

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



CHINA STAR ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 326)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31ST DECEMBER 2024

FINAL RESULTS

The board of directors (the “Board”) of China Star Entertainment Limited (the “Company”) presents the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31st December 2024 together with the comparative figure for 2023 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31st December 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue	5	728,216	206,168
Cost of sales		(601,265)	(136,837)
Gross profit		126,951	69,331
Other revenue and other income	6	21,913	37,122
Administrative expenses		(147,094)	(95,408)
Marketing, selling and distribution expenses		(101,043)	(79,108)
Loss arising on change in fair value of financial assets at fair value through profit or loss (“FVTPL”)		(79,366)	(27,721)
Gain arising on change in fair value of investment property		7,405	4,435
Other operating expenses		(43,261)	(53,811)

CONSOLIDATED INCOME STATEMENT (CONTINUED)

For the year ended 31st December 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss from operations		(214,495)	(145,160)
Finance costs	7	<u>(134,827)</u>	<u>(142,994)</u>
Loss before tax	8	(349,322)	(288,154)
Income tax expense	9	<u>(1,307)</u>	<u>(1,354)</u>
Loss for the year		<u>(350,629)</u>	<u>(289,508)</u>
(Loss)/profit for the year attributable to:			
Owners of the Company		(351,930)	(289,477)
Non-controlling interests		<u>1,301</u>	<u>(31)</u>
		<u>(350,629)</u>	<u>(289,508)</u>
		<i>HK cents</i>	<i>HK cents</i>
Loss per share	11		
Basic and diluted		<u>(14.48)</u>	<u>(11.76)</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st December 2024

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss for the year	(350,629)	(289,508)
Other comprehensive income		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	<u>1,291</u>	<u>186</u>
Total comprehensive loss for the year	<u><u>(349,338)</u></u>	<u><u>(289,322)</u></u>
Total comprehensive (loss)/income for the year attributable to:		
Owners of the Company	(350,639)	(289,291)
Non-controlling interests	<u>1,301</u>	<u>(31)</u>
	<u><u>(349,338)</u></u>	<u><u>(289,322)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31st December 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		358,420	95,427
Investment property		150,297	153,950
Intangible assets		310	502
Prepayment		37,442	21,293
		546,469	271,172
Current assets			
Inventories		3,534	153
Stock of properties		3,081,340	3,734,939
Film rights		3,215	8,015
Films in progress		–	9,625
Investment in films		26,112	96,512
Loan to a director		–	499,773
Trade receivables	12	1,922	1,849
Deposits, prepayment and other receivables		404,639	410,189
Financial assets at fair value through profit or loss		11,802	21,735
Amount due from non-controlling interest		53	53
Time deposits		168	286
Cash and bank balances and restricted cash		126,257	130,295
		3,659,042	4,913,424
Total assets		4,205,511	5,184,596
Capital and reserves			
Share capital		24,278	24,608
Reserves		2,029,540	2,636,534
Equity attributable to owners of the Company			
Non-controlling interests		582	(659)
Total equity		2,054,400	2,660,483

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 31st December 2024

	<i>Notes</i>	2024 HK\$'000	2023 <i>HK\$'000</i>
Non-current liabilities			
Lease liabilities		11,277	25,095
Bank and other borrowings		1,340,986	1,417,142
Deferred tax liabilities		2,970	1,815
		<u>1,355,233</u>	<u>1,444,052</u>
Current liabilities			
Trade payables	13	76,729	124,728
Deposits received, accruals and other payables		91,312	46,105
Receipts in advance		69,306	45,092
Lease liabilities		6,909	10,708
Bank and other borrowings		270,144	350,312
Amounts due to non-controlling interests		281,478	503,116
		<u>795,878</u>	<u>1,080,061</u>
Total liabilities		<u>2,151,111</u>	<u>2,524,113</u>
Total equity and liabilities		<u>4,205,511</u>	<u>5,184,596</u>
Net current assets		<u>2,863,164</u>	<u>3,833,363</u>
Total assets less current liabilities		<u>3,409,633</u>	<u>4,104,535</u>

NOTES:

1. GENERAL

China Star Entertainment Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda and Unit 3409, Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong respectively.

