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SHUN TAK HOLDINGS LIMITED

信德集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 242)

Website: <http://www.shuntakgroup.com>

2024 Annual Results Announcement

GROUP RESULTS

The board of directors (the “Board”) of Shun Tak Holdings Limited (the “Company”) announces the consolidated annual results for the year ended 31 December 2024 of the Company and its subsidiaries (the “Group”).

Consolidated loss attributable to owners of the Company for the year was HK\$824 million (2023: HK\$677 million). Underlying loss attributable to the owners which was adjusted for attributable unrealised fair value changes on investment properties of the Group and its joint ventures and associates (net of tax) would be HK\$244 million (2023: HK\$209 million). Basic loss per share was HK27.3 cents (2023: HK22.4 cents).

DIVIDENDS

The Board does not recommend the payment of any final dividend (2023: nil) in respect of the year ended 31 December 2024. No interim dividend was declared by the Board during the year ended 31 December 2024 (2023: nil).

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

	<i>Note</i>	2024 HK\$'000	2023 <i>HK\$'000</i>
Revenue	3	4,545,551	4,068,138
Other income		335,626	338,319
		4,881,177	4,406,457
Other losses, net	4	(20)	(301,468)
Cost of inventories sold and services provided		(2,446,336)	(2,220,274)
Staff costs		(668,128)	(615,623)
Depreciation and amortisation		(168,743)	(148,096)
Other costs		(720,899)	(473,296)
Fair value changes on investment properties		(400,019)	(248,804)
Operating profit	3, 5	477,032	398,896
Finance costs	6	(695,093)	(683,821)
Share of results of joint ventures		(291,178)	(276,463)
Share of results of associates		(154,408)	(12,342)
Loss before taxation		(663,647)	(573,730)
Taxation	7	(85,915)	(59,776)
Loss for the year		(749,562)	(633,506)
Attributable to:			
Owners of the Company		(823,951)	(676,726)
Non-controlling interests		74,389	43,220
Loss for the year		(749,562)	(633,506)
Loss per share (<i>HK cents</i>)	9		
— basic		(27.3)	(22.4)
— diluted		(27.3)	(22.4)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 HK\$'000	2023 HK\$'000
Loss for the year	(749,562)	(633,506)
Other comprehensive loss		
Items that may be reclassified to profit or loss:		
Debt instruments at fair value through other comprehensive income:		
Changes in fair value	—	(330)
Reversal of asset revaluation reserve upon sales of properties, net of tax	(37,021)	(12,932)
Currency translation differences	(328,636)	(127,005)
Share of currency translation difference of joint ventures	(149,922)	(143,315)
Share of currency translation difference of associates	(124,824)	18,045
Share of other comprehensive (loss)/income of associates	(1,482)	1,869
Items that will not be reclassified to profit or loss:		
Equity instruments at fair value through other comprehensive income:		
Changes in fair value	191,735	(733,175)
Currency translation differences	(10,010)	(6,887)
Other comprehensive loss for the year, net of tax	(460,160)	(1,003,730)
Total comprehensive loss for the year	(1,209,722)	(1,637,236)
Attributable to:		
Owners of the Company	(1,274,101)	(1,673,569)
Non-controlling interests	64,379	36,333
Total comprehensive loss for the year	(1,209,722)	(1,637,236)

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2024

	<i>Note</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		3,627,526	3,784,408
Right-of-use assets		662,262	742,088
Investment properties	<i>10</i>	9,420,396	9,960,051
Joint ventures		9,880,735	10,346,835
Associates		5,499,183	5,739,365
Intangible assets		2,072	2,134
Financial assets at fair value through other comprehensive income		1,679,046	1,487,492
Financial assets at fair value through profit or loss		—	—
Deferred tax assets		64,012	89,265
Other non-current assets		579,953	738,834
		31,415,185	32,890,472
Current assets			
Properties for or under development		—	1,322,232
Inventories		8,463,897	8,980,591
Trade and other receivables, deposits paid and prepayments	<i>11</i>	1,285,644	859,738
Contract assets		1,228,916	1,134,377
Taxation recoverable		377	303
Cash and bank balances		7,809,879	6,633,986
		18,788,713	18,931,227
Current liabilities			
Trade and other payables, and deposits received	<i>11</i>	774,443	902,973
Contract liabilities		105,798	81,901
Lease liabilities		32,468	36,523
Bank borrowings		5,617,689	3,974,148
Provision for employee benefits		6,739	7,318
Taxation payable		316,917	157,979
Loans from non-controlling interests		35,000	50,361
		6,889,054	5,211,203
Net current assets		11,899,659	13,720,024
Total assets less current liabilities		43,314,844	46,610,496

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current liabilities		
Contract liabilities	44,159	44,760
Lease liabilities	32,819	64,378
Bank borrowings	9,817,943	11,567,028
Deferred tax liabilities	684,136	864,751
Other non-current liabilities	3,400	3,400
	<u>10,582,457</u>	<u>12,544,317</u>
Net assets	<u>32,732,387</u>	<u>34,066,179</u>
Equity		
Share capital	9,858,250	9,858,250
Other reserves	20,582,883	21,856,984
	<u>30,441,133</u>	<u>31,715,234</u>
Equity attributable to owners of the Company	30,441,133	31,715,234
Non-controlling interests	2,291,254	2,350,945
	<u>32,732,387</u>	<u>34,066,179</u>
Total equity	<u>32,732,387</u>	<u>34,066,179</u>

NOTES TO THE FINANCIAL STATEMENTS

1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”), which collective term includes all applicable individual HKFRS, Hong Kong Accounting Standards (“HKAS”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and certain financial assets which have been measured at fair value.

