Goldlion
金利來

GOLDLION HOLDINGS LIMITED
金 利 來 集 團 有 限 公 司

(Incorporated in Hong Kong under the Hong Kong Companies Ordinance)

(Stock code: 00533)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER 2024

RESULTS

The Board of Directors (the "Board") is pleased to announce the consolidated results of Goldlion Holdings Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31st December 2024 together with the comparative figures for the previous year as follows:

Consolidated Income Statement
For the year ended 31st December 2024

	Note	**2024** HK$'000	**2023** HK$'000
Turnover	2	1,219,113	1,331,456
Cost of sales	4	(524,132)	(572,941)
Gross profit		694,981	758,515
Other losses	3	(27,362)	(47,066)
Selling and marketing costs	4	(431,341)	(447,488)
Administrative expenses	4	(155,777)	(162,187)
Operating profit		80,501	101,774
Interest income		25,681	27,402
Interest expense		(1,516)	(1,743)
Profit before income tax		104,666	127,433
Income tax expense	5	(11,560)	(11,269)
Profit for the year		93,106	116,164
Attributable to:			
Owners of the Company		93,097	116,164
Non-controlling interests		9	-
Profit for the year		93,106	116,164
		HK cents	*HK cents*
Earnings per share for profit attributable to owners of the Company during the year			
- Basic and diluted	6	9.56	11.87

Consolidated Statement of Comprehensive Income
For the year ended 31st December 2024

	2024 HK$'000	2023 HK$'000
Profit for the year	93,106	116,164
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Revaluation of property, plant and equipment upon reclassification to investment property	7,982	874
Change in fair value of financial assets at fair value through other comprehensive income	-	190
Income tax relating to these items	(215)	(273)
Item that may be reclassified subsequently to profit or loss		
Exchange differences on translation of financial statements of overseas subsidiaries	(100,042)	(71,528)
Other comprehensive income for the year	(92,275)	(70,737)
Total comprehensive income for the year	831	45,427
Attributable to:		
Owners of the Company	822	45,427
Non-controlling interests	9	-
Total comprehensive income for the year	831	45,427

Consolidated Balance Sheet
As at 31st December 2024

	Note	As at 31.12.2024 HK$'000	As at 31.12.2023 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		211,196	181,107
Right-of-use assets		74,445	92,222
Investment properties		2,604,529	2,686,658
Deferred income tax assets		55,889	55,873
		2,946,059	3,015,860
Current assets			
Property under development		164,630	103,214
Completed properties		590,795	651,481
Inventories		217,723	201,634
Trade receivables	8	88,669	99,729
Prepayments, deposits and other receivables		52,571	60,971
Contract assets		30,693	52,506
Tax recoverable		3,491	7,560
Restricted cash		1,310	10,208
Bank deposits		734,144	721,494
Cash and cash equivalents		316,392	357,099
		2,200,418	2,265,896
Total assets		**5,146,477**	**5,281,756**
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital		1,101,358	1,101,358
Reserves		3,245,797	3,303,406
Owners of the Company		4,347,155	4,404,764
Non-controlling interests		2,128	-
Total equity		4,349,283	4,404,764
LIABILITIES			
Non-current liabilities			
Other payables and accruals		46,559	30,995
Lease liabilities		9,125	22,829
Deferred income tax liabilities		354,392	375,325
		410,076	429,149
Current liabilities			
Trade payables	9	49,557	34,605
Other payables and accruals		173,318	172,470
Contract liabilities		139,535	211,129
Lease liabilities		17,331	21,432
Current income tax liabilities		7,377	8,207
		387,118	447,843
Total liabilities		797,194	876,992
Total equity and liabilities		**5,146,477**	**5,281,756**

Notes:

1. Principal accounting policies

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the requirements of the Hong Kong Companies Ordinance (Cap. 622). They have been prepared under the historical cost convention, as modified by the revaluation of investment properties and financial assets at fair value through other comprehensive income.

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

The Company has delivered the financial statements for the year ended 31st 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 and will deliver the financial statements for the year ended 31st December 2024 in due course.

