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天津发展控股有限公司
TIANJIN DEVELOPMENT HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 882)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS

- Revenue amounted to approximately HK\$3,359,416,000 (2023: HK\$3,338,429,000).
- Profit attributable to owners of the Company amounted to approximately HK\$548,069,000 (2023: HK\$635,634,000).
- Basic earnings per share were HK51.09 cents (2023: HK59.25 cents).
- Proposed final dividend of HK8.82 cents per share (2023: HK8.80 cents per share), together with interim dividend paid, total dividends for the year amounted to HK14 cents per share (2023: HK12.25 cents per share), an increase of approximately 14.3% from last year.

RESULTS

The board of directors (the “**Board**”) of Tianjin Development Holdings Limited (the “**Company**”) announces that the audited consolidated results of the Company and its subsidiaries (together the “**Group**”) for the year ended 31 December 2024 together with the comparative figures for the corresponding year 2023 are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS*For the year ended 31 December 2024*

		2024	2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	2	3,359,416	3,338,429
Cost of sales		<u>(2,372,308)</u>	<u>(2,328,301)</u>
Gross profit		987,108	1,010,128
Other income	3	291,862	289,785
Other gains and losses, net	4	354,353	271,209
Selling and distribution expenses		(449,481)	(371,997)
General and administrative expenses		(428,524)	(409,523)
Other operating expenses		(167,810)	(152,118)
Finance costs	5	(120,730)	(107,352)
Share of net profit of associates and joint venture accounted for using the equity method		<u>419,176</u>	<u>552,389</u>
Profit before tax		885,954	1,082,521
Tax expense	6	<u>(84,789)</u>	<u>(99,984)</u>
Profit for the year	7	<u><u>801,165</u></u>	<u><u>982,537</u></u>
Attributable to:			
Owners of the Company		548,069	635,634
Non-controlling interests		<u>253,096</u>	<u>346,903</u>
		<u><u>801,165</u></u>	<u><u>982,537</u></u>
		<i>HK cents</i>	<i>HK cents</i>
Earnings per share	8		
Basic		<u><u>51.09</u></u>	<u><u>59.25</u></u>
Diluted		<u><u>51.09</u></u>	<u><u>59.25</u></u>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

For the year ended 31 December 2024

	2024 HK\$'000	2023 <i>HK\$'000</i>
Profit for the year	<u>801,165</u>	<u>982,537</u>
Other comprehensive (expense) income		
<i>Items that will not be reclassified to profit or loss:</i>		
Change in fair value of equity instruments at fair value through other comprehensive income	(318,354)	555,552
Deferred taxation on fair value change of equity instruments at fair value through other comprehensive income	46,298	(83,462)
Share of other comprehensive income (expense) of investments accounted for using the equity method – fair value through other comprehensive income reserve, net of tax	8,399	(6,678)
Currency translation differences – the Group – investments accounted for using the equity method	(244,149) (119,094)	(145,465) <u>(85,736)</u>
Other comprehensive (expense) income for the year	<u>(626,900)</u>	<u>234,211</u>
Total comprehensive income for the year	<u>174,265</u>	<u>1,216,748</u>
Attributable to:		
Owners of the Company	226,410	613,256
Non-controlling interests	(52,145)	603,492
	<u>174,265</u>	<u>1,216,748</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	2024 HK\$'000	2023 HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment		2,125,789	2,111,935
Land use rights		474,088	473,294
Investment properties		190,205	206,954
Investments accounted for using the equity method	10	6,064,989	6,826,722
Goodwill		77,323	–
Intangible assets		47,121	825
Financial assets at fair value through profit or loss		32,159	33,033
Finance lease receivables		96,540	15,068
Deposit paid for acquisition of a subsidiary		–	110,375
Deposits paid for acquisition of property, plant and equipment		10,198	47,831
Deferred tax assets		78,412	88,387
Equity instruments at fair value through other comprehensive income	11	2,265,620	1,719,518
Time deposits with maturity over three months		238,734	–
		11,701,178	11,633,942
Current assets			
Inventories		304,722	318,690
Amounts due from investments accounted for using the equity method		16,086	13,213
Amount due from ultimate holding company		183	305
Amounts due from related companies		99,926	88,039
Contract assets		156,706	107,092
Finance lease receivables		14,910	108,401
Trade receivables	12	1,401,862	1,390,103
Other receivables, deposits and prepayments	12	426,410	328,706
Financial assets at fair value through profit or loss		653,229	364,998
Structured deposits	13	347,394	154,919
Entrusted deposits	14	1,036,909	1,082,594
Restricted bank balances		119,178	216,868
Time deposits with maturity over three months		2,379,043	1,926,784
Cash and cash equivalents		3,535,113	4,461,089
		10,491,671	10,561,801
Asset classified as held for sale	11(d)	–	96,936
		10,491,671	10,658,737
Total assets		22,192,849	22,292,679

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*
As at 31 December 2024

	<i>Notes</i>	2024 HK\$'000	2023 <i>HK\$'000</i>
EQUITY			
Owners of the Company			
Share capital	15	5,136,285	5,136,285
Reserves		<u>7,456,212</u>	<u>7,398,506</u>
		12,592,497	12,534,791
Non-controlling interests		<u>4,862,796</u>	<u>4,978,137</u>
Total equity		<u><u>17,455,293</u></u>	<u><u>17,512,928</u></u>
LIABILITIES			
Non-current liabilities			
Lease liabilities		13,633	5,019
Bank borrowings		24,597	1,710,630
Deferred tax liabilities		<u>205,253</u>	<u>236,233</u>
		<u>243,483</u>	<u>1,951,882</u>
Current liabilities			
Trade payables	16	444,637	518,398
Other payables and accruals	17	1,174,570	1,294,865
Amounts due to related companies		141,058	183,024
Contract liabilities		670,645	632,444
Lease liabilities		10,499	5,527
Bank borrowings		1,965,216	100,000
Current tax liabilities		<u>87,448</u>	<u>93,611</u>
		<u>4,494,073</u>	<u>2,827,869</u>
Total liabilities		<u><u>4,737,556</u></u>	<u><u>4,779,751</u></u>
Total equity and liabilities		<u><u>22,192,849</u></u>	<u><u>22,292,679</u></u>
Net current assets		<u><u>5,997,598</u></u>	<u><u>7,830,868</u></u>
Total assets less current liabilities		<u><u>17,698,776</u></u>	<u><u>19,464,810</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and by the Hong Kong Companies Ordinance (the “**Companies Ordinance**”).