These consolidated financial statements comply with the applicable requirements of Hong Kong Companies Ordinance (Cap. 622), with the exception of Section 381 which requires a company to include all the subsidiary undertakings (within the meanings of Schedule 1 to Cap. 622) in the Company’s annual consolidated financial statements. Section 381 is inconsistent with the requirements of HKFRS 10 “Consolidated Financial Statements” so far as Section 381 applies to subsidiary undertakings which are not controlled by the Group in accordance with HKFRS 10. For this reason, under the provision of Section 380(6), the Company has departed from Section 381 and has not treated such companies as subsidiaries but they are accounted for in accordance with the accounting policies in the notes to the 2024 annual consolidated financial statements. The subsidiaries excluded subsidiary undertakings of the Group are disclosed in the 2024 annual consolidated financial statements.

The financial information relating to the years ended 31 December 2024 and 31 December 2023 included in this preliminary announcement of annual results for the year ended 31 December 2024 does not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those consolidated financial statements. Further information relating to these statutory consolidated financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company had delivered the consolidated financial statements for the year ended 31 December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

The Company's auditor had reported on those consolidated financial statements of the Group for both years. For the year ended 31 December 2024, the auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance (Cap.622).

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in the 2024 annual consolidated financial statement.

2 IMPACT OF AMENDED STANDARDS

(a) Amendments to standards and interpretation adopted by the Group

The following amendments to standards and interpretation are relevant to the Group's operations and first effective for the Group's financial year beginning on 1 January 2024:

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

The adoption of the above amendments to standards and interpretation did not have any significant impact to the Group's results for the year ended 31 December 2024 and the Group's financial position as at 31 December 2024.

(b) New standards, amendments to standards and interpretation not yet adopted

The HKICPA has issued new standards, amendments to standards and interpretation which are relevant to the Group's operations but are not yet effective for the Group's financial year beginning on 1 January 2024 and have not been early adopted:

Amendments to HKAS 21 and HKFRS 1 ⁽¹⁾	Lack of Exchangeability
Amendments to HKFRS 9 and HKFRS 7 ⁽²⁾	Classification and Measurement of Financial Instruments
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 ⁽²⁾	Annual Improvements to HKFRSs — Volume 11
HKFRS 18 ⁽³⁾	Presentation and Disclosure in Financial Statements
HKFRS 19 ⁽³⁾	Subsidiaries without Public Accountability: Disclosures
Amendments to HK Interpretation 5 ⁽³⁾	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKFRS 10 and HKAS 28 ⁽⁴⁾	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

⁽¹⁾ Effective for annual periods beginning 1 January 2025

⁽²⁾ Effective for annual periods beginning 1 January 2026

⁽³⁾ Effective for annual periods beginning 1 January 2027

⁽⁴⁾ Effective date to be determined

The Group has already commenced an assessment of the impact of these new standards, amendments to standards and interpretation. These new standards, amendments to standards and interpretation would not be expected to have a material impact to the results of the Group, while the Group is in a process of assessing the impact of new standards.

3 SEGMENT INFORMATION

(a) Description of segments

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

The Group currently has four reportable segments namely property, hospitality and leisure, transportation and investment. The segmentations are based on the internal reporting information in respect of the operations of the Group that management reviews regularly to make decisions on allocation of resources between segments and to assess segment performance.

The principal activities of each reportable segment are as follows:

Property	—	property development and sales, leasing and management services
Hospitality and Leisure	—	hotel and club operations and hotel management
Transportation	—	passenger transportation services
Investment	—	investment holdings and others

(b) Segment results, assets and liabilities

Management evaluates performance of the reportable segments on the basis of operating profit or loss before fair value changes on investment properties, non-recurring gains and losses, interest income and unallocated corporate net expenses.

Inter-segment transactions have been entered into on terms agreed by the parties concerned. The Group's measurement methods used to determine reported segment profit or loss remain unchanged from 2023.

Segment assets principally comprise all tangible assets, intangible assets and current assets directly attributable to each segment with the exception of interests in joint ventures and associates, taxation recoverable, deferred tax assets and other corporate assets.

Segment liabilities include all liabilities and borrowings directly attributable to and managed by each segment with the exception of taxation payable, deferred tax liabilities and other corporate liabilities.

The accounting policies of the reportable segments are the same as the Group's principal accounting policies as described in the notes to the consolidated financial statements.