The Company's auditor has reported on the financial statements of the Group for both years. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

(a) The amended standards and new interpretation effective in 2024 but not relevant to the Group:

HKAS 1 (Amendments)	Classification of liabilities as current or non-current
HKAS 1 (Amendments)	Non-current liabilities with covenants
HKAS 7 and HKFRS 7 (Amendments)	Supplier finance arrangements
HKFRS 16 (Amendments)	Lease liability in a sale and leaseback
HK (IFRIC) – Int 5	Presentation of financial statements – Classification by the borrower of a term loan that contains a repayment on demand clause

The above amended standards and new interpretation did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

1. Principal accounting policies *(continued)*

(b) The following new and amended standards and interpretations have been issued but are not effective for the financial year beginning on 1st January 2024 and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after
HKAS 21 and HKFRS 1 (Amendments)	Lack of exchangeability	1st January 2025
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 (Amendments)	Annual Improvements to HKFRS Accounting Standards - Volume 11	1st January 2026
HKFRS 9 and HKFRS 7 (Amendments)	Classification and measurement of financial instruments	1st January 2026
HKFRS 10 and HKAS 28 (Amendments)	Sale or contribution of assets between an investor and its associate or joint venture	Not yet established
HKFRS 18	Presentation and disclosure in financial statements	1st January 2027
HKFRS 19	Subsidiaries without public accountability: Disclosures	1st January 2027
HK (IFRIC) – Int 5 (Amendments)	Presentation of financial statements – Classification by the borrower of a term loan that contains a repayment on demand clause	1st January 2027

The above new and amended standards and interpretations are not expected to have a material impact on the consolidated financial statements of the Group.

2. Turnover and segment information

The Group is principally engaged in the distribution and manufacturing of garments, leather goods and accessories, licensing of brand name, and property investment and development. Turnover recognized during the year is as follows:

	2024 HK$'000	**2023** HK$'000
Revenue recognized under HKFRS 15		
Sales of goods	897,407	952,064
Sales of properties	49,246	92,621
Building management fees	41,183	42,150
Licensing income	84,146	93,132
Sales of electricity	1,128	-
	1,073,110	1,179,967
Revenue recognized under other accounting standards		
Rental income from investment properties	146,003	151,489
	1,219,113	1,331,456
Timing of revenue recognition under HKFRS 15		
At a point in time	960,814	1,061,827
Over time	112,296	118,140
	1,073,110	1,179,967

The segments are managed separately as each business offers different products and services and requires different marketing strategies. The Group has three reportable segments including apparel in China Mainland and Hong Kong SAR, apparel in Singapore as well as property investment and development.

The Group reports the results of its operating segments based on the internal reports reviewed by the chief operating decision maker that are used to make strategic decisions.

2. Turnover and segment information *(continued)*

An analysis of the Group's segment information by operating segment is as follows:

	2024 Segment turnover HK$'000	**2023 Segment turnover** HK$'000	**2024 Segment results** HK$'000	**2023 Segment results** HK$'000
Operating segments				
Apparel in China Mainland and Hong Kong SAR	948,530	1,010,560	56,456	78,973
Apparel in Singapore	33,866	35,674	(5,363)	(2,754)
Property investment and development	247,921	297,377	86,208	82,441
Inter-segment sales and other	(11,204)	(12,155)	544	-
	1,219,113	1,331,456	137,845	158,660
Unallocated costs			(33,179)	(31,227)
Profit before income tax			104,666	127,433
Income tax expense			(11,560)	(11,269)
Profit for the year			93,106	116,164

3. Other losses

	2024 HK$'000	**2023** HK$'000
Fair value losses on investment properties	27,362	47,066

4. Expenses by nature

	2024 HK$'000	2023 HK$'000
Cost of inventories sold	400,495	443,245
Cost of properties sold	36,984	66,244
Provision for impairment of inventories	48,918	24,807
Direct operating expenses arising from investment properties that generated rental income	36,139	37,684
Expenses relating to:		
- short-term leases	21,998	22,309
- variable lease payments	49,275	61,588
Depreciation of property, plant and equipment	32,190	26,701
Depreciation of right-of-use assets	20,464	18,788
Impairment of property, plant and equipment	227	-
Impairment of right-of-use assets	3,021	1,821
Staff costs including directors' emoluments	220,529	224,016
Auditors' remuneration:		
- audit services	3,352	3,822
- non-audit services	401	1,022
Advertising and promotion expenses	107,024	111,192
Reversal of provision for impairment of trade receivables, net	(113)	(1,122)
Net exchange loss	2,412	713
Other expenses	127,934	139,786
	1,111,250	1,182,616
Representing:		
Cost of sales	524,132	572,941
Selling and marketing costs	431,341	447,488
Administrative expenses	155,777	162,187
	1,111,250	1,182,616