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

The Company has 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 Companies Ordinance and will deliver the consolidated financial statements for the year ended 31 December 2024 in due course.

The Company’s auditor has reported on the financial statements of the Group for both years. The independent 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 report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

Amendments to HKFRSs that are mandatorily effective for the current year

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

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

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

1. **BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS** *(continued)*

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

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

¹ Effective for annual periods beginning on or after a date to be determined

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

³ Effective for annual periods beginning on or after 1 January 2026

⁴ Effective for annual periods beginning on or after 1 January 2027

2. SEGMENT INFORMATION

The Group determines its operating segments based on the reports that are used to make strategic decisions and reviewed by the chief operating decision-maker (the “**CODM**”). The CODM assess the performance of the operating segments based on a measure of profit after tax.

The Group has six reportable segments. The segments are managed separately as each business offers different products and services. The following summary describes the operation in each of the Group’s reportable segments.

(a) Utilities

This segment derives revenue from distribution of water, heat and thermal power to industrial, commercial and residential customers in the Tianjin Economic and Technological Development Area, the People’s Republic of China (the “**PRC**”), while the result of electricity business of this segment is contributed by Tianjin TEDA Electric Power Co., Ltd. (天津泰達電力有限公司) (“**TEDA Power**”), an investment accounted for using the equity method of the Group.

(b) Pharmaceutical

This segment derives revenue from manufacture and sales of chemical drugs, proprietary Chinese medicines and other healthcare products as well as design, manufacture and printing for pharmaceutical packaging in the PRC, while the result of the provision of pharmaceutical research and development services of this segment is contributed by Tianjin Institute of Pharmaceutical Research Co., Ltd. (天津藥物研究院有限公司) (“**Research Institute**”), an investment accounted for using the equity method of the Group and subsequently recognised as an equity instrument at fair value through other comprehensive income.

(c) Hotel

This segment derives revenue from operation of a hotel in Hong Kong.

(d) Electrical and mechanical

This segment derives revenue from manufacture and sales of hydroelectric equipment and large scale pump units.

(e) Port services

The result of this segment is contributed by a listed investment accounted for using the equity method of the Group, Tianjin Port Development Holdings Limited (天津港發展控股有限公司) (“**Tianjin Port**”), which provides port services in Tianjin.

(f) Elevators and escalators

The result of this segment is contributed by an investment accounted for using the equity method of the Group, Otis Elevator (China) Investment Company Limited (奧的斯電梯(中國)投資有限公司) (“**Otis China**”), which manufactures and sells elevators and escalators.

2. SEGMENT INFORMATION (continued)

For the year ended 31 December 2024

	Utilities HK\$'000 (note (i))	Pharma- ceutical HK\$'000	Hotel HK\$'000	Electrical and mechanical HK\$'000	Port services HK\$'000	Elevators and escalators HK\$'000	Total HK\$'000
Segment revenue							
– external customers	1,443,749	1,609,651	134,226	171,790	–	–	3,359,416
Operating profit (loss) before interest	30,579	491,053	27,301	(128,171)	–	–	420,762
Interest income	24,029	67,617	97	446	–	–	92,189
Finance costs	–	(7,145)	–	–	–	–	(7,145)
Share of net profit (loss) of associates and joint venture accounted for using the equity method	57,486	(62,004)	–	–	144,183	279,511	419,176
Profit (loss) before tax	112,094	489,521	27,398	(127,725)	144,183	279,511	924,982
Tax (expense) credit	(12,634)	(46,174)	(9,308)	1,071	–	–	(67,045)
Segment results							
– profit (loss) for the year	99,460	443,347	18,090	(126,654)	144,183	279,511	857,937
Non-controlling interests	(4,235)	(205,912)	–	21,861	–	(48,244)	(236,530)
Profit (loss) attributable to owners of the Company	95,225	237,435	18,090	(104,793)	144,183	231,267	621,407
Segment results							
– profit (loss) for the year includes: Depreciation and amortisation	56,362	74,711	13,680	23,238	–	–	167,991

For the year ended 31 December 2023

	Utilities HK\$'000 (note (i))	Pharma- ceutical HK\$'000	Hotel HK\$'000	Electrical and mechanical HK\$'000	Port services HK\$'000	Elevators and escalators HK\$'000	Total HK\$'000
Segment revenue							
– external customers	1,599,849	1,441,437	130,378	166,765	–	–	3,338,429
Operating profit (loss) before interest	31,204	422,471	21,983	(37,353)	–	–	438,305
Interest income	37,484	72,437	84	750	–	–	110,755
Finance costs	–	(290)	–	–	–	–	(290)
Share of net profit (loss) of associates and joint venture accounted for using the equity method	63,025	(57,026)	–	–	153,276	393,114	552,389
Profit (loss) before tax	131,713	437,592	22,067	(36,603)	153,276	393,114	1,101,159
Tax (expense) credit	(16,802)	(67,485)	(4,267)	1,080	–	–	(87,474)
Segment results							
– profit (loss) for the year	114,911	370,107	17,800	(35,523)	153,276	393,114	1,013,685
Non-controlling interests	(4,532)	(264,003)	–	6,130	–	(67,851)	(330,256)
Profit (loss) attributable to owners of the Company	110,379	106,104	17,800	(29,393)	153,276	325,263	683,429
Segment results							
– profit (loss) for the year includes: Depreciation and amortisation	63,822	81,446	14,033	24,482	–	–	183,783

2. SEGMENT INFORMATION *(continued)*

	2024	2023
	HK\$'000	HK\$'000
Reconciliation of profit for the year		
Total reportable segments	857,937	1,013,685
Corporate and others <i>(note (ii))</i>	(56,772)	(31,148)
Profit for the year	801,165	982,537

notes:

- (i) Revenue from supply of water, and heat and thermal power to external customers amounted to HK\$304,294,000 and HK\$1,139,455,000, respectively (2023: HK\$311,338,000 and HK\$1,288,511,000, respectively).