2024

	Property HK\$'000	Hospitality and Leisure HK\$'000	Transportation HK\$'000	Investment HK\$'000	Eliminations HK\$'000	Consolidated HK\$'000
Revenue and other income						
<u>External revenue (note d)</u>						
Revenues from contracts with customers						
— Recognised at a point in time	1,089,215	164,210	—	30,673	—	1,284,098
— Recognised over time	2,208,738	482,077	—	—	—	2,690,815
	<u>3,297,953</u>	<u>646,287</u>	<u>—</u>	<u>30,673</u>	<u>—</u>	<u>3,974,913</u>
Revenues from other sources						
— Rental income	468,410	—	—	241	—	468,651
— Dividend income	—	—	—	101,987	—	101,987
	<u>468,410</u>	<u>—</u>	<u>—</u>	<u>102,228</u>	<u>—</u>	<u>570,638</u>
	<u>3,766,363</u>	<u>646,287</u>	<u>—</u>	<u>132,901</u>	<u>—</u>	<u>4,545,551</u>
Inter-segment revenue	618	1,125	—	5,011	(6,754)	—
Other income (external income and excluding interest income)	66,431 ⁽ⁱ⁾	12,610	—	9,205	—	88,246
	<u>3,833,412</u>	<u>660,022</u>	<u>—</u>	<u>147,117</u>	<u>(6,754)</u>	<u>4,633,797</u>
Segment results	917,588	(179,438)	—	72,289	—	810,439
Fair value changes on investment properties	(400,019)	—	—	—	—	(400,019)
Interest income						247,380
Unallocated expense						(180,768)
Operating profit						477,032
Finance costs						(695,093)
Share of results of joint ventures	(235,170)	(56,008)	—	—	—	(291,178)
Share of results of associates	(89,943)	(15,335)	(8,174)	(40,956)	—	(154,408)
Loss before taxation						(663,647)
Taxation						(85,915)
Loss for the year						<u>(749,562)</u>

Notes:

(i) Amount includes forfeiture income from property sales of HK\$48,295,000.

2024

	Property HK\$'000	Hospitality and Leisure HK\$'000	Transportation HK\$'000	Investment HK\$'000	Eliminations HK\$'000	Consolidated HK\$'000
Assets						
Segment assets	24,474,415	4,488,383	225,263	1,742,328	—	30,930,389
Joint ventures	10,118,986	(238,251)	—	—	—	9,880,735
Associates	4,401,848	101,217	387,077	609,041	—	5,499,183
Unallocated assets						3,893,591
Total assets						<u>50,203,898</u>
Liabilities						
Segment liabilities	686,667	227,884	25	14,032	—	928,608
Unallocated liabilities						16,542,903
Total liabilities						<u>17,471,511</u>
Other information						
Additions to non-current assets (other than financial instruments and deferred tax assets)	150,680	56,599	—	9,657	—	216,936
Depreciation						
— property, plant and equipment	16,655	86,874	—	1,246	—	104,775
— right-of-use assets	10,092	28,075	—	2,598	—	40,765
Amortisation						
— intangible assets	—	—	—	62	—	62
Impairment losses provided						
— property, plant and equipment	—	—	—	1,913	—	1,913
— trade receivables, net	28	—	—	—	—	28
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

2023

	Property HK\$'000	Hospitality and Leisure HK\$'000	Transportation HK\$'000	Investment HK\$'000	Eliminations HK\$'000	Consolidated HK\$'000
Revenue and other income						
<u>External revenue (note d)</u>						
Revenues from contracts with customers						
— Recognised at a point in time	577,438	139,821	—	30,390	—	747,649
— Recognised over time	2,404,262	362,485	—	—	—	2,766,747
	<u>2,981,700</u>	<u>502,306</u>	<u>—</u>	<u>30,390</u>	<u>—</u>	<u>3,514,396</u>
Revenues from other sources						
— Rental income	457,255	—	—	330	—	457,585
— Dividend income	—	—	—	96,157	—	96,157
	<u>457,255</u>	<u>—</u>	<u>—</u>	<u>96,487</u>	<u>—</u>	<u>553,742</u>
	<u>3,438,955</u>	<u>502,306</u>	<u>—</u>	<u>126,877</u>	<u>—</u>	<u>4,068,138</u>
Inter-segment revenue	661	1,199	—	3,748	(5,608)	—
Other income (external income and excluding interest income)	15,220	82,614 ⁽ⁱⁱ⁾	—	6,752	—	104,586
	<u>3,454,836</u>	<u>586,119</u>	<u>—</u>	<u>137,377</u>	<u>(5,608)</u>	<u>4,172,724</u>
Segment results	882,132	(73,586)	—	(231,395) ⁽ⁱⁱⁱ⁾	—	577,151
Fair value changes on investment properties	(248,804)	—	—	—	—	(248,804)
Interest income						233,733
Unallocated expense						(163,184)
Operating profit						398,896
Finance costs						(683,821)
Share of results of joint ventures	(237,707)	(38,756)	—	—	—	(276,463)
Share of results of associates	33,166	(14,187)	9,935	(41,256)	—	(12,342)
Loss before taxation						(573,730)
Taxation						(59,776)
Loss for the year						<u>(633,506)</u>

Notes:

(ii) Amount included hotel management contract termination income of HK\$75,353,000.