5. Income tax expense

	2024 HK$'000	2023 HK$'000
Hong Kong profits tax:		
Current year	-	13
Taxation outside Hong Kong:		
Current year	21,257	24,297
(Over)/under-provision in prior year	(24)	690
	21,233	24,987
Deferred income tax	(9,673)	(13,731)
Total income tax expense	11,560	11,269

Hong Kong profits tax rate has not been provided for as the Group's estimated assessable profit for the year are set off by tax loss carried forward from prior years (2023: Hong Kong profits tax rate has been provided at the rate of 16.5% on the estimated assessable profit for the year).

Taxation on profits generated in the PRC has been calculated on the estimated assessable profit for the year at the rate of 25% (2023: 25%). For subsidiaries that qualify for the inclusive tax reduction policy for small and micro enterprises, in accordance with the existing policy of the PRC, taxation on profits generated in the PRC has been calculated at a preferential rate of 5% (2023: 5%). Taxation on profits outside Hong Kong and the PRC has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

6. Earnings per share

The calculation of basic earnings per share is based on the profit attributable to owners of the Company of HK$93,097,000 (2023: HK$116,164,000) and the weighted average number of ordinary shares in issue of 973,844,035 (2023: 978,385,013) during the year.

Diluted earnings per share equals basic earnings per share as there were no potential dilutive ordinary shares in issue during the years ended 31st December 2024 and 2023.

7. Dividends

	2024 HK$'000	2023 HK$'000
2023 interim dividend, paid, of 3.5 HK cents per ordinary share	-	34,245
2023 final dividend, paid, of 4.0 HK cents per ordinary share	-	38,954
2024 interim dividend, paid, of 2.0 HK cents per ordinary share	19,477	-
2024 final dividend, proposed, of nil HK cent per ordinary share	-	-
	19,477	73,199

The Directors do not recommend the payment of a final dividend (2023: 4.0 HK cents per share and totalling HK$38,954,000) for the year ended 31st December 2024.

8. Trade receivables

The Group's sales are on cash on delivery or credit terms ranging from 30 days to 180 days after delivery. The ageing of the trade receivables based on invoice date is as follows:

	As at 31.12.2024 HK$'000	As at 31.12.2023 HK$'000
1-30 days	63,291	83,504
31-90 days	16,605	12,850
Over 90 days	9,396	4,454
Trade receivables	89,292	100,808
Less: provision for impairment of trade receivables	(623)	(1,079)
Trade receivables - net	88,669	99,729

9. Trade payables

The ageing of the trade payables based on invoice date is as follows:

	As at 31.12.2024 HK$'000	As at 31.12.2023 HK$'000
1-30 days	31,690	29,351
31-90 days	14,645	3,654
Over 90 days	3,222	1,600
	49,557	34,605

10. Proposed privatization and subsequent events

On 17th December 2024, Grand Sunny Limited (the "Offeror") and the Company jointly published an announcement (the "Joint Announcement"). As disclosed in the Joint Announcement, the Offeror requested the Board to put forward a proposal (the "Proposal") to the scheme shareholders for the privatization of the Company by way of a scheme of arrangement (the "Scheme") under Section 673 of the Hong Kong Companies Ordinance. If the Proposal is approved and implemented, the listing of the Companies shares on The Stock Exchange of Hong Kong Limited will be withdrawn with effect after the effective date. For details, please refer to the Joint Announcement.

As stated in the Joint Announcement, the Scheme documents containing, among other things, details of the Scheme, the expected timetable, an explanatory statement as required under the rules of the High Court, information regarding the Company, the recommendations of the independent Board committee with respect to the Proposal, the letter of advice from the independent financial adviser, notices of the court meeting and the general meeting as well as other particulars required by the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code") will be despatched to the shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code and other applicable laws and regulations.