The above revenue included government supplemental income of HK\$191,596,000 (2023: HK\$395,472,000).

- (ii) These principally include (a) results of the Group's other non-core businesses which are not categorised as reportable segments; and (b) corporate level activities including central treasury management, administrative function and exchange gain or loss.

Segment assets and liabilities

As at 31 December 2024

	Utilities HK\$'000	Pharma- ceutical HK\$'000	Hotel HK\$'000	Electrical and mechanical HK\$'000	Port services HK\$'000	Elevators and escalators HK\$'000	Total reportable segments HK\$'000	Corporate and others HK\$'000 <i>(note)</i>	Total HK\$'000
Segment assets	<u>3,982,741</u>	<u>7,994,444</u>	<u>472,001</u>	<u>517,593</u>	<u>3,716,230</u>	<u>928,920</u>	<u>17,611,929</u>	<u>4,580,920</u>	<u>22,192,849</u>
Segment liabilities	<u>1,197,032</u>	<u>1,136,822</u>	<u>13,078</u>	<u>769,450</u>	<u>–</u>	<u>–</u>	<u>3,116,382</u>	<u>1,621,174</u>	<u>4,737,556</u>

As at 31 December 2023

	Utilities HK\$'000	Pharma- ceutical HK\$'000	Hotel HK\$'000	Electrical and mechanical HK\$'000	Port services HK\$'000	Elevators and escalators HK\$'000	Total reportable segments HK\$'000	Corporate and others HK\$'000 <i>(note)</i>	Total HK\$'000
Segment assets	<u>4,113,689</u>	<u>7,910,671</u>	<u>489,396</u>	<u>601,722</u>	<u>3,686,381</u>	<u>1,016,817</u>	<u>17,818,676</u>	<u>4,474,003</u>	<u>22,292,679</u>
Segment liabilities	<u>1,307,496</u>	<u>1,027,404</u>	<u>17,768</u>	<u>682,618</u>	<u>–</u>	<u>–</u>	<u>3,035,286</u>	<u>1,744,465</u>	<u>4,779,751</u>

note:

The balances represent assets and liabilities relating to corporate and other non-core businesses which are not categorised as reportable segments and principally include the attributable cash and cash equivalents, time deposits with maturity over three months, structured deposits, entrusted deposits, financial assets at fair value through profit or loss, property, plant and equipment, investment properties, equity instruments at fair value through other comprehensive income, finance lease receivables, investments accounted for using the equity method and bank borrowings.

2. SEGMENT INFORMATION *(continued)*

Other segment information

An analysis of the Group's revenue by geographical location of the operations of the relevant subsidiaries is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
The PRC	3,225,190	3,208,051
Hong Kong	<u>134,226</u>	<u>130,378</u>
	<u>3,359,416</u>	<u>3,338,429</u>

The Group's non-current assets (excluding financial assets and deferred tax assets) by geographical location of the assets are detailed below:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
The PRC	8,595,713	9,377,578
Hong Kong	<u>394,000</u>	<u>400,358</u>
	<u>8,989,713</u>	<u>9,777,936</u>

3. OTHER INCOME

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest income	237,322	255,332
Government grants	11,577	7,384
Dividend income from equity instruments at fair value through other comprehensive income	10,722	6,860
Rental income, net of negligible outgoings	4,036	6,252
Sales of scrap materials	869	1,461
Finance lease interest income	5,613	6,177
Sundries	<u>21,723</u>	<u>6,319</u>
	<u>291,862</u>	<u>289,785</u>

4. OTHER GAINS AND LOSSES, NET

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Net gains on disposal/written off of property, plant and equipment (<i>note</i>)	164	249,703
Gain arising from dilution of equity interest of an associate (<i>Note 10(b)</i>)	350,233	–
Gain on disposal of an associate (<i>Note 10(a)</i>)	78,138	–
Net exchange losses	(8,139)	(17,778)
(Allowance for) reversal of impairment losses:		
– trade receivables	(55,342)	23,683
– contract assets	(4,431)	7,561
– other receivables	1,501	916
– finance lease receivables	1,468	(1,966)
Decrease in fair value of investment properties	(12,453)	(8,556)
Net fair value gains (losses) on financial assets held for trading		
– listed	1,738	(61)
– unlisted	1,476	17,707
	<u>354,353</u>	<u>271,209</u>

note:

For the year ended 31 December 2023, amount included an one-off gain of approximately RMB238,597,000 (equivalent to approximately HK\$265,108,000) regarding the resumption of the parcels of land and building for industrial use located in Tianjin (2024: nil).

5. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest expenses on bank borrowings	120,058	107,062
Interest on lease liabilities	672	290
	<u>120,730</u>	<u>107,352</u>

6. TAX EXPENSE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current taxation		
– PRC Enterprise Income Tax (“EIT”)	66,984	111,623
– (Over) underprovision in prior years	(4,857)	132
Deferred taxation	22,662	(11,771)
	<u>84,789</u>	<u>99,984</u>

No provision for Hong Kong profits tax has been made for both years as there was no estimated assessable profit derived from Hong Kong or the estimated assessable profit is wholly absorbed by tax losses brought forward from previous years.

The Group’s PRC subsidiaries are subject to EIT at a rate of 25% except for certain PRC subsidiaries which are subject to a preferential EIT rate of 15% as they are qualified as High and New Technology Enterprises.

