers. By enhancing its R&D capabilities and strengthening collaborations with intelligent manufacturing industry partners, the Company will gradually transform from a distribution-based enterprise to a technology manufacturing enterprise.

Prospects of Property Investment and Development Business

In 2024, with strong support from the Group and the efforts of the team, Phase III of the Park completed the safety rectification required by the relevant government departments in Guangming District, and is set to accelerate the construction in 2025. The total gross floor area of Phase III of the Park is approximately 340,000 square metres, featuring apartments, industrial and research premises, commercial units and underground spaces for activities. The first part of Phase III, comprising approximately 160,000 square metres of apartments and underground space for activities, is expected to be completed by 2026.

In 2025, Shantou Rastar Group, a PRC listed company, and Shantou Branch of China Minsheng Bank are also planning to move in the properties of Shantou Project, enhancing the business atmosphere and further highlighting the area's business value.

The team will continue to make timely adjustments to its policies on new leases, lease renewals and team incentives based on market conditions and customer needs to further increase occupancy rates. At the same time, the team actively approached the government for assistance to attract enterprises, exploring both upstream and downstream entities, to facilitate office leasing transactions through various activities such as segmented marketing activities, rejuvenate the business vitality, further broadening the park's business base and attracting more customer flow.

The Group also holds certain investment properties in Hong Kong for the purpose of leasing, which are currently vacant. In 2025, the Group will focus on retaining high-quality existing tenants for property renewals while actively seeking new premium tenants to lease vacant properties, aiming to achieve a 100% occupancy rate for Hong Kong's investment properties.

Prospects of Financial Services Business

Notwithstanding the uncertainties plaguing the global economic outlook, the Group's securities brokerage team will continue to capitalise on the opportunities brought about by the economic recovery in the financial markets in 2025 proactively, and continue to optimise the trading experience of its clients in order to enhance the competitiveness of its market segments. At the same time, the securities brokerage team will adhere to its prudent approach in reviewing its financing services and adopting appropriate strategies to minimise downside risks, with a view to maintaining stable business development.

In 2025, under the macro-environment of accelerating global market integration and constant geopolitical events, the asset management team of the Company will continue to adopt scientific and rational investment analysis strategies to screen investment targets in the global market and evaluate their investment value, and implement rebalancing strategies for major assets based on regional market characteristics. The Company will continue to rely on the advantages of Hong Kong as an international financial center to focus on investment opportunities in the Greater China region.

In 2025, the Group will continue to capture the development opportunities and strive to create better returns to its shareholders.

FINANCIAL REVIEW

The total liabilities of the Group as at 31 December 2024 decreased by 4.5% to approximately HK$4,339.5 million due to the acquisition of a subsidiary during the Year (2023: approximately HK$4,543.9 million). The gearing ratio, which is calculated at borrowings divided by net assets value was increased to 28.8% (2023: 24.3%).

Revenue

The Group's revenue for the year ended 31 December 2024 increased by approximately 54.4% (2023: decreased by approximately 8.8%) to approximately HK$1,142.9 million (2023: approximately HK$740.3 million). The revenue analysis by segment is presented as follows:

	2024		2023		
	HK$' million	***Proportion to total revenue***	*HK$' million*	*Proportion to total revenue*	**% change**
Automation	**508.8**	**44.5%**	431.8	58.3%	**17.8%**
Financial Services	**54.1**	**4.7%**	38.2	5.2%	**41.6%**
Property Investment and Development	**546.1**	**47.8%**	354.7	47.9%	**54.0%**
Securities Investment	**33.9**	**3.0%**	(84.4)	(11.4%)	**140.2%**
	1,142.9	**100%**	740.3	100%	**54.4%**

During the year, automation and property investment and development segments were the major source of revenue for the Group, accounting for approximately 44.5% (2023: 58.3%) and approximately 47.8% (2023: 47.9%) of total revenue, respectively.

Gross Profit and Margin

The gross profit for the year has increased by approximately 161.8% to approximately HK$362.8 million (2023: approximately HK$138.6 million), while the gross profit margin increased to 31.7% (2023: 18.7%). The change was mainly due to the decrease in competition of automation segment in the Year which broadens the gross margin achievable as compared with those in 2023 and increase in sales revenue amounting to approximately HK$191.4 million in property investment and development segment.