As additional time is required to procure the holding of a directions hearing and to finalize the financial information to be included in the Scheme document, an application was made with the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong for its consent to extend the latest time for the dispatch of the Scheme document. Further announcement(s) will be made by the Company and the Offeror in respect of the application for the consent and the expected date of despatch of the Scheme document.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATING RESULTS

Turnover

During the year under review, the Group recorded a turnover of HK$1,219,113,000, representing a decrease of 8% from HK$1,331,456,000 of last year. Income from all of our major business operations was lower than last year. Among them, income from the sales of apparel products and properties decreased by 6% and 47% respectively when compared with last year.

Cost of sales and gross profit

Cost of sales for the year was HK$524,132,000, including cost of inventories sold of the apparel operation of HK$400,495,000, provision for impairment of inventories of HK$48,918,000, cost of properties sold of HK$36,984,000 and direct operating expenses arising from investment properties of HK$36,139,000.

During the year, the cost of inventories sold of our apparel operation was HK$400,495,000, representing a decrease of 10% from HK$443,245,000 of last year. Gross profit margin excluding effect of impairment of inventories was 55.2%, which was higher than the 53.3% of last year. As the inventories stand at higher level during the year, provision for impairment of inventories amounting to HK$48,918,000 was recorded during the year, which is higher than the amount of HK$24,807,000 of last year.

Due to the decrease in income from property sales, cost of properties sold amounting to HK$36,984,000 of the year was 44% lower than last year. Gross profit margin from property sales was 24.9%, lower than 28.5% of last year.

The direct operating expenses arising from investment properties for the year was HK$36,139,000, representing a decrease of approximately 4% when compared with HK$37,684,000 of last year. The decrease was in line with the drop in rental income and building management fees for the year.

Other losses

During the year, the Group recorded fair value losses on investment properties of HK$27,362,000, representing an decrease of 42% when compared with the losses of HK$47,066,000 of last year.

Operating expenses

Selling and marketing costs mainly consist of manpower costs for sales staff, rental expenses of the sales outlets, operating costs for e-commerce sales platforms, advertising and promotion, and relevant marketing expenses and tax fees relating to the Meixian property development project. The Group recorded total selling and marketing costs of HK$431,341,000 for the year, representing a decrease of 4% from HK$447,488,000 of last year. The decrease was in line with the drop in income from respective business operations.

Administrative expenses mainly consist of manpower costs for non-sales staff, depreciation, amortization and impairment charges, and other miscellaneous expenses. The Group recorded administrative expenses of HK$155,777,000 for the year, lower than the amount of HK$162,187,000 of last year by 4%.

Operating profit

Operating profit for the year amounted to HK$80,501,000, representing a decrease of approximately 21% from HK$101,774,000 of last year. The operating profit margin was approximately 7%, which was lower than the margin of 8% of last year.

Profit attributable to owners of the Company

The Group also recorded a net interest income of HK$24,165,000 for the year, lower than last year's HK$25,659,000 by approximately 6%. The decrease was mainly due to a lower average deposit interest rate during the year.

After offsetting the reversal of tax for fair value losses on investment properties amounting to HK$9,181,000 (HK$14,826,000 for last year), the income tax expense for the year was HK$11,560,000 and was in line with the amount of HK$11,269,000 of last year. Effective tax rate excluding fair value losses on investment properties and the related tax effect was 16% and was also in line with last year's 15%.

The Group's profit attributable to owners of the Company for the year was HK$93,097,000, decreased by approximately 20% from HK$116,164,000 of last year. Profit for the year would be HK$111,278,000 if the net fair value losses after tax on investment properties of HK$18,181,000 (HK$32,240,000 for last year) were excluded, and was approximately 25% lower than the amount of HK$148,404,000 of last year.

BUSINESS REVIEW

Apparel Business

China Mainland and Hong Kong SAR Markets
The economic downturn in China Mainland continued during the year. Due to the impact of sluggish retail market, declining consumption, real estate crisis and unfavorable external factors, the operating environment of the Group's domestic apparel business was extremely tough. The overall turnover for the year amounted to HK$863,541,000, decreased by approximately 6% from the last year, representing a decrease of 3% in RMB.