Its immediate and ultimate holding company is Heung Wah Keung Family Endowment Limited which is equally owned by Mr. Heung Wah Keung (“Mr. Heung”) and Ms. Chen Ming Yin, Tiffany (“Ms. Chen”), spouse of Mr. Heung.

The consolidated financial statements are presented in HK\$, which is also the functional currency of the Company and all values are rounded to the nearest thousand (HK\$’000) except otherwise indicated.

The principal activities of the Group are investment, production, distribution and licensing of films and television drama series, provision of artist management services, properties development and investment, building management services and development, promotion and operation in multi-channel network e-commerce platforms and development and sales of private label products.

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

The accounting policies adopted in these consolidated financial statements for the year ended 31st December 2024 are consistent with those followed in the preparation of the Group’s consolidated financial statements for the year ended 31st December 2023 except as described below.

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

In the current year, the Group has applied the following amendments to HKFRSs and revised Int (“Amendments”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, including those which are mandatorily effective for the annual period beginning on or after 1st January 2024 for the preparation of these consolidated financial statements:

HKFRS 16 (Amendments)	Lease Liability in a Sale and Leaseback
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
HK Int 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

(a) Amendments to HKFRSs that are mandatorily effective for the current year (continued)

The application of the Amendments 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.

(b) New and amendments to HKFRSs and interpretation in issue but not yet effective

The Group has not early adopted the following new and amendments to HKFRSs and Interpretation (“New and Amended HKFRSs and Int”) that have been issued but are not yet effective.

HKFRS 9 and HKFRS 7 (Amendments)	Amendments to the Classification and Measurement of Financial Instruments ²
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
HKFRS 18	Presentation and Disclosure in Financial Statements ³
HKAS 21 (Amendments)	Lack of Exchangeability ¹
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 ²
HK Int 5 (Amendments)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ³

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

² Effective for annual periods beginning on or after 1st January 2026

³ Effective for annual periods beginning on or after 1st January 2027

⁴ Effective for annual periods beginning on or after a date to be determined

The directors of the Company anticipate that the application of New and Amended HKFRSs and Int will have no material impact on the consolidated financial statements in the foreseeable future.

3. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. For the purpose of presentation 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 (the “Listing Rules”) and by the disclosure requirements of the Hong Kong Companies Ordinance.

4. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the directors of the Company, being the chief operating decision maker (the “CODM”), for the purpose of monitoring segment performance and allocating resources between segments and that are used to make strategic decisions.

During the year ended 31st December 2023, the Group commenced the multi-media and entertainment business and it is considered as a new operating and reportable segment by CODM.

The Group has three reportable segments – film related business operations, property development and investment operations and multi-media and entertainment business operations. The segmentations are based on the information about the operations of the Group that management uses to make decisions.

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

Particulars of the Group’s reportable segments are summarised as follows:

Film related business operations	–	Investment, production, distribution and licensing of films and television drama series and provision of other film related services including artist management services
Property development and investment operations	–	Investment and development of properties and building management services
Multi-media and entertainment business operations	–	Development, promotion and operation in multi-channel network e-commerce platform and development and sales of private label products

4. SEGMENT INFORMATION (CONTINUED)

Segment information about these operations is presented as below:

(a) An analysis of the Group's revenue and results by operating segments

	Segment revenue		Segment results	
	2024	2023	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Film related business operations	2,188	4,435	(85,465)	(52,560)
Property development and investment operations	675,240	148,230	(121,106)	(134,374)
Multi-media and entertainment business operations	50,788	53,503	(55,780)	(58,973)
	<u>728,216</u>	<u>206,168</u>	<u>(262,351)</u>	<u>(245,907)</u>
Reconciliation from segment results to loss before tax				
Unallocated corporate income			19,291	36,284
Loss arising on change in fair value of financial assets at FVTPL			(9,933)	(20,456)
Unallocated corporate expenses			<u>(96,329)</u>	<u>(58,075)</u>
Loss before tax			<u>(349,322)</u>	<u>(288,154)</u>

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales for both years.