7. PROFIT FOR THE YEAR

	2024	2023
	HK\$'000	HK\$'000
Profit for the year is arrived at after charging:		
Employees' benefits expense (including directors' emoluments)	693,544	525,412
Cost of inventories recognised as an expense	1,762,580	1,772,967
Depreciation		
– charged to cost of sales	111,879	124,267
– charged to administrative expenses	56,679	61,926
– charged to selling expenses	380	460
– charged to other operating expenses	7,051	11,035
Depreciation of land use rights	5,578	5,838
Amortisation of intangible assets	4,929	243
Short-term lease expenses on		
– plants, pipelines and networks	21,576	24,145
– land and buildings	4,158	3,464
Auditor's remuneration		
– audit services	8,874	8,015
– non-audit services	2,505	2,693
Research and development costs charged to other operating expenses	167,796	144,691
	<u>167,796</u>	<u>144,691</u>

8. EARNINGS PER SHARE

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

	2024	2023
	HK\$'000	HK\$'000
Earnings		
Profit attributable to owners of the Company for the purpose of basic and diluted earnings per share	548,069	635,634
	<u>548,069</u>	<u>635,634</u>
Number of shares	Thousand	Thousand
Number of ordinary shares for the purpose of basic and diluted earnings per share	1,072,770	1,072,770
	<u>1,072,770</u>	<u>1,072,770</u>

The computation of the above diluted earnings per share does not assume the issuance of unvested restricted shares granted by Tianjin Lisheng Pharmaceutical Co., Ltd. (天津力生製藥股份有限公司) (“**Lisheng Pharmaceutical**”) since it would result in an increase in earnings per share for both years.

9. DIVIDENDS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Dividends recognised as distribution during the year:		
– 2024 interim dividend, paid HK5.18 cents per ordinary share (2023: HK3.45 cents per ordinary share)	55,569	37,011
– 2023 final dividend, paid HK8.80 cents per ordinary share (2022: HK5.50 cents per ordinary share)	94,404	59,002
	<u>149,973</u>	<u>96,013</u>

A final dividend of HK8.82 cents per ordinary share (2023: HK8.80 cents per ordinary share) for the year ended 31 December 2024, amounting to approximately HK\$94,618,000 (2023: HK\$94,404,000), has been proposed by the Board of the Company and will be subject to the approval by the shareholders at the forthcoming annual general meeting.

10. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<i>notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
The Group's interests in associates and joint venture			
– Listed shares in Hong Kong			
– Tianjin Port		3,716,230	3,686,381
– Unlisted shares in the PRC			
– Otis China		928,920	1,016,817
– Research Institute	(b)	–	643,059
– TEDA Power		1,419,839	1,393,252
– Others	(a)	–	87,213
		<u>6,064,989</u>	<u>6,826,722</u>

notes:

- (a) During the year ended 31 December 2024, the Group disposed of its 24.65% equity interest in Tianjin Tanabe Seiyaku Co., Ltd. (天津田邊製藥有限公司) at a consideration of RMB120,292,000 (equivalent approximately to HK\$131,755,000). Accordingly, a gain on disposal of an associate of RMB71,340,000 (equivalent to approximately HK\$78,138,000) has been recognised in the consolidated statement of profit or loss.
- (b) In prior year, the Group held 35% equity interest in Research Institute which has been accounted for interest in an associate. On 25 December 2024, one of the equity holders of Research Institute, an independent third party of the Group, completed an unilateral capital injection of RMB300,000,000 into Research Institute resulting a dilution of the Group's equity interest in it to 31.05%. Since then, the Group lost its significant influence over Research Institute and has accounted for the remaining 31.05% equity interest in Research Institute as equity instrument at fair value through other comprehensive income, whose fair value at the date of dilution of RMB825,897,000 was determined based on the transaction price by reference to the unilateral capital injection by the aforesaid equity holder on 25 December 2024. The difference between the carrying amount of Research Institute of RMB506,134,000 and the fair value retained resulted in the recognition of a gain arising from dilution of equity interest in Research Institute of RMB319,763,000 (equivalent to approximately HK\$350,233,000) in the consolidated statement of profit or loss.

11. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/ASSET CLASSIFIED AS HELD FOR SALE

	<i>notes</i>	2024 HK\$'000	2023 HK\$'000
Equity securities			
Listed, at market value	(a)	84,228	99,952
Unlisted	(b), (c), (d)	2,181,392	1,619,566
		<u>2,265,620</u>	<u>1,719,518</u>

notes:

- (a) The listed securities mainly represent the Group's 4.20% (2023: 4.07%) equity interest in Binhai Investment Company Limited ("**Binhai Investment**") which is listed on the Main Board of the Stock Exchange.

As at 31 December 2024, the market value of the Group's equity interest in Binhai Investment was HK\$66,770,000 (2023: HK\$79,331,000) and the unrealised fair value loss of HK\$12,561,000 (2023: HK\$7,162,000) was recognised in other comprehensive income.

- (b) The unlisted equity securities mainly represented the Group's 12.15% (2023: 12.15%) equity interest in Tasly Bio-Medicine Industry Group Co., Ltd. (天士力生物醫藥產業集團有限公司) (formerly known as Tasly Holding Group Co., Ltd. (天士力控股集團有限公司)) ("**Tasly Group**") and 31.05% equity interest in Research Institute. Tasly Group is a conglomerate in the PRC and is mainly holding Tasly Pharmaceutical Group Co., Ltd. (天士力醫藥集團股份有限公司), which is listed on the Shanghai Stock Exchange and is principally engaged in research and development, manufacturing and distribution of pharmaceutical products in the PRC.

Other unlisted equity securities are principally equity investments in certain entities established and operated in the PRC. They are mainly denominated in Renminbi. The unlisted equity instruments are measured at fair value through other comprehensive income.

- (c) Following the completion of unilateral capital injection by one of the equity holders of Research Institute on 25 December 2024, the equity interests of such equity holder and the Group in Research Institute increased to and reduced to approximately 65.95% and 31.05%, respectively, and its articles of association has also been amended on the same date. Whilst the Group retains representation of board and shareholders' meetings of Research Institute, the directors of the Company consider that the amended articles of association confers the aforesaid equity holder unilateral power to pre-determine the major operational and financial policies of the Research Institute and, therefore, the Group has lost significant influence over Research Institute upon the completion of unilateral capital injection by such equity holder and amendments to the articles of association of Research Institute on 25 December 2024. Since the Group's equity interests in Research Institute has been hold other than its trading portfolio with high-likelihood of sale, the Group considered that it is appropriate to reclassify and designate it, as permitted under HKFRS 9, as an equity instrument at fair value through other comprehensive income at initial recognition, when the Group ceased significant influence over Research Institute. Further details of which are set out in Note 10.