Other Gains/Losses — Net

The net other gains during the year was approximately HK$28.8 million (2023: the net other loss during the year was approximately HK$7.4 million), which was mainly due to gain on disposal of property, plant and equipment amounting to approximately HK$45.1 million during the Year.

Other Income

The other income decreased by approximately 69.7% to approximately HK$4.6 million (2023: approximately HK$15.2 million) due to the decrease in sundry income from approximately HK$12.1 million in 2023 to approximately HK$3.8 million in 2024.

Distribution Costs

The distribution costs increased by approximately 116.5% to approximately HK$43.6 million (2023: approximately HK$20.1 million), accounting for 3.8% (2023: 2.7%) of the total revenue, owing to the increase in commission cost in property sales.

Administrative Expenses

The administrative expenses decreased by approximately 11.0% to approximately HK$217.7 million (2023: approximately HK$244.6 million), owing to the decrease in deprecation of property, plant and equipment of approximately HK$39.4 million.

Finance Costs — Net

The net finance costs during the Year was approximately HK$59.7 million (2023: approximately HK$31.1 million). The increase in net finance costs was because of the increase in interest expense on other loans of approximately HK$27.8 million in the Year.

Income Tax Credit/Expense

During the year ended 31 December 2024, the Group recorded an income tax credit of approximately HK$70.3 million (2023: income tax expense of approximately HK$12.8 million) which was mainly due to the temporary differences arising from fair value loss of investment properties and write-down of inventories.

Loss/Profit Attributable to Owners of the Company

For the year ended 31 December 2024, the Company recorded a loss attributable to the owners of the Company of approximately HK$227.2 million (2023: profit of approximately HK$102.5 million).

FINANCIAL RESOURCES REVIEW

Liquidity and Financial Resources

By adopting a prudent financial management approach, the Group continued to maintain a healthy financial position. As at 31 December 2024, the Group's cash and cash equivalents of approximately HK$777.7 million (2023: approximately HK$562.3 million). The working capital represented by net current assets amounted to approximately HK$874.5 million (2023: approximately HK$1,985.7 million). The current ratio was approximately 1.2 (2023: approximately 1.6). The gearing ratio, which is calculated at borrowings divided by net asset value, was 28.8% (2023: 24.3%). The borrowings of the Group as at 31 December 2024 included corporate bonds of approximately HK$290.0 million (2023: approximately HK$313.0 million), bank loans of approximately HK$195.9 million (2023: approximately HK$422.8 million), and other loans of approximately HK$1,124.0 million (2023: approximately HK$987.6 million). The borrowings as at 31 December 2024 were secured by (i) guarantees provided by the Company, shareholder of the Company, certain of its subsidiaries and related parties; (ii) property, plant and equipment of approximately HK$149.9 million (2023: approximately HK$198.3 million); (iii) investment properties of approximately HK$1,740.4 million (2023: approximately HK$1,832.5 million); and (iv) pledged bank deposit of approximately HK$14.4 million (2023: approximately HK$237.8 million).

Capital and Other Commitments

As at 31 December 2024, the Group had contracted but not provided for capital commitments of approximately HK$215.2 million and HK$3,389.4 million relating to the investment in an associate and investment properties and property development expenditures respectively (2023: approximately HK$215.2 million and HK$3,585.1 million and HK$1,255.0 million relating to the investment in an associate, investment properties and property development expenditures and the second tranche acquisition payment of the equity interest of Shantou Taisheng, respectively).

Currency Exposure and Management

During the year, the Group's receipts were mainly denominated in Hong Kong dollars, Renminbi ("**RMB**"), and US dollars. The Group's payments were mainly made in Hong Kong dollars, RMB and US dollars.

As the business activities of the Group's automation and property investment and development segments were mainly conducted in the mainland China, most of the Group's labour costs and manufacturing overheads were settled with the RMB. As such, fluctuation of the RMB exchange rate will have an impact on the Group's profitability. The Group will closely monitor movements of the RMB and, if necessary, consider entering into foreign exchange forward contracts with reputable financial institutions to reduce potential exposure to currency fluctuations. During the year, the Group did not enter into any foreign exchange forward contract.