Segment results represent the loss suffered by each segment without allocation of central administrative expenses, partial finance costs, and partial other operating expenses under the heading of "unallocated corporate expenses", partial other revenue and other income under the heading of "unallocated corporate income" and partial loss arising on change in fair value of financial assets at FVTPL. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

4. SEGMENT INFORMATION (CONTINUED)

(b) An analysis of the Group's financial position by operating segments

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
ASSETS		
Segment assets		
– Film related business operations	278,591	396,491
– Property development and investment operations	3,663,314	3,946,935
– Multi-media and entertainment business operations	147,429	123,232
	<u>4,089,334</u>	<u>4,466,658</u>
Total segment assets	4,089,334	4,466,658
Unallocated assets	116,177	717,938
	<u>4,205,511</u>	<u>5,184,596</u>
LIABILITIES		
Segment liabilities		
– Film related business operations	7,304	6,445
– Property development and investment operations	1,831,575	2,320,496
– Multi-media and entertainment business operations	80,064	69,722
	<u>1,918,943</u>	<u>2,396,663</u>
Total segment liabilities	1,918,943	2,396,663
Unallocated liabilities	232,168	127,450
	<u>2,151,111</u>	<u>2,524,113</u>

For the purpose of resource allocation and performance assessment between segments:

- all assets are allocated to reportable segments, other than loan to a director, inventories, partial deposits, prepayment and other receivables, partial financial assets at FVTPL, amount due from a joint venture, amount due from non-controlling interest, partial cash and bank balances and partial property, plant and equipment for central administrative purposes; and
- all liabilities are allocated to reportable segments, other than other borrowing, partial deposits received, accruals and other payables and partial lease liabilities.

4. SEGMENT INFORMATION (CONTINUED)

(c) Other segment information

	Film related business operations		Property development and investment operations		Multi-media and entertainment business operations		Unallocated		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Amounts included in the measure of segment results or segment assets:										
Amortisation of film rights	-	15	-	-	-	-	-	-	-	15
Amortisation of intangible assets	-	-	-	-	181	46	-	-	181	46
Depreciation of property, plant and equipment	7	1	8,424	933	10,016	5,316	9,174	5,821	27,621	12,071
Reversal of allowance for expected credit loss ("ECL") on trade receivables (included in other operating expenses)	(42)	(8)	-	-	-	-	-	-	(42)	(8)
(Reversal of allowance)/allowance for ECL on deposits and other receivables, net (included in other operating expenses)	(4,213)	41,060	(542)	674	2,011	-	-	11,985	(2,744)	53,719
Loss arising on change in fair value of financial assets at FVTPL	69,433	7,265	-	-	-	-	9,933	20,456	79,366	27,721
Gain arising on change in fair value of investment property	-	-	(7,405)	(4,435)	-	-	-	-	(7,405)	(4,435)
Impairment loss recognised in respect of film rights (included in other operating expenses)	4,800	100	-	-	-	-	-	-	4,800	100
Additions to intangible assets	-	-	-	-	-	548	-	-	-	548
Additions to property, plant and equipment	10	4	274,371	3,793	233	45,647	23,871	2,098	298,485	51,542
Amounts regularly provided to the CODM but not included in the measure of segment results or segment assets:										
Bank interest income	15	61	1,117	529	29	75	1	302	1,162	967
Loan interest income	-	-	-	-	-	-	13,446	35,134	13,446	35,134
Finance costs	-	-	116,241	141,644	1,592	698	16,994	652	134,827	142,994
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

(d) Information about major customers

No revenues from transactions with external customers accounted for 10% or more of the Group's total revenue for the years ended 31st December 2024 and 2023.

4. SEGMENT INFORMATION (CONTINUED)

(e) Geographical information

The following table sets out information about geographical location of (i) revenue from external customers and (ii) non-current assets (excluded financial instruments). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of non-current assets is based on the physical location of the assets.

	Revenue from external customers		Non-current assets (excluded financial instruments)	
	2024	2023	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	192	805	45,410	52,914
Macau	675,240	148,230	327,706	23,377
Taiwan	–	–	150,322	154,013
The People's Republic of China (the "PRC") excluded Hong Kong, Macau and Taiwan	52,784	56,673	23,031	40,868
Others	–	460	–	–
	<u>728,216</u>	<u>206,168</u>	<u>546,469</u>	<u>271,172</u>