- (d) During the year ended 31 December 2023, Lisheng Pharmaceutical entered into an equity transfer agreement with Tianjin Pharmaceutical Da Ren Tang Group Corporation Limited (津藥達仁堂集團股份有限公司) ("**Tianjin Pharmaceutical Da Ren Tang**"), pursuant to which, Lisheng Pharmaceutical agreed to sell and Tianjin Pharmaceutical Da Ren Tang agreed to acquire the entire 15% equity interest in Tianjin Pharmaceutical Group Finance Co., Ltd. (天津醫藥集團財務有限公司) held by Lisheng Pharmaceutical at a consideration of RMB87,824,000 (equivalent to approximately HK\$96,936,000) and such equity instrument was classified as asset held for sale at 31 December 2023. The disposal was completed in August 2024 and a cumulative gain on disposal of RMB10,900,000 (equivalent to approximately HK\$11,939,000) has been transferred to retained earnings for the year ended 31 December 2024.

12. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	1,158,105	1,039,911
Trade receivables backed by notes	<u>243,757</u>	<u>350,192</u>
Total trade receivables	1,401,862	1,390,103
Other receivables, deposits and prepayments	<u>426,410</u>	<u>328,706</u>
	<u><u>1,828,272</u></u>	<u><u>1,718,809</u></u>

The ageing analysis of the Group's trade receivables (net of allowance) is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 30 days	196,441	395,361
31 to 90 days	293,212	122,405
91 to 180 days	236,725	142,783
181 to 365 days	393,547	227,110
Over 1 year	<u>281,937</u>	<u>502,444</u>
	<u><u>1,401,862</u></u>	<u><u>1,390,103</u></u>

Various group companies have different credit policies which are dependent on the practice of the markets and the businesses in which they operate. In general, credit periods of (i) 30 days are granted to corporate customers of the Group's hotel business; (ii) 90 to 180 days are granted to customers in the electrical and mechanical segment; and (iii) 30 to 180 days are granted to customers in the pharmaceutical segment. No credit terms are granted to customers in the utilities segment.

Annual government supplemental income receivables do not have credit terms and the amounts are finalised by the relevant bureaus of TEDA from time to time. Continuous settlements have been received by the Group over the years.

The carrying amounts of trade and other receivables approximate their fair values and they are mainly denominated in Renminbi.

13. STRUCTURED DEPOSITS

As at 31 December 2024, the Group placed with seven licensed commercial banks (2023: four licensed commercial banks) in the PRC for principal-protected structured deposits denominated in Renminbi with maturity of 1 to 3 months (2023: 1 to 3 months) after the end of the reporting period. The expected annual interest rate for structured deposits was indicated at 1.1% to 2.6% per annum (2023: at 1.3% to 3.3% per annum), however, the actual interest rate to be received is uncertain until maturity. Such structured deposits were accounted for as financial assets at fair value through profit or loss.

14. ENTRUSTED DEPOSITS

As at 31 December 2024, the entrusted deposits denominated in Renminbi were placed with two financial institutions (2023: three financial institutions) in the PRC, with maturity from 6 to 12 months (2023: from 6 to 12 months) after the end of the reporting period. The deposits carry the expected rates of return at 4.0% per annum (2023: ranging from 4.0% to 7.3% per annum).

15. SHARE CAPITAL

	Number of shares Thousand	Value HK\$'000
Issued and fully paid ordinary shares with no par value: At 1 January 2023, 31 December 2023 and 2024	<u>1,072,770</u>	<u>5,136,285</u>

16. TRADE PAYABLES

The ageing analysis of the Group's trade payables, based on invoice date, is as follows:

	2024 HK\$'000	2023 HK\$'000
Within 30 days	144,080	202,098
31 to 90 days	39,073	70,053
91 to 180 days	35,765	77,495
Over 180 days	<u>225,719</u>	<u>168,752</u>
	<u>444,637</u>	<u>518,398</u>

The carrying amounts of trade payables approximate their fair values and are mainly denominated in Renminbi.

17. OTHER PAYABLES AND ACCRUALS

	2024 HK\$'000	2023 HK\$'000
Accruals	590,970	678,415
Other payables	<u>583,600</u>	<u>616,450</u>
	<u>1,174,570</u>	<u>1,294,865</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Utilities

The Group's utility businesses are mainly operated in the Tianjin Economic and Technological Development Area ("TEDA") in the People's Republic of China (the "PRC") through supplying water, heat and thermal power as well as electricity to industrial, commercial and residential customers.

TEDA is a national development zone and has long been in a leading position in terms of overall capabilities in the PRC. Situated at the centre of Bohai economic rim and also at the intersection of Beijing-Tianjin-Hebei metropolitan regions, TEDA is an ideal place for manufacturing and R&D developments.

Water

Tianjin TEDA Tsinlien Water Supply Co., Ltd. (天津泰達津聯自來水有限公司) (“**Water Company**”) and its subsidiary are principally engaged in supply of tap water in TEDA. They also provide services in installation and maintenance of water pipes, technical consultancy, retail and wholesale of water pipes and related parts as well as provision of water testing services. The daily water supply capacity of the Water Company is approximately 325,000 tonnes (2023: 325,000 tonnes).

In 2024, the Water Company reported revenue of approximately HK\$304.3 million, a decrease of 2.2% from HK\$311.3 million last year. Profit from the Water Company was approximately HK\$17.3 million, an increase of 8.1% from HK\$16 million in 2023. The increase in profit was mainly due to higher ancillary services income and lower administrative expenses, partly offset by lower revenue driven by lower volumes of water sold during the year. The total quantity of water sold for the year was approximately 44,858,000 tonnes, representing a decrease of 4.9% over last year.