In China Mainland, the Group has continued to conduct its apparel operation through wholesaling to distributors in various cities and provinces, mainly through self-operated retail shops and factory outlets located mainly in Guangzhou, Shanghai, Beijing, Chongqing, Liaoning, Jilin and Shandong, as well as through e-commerce and custom-ordering.

In respect of the wholesaling business, as certain distributors changed their business model or terminated their business during the year, and some distributors were cautious in placing orders due to lack of confidence in the market prospect, the sales to distributors in RMB decreased by approximately 9%. The sales of this business accounted for approximately 32% of the Group's apparel sales in China Mainland.

During the year, domestic retail market remained sluggish and consumption sentiment slumped. Therefore, even though the number of self-operated sales outlets increased, sales from self-operated retail shops decreased by approximately 1% in RMB compared with last year. On comparable shops basis, sales in major operating regions declined. The sales from this business accounted for approximately 18% of the Group's apparel sales in China Mainland during the year.

The business performance of the Group’s factory outlets was also affected by the poor market conditions, the sales from which decreased by approximately 11% in RMB compared with that of the last year. Sales through this channel accounted for approximately 13% of the Group’s apparel sales in China Mainland.

At the end of the year, the Group’s apparel products were sold through approximately 786 retail outlets in China Mainland, among which 148 were self-operated (including 33 factory outlets and 3 “Goldlion 3388” lifestyle stores). During the year, the Group continued to operate 3 “Goldlion 3388” lifestyle stores in Shanghai and Guangzhou to promote the brand culture of “Goldlion”. Operating loss of this operation after various expenses and provisions amounted to HK$24,788,000 for the year.

The e-commerce business of the Group was also affected by the market downturn. Sales in RMB decreased by approximately 6% as compared with last year. During the year, the sales were mainly generated from special products with only a small proportion from non-special products. During the year, the sales accounted for approximately 28% of the Group’s apparel sales in China Mainland.

Due to the increase of orders and a lower base of comparison last year, sales of custom-made corporate uniforms in RMB doubled as compared with last year. However, such business accounts for a small proportion of the Group’s domestic apparel sales.

During the year under review, the Group continued to grant licenses for distribution of shoes, leather goods, undergarments and casual wear in China Mainland. Licensing fees were charged in accordance with the terms in the relevant licensing agreements during the year. Due to the reduction in individual fees, the Group recorded a licensing income of HK$84,146,000 during the year, representing a decrease of approximately 10% from the last year.

In addition, construction of the Group’s "Tsang Hin Chi Exhibition Hall" in Meizhou was completed at the end of the year. The exhibition hall commemorates the entrepreneurial journey and business development of the Group’s founder, especially his contributions and dedication to the motherland’s development during the progress of Reform and Opening-up, thereby highlighting the corporate culture in emphasizing corporate social responsibility and core brand values in affection for country. The Exhibition Hall was renovated from an abandoned factory building of the Group in Meizhou and total project expenditure, including building reconstruction costs, amounted to approximately RMB44,000,000.

Singapore Market
The Group's Singapore business was also affected by the sluggish external economic environment and cautious consumer sentiment, resulting in lower-than-expected performance. The local apparel business recorded sales amounted to HK$33,866,000 during the year, representing a decrease of 5% as compared with HK$35,674,000 of last year.

Since the opening of two new shops in the second half of last year, the Group currently operates a total of 5 Goldlion shops and 6 counters in Singapore.

Gross profit margin excluding the change of inventories impairment was 54%, which was slightly lower than 55% of last year. As inventory levels remained stable, the provision for impairment of inventories during the year amounted to HK$577,000, which was lower than HK$1,019,000 of last year.

Due to the effect of the provision for new store leases and impairment of decoration amounted to HK$1,115,000, the Group's Singapore business recorded a loss of HK$5,363,000 during the year as compared with the loss of HK$2,754,000 of last year.