5. REVENUE

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

	2024	2023
	HK\$'000	HK\$'000
Disaggregation of revenue from contracts with customers		
Distribution fee income	192	2,751
Artist management service income	1,996	1,684
Sales of properties	674,308	147,298
Building management service fee income	932	932
Multi-media sales and commission income	50,788	53,503
Revenue from contracts with customers	<u>728,216</u>	<u>206,168</u>
Revenue from contracts with customers		
Timing of revenue recognition		
A point in time	727,284	205,236
Over time	932	932
Revenue from contracts with customers	<u>728,216</u>	<u>206,168</u>

6. OTHER REVENUE AND OTHER INCOME

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Dividend income	3	52
Bank interest income	1,162	967
Loan interest income	13,446	35,134
Catering operations	4,974	–
Retail sales	670	–
Sundry income	1,658	969
	<u>21,913</u>	<u>37,122</u>

7. FINANCE COSTS

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Interests on bank borrowings	116,063	140,885
Interests on other borrowing	41,478	384
Interests on financing note payables	–	325
Interest on amount due to a director	774	–
Interest on amounts due to a related company	531	–
Interest on amounts due to non-controlling interests	3,339	–
Bank guarantee charges	–	361
Interests on lease liabilities	1,928	1,008
Other finance costs	–	31
	<u>164,113</u>	<u>142,994</u>
Interest capitalised to stock of properties	<u>(29,286)</u>	–
	<u>134,827</u>	<u>142,994</u>

8. LOSS BEFORE TAX

Loss before tax has been arrived at after charging/(crediting):

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Amortisation of intangible assets (included in marketing, selling and distribution expenses)	181	46
Auditors' remuneration and other services:		
Auditors of the Company		
– audit services	950	1,100
– non-audit services	150	180
	1,100	1,280
Cost of sales:		
– Amortisation of film rights	–	15
– Cost of properties sold	583,404	85,474
– Cost of multi-media and entertainment business	17,861	51,348
	601,265	136,837
Depreciation of property, plant and equipment	27,621	12,071
Employee benefit expenses	90,799	58,404
Expense relating to short-term leases	1,650	3,303
Expense relating to leases of low-value assets, excluding short-term leases of low-value assets	164	658
Gain arising on change in fair value of investment property	(7,405)	(4,435)
Other operating expenses:		
– Reversal of allowance for ECL on trade receivables	(42)	(8)
– (Reversal of allowance)/allowance for ECL on deposits and other receivables, net	(2,744)	53,719
– Impairment loss recognised in respect of films in progress	9,625	–
– Other cost of sales	3,141	–
– Impairment loss recognised in respect of film rights	4,800	100
– Write-down of stock of properties	28,481	–
	43,261	53,811
Loss arising on change in fair value of financial assets at FVTPL:		
– listed equity securities	9,933	18,449
– derivative financial instruments	–	2,007
– investment in films	69,433	7,265
	79,366	27,721
Net foreign exchange loss	6,791	1,886

9. INCOME TAX EXPENSE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Deferred tax	<u>1,307</u>	<u>1,354</u>

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

No provision for Hong Kong Profits Tax has been made for the year ended 31st December 2024 and 2023 as the Group has no assessable profits arising in Hong Kong or taxable profits were wholly absorbed by estimated tax losses brought forward.

The PRC subsidiaries are subject to the PRC Enterprise Income Tax at 25% for both years. Macau subsidiaries are subject to Macau Complementary Tax at the maximum progressive rate of 12% on the estimated assessable profit for both years. Taiwan subsidiary is subject to Taiwan corporate tax, the first NT\$120,000 taxable income of Taiwan subsidiary is exempted from corporate tax and taxable income above NT\$120,000 is taxed at 20%.

No provision for PRC Enterprise Income Tax, Macau Complementary Tax and Taiwan corporate tax has been made for both years as the Group has no assessable profits arising in the PRC, Macau and Taiwan.

10. DIVIDEND

No final dividend was paid or proposed during the year, nor any dividend has been proposed by the board of directors subsequent to the end of the reporting period (2023: nil).