(iii) Amount included fair value loss on financial assets at fair value through profit or loss of HK\$302,613,000 (note 4).

2023

	Property <i>HK\$'000</i>	Hospitality and Leisure <i>HK\$'000</i>	Transportation <i>HK\$'000</i>	Investment <i>HK\$'000</i>	Eliminations <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Assets						
Segment assets	26,079,948	4,731,829	225,190	1,549,076	—	32,586,043
Joint ventures	10,495,337	(148,502)	—	—	—	10,346,835
Associates	4,559,082	115,048	397,937	667,298	—	5,739,365
Unallocated assets						3,149,456
						<u>51,821,699</u>
Total assets						<u>51,821,699</u>
Liabilities						
Segment liabilities	779,789	248,833	20	20,176	—	1,048,818
Unallocated liabilities						16,706,702
						<u>17,755,520</u>
Total liabilities						<u>17,755,520</u>
Other information						
Additions to non-current assets (other than financial instruments and deferred tax assets)	318,164	295,366	—	15,863	—	629,393
Depreciation						
— property, plant and equipment	3,571	75,505	—	2,934	—	82,010
— right-of-use assets	8,998	28,564	—	5,367	—	42,929
Amortisation						
— intangible assets	—	413	—	63	—	476
Impairment losses provided/(reversed)						
— trade receivables, net	97	(208)	—	—	—	(111)
	<u>97</u>	<u>(208)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(111)</u>

(c) **Geographical information**

	Hong Kong HK\$'000	Macau HK\$'000	PRC HK\$'000	Singapore HK\$'000	Others HK\$'000	Consolidated HK\$'000
2024						
Revenue and other income from external customers	<u>553,602</u>	<u>1,364,648</u>	<u>223,046</u>	<u>2,492,189</u>	<u>312</u>	<u>4,633,797</u>
Non-current assets*	<u>5,338,399</u>	<u>879,966</u>	<u>5,346,613</u>	<u>2,147,278</u>	<u>—</u>	<u>13,712,256</u>
2023						
Revenue and other income from external customers	<u>589,209</u>	<u>759,458</u>	<u>212,630</u>	<u>2,602,467</u>	<u>8,960</u>	<u>4,172,724</u>
Non-current assets*	<u>5,529,178</u>	<u>947,190</u>	<u>5,762,457</u>	<u>2,249,858</u>	<u>—</u>	<u>14,488,683</u>

* *Amount excluded joint ventures, associates, financial instruments, deferred tax assets and other non-current assets.*

(d) **External revenue**

External revenue comprises revenue by each reportable segment and dividend income from financial assets at fair value through other comprehensive income.

4 OTHER LOSSES, NET

	2024 HK\$'000	2023 HK\$'000
Net gain on deregistration of subsidiaries	—	1,233
Net loss on disposal of property, plant and equipment	(20)	(88)
Fair value loss on financial assets at fair value through profit or loss	—	(302,613)
	<u>(20)</u>	<u>(301,468)</u>

5 OPERATING PROFIT

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
After crediting:		
Rental income from investment properties	222,039	224,918
<i>Less:</i> Direct operating expenses arising from investment properties	<u>(48,920)</u>	<u>(36,667)</u>
	173,119	188,251
Dividend income from listed investments	14,483	10,683
Dividend income from unlisted investments	<u>87,504</u>	<u>85,474</u>
After charging:		
Cost of inventories sold		
— properties	2,214,067	2,061,110
— others	<u>42,381</u>	<u>44,829</u>
	2,256,448	2,105,939
Impairment losses recognised/(reversed)		
— property, plant and equipment	1,913	—
— trade receivables, net	<u>28</u>	<u>(111)</u>

6 FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest on bank borrowings	665,502	693,952
Interest on lease liabilities	4,392	4,006
Other finance costs	<u>25,199</u>	<u>24,809</u>
Total finance costs	695,093	722,767
<i>Less:</i> Amount capitalised in hotel building under construction	<u>—</u>	<u>(38,946)</u>
	<u>695,093</u>	<u>683,821</u>

During the year ended 31 December 2023, finance costs have been capitalised at weighted average rate of its general borrowings of 3.67% per annum for hotel building under construction.

7 TAXATION

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current taxation		
Hong Kong profits tax	5,913	6,520
Non-Hong Kong taxation	219,384	65,565
Deferred taxation	<u>(139,382)</u>	<u>(12,309)</u>
Total tax expenses	<u><u>85,915</u></u>	<u><u>59,776</u></u>

Hong Kong profits tax is calculated at 16.5% (2023: 16.5%) on the estimated assessable profits for the year. Non-Hong Kong taxation is calculated at tax rates applicable to jurisdictions in which the Group operates, mainly in Macau, the PRC and Singapore at 12%, 25% and 17% (2023: 12%, 25% and 17%) respectively.