Heat and Thermal Power

Tianjin TEDA Tsinlien Heat & Power Co., Ltd. (天津泰達津聯熱電有限公司) (“**Heat and Power Company**”) is principally engaged in distribution of steam and heat for industrial, commercial and residential customers within TEDA. The Heat and Power Company has transmission pipelines of approximately 549 kilometres (2023: 549 kilometres) and more than 120 processing stations (2023: 120 processing stations) in TEDA. The daily distribution capacity is approximately 30,000 tonnes of steam.

In 2024, revenue from Heat and Power Company was approximately HK\$1,139.4 million, a decrease of 11.6% from HK\$1,288.5 million in 2023. Profit from the Heat and Power Company was approximately HK\$24.7 million, as compared with HK\$35.9 million last year. The decline in both revenue and profit was mainly due to the decrease in government supplemental income by HK\$203.9 million and lower volumes of steam sold during the year. Such side effect on profit was partly offset by a combination of tariff improvement and reduction in average steam purchase cost, driving an increase in operating margin. The total quantity of steam sold for the year was approximately 3,277,000 tonnes, representing a decrease of 8.7% over last year.

Electricity

As at 31 December 2024, the Group has 47.09% equity interest in Tianjin TEDA Electric Power Co., Ltd. (天津泰達電力有限公司) (“**TEDA Power**”). TEDA Power is principally engaged in supply of electricity in TEDA and also provides services in relation to construction of electricity supply network, application of technology related to new energy and renewable energy, electricity construction and related technical services as well as energy storage technology services. Currently, the installed transmission capacity of TEDA Power is approximately 996,000 kVA.

During the year, the revenue of TEDA Power amounted to approximately HK\$2,399.4 million, representing a decrease of 4.2% compared with last year. TEDA Power contributed to the Group a profit of approximately HK\$57.5 million, a decrease of 8.7% from HK\$63 million in 2023. The total quantity of electricity sold for the year was approximately 3,093,082,000 kWh, broadly maintained at the same level as that of last year.

Pharmaceutical

Pharmaceutical segment is principally engaged in the manufacture and sale of chemical drugs, proprietary Chinese medicines and other healthcare products as well as design, manufacture and printing for pharmaceutical packaging in the PRC, and also participates in the business of research and development of new medicine technology and new products through its 31.05% equity interest in Tianjin Institute of Pharmaceutical Research Co., Ltd. (天津藥物研究院有限公司) (“**Research Institute**”).

In 2024, revenue from pharmaceutical segment was approximately HK\$1,609.7 million, an increase of 11.7% from HK\$1,441.4 million last year. Of the total segment revenue, revenue from manufacture and sale of chemical drugs, proprietary Chinese medicines and other healthcare products was approximately HK\$1,454.9 million, an increase of 14.8% from HK\$1,266.9 million in 2023, with higher contribution from Jiangxi Qingchun Kangyuan Pharmaceutical Co., Ltd. (江西青春康源製藥有限公司) (“**Qingchun Kangyuan**”). Revenue from sale of packaging materials amounted to approximately HK\$154.8 million, a decline of 11.3% from HK\$174.5 million last year.

During the year, the revenue of Research Institute decreased by 28.4% to approximately HK\$391.8 million and contributed to the Group a loss of approximately HK\$66.3 million, as compared with a loss of HK\$69.6 million in 2023.

Profit from pharmaceutical segment was approximately HK\$443.3 million, compared with HK\$370.1 million last year. Excluding the one-off effect of the disposal of HK\$265.1 million on the resumption of the parcels of land and building in 2023 and also the gain of approximately HK\$78.1 million from disposal of 24.65% equity interest in Tianjin Tanabe Seiyaku Co., Ltd. (天津田邊製藥有限公司) as well as gain on dilution of equity interest in Research Institute of approximately HK\$350.2 million in the year, profit from pharmaceutical segment would have been approximately HK\$15 million, compared to a profit of approximately HK\$105 million in 2023 on a like-for-like basis. This result was mainly attributable to lower operating margins from the implementation of marketing strategy adjustments to counter the impact of centralised drug procurement program and also higher selling and distribution expense, general and administrative expenses as well as research and development costs during the year.

On 1 February 2024, the Group completed the acquisition of 65% equity interest in Qingchun Kangyuan. In accordance with the terms of the relevant sale and purchase agreement dated 29 December 2023, the guarantors of such agreement had provided performance guarantee covering the financial years of 2023, 2024, 2025 and 2026 (“**Performance Commitment Period**”) to the Group, among which, the audited consolidated net profit (after deduction of non-recurring profits and losses) (“**Audited Net Profit**”) of Qingchun Kangyuan in the financial year of 2023 should not be less than RMB11,332,200 and, during the Performance Commitment Period, (i) the Audited Net Profit of Qingchun Kangyuan in any financial year shall not be lower than that in the preceding financial year and (ii) the average growth rate of the Audited Net Profit of Qingchun Kangyuan per annum should not be lower than 10%. Upon review by the Group during the year, the requirements on Audited Net Profit of relevant financial years had been satisfied and no performance compensation is required.

Hotel

Courtyard by Marriott Hong Kong (“**Courtyard Hotel**”), situated in a prime location on the Hong Kong Island, is a 4-star hotel with 245 guest rooms. It is positioned as an ideal lodge for business and leisure travellers.

In 2024, revenue from Courtyard Hotel was approximately HK\$134.2 million, an increase of 2.9% from HK\$130.4 million. Profit from Courtyard Hotel was approximately HK\$18.1 million, largely in line with that of previous year. The average room rate remained fairly stable and the average occupancy rate was approximately 89.7%, seven percentage points improvement over 2023.

Electrical and Mechanical

Electrical and mechanical segment is principally engaged in the manufacture and sale of hydroelectric equipment as well as large scale pump units in the PRC.

In 2024, electrical and mechanical business reported revenue of approximately HK\$171.8 million, as compared with HK\$166.8 million in 2023. Loss from electrical and mechanical business was approximately HK\$126.7 million compared to a loss of HK\$35.5 million last year. The segment loss stemmed from higher construction contracts cost estimate adjustments incurred in hydroelectric equipment business and lower operating margins, partly offset by lower general and administrative expenses as well as research and development costs.