11. LOSS PER SHARE

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss		
Loss for the year attributable to owners of the Company for the purposes of basic and diluted loss per share	(351,930)	(289,477)
	2024 <i>'000</i>	2023 <i>'000</i>
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	2,430,305	2,461,911

Pursuant to the deed polls of the bonus convertible bond (“Bonus CBs”), the Bonus CBs conferred the holders with the same economic interests attached to the shareholders of the Company. Accordingly, 1,060,317 (2023: 1,060,317) fully paid ordinary shares of HK\$0.01 each which shall be convertible from an aggregated amount of approximately HK\$265,000 (2023: HK\$265,000) outstanding Bonus CBs are included in the weighted average number of ordinary shares for calculating the basic loss per share.

No diluted loss per share was presented as there was no potential ordinary shares in issue for both years.

12. TRADE RECEIVABLES

The following is an aging analysis of trade receivables, presented based on the invoice dates and net of allowance for ECL:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
0 to 30 days	1,922	391
Over 90 days	<u>–</u>	<u>1,458</u>
	<u>1,922</u>	<u>1,849</u>

The average credit period granted to customers ranges from 30 to 90 days.

13. TRADE PAYABLES

The following is an aging analysis of trade payables, presented based on the invoice dates:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
0 to 30 days	4,460	86,393
31 to 60 days	2,705	1,431
61 to 90 days	2,462	–
Over 90 days	<u>67,102</u>	<u>36,904</u>
	<u>76,729</u>	<u>124,728</u>

The average credit period granted by suppliers ranges from 30 to 90 days.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the year ended 31st December 2024, the Group recorded revenue of HK\$728,216,000, represented an increase of 253% as compared to HK\$206,168,000 for the year ended 31st December 2023. During the year, the Group recorded solid revenue growth as property development and investment operations contributed revenue of HK\$675,240,000 (2023: HK\$148,230,000), multi-media and entertainment business operations contributed revenue of HK\$50,788,000 (2023: HK\$53,503,000) and film related business operations contributed revenue of HK\$2,188,000 (2023: HK\$4,435,000) to the Group.

Loss for the year amounted to HK\$350,629,000, representing an increase of 21% from HK\$289,508,000 for the year ended 31st December 2023. The increase in loss mainly attributable to: (i) substantial increase in loss arising on change in fair value of financial assets at fair value through profit or loss amounted to HK\$79,366,000 (2023: HK\$27,721,000); (ii) substantial increase in administrative expenses amounted to HK\$147,094,000 (2023: HK\$95,408,000) due to increase in headcount and operation premises of the Group during the year; and (iii) substantial increase in marketing and selling expenses incurred in property sales and multi-media and entertainment business operations amounted to HK\$101,043,000 (2023: HK\$79,108,000). The effect was partially offset by the gross profit of HK\$126,951,000 (2023: HK\$69,331,000) generated mainly from property development and investment operations and multi-media and entertainment business operations.

Loss attributable to owners of the Company for the year ended 31st December 2024 amounted to HK\$351,930,000, representing an increase of 22% from HK\$289,477,000 in the previous year.

DIVIDEND

The directors do not recommend the payment of a final dividend for the year ended 31st December 2024 (2023: nil).

BUSINESS REVIEW

The Group has three reportable segments – (1) film related business operations; (2) property development and investment operations; and (3) multi-media and entertainment business operations.

Of the total revenue for the year, HK\$2,188,000 or 0% was generated from film related business operations, HK\$675,240,000 or 93% was generated from property development and investment operations, and HK\$50,788,000 or 7% was generated from multi-media and entertainment business operations.

Film Related Business Operations

Film related business operations included investment, production, distribution and licensing of films and television drama series and provision of other film related services including artist management services.

During the previous few years, the Group has shifted its resources to property investment and development; and multi-media and entertainment business and thus contributed less resources in this segment. Film production is the Group's ongoing business, revenue can come from sales of film library and sub-distribute films on behalf of other film owners. With our extensive experience and network in the industry, the Group considers that we have comparative advantage in this segment. A new production of the Group is in script writing process and expects to start production in year 2025. The Group also plan to start investment in short dramas and internet movies which are now very popular in the entertainment market. The Group also has investment in production of film which is co-financing with other production companies and will share revenue from the invested film according to the investment percentage in the relevant agreement. The Group takes a passive role in this kind of co-production arrangement but needs to contribute less human resource.