8 DIVIDENDS

The Board does not recommend the payment of any final dividend (2023: nil) in respect of the year ended 31 December 2024. No interim dividend was declared by the Board during the year ended 31 December 2024 (2023: nil).

9 LOSS PER SHARE

The calculation of basic loss per share is based on loss attributable to owners of the Company of HK\$823,951,000 (2023: HK\$676,726,000) and the weighted average number of 3,017,661,785 shares (2023: 3,020,171,281 shares) in issue during the year.

Basic and diluted loss per share were the same as the Company had no potentially dilutive ordinary shares in issue for the year ended 31 December 2024 (2023: same).

10 INVESTMENT PROPERTIES

	2024			
Completed investment properties	Hong Kong <i>HK\$'000</i>	PRC <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
At valuation				
As at 1 January	4,892,295	4,147,166	920,590	9,960,051
Exchange adjustment	—	(131,915)	—	(131,915)
Addition	2,551	—	—	2,551
Adjustment of cost for renovation	—	(10,272)	—	(10,272)
Fair value changes	(135,484)	(210,625)	(53,910)	(400,019)
As at 31 December	<u>4,759,362</u>	<u>3,794,354</u>	<u>866,680</u>	<u>9,420,396</u>
Freehold properties				783,000
Leasehold properties				<u>8,637,396</u>
	2023			
Completed investment properties	Hong Kong <i>HK\$'000</i>	PRC <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
At valuation				
As at 1 January	4,927,427	4,342,720	910,590	10,180,737
Exchange adjustment	—	(114,404)	—	(114,404)
Addition	132	142,935	—	143,067
Adjustment of cost for renovation	(545)	—	—	(545)
Fair value changes	(34,719)	(224,085)	10,000	(248,804)
As at 31 December	<u>4,892,295</u>	<u>4,147,166</u>	<u>920,590</u>	<u>9,960,051</u>
Freehold properties				828,000
Leasehold properties				<u>9,132,051</u>

The Group measures its investment properties at fair value. Independent valuations of the Group's investment properties were performed by the valuers, Savills Valuation and Professional Services Limited ("Savills") and Knight Frank Petty Limited ("Knight Frank"), who hold recognised relevant professional qualification and have recent experience in the locations of the investment properties being valued, to determine the fair values of the investment properties as at 31 December 2024 (2023: same). The Group employed Savills and Knight Frank to value its investment properties which are either freehold or held under leases with unexpired lease terms. The valuations conformed to the Hong Kong Institute of Surveyors Valuation Standards issued by the Hong Kong Institute of Surveyors.

11 TRADE RECEIVABLES AND PAYABLES

Trade receivables are managed in accordance with defined credit policies, dependent on market requirements and businesses which they operate. Subject to negotiation, credit is only available for major customers with well-established trading records. The Group offers general credit terms ranging from 0 day to 60 days to its customers, except for sales of properties the proceeds from which are receivable pursuant to the terms of the relevant agreements.

The ageing analysis of trade debtors by invoice date is as follows:

	2024	2023
	HK\$'000	HK\$'000
0 — 30 days	491,831	53,592
31 — 60 days	18,079	24,996
61 — 90 days	6,413	14,470
Over 90 days	12,614	4,945
	528,937	98,003

The ageing analysis of trade payables by invoice date is as follows:

	2024	2023
	HK\$'000	HK\$'000
0 — 30 days	146,115	256,280
31 — 60 days	1,850	3,869
61 — 90 days	40	42
Over 90 days	1,104	1,694
	149,109	261,885

BUSINESS REVIEW

Property

In 2024, the global economy faced challenges amid an uncertain macroeconomic environment. In effort to stimulate the local property market, the governments of Hong Kong and Macau relaxed all cooling measures in early 2024. The Group capitalized on this opportunity by releasing a new batch of residential units at Nova Grand in Macau. During the reporting year, 90 residential units were transacted, and 68 residential units were recognized, reaffirming purchasers' confidence in the Group's developments.

In Singapore, the market-leading Les Maisons Nassim and the award-winning Park Nova residential developments continued to contribute revenue recognized over time for the units sold in previous years. As of 31 December 2024, all units have been sold at Les Maisons Nassim while 89% of the units have been sold at Park Nova. The handover progress has begun for both projects. For sales of commercial units, 111 Somerset continues to be in demand for its prime location at Orchard District. During the year, 4 office and 1 medical units were sold with profits recognized. As of year-end, the remaining commercial units at 111 Somerset achieved an overall committed occupancy rate of 95%.