Strategic and Other Investments

Port Services

As at 31 December 2024, the Group has 21% equity interest in Tianjin Port Development Holdings Limited (“**Tianjin Port**”) (stock code: 3382). Tianjin Port is engaged in the provision of port services including container and cargo handling services, sales and other port ancillary services in Tianjin, the PRC.

During the year, the revenue of Tianjin Port amounted to approximately HK\$13,720 million, representing an increase of 1.8% compared with last year.

Profit attributable to owners of Tianjin Port was approximately HK\$686.6 million. Tianjin Port contributed to the Group a profit of approximately HK\$144.2 million, representing a decrease of 5.9% over 2023.

Elevators and Escalators

As at 31 December 2024, the Group has 16.55% equity interest in Otis Elevator (China) Investment Company Limited (奧的斯電梯(中國)投資有限公司) (“**Otis China**”). Otis China is engaged in the manufacture and sale of elevators and escalators in the PRC.

During the year, the revenue of Otis China decreased by 9.7% to approximately HK\$18,631.8 million.

Otis China contributed to the Group a profit (after non-controlling interests) of approximately HK\$231.3 million, representing a decline of 28.9% over last year.

Investment in Binhai Investment Company Limited

As at 31 December 2024, the Group has 4.2% equity interest in Binhai Investment Company Limited (“**Binhai Investment**”) (stock code: 2886) and on that date, the market value of the Group’s interest in Binhai Investment was approximately HK\$66.8 million (2023: approximately HK\$79.3 million) and the unrealised fair value loss of approximately HK\$12.5 million (2023: approximately HK\$7.2 million) was recognised in other comprehensive income.

Investment in Tasly Bio-Medicine Industry Group Co., Ltd.

As at 31 December 2024, the Group had 12.15% equity interest in Tasly Bio-Medicine Industry Group Co., Ltd. (天士力生物醫藥產業集團有限公司) (formerly known as Tasly Holding Group Co., Ltd. (天士力控股集團有限公司)) (“**Tasly Group**”), a non-core passive investment in relation to the Group’s pharmaceutical segment which was acquired indirectly from the controlling shareholder in 2015 by using merger accounting at an investment costs of HK\$191.5 million and is now held by Tianjin Central Pharmaceutical Co., Ltd. (天津市中央藥業有限公司) (“**Central Pharmaceutical**”), a wholly-owned subsidiary of Tianjin Lisheng Pharmaceutical Co., Ltd. (天津力生製藥股份有限公司). Tasly Group is a conglomerate established under the laws of the PRC on 30 March 2000 and its principal asset includes the holding of 683,481,524 A shares in Tasly Pharmaceutical Group Co., Ltd. (天士力醫藥集團股份有限公司) (“**Tasly Pharmaceutical**”), representing approximately 45.75% of its total issued A shares. Tasly Pharmaceutical is principally engaged in the research and development, manufacturing and distribution of pharmaceutical products in the PRC.

As at 31 December 2024, the fair value of investment in Tasly Group was approximately HK\$1,272.7 million (2023: approximately HK\$1,587.1 million), accounting for approximately 5.7% of the Group’s total assets, and on that date the fair value loss together with the exchange effect amounted to approximately HK\$314.4 million has been recognised in other comprehensive income. During the year, dividend income from Tasly Group was approximately HK\$4 million (2023: Nil). The holding of 12.15% equity interest in Tasly Group is not held for trading and not expected to be sold in the foreseeable future.

PROSPECT

Looking ahead to 2025, it is anticipated that a moderation in growth across major economies, set against a backdrop of heightened geopolitical conflicts and intensifying international trade disputes. The external environment encounters increasing instabilities and uncertainties. Despite of the complex and uncertain external environment, the underlying conditions supporting Chinese economy for its long-term positive trajectory and the trend of high-quality sustainable development remain unchanged. The Chinese economy is going through further restructuring and accelerating the pace of both transformation and upgrading. With the stable improvement in operational quality and economic efficiency, it is expected that the Chinese economy will maintain a steady development.

Following the steady progress of deepening and enhancement initiatives for state-owned enterprise reform, it is poised to promote high-quality development across the state-owned sector. Despite a competitive and challenging operating environment, the Company will continue to leverage its strengths, adhere to the principle of balancing development with stability, and stick to disciplined financial management. We will accelerate the pace of business integration and we feel confident for the future.

LIQUIDITY, CAPITAL RESOURCES AND PRINCIPAL RISK

As at 31 December 2024, the total cash on hand and total bank borrowings of the Group stood at approximately HK\$6,272.1 million and HK\$1,989.8 million respectively (2023: approximately HK\$6,604.7 million and HK\$1,810.6 million respectively).

The Group's sources of funding comprise cash flow generated from operations and loan facilities. The bank borrowings of HK\$1,965.2 million (2023: HK\$100 million) will mature within one year. During the year ended 31 December 2024, the Group entered into two loan agreements with commercial banks in Hong Kong, pursuant to which the aggregate loan facilities of HK\$200 million were made available to the Group subject to floating rates with respective spread of 1.4% and 1.6% over HIBOR of the relevant interest periods. The gearing ratio as measured by total borrowings to shareholders' funds was at approximately 15.8% as at 31 December 2024 (2023: approximately 14.4%).

Of the total HK\$1,989.8 million bank borrowings outstanding as at 31 December 2024, HK\$1,915.5 million were subject to floating rates with spread of 1.4% to 1.6% over HIBOR of the relevant interest periods, of which the amount of HK\$1,715.5 million is linked to the sustainability performance of the Group's environmental, social and governance performance metrics and that its interest rate may be reduced depending on the extent of pre-determined key performance indicators being met, and RMB68.8 million (equivalent to approximately HK\$74.3 million) of bank borrowings were fixed-rates debts with annual rates at 3% to 3.45%.

As at 31 December 2024, 96% (2023: 100%) of the Group's total bank borrowings was denominated in Hong Kong dollar, 4% (2023: Nil) was denominated in Renminbi.