In year 2024, revenue from film related business operations amounted to HK\$2,188,000 (2023: HK\$4,435,000) and its segment loss amounted to HK\$85,465,000 (2023: HK\$52,560,000). The Group currently has no film or television drama series in production stage and this year's revenue was mainly sub-distribution fees and artist management service fees. The segment loss mainly included loss arising on change in fair value of investment in films of HK\$69,433,000 (2023: HK\$7,265,000) which mainly represented investment in a film released in year 2024 with poor box office and revenue; impairment loss recognized in respect of film rights of HK\$4,800,000 (2023: HK\$100,000); and impairment loss recognised in respect of films in progress of HK\$9,625,000 (2023: nil). For the last year, allowance for ECL on deposits and other receivables for film related business of HK\$41,060,000 was made as deposit paid to a production house for production of television drama series amounted to RMB38,000,000 was liquidated.

Property Development and Investment Operations

Property development and investment operations included investing and development of properties and property management services of Tiffany House. The Group mainly has two projects in Macau, namely (i) Lot C7 do Plano de Urbanizacao da Baia de Praia Grande, located in the Nam Van Lakes Zone, at Avenida Doutor Stanley Ho, registered with the Macau Land and Real Estate Registry under no. 23070 (the "Property C7"); and (ii) Tiffany House located at Rua De Luis Gonzaga Gomes and Rua De Xiamen, Macau.

The Property C7 is a lot of land with site area of 4,669 square meters which are developing for residential and parking purpose with the maximum allowed height of the building of 46.7 meters above sea level and maximum utilization rate of 5.58 (parking not included) according to the Urbanistic Conditions Plan issued by Land and Urban Construction Bureau (“DSSCU”) on 29th June 2023. The Property C7 will be developed into a thirteen storey building and one basement and will have a gross floor area of (a) residential – 25,832 square meters, (b) commercial – 215 square meters and (c) parking – 3,930 square meters. In year 2023, the Group has entered into an operation entrustment agreement and a main sale agreement with a well-known Macau property developer and entrust it to assist for design, development and construction, sales and finance arrangement of the Property C7. The Group considered that this professional arrangement for the Property C7 can speed up the construction process and assist the later sales. The construction work of the Property C7 commenced on 14th December 2023. The Property C7 is formally named as “Lake Yoho” and will provide 312 residential units with 15 villas, one commercial unit, and 144 carparks and 30 motorcycle parks at the underground level. The Property C7 has completed its topping out on 24th January 2025 and obtained its presale permit on 13th January 2025. The occupation permit is expected to obtain in the first half of year 2026. During the year, the Group has obtained a credit facility in the amount of HK\$550,000,000 to finance the construction costs, design and sales expenses of the Property C7. The facility is secured by first legal mortgage over the leasehold land and properties to be erected on Property C7 and will mature twenty-eight months after the date of drawdown. The Group is preparing for pre-sale of Property C7 in year 2025. After all these arrangements, the Group has ready for the funding required for development and sales of Property C7.

After the completion of the Acquisition (defined below) on 12th July 2024 as detailed disclosed in the below section “Significant Investments, Material Acquisitions and Disposals”, the Group effectively owned 75% interest in the Property C7.

Tiffany House is located adjacent to Macao Polytechnic Institute and next to Golden Lotus Square, and is a couple of blocks away from Macau Fisherman's Wharf and Sands Casino. Tiffany House has a gross floor area of (a) residential – 31,192 square meters, including 3,819 square meters for clubhouse, (b) commercial – 3,716 square meters and (c) parking – 11,250 square meters. It provides 230 residential units in two towers, with units ranging from studio flats to four-bedroom apartments as well as special units and 272 carparks and 75 motorcycle parks in three underground levels. A prestigious clubhouse decided by Mr. William Chang, a famous art director and star designer in Hong Kong which provides a wide range of facilities including swimming pool, gym room, well equipped kitchen, yoga and dance room, etc. Tiffany House has obtained its occupational permit in December 2019. The sales of the residential units of Tiffany House started in October 2022 and its first sales completed in January 2023. Sales started at Tower 1 of Tiffany House with 115 residential units and gross floor area of 161,000 square feet. Tower 2 which facing Golden Lotus Square and Guia Hill with 115 units and gross floor area of 175,000 square feet are expected to have higher unit price has started sales in September 2024. During the year, sales of 66 residential units with gross floor area of 87,000 square feet in Tower 1, 16 residential units with gross floor area of 15,000 square feet in Tower 2 and 27 carparks and 5 motorcycle parks were completed with aggregate consideration of HK\$674,308,000. As at 31st December 2024, there were 126 residential units with gross floor area of 218,000 square feet, 243 carparks and 70 motorcycle parks unsold, of which 21 residential units with gross floor area of 33,000 square feet, 5 carparks and 2 motorcycle parks have signed provisional agreements with aggregate consideration of HK\$197,697,000. During the year, the Macau government has announced substantial changes to Macau's real estate policy. The removal of the standardization of the maximum mortgage limit across all residences at 70% in January 2024 and the relief of imposition of punitive taxes in April 2024 have aid property owners looking to upgrade or alter their living conditions for larger units. In turn, these measures have benefit sales of Tiffany House which has comparatively more large units. Our marketing strategy is “you pay similar price and you enjoy larger area” and therefore we achieved higher transactions in this year. However, our properties value is unavoidably affected by the downturn of residential market in Macau. The Group believes that excellent building management services can increase the value of the properties and thus Tiffany House is managed by our self-formed building management services teams and has provided excellent services to all tenants.