In Mainland China, adjacent to Macao and connected to the 24-hour cross-border port, the retail mall of the Group's Hengqin Integrated Development in Zhuhai is expected to open in the second half of 2025, targeting a mix portfolio of leisure and dining tenants. In December 2024, the Group signed a memorandum of understanding with SJM-Investment Limited ("SJM") for the proposed disposal of Level 21 to Level 29 of the office tower and a retail unit of the project for a total cash consideration of HK\$584 million, exclusive of tax, with an exclusivity period until 30 June 2025. SJM intends to convert the acquired units into a hotel. The conversion, combined with the Central Government's expansion of multi-entry policies and the launch of Macau's new light rail transit line connecting Hengqin Port and Cotai, is anticipated to increase cross-border travel and enhance the project's overall performance.

In Beijing, construction is on track for Tongzhou Integrated Development. Pre-sale consent for the serviced apartments was granted by the government in September 2024, and our sales gallery and showflats are ready for viewing. With the Central Government's commitment and assurance in fostering a sustainable housing market, the Group will closely monitor the implementation of national policies and market sentiment to determine the appropriate timing for the official launch of the serviced apartments.

Meanwhile, the property investment portfolios in Mainland China, Hong Kong, and Macau, were under pressure due to changes in consumer patterns, high interest rates, and a suite of market challenges that affected our tenants' operations and profitability. Despite subdued market conditions, the Shanghai Suhe Bay's retail mall, MixC World, managed to record a solid occupancy of 94% and Nova Mall at Macao recorded an occupancy of 82% as of 31 December 2024.

The overall property division's performance was supported by profit recognition from property development projects, but partially offset by exchange loss. The division reported a profit of HK\$918 million (2023: HK\$882 million).

Hospitality and Leisure

Global tourism has virtually recovered to pre-pandemic levels with an estimated 1.4 billion international tourists recorded worldwide. Positioned as an integrated cultural tourism conglomerate based in the Guangdong-Hong Kong-Macao Greater Bay Area (the "GBA"), the Group has expanded its presence by opening a fully owned Artyzen Habitat hotel at Hengqin Zhuhai and a managed Artyzen Habitat at Chongqing. Additionally, the Group ventured into a new leisure segment by entering into a joint project with AJ Hackett International group to develop and operate the Adventure Zone at Ocean Park Hong Kong, a 120,000 square meters project expected to be completed by 2028.

The Group has equity interests in 10 hotels, operating in Hong Kong, Macau, Mainland China and Singapore. Artyzen Hospitality Group ("AHG"), a hotel management subsidiary of the Group, manages 17 hotels under four brands: Artyzen, Artyzen Habitat, YaTi and The Shàng.

Hong Kong's SkyCity Marriott Hotel's occupancy rate was increased by 13 percentage points to 75% (2023: 62%) driven by an increase in mega events at the AsiaWorld-Expo. The average occupancy rate for Macau portfolio increased by 14 percentage points to 69% (2023: 55%) fueled by robust recovery in tourism, while Mainland China portfolio increased by 2 percentage points to an average occupancy rate of 53% (2023: 51%) and Artyzen Singapore achieved 48% occupancy rate in 2024 (opened in December 2023, 2023: 19%), influenced by the steady ramp-up of the Group's new hotels. Due to higher competition and an increase in rooms supply, our owned hotels' room rates, except Mandarin Oriental, Macau, were under pressure due to higher competition despite an improvement in occupancy rate.

The division is committed to optimizing its services to remain competitive in the market while prioritizing cost control to improve profitability. Coupled with pre-opening expenses and non-cash items such as depreciation, the Group reported a loss of HK\$180 million (2023: loss of HK\$74 million).

Transportation

TurboJET has focused on adopting an efficiency-optimised deployment strategy for its high speed ferries fleet deployment strategy to maximize profit while meeting changes in mobility needs. With the enhanced connectivity within the region, the Division's multimodal transportation portfolio continues to expand, covering ferry and land transportation services such as Hong Kong-Zhuhai-Macao Bridge shuttle buses (commonly known as the Golden Bus), cross-border coaches, and limousines. This strategic plan has been instrumental for the Group in capturing the growing regional traffic generated by the more advanced transportation infrastructure, further solidifying its role as a "Super Connector" in the Greater Bay Area (GBA). CTG Bus have expanded their network by launching new routes leveraging newly established infrastructures such as the Shenzhen-Zhongshan Link. To facilitate a seamless intermodal travel experience, TurboJET and Cathay Pacific have established an intermodal codeshare arrangement to enable passengers to enjoy one-stop booking for air and ferry tickets. TurboJET was also appointed as the General Sales Agent for East Asia Airlines in January 2024, providing sales services for Sky Shuttle helicopter flights between Hong Kong, Macau and Shenzhen. In line with national development priorities, the division has been actively perfecting its sea-land-air connectivity network while continuously exploring new opportunities in the low-altitude economy.

The Group reported a shared loss of HK\$8 million (2023: shared profit of HK\$10 million) in 2024 due to derecognition of deferred tax assets.

Investments

The division consists of a range of investments that adhere to the Group's "Tourism+" strategy. As a long-term investor in Sociedade de Turismo e Diversões de Macau, S.A. ("STDM"), the Group received a dividend of HK\$88 million (2023: HK\$86 million) from STDM.