The Group's activities expose it to a variety of financial risks. The major financial assets and financial liabilities of the Group include cash and cash equivalents, time deposits with maturity over three months, structured deposits, entrusted deposits, other financial assets and bank borrowings. The Group's financial risk management is aimed at mitigating the impact of fluctuations in interest rates and exchange rates on the Group's overall financial position and to minimise the Group's interest rate, foreign currency and credit risk exposures. The Group regularly reviews its liquidity and financing requirements to ensure that sufficient financial resources are maintained to cover the funding needs.

During the year, the Group has not entered into any derivative contracts or hedging transactions. The Group manages its foreign currency risk by closely reviewing the movement of the foreign currency rate and shall consider hedging foreign currency exposure should the need arise.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2024, the Group had a total of approximately 2,729 employees (2023: 2,376) of which approximately 259 (2023: 214) were management personnel and 894 (2023: 754) were technical staff, with the balance being production workers.

The Group contributes to an employee pension scheme established by the PRC government which undertakes to assume the retirement benefit obligations of all existing and future retired employees of the Group in the PRC. The Group also contributes to a mandatory provident fund scheme for all Hong Kong employees. The contributions are based on a fixed percentage of the employees' salaries. Meanwhile, certain employees and employee groups of the Group's subsidiary in the PRC are also eligible for the relevant restricted share incentive scheme. During the year ended 31 December 2024, the Group had no forfeited contributions under the retirement benefits scheme that might be used by the Group to reduce the existing level of contributions (2023: Nil).

CHARGE ON ASSETS

As at 31 December 2024, restricted bank balances of HK\$119.2 million (2023: HK\$216.9 million) was pledged to financial institutions by the Group to secure general banking facilities.

LITIGATION

As disclosed in the announcements of the Company dated 3 August 2023, 10 August 2023, 30 December 2023, 28 March 2024 and 26 November 2024 (the “**Announcements**”), Central Pharmaceutical was a party to a litigation arising from the ordinary course of business with its sales and marketing agent (the “**Agent**”). As stated in the Announcements, certain assets of Central Pharmaceutical had been retained as a request of claim for a payment in relation to the provision of sales and marketing services to Central Pharmaceutical. Central Pharmaceutical had lodged a petition for counterclaim on 7 August 2023 and received the civil judgement of the trial of first instance issued by Tianjin No. 2 Intermediate People’s Court (the “**First Judgement**”) on 8 December 2023. The Agent was not satisfied with the judgement and filed a civil petition for appeal to the Higher People’s Court of Tianjin on 19 December 2023. Central Pharmaceutical had also lodged a civil petition for appeal on 21 December 2023. In late of March 2024, Central Pharmaceutical received the civil judgement from the Higher People’s Court of Tianjin for revoking the civil judgement of the First Judgement and the case is remanded to Tianjin No. 2 Intermediate People’s Court for retrial. In late November 2024, Central Pharmaceutical received the civil judgement of the remand for retrial issued by Tianjin No. 2 Intermediate People’s Court (the “**Second Judgement**”). Both Central Pharmaceutical and the Agent were not satisfied with the judgement and appealed to revoke the Second Judgement. The management of the Group, based on legal advice, are of the opinion that any possible legal liability which may incur from such litigation shall not have material adverse effect on the financial position of the Group.

FINAL DIVIDEND

The Board recommends the payment of a final dividend of HK8.82 cents per share for the year ended 31 December 2024 (2023: HK8.80 cents per share) to the shareholders whose names appear on the Company’s register of members on 3 July 2025. Subject to the approval by the shareholders at the forthcoming annual general meeting of the Company to be held on 19 June 2025, the final dividend will be paid on 28 July 2025.

The final dividend together with the interim dividend of HK5.18 cents per share paid on 28 October 2024 makes a total of HK14 cents per share for the year (2023: HK12.25 cents per share).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 16 June 2025 (Monday) to 19 June 2025 (Thursday), both days inclusive, during which period no transfer of shares will be registered. In order to determine the entitlement to attend and vote at the annual general meeting of the Company, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Tricor Tengis Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on 13 June 2025 (Friday).

The register of members of the Company will be closed from 30 June 2025 (Monday) to 3 July 2025 (Thursday), both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Tricor Tengis Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on 27 June 2025 (Friday).

PURCHASE, SALE OR REDEMPTION OF SHARES

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

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") throughout the year ended 31 December 2024.

The Board will continue to monitor and review the Company's corporate governance practices and procedures and make necessary changes when it considers appropriate.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

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 as its own code of conduct for directors' securities transactions. Having made specific enquiry, all the directors confirmed that they have complied with the required standard as set out in the Model Code throughout the year.

The Company has also established written guidelines regarding securities transactions on no less exacting terms than the Model Code for senior management and specific individuals who may have access to price-sensitive information in relation to the securities of the Company.

AUDIT COMMITTEE

The Audit Committee of the Company currently comprises four independent non-executive directors, namely Ms. Ng Yi Kum, Estella (Chairman of the Committee), Mr. Wong Shiu Hoi, Peter, Mr. Lau Ka Keung and Mr. Sin Hendrick. Regular meetings have been held during the year to review the accounting principles and practices adopted by the Group and discussed with the management the effectiveness of the Company's risk management (including ESG risks) and internal control systems, auditing and financial reporting matters. The final results for the year ended 31 December 2024 have been reviewed by the Audit Committee of the Company.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other 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 Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

PUBLICATION OF ANNUAL REPORT

The 2024 Annual Report will be published on the websites of the Company and the Stock Exchange and despatched to the shareholders of the Company in due course.

By Order of the Board
Tianjin Development Holdings Limited
Teng Fei
Chairman and Executive Director

Hong Kong, 28 March 2025

As at the date of this announcement, the Board of the Company consists of Mr. Teng Fei, Dr. Zhai Xinxiang, Mr. Xia Binhui, Mr. Sun Lijun, Ms. Ng Yi Kum, Estella**, Mr. Wong Shiu Hoi, Peter**, Mr. Lau Ka Keung** and Mr. Sin Hendrick**.*

* *non-executive director*

** *independent non-executive director*