Future Plans for Capital Investment and Expected Source of Funding

The Group finances its operating and capital expenditures mainly by internal resources such as operating cash flow and shareholders' equity and bank facilities. The Group expects to have sufficient internal resources and banking facilities to meet its capital expenditure and working capital requirement.

Fund raising for future business development

When the Group considers that there are funding needs for the expansion of its businesses and development of new businesses, it will explore possible fund raising methods, such as debt financing, placing of new shares or issuance of corporate bonds.

Employees and Remuneration Policy

As at 31 December 2024, the Group had 270 (2023: 406) full-time employees in Hong Kong and the PRC. Employees' remuneration is determined in accordance with individual's responsibility, competence and skills, experience and performance as well as market pay level. Staff benefits include medical insurance, provident funds and other competitive fringe benefits.

To provide incentives or rewards to the staff, the Company adopted a share option scheme on 2 June 2020 and share options will be granted to eligible employees.

USE OF PROCEEDS FROM SHARE SUBSCRIPTION IN JULY 2019

On 10 July 2019, the Company entered into a subscription agreement with Bao Xin Development Limited (the "**BXD**"), in relation to the subscription of 4,000,000,000 new shares of the Company (the "**Share(s)**") at a subscription price of HK$0.25 per Share (the "**BXD Share Subscription**"). Please refer to the announcement of the Company dated 10 July 2019 and the circular of the Company dated 10 October 2019 (the "**2019 Circular**") for more details regarding the BXD Share Subscription.

On 17 December 2019, the Company issued and allotted 2,400,000,000 new Shares to BXD and received a proceeds of HK$600.0 million. On 8 May 2020, the Company issued and allotted 1,600,000,000 new Shares to BXD and received a proceeds of HK$400.0 million. The net proceeds of the BXD Share Subscription were approximately HK$999.4 million and had been utilised as follows:

		HK$' million
1.	Provision of brokerage service and corporate finance	
	(i) securities brokerage and margin financing; and	130.0
	(ii) investment	57.1
	(iii) corporate finance division	26.7
2.	Expansion of asset management business	180.0
3.	Expansion of money lending business	250.0
4.	General working capital	355.6
		999.4

USE OF PROCEEDS FROM SHARE SUBSCRIPTION IN APRIL 2023

On 20 April 2023, the Company entered into a subscription agreement with China Grand Developments Limited ("**China Grand**") in relation to the subscription of 800,000,000 new shares of the Company at a subscription price of HK$0.281 per Share (the "**China Grand Share Subscription**"). Please refer to the announcement of the Company dated 20 April 2023 and the circular of the Company dated 2 June 2023 for more details regarding the China Grand Share Subscription.

On 26 July 2023, the Company issued and allotted 800,000,000 new Shares to China Grand and received proceeds of HK$224.8 million. The net proceeds of the China Grand Share Subscription were approximately HK$224.7 million, approximately 90% of which were applied for the repayment of maturing indebtedness and the rest were applied as general working capital of the Group. The net proceeds designated for general working capital were utilised for the (i) distribution costs of the Group including but not limited to staff costs, advertising, promotion and exhibition expenses and (ii) administrative expenses of the Group including but not limited to utilities expenses.

The table below demonstrates the breakdown and description of the utilisation of the net proceeds from the China Grand Share Subscription:

	HK$' million
1. Repayment of maturing indebtedness	202.23
2. General working capital	
(i) distribution costs of the Group including but not limited to staff costs, advertising, promotion and exhibition expenses	14.00
(ii) administrative expenses of the Group including but not limited to utilities expenses	8.47
	224.70

CONTINGENT LIABILITIES

As at 31 December 2024, the Group had no material contingent liabilities (2023: nil).

SHARE OPTION SCHEME OF THE COMPANY

The Company adopted a share option scheme (the "**Share Option Scheme**") pursuant to a resolution in writing passed by the shareholders of the Company on 2 June 2020. As at the date of this announcement, the total number of shares of the Company available for issue under the Share Option Scheme is 156,937,561, representing approximately 5.86% of the entire issued share capital of the Company as at the date of this announcement.

As at the date of this announcement, no option had been granted by the Company under the Share Option Scheme.