Property Investment and Development

The Group's investment property portfolio had no significant changes during the year when compared with the end of last year. The value of such properties after valuation conducted by independent professional valuer amounted to approximately HK$2,604,529,000 at the end of the year, of which property holdings in China Mainland, Hong Kong and Singapore were approximately HK$1,355,156,000, HK$1,193,000,000 and HK$56,373,000 respectively. Due to the decreases in valuation amounts, total value of investment properties in Hong Kong dollar was lower than the amount of HK$2,686,658,000 at the end of last year. The Group's fair value losses on investment properties as based on the same independent valuation amounted to HK$27,362,000, whereas the fair value losses were HK$47,066,000 for last year. The losses during the year were mainly derived from the property holdings in China Mainland, especially the Goldlion Digital Network Centre in Guangzhou.

During the year, the Group's rental income and building management fees amounted to HK$146,003,000 and HK$41,183,000, respectively, the total amount of which represented a decrease of approximately 3% over last year. The decrease was mainly due to the increase in vacant units.

Demand for office space was low in China Mainland due to the slowdown of the domestic economy during the year. In Guangzhou, the leasing of Goldlion Digital Network Centre is yet to be improved. Rental income and building management fees in RMB were approximately 4% lower than that of last year. The overall occupancy rate was approximately 80%, which was lower than the 83% of last year. As the premises in Yuan Village in Guangzhou continued to completely lease out, rental income and building management fees increased by approximately 2% in RMB.

In Shenyang, leasing of Goldlion Commercial Building remained stable. Total rental income and building management fees in RMB increased by 7% from last year.

Due to the vacancy of certain units since the second half of last year, the overall rental income and building management fees generated from the Group's Goldlion Holdings Centre in Shatin decreased by approximately 4% during the year as compared with last year, with an occupancy rate of approximately 87%. Besides, the property at No. 3 Yuk Yat Street, To Kwa Wan had been fully leased out, resulting in an increase of approximately 2% in overall income from last year.

The Group's property development project "Goldlion Garden" in Meixian was fully completed during the year. As of the end of the year, there were still 651 high-rise building units and 47 low-rise building units to be sold. Under the stagnant property market with extremely sluggish sales in China Mainland, the Group only recognized income from property sales of HK$49,246,000 and gross profit of HK$12,262,000 during the year.

The Group established a new energy company engaging in photovoltaic business in China Mainland last year. In the first half of the year, the company has completed investment project with approximately HK$8,987,000. However, given the short time span, the Company only recorded electricity sales income of HK$1,128,000 and a slight profit during the year.

PROSPECTS

The Group expects that the domestic market condition will remain difficult to improve in the short term and the operating environment in 2025 is still challenging and prospects remain uncertain.

In respect of apparel business, the Group will continue to improve product quality, strengthen self-operated retailing capabilities and optimize various sales channels including distributors in respect of the apparel business in China Mainland. On the sales fair of 2025 autumn and winter collections held in the end of February 2025, initial response of distributors was still cautious. It is expected that the orders will be delivered to distributors in the second half of 2025. The Group will continue to improve the operation of the apparel business in Singapore and enhance its sales network to ensure a sustainable growth of business.

In respect of property investment business, the Group will continue to improve the leasing of properties by reducing its vacancies, as well as to sell the remaining units of “Goldlion Garden” in Meixian based on the actual market conditions.

FINANCIAL POSITION

As at 31st December 2024, the Group had cash and bank balances (including restricted cash of HK$1,310,000) of approximately HK$1,051,846,000, which was HK$36,955,000 lower than that at the end of last year. During the year, the Group recorded a net cash inflow from operating activities of HK$98,149,000 and received interest income of HK$27,702,000. However, the Group also paid dividends of HK$58,431,000, increased fixed assets of HK$57,689,000 and paid principal elements of lease payments of HK$21,295,000. Besides, changes in foreign exchange rate during the year resulted in a decrease in cash and bank balances of HK$27,709,000.

As at 31st December 2024, the Group did not have any bank loans or overdrafts. The gearing ratio, defined as the ratio of total lease liabilities less cash and bank balances divided by total equity, was zero.

As at 31st December 2024, the Group’s current assets and current liabilities were HK$2,200,418,000 and HK$387,118,000 respectively, with a current ratio at 5.7. Total current liabilities were 9% of the average capital and reserves attributable to owners of the Company of HK$4,375,960,000.

As at 31st December 2024, the Group did not have any material contingent liabilities and had not charged any of the Group’s assets. For the “Goldlion Garden” project in Meixian, the total property development expenditure authorized but not contracted for and contracted but not provided for were HK$366,000 and HK$21,000,000 respectively.