The Kai Tak Cruise Terminal retained 80% market share in Hong Kong, and is expecting new cruise lines to commence regular homeporting from April 2025.

Retail Matters Company Limited opened two Toys'R'Us shops at Studio City and Lisboeta in Macao while Stecco Natura Gelaterie continues its expansion in Macao and Mainland China in 2024.

All-in-all, the division reported a profit of HK\$72 million (2023: loss of HK\$231 million, including fair value loss on financial assets at fair value through profit or loss of HK\$303 million).

RECENT DEVELOPMENTS AND PROSPECTS

The Group remains optimistic about the Travel and Tourism (“T&T”) sectors, anticipating tourism growth momentum to accelerate in 2025, driven by a series of favourable tourism policies such as cultural integration and relaxed visa policies by the Central Government to boost both domestic and international travel.

The Group has been advancing its “Tourism+” strategy, embedding the theme across our operations, weaving into our Property, Hospitality and Leisure, Transportation and Investments businesses.

As the Group positions ourselves as a key player in the GBA, we take strides to further promoting cultural tourism through experiential travel. In October 2024, the Group ventured into a new leisure segment by entering into a joint project with our long-term partner AJ Hackett International group to develop and operate the Adventure Zone at Ocean Park Hong Kong. Expected to be completed in 2028, the Adventure Zone will be Asia’s first large-scale integrated sky-high adventure tourism destination and will set a new benchmark for immersive tourism in the region. The expansion reflects our confidence in Central Government’s supportive policies for Hong Kong and the GBA area.

The Artyzen Hospitality Group plans to launch its luxury lifestyle brand, Artyzen Hotel and Resorts in Xi’an, a city along the “Belt and Road Initiative”, in the first quarter of 2028.

As a “Super Connector” within the GBA, the transportation division is tapping into rising regional traffic that is driven by tourism recovery. Capitalizing on new infrastructure and government initiatives, the division is expanding its sea-land-air matrix to holistically enhance connectivity and growth. Moreover, SkyPier management contract has been renewed for another “4+1” years, effective in July 2024. As a priority for the Central Government, the low-altitude economy is emerging as a significant growth driver. Our Group will explore opportunities in this sector, establishing new pathways for creating high-quality, productive channels that leverage synergies with our well-established transportation network.

For property division, the Group is increasingly focused on large-scale mixed-use developments that integrate an array of real estate components, including hospitality, retail and healthcare. In Tianjin, the construction has been completed for our high-speed rail integrated healthcare development and the project is rolling out in a phased manner. In September 2024, Tongzhou Integrated Development in Beijing secured pre-sale consent for its serviced apartments. The Group will strategically plan and announce official sales launch according to market conditions. The Group signed a memorandum of understanding in December 2024 with SJM for the proposed disposal at Hengqin Integrated Development for the conversion of a hotel which is expected to increase foot traffic that would potentially enhance the overall performance. In Macao, Nova Grand sold 25 residential units in second half of 2024, bringing the total to 90 units sold in 2024. In 2025, Nova Grand's popularity continues with the sale of 2 residential units and 1 penthouse. In Singapore, Park Nova sold one 4-bedroom unit and its largest penthouse were transacted in January 2025. The penthouse made a record as one of the highest average selling prices for a condominium in Singapore.

Looking ahead, 2025 presents a blend of challenges and opportunities to the Group. With the Group's diversified property and hotel portfolios, the Group is well-positioned to adapt and mitigate through the uncertain market conditions. The Group continues to adopt a proactive approach to debt management amid uncertain interest rate outlook. By staying prudent and seizing strategic opportunities, the Group is committed to delivering sustainable value for shareholders while managing risk responsibly.

GROUP FINANCIAL REVIEW

Liquidity, Financial Resources and Capital Structure

The Group's bank balances and deposits amounted to HK\$7,810 million as at 31 December 2024, representing an increase of HK\$1,176 million as compared with the position as at 31 December 2023. It is the Group's policy to secure adequate funding to satisfy cash flows required for working capital and investing activities. Total bank loan facilities available to the Group as at 31 December 2024 amounted to HK\$19,507 million, of which HK\$4,011 million remained undrawn. The principal amount of Group's bank borrowings outstanding at the year end amounted to HK\$15,496 million.

Based on a net borrowings of approximately HK\$7,626 million at the year end, the Group's gearing ratio (expressed as a ratio of net borrowings to equity attributable to owners of the Company) was 25.1% (2023: 28.1%). The Group will continue with its financial strategy of maintaining a healthy gearing ratio and consider steps to reduce its finance costs.

The maturity profile of the principal amount of Group's borrowings is set out below:

Maturity Profile

Within 1 year	1-2 years	2-5 years	over 5 years	Total
36%	12%	51%	1%	100%

Material Acquisitions, Disposals and Commitments

There was no material acquisition or disposal of the Group during the year.