FINAL DIVIDENDS

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

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the following periods for determining eligibility to attend and vote at the 2025 annual general meeting:

Latest time to lodge transfer documents for registration:	4:30 p.m., Tuesday, 3 June 2025
Closure of register of members:	Wednesday, 4 June 2025 to Friday, 6 June 2025 (both days inclusive)
Record Date:	Friday, 6 June 2025

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

PUBLIC FLOAT

Based on the information that was publicly available to the Company and within the knowledge of the Directors, as at the date of this announcement, there was sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

CORPORATE GOVERNANCE

The Company maintains a high standard of corporate governance with a view to enhancing the management of the Company as well as preserving the interests of the shareholders as a whole. During the year under review, the Board is of the view that the Company has complied with the code provisions set out in the Corporate Governance Code (the "**CG Code**") in Appendix C1 to the Listing Rules, except the deviations disclosed herein.

According to the code provision C.2.1 of the CG code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Huang Wansheng assumed the roles of both the Chairman and the Chief Executive Officer of the Company. The Company deviates from this provision as it believes that by holding both roles, Mr. Huang will be able to provide the Group with strong and consistent leadership. It allows for more effective and efficient business planning and decisions as well as execution of long-term business strategies of the Group. As such, the structure is beneficial to the business prospects of the Group. Furthermore, the Company's present management structure comprises sufficient number of independent non-executive directors and all major decisions are made after consultation with the Board, appropriate Board Committees and key personnel. The Board, therefore, believes that a balance of power and authority have been and will continue to be maintained. Following the resignation of Mr. Huang Wansheng with effect from 10 October 2024 and the re-designation of Mr. Li Minbin and Mr. Zhang Chi as acting Chief Executive Officer and acting Chairman of the Board respectively, the relevant requirements under the Listing Rules have been complied with.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company adopts the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as the code of conduct of the Group regarding securities transactions of the Directors. All Directors have confirmed that throughout the year ended 31 December 2024, they have complied with the provisions of the Model Code.

Change of Directors' Information

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of Directors subsequent to the Company's last published 2024 Interim Report are set out as below:

(1) Mr. Huang Wansheng resigned as an executive Director, the Chairman of the Board and Chief Executive Officer with effect from 10 October 2024.

(2) Mr. Li Minbin and Mr. Zhang Chi were re-designated as an acting Chief Executive Officer and acting Chairman of the Board with effect from 10 October 2024 respectively.

(3) Ms. Liu Jiaxin was appointed as an executive Director with effect from 28 March 2025.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

AUDIT COMMITTEE

The Company has established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with the Listing Rules. The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting matters, risk management and internal control procedures. The Audit Committee comprises one non-executive director, namely Mr. Zhang Chi and two independent non-executive directors, namely Ms. Zhang Juan and Mr. Chan Manwell, of which Ms. Zhang Juan is the Chairman. The Audit Committee has reviewed and approved the preliminary announcement of the Group's results for the year ended 31 December 2024.

SCOPE OF WORK OF INDEPENDENT AUDITORS

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2024 have been agreed with the Group's auditors, Moore CPA Limited, to the amounts set out in the Group's audited consolidated financial statements. The work performed by Moore CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Moore CPA Limited on the preliminary announcement.

ANNUAL GENERAL MEETING

The annual general meeting of the Company is expected to be held on Friday, 6 June 2025 and notice of the annual general meeting will be published and dispatched to the Shareholders in the manner as required by the Listing Rules.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

The announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hk1282.com). The 2024 Annual Report will be dispatched to the Shareholders and available on the same websites in due course.

APPRECIATION

I would like to take this opportunity to express my appreciation to fellow members of the Board, and the entire workforce for their dedication and hard work over the past year. I wish to also thank all of the Group's shareholders and stakeholders for their unwavering support. Looking forward, the Group will embrace each and every challenge with our consistent adherence to the spirit of "Create, Blend and Share Together" to create stable and satisfactory return for the Shareholders with our utmost endeavour to maximize the value for each and every Shareholder and investors of the Company alike so that we can create better return together.

By order of the Board
Renze Harvest International Limited
Zhang Chi
Acting Chairman

Hong Kong, 28 March 2025

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Li Minbin and Ms. Liu Jiaxin; one non-executive Director, namely Mr. Zhang Chi; and three independent non-executive Directors, namely Ms. Zhao Yizi, Ms. Zhang Juan and Mr. Chan Manwell.

*The English transliteration of the Chinese name(s) in this announcement, where indicated with *, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).*