As at 31st December 2024, the Group had guarantees in respect of mortgage facilities for certain property buyers amounting to HK$3,981,000 (2023: HK$20,364,000). Pursuant to the terms of the guarantees, upon default in mortgage payments by these buyers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted buyers to the banks and the Group is entitled to retain the legal title and take over the possession of the related properties. The above guarantees are to be discharged upon the earlier of (i) the banks received the corresponding real estate ownership certificates as custody; or (ii) the satisfaction of mortgaged loans by the property buyers. The Board considers that in case of default in payments, the net realizable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty. Therefore, no provision has been made in the financial statements for the guarantees.

The Group conducted the business mainly in the China Mainland market through its PRC subsidiaries. Most of the relevant transactions were denominated in RMB and transactions involving foreign currencies were minimal. Foreign currency exposure did not pose a significant risk for the Group, but we will remain vigilant and closely monitor our exposure to movements in relevant currencies.

HUMAN RESOURCES

At 31st December 2024, the Group had approximately 1,700 employees. Staff costs including directors' emoluments of the year amounted to HK$220,529,000. The Group ensures that employees' remuneration packages are competitive and are determined mainly on factors including job nature, market conditions, individual performance, qualification and experience. The Group also provides other benefits to its employees and training as and when required.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining shareholders' entitlement to attend and vote at the forthcoming annual general meeting to be held on 6th June 2025 (the "2025 AGM"), the Register of Members of the Company will be closed from 3rd June 2025 to 6th June 2025 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for attending and voting at the 2025 AGM, all transfers accompanied by the relevant share certificates must be lodged by 4:30 p.m. on Monday, 2nd June 2025 with the Company's Registrars, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company did not redeem any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

CORPORATE GOVERNANCE

The Company has complied with the Code Provisions in the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for the year ended 31st December 2024. In respect of Code Provision C.2.1, the positions of the Chairman of the Board and the Chief Executive Officer are held by the same individual, namely, Mr. Tsang Chi Ming, Ricky. The Board believes that holding the positions of both Chairman and Chief Executive Officer by Mr. Tsang Chi Ming, Ricky provides the Group with more effective planning and execution of long-term business strategies and enhances efficiency in decision-making. The Board also believes that an effective corporate governance structure of the Group has been in place to ensure an appropriate monitoring of management.

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Listing Rules. During the year, all the Directors have complied with the relevant requirements under the Model Code regarding their dealing in the securities of the Company.

AUDIT COMMITTEE

The Company has formed an Audit Committee to review and supervise the financial reporting process, risk management and internal control procedures of the Group. As at the date of this announcement, the Audit Committee has four members comprising Mr. Li Ka Fai, David (Chairman), Ms. Lo Wing Sze and Mr. Chan Kwong Ming, Johnny, all of them being independent non-executive Directors, and Mr. Ng Ming Wah, Charles, being a non-executive Director of the Company.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee has reviewed the Group's consolidated financial statements for the year ended 31st December 2024. Also, the figures in respect of this results announcement have been agreed by the Company's external auditors, PricewaterhouseCoopers, to the amounts set out in the Group's consolidated financial statements for the year ended 31st December 2024. 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 results announcement.

PUBLICATION OF DETAILED FINANCIAL AND RELATED INFORMATION ON THE WEBSITE OF THE COMPANY AND THE STOCK EXCHANGE

This announcement is published on the website of the Company (www.goldlion.com) and the Stock Exchange (www.hkexnews.hk). The Company's 2024 annual report, containing all the information required by Appendix D2 of the Listing Rules, will be dispatched to shareholders and made available on the above websites in due course.

BOARD OF DIRECTORS

As at the date of this announcement, the Directors of the Company comprise Mr. Tsang Chi Ming, Ricky as an executive Director; Mr. Ng Ming Wah, Charles as a non-executive Director; and Mr. Li Ka Fai, David, Ms. Lo Wing Sze and Mr. Chan Kwong Ming, Johnny as independent non-executive Directors.

By order of the Board
KAM Yiu Kwok
Company Secretary

Hong Kong, 14th March 2025