In January 2018, the Group entered into an agreement with other partners to jointly invest in Perennial HC Holdings Pte. Ltd. ("HC Co"), which will invest in potential real estate projects in the PRC predominantly for healthcare usage, with hotel and/or with retail components, complemented by healthcare-related amenities and mixed use properties. The total committed capital for HC Co is US\$500 million. The Group holds 30% equity interest in HC Co and thus has its share of commitment at US\$150 million. As at 31 December 2024, the Group has an outstanding commitment to contribute capital of approximately US\$75 million (equivalent to approximately HK\$579 million) to HC Co.

Charges on Assets

At the year end, bank loans with principal amount of approximately HK\$4,976 million (2023: HK\$6,067 million) were secured with charges on certain assets of the Group amounting to an aggregate carrying value of HK\$10,983 million (2023: HK\$12,831 million). Out of the above secured bank loans, an aggregate principal amount of HK\$533 million (2023: HK\$548 million) was also secured by pledges of shares in certain subsidiaries.

Contingent Liabilities

The Company has provided a corporate guarantee for securing a banking facility granted to an associate. As at 31 December 2024, the bank loan balance proportionate to the Company's shareholding amounted to HK\$100 million (2023: HK\$164 million).

Financial Risk

The Group adopts a prudent approach to financial risk management to minimise currency exposure and interest rate risks. Majority of funds raised by the Group are on a floating rate basis. Except for bank loans with principal amount of RMB242 million and SGD733 million, the Group's outstanding borrowings at year-end were not denominated in foreign currencies. Approximately 69% of the bank deposits, cash and bank balances are denominated in Hong Kong dollar ("HKD"), Macau pataca ("MOP") and US dollar ("USD") and the remaining balance mainly in Singapore dollar ("SGD") and Renminbi ("RMB"). MOP and USD are pegged to HKD. The Group's principal operations are primarily conducted in HKD while its financial assets and liabilities are denominated in USD, MOP, SGD and RMB. The Group will from time-to-time regularly review its foreign exchange and market conditions to determine if hedging is required.

Human Resources

The Group, including subsidiaries but excluding joint ventures and associates, employed approximately 1,700 employees at the year end. The Group adopts competitive remuneration packages for its employees. Promotion and salary increments are based on performance. Social activities are organised to foster team spirit amongst employees and they are encouraged to attend training classes that are related to the Group's businesses and developments.

CLOSURE OF REGISTER OF MEMBERS

For the purposes of determining shareholders' eligibility to attend and vote at the 2025 annual general meeting of the Company, the register of members of the Company will be closed. Details of such closure are set out below:

Latest time to lodge transfer documents

for registration4:30 p.m. on Wednesday,
4 June 2025

Closure of register of membersThursday, 5 June 2025
to Wednesday, 11 June 2025
(both days inclusive)

Record dateWednesday, 11 June 2025

During the above closure period, no transfer of shares will be registered. To be eligible to attend and vote at the 2025 annual general meeting of the Company, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than the aforementioned latest time.

ANNUAL GENERAL MEETING

The annual general meeting of the Company is currently scheduled to be held on Wednesday, 11 June 2025 subject to any contingency measures which may be announced as appropriate. The notice of annual general meeting will be published on the websites of the Company and The Stock Exchange of Hong Kong Limited and despatched to the shareholders of the Company in due course.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance and fostering sustainable business growth and development. The Board periodically reviews the Company's practices to ensure compliance with the increasingly stringent requirements and to meet rising expectations of the shareholders of the Company. The Board is of the opinion that the Company has complied with all code provisions of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules throughout the year ended 31 December 2024, except for code provision C.2.1, which requires the roles of Chairman and Chief Executive to be separate and not to be performed by the same individual. The Board is of the view that since all major decisions have been made in discussion among Board members and appropriate Board committees, the allocation of power and authority within the corporate structure is adequately balanced to satisfy the objective of this code provision. In addition, there are four independent non-executive directors on the Board who offer their respective experience, expertise, and independent advice and views from different perspectives. Therefore, it is in the best interest of the Company that Ms. Pansy Ho, with her in-depth knowledge of the businesses and extensive experience in the operations of the Group, assumes her dual capacity.

REVIEW BY AUDIT AND RISK MANAGEMENT COMMITTEE

The Group's consolidated financial statements for the year ended 31 December 2024 have been reviewed by the audit and risk management committee of the Company. The figures in respect of the Group's consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024, as set out in the preliminary announcement, have been agreed by the Company's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by PricewaterhouseCoopers 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 PricewaterhouseCoopers on this preliminary announcement.

By order of the Board
SHUN TAK HOLDINGS LIMITED
Pansy Ho
Group Executive Chairman and Managing Director

Hong Kong, 25 March 2025

As at the date of this announcement, the executive directors of the Company are Ms. Pansy Ho, Ms. Daisy Ho, Ms. Maisy Ho, Mr. David Shum and Mr. Rogier Verhoeven; and the independent non-executive directors are Mr. Norman Ho, Mr. Charles Ho, Mr. Michael Wu and Mr. Kevin Yip.