In year 2024, revenue from property development and investment operations amounted to HK\$675,240,000 (2023: HK\$148,230,000) and its segment loss amounted to HK\$121,106,000 (2023: HK\$134,374,000). All revenue in this year came from sales in Tiffany House. The segment loss was mainly included finance costs for the bank loan of Tiffany House (the “Term Loan”) amounted to HK\$113,474,000 (2023:HK\$139,006,000) and the write-down of Tiffany House of HK\$28,481,000 (2023: nil). The finance costs continued the burden for the performance of the property development and investment operations. Write down of Tiffany House represented the shortfall of the carrying amount of some of individual unit prices compared with their estimated selling prices. In year 2024, the Group made sound decision towards speeding up the process of property sales

and successfully decreased the Term Loan and its finance costs. Macau's total residential transactions increased by 11% in year 2024 but the average price per square meter of the overall residential units fell by 9% year-on-year. In the first quarter of year 2025, the property market continues to be sluggish, and the market has a strong wait-and-see atmosphere.

Multi-media and Entertainment Business Operations

杭州英明向太多媒體有限公司, a wholly owned subsidiary of the Company in China which principal activities are multi-media and entertainment business operations which included development, promotion and operation of livestreaming e-commerce in multi-channel network e-commerce platform and development and sales of private label products. We have established team of talented livestreamers and set up various livestreaming channels in Douyin including our main Douyin account 向太陳嵐, 向太奢品 and 向樣官方旗艦店 to enhance our customer base. The Group has positioned it to the appropriate market share, i.e. premium products such as brand handbags. Our Douyin channel 向太奢品 has created the record of over RMB100 million gross merchandise value (“GMV”) a day and over 80 million viewers in the day and is now the first seller in Douyin for brand bags. During the year ended 31st December 2024, other than being as the mediator in the internet platform and keep a margin of commission each & every sale that is done through our livestreaming channels advertising fees income, we have developed our private label products and cooperate with other suppliers or factories to produce our private label products. In July 2024, we launched our first private label product “Red Beans Paste (陳皮蓮子紅豆沙)”. Our Red Beans Paste is made of high-quality red beans, over 10 years tangerine peel and other fresh ingredients which is differentiated from most similar products on the market. We use the slogan “很向樣的” to convey the superior and healthier message of the product to our customers and position it as “健康早餐、元氣午茶、運動健身、輕食晚餐” in order to satisfy the consumers’ needs in different moment of a day. In October 2024, we launch another popular product “Beef Jerky (很向樣的牛肉干)”, its slogan is “巴掌大的牛肉乾，濕潤好嚼絲絲爆香”. In January and February 2025, our stock sold out every day and we have to demand supplier to increase their production capacities. Up to the year ended 31 December 2024, we have already launched Red Beans Paste (陳皮蓮子紅豆沙), Beef Jerky (很向樣的牛肉干), Fengheung Pastry (鳳凰酥) and Stewed whole pear with Osmanthus and White Fungus (桂花銀耳炖整梨). Other than livestreaming in Douyin, the sales channel of these products include Taobao (淘寶), Rednote (小紅書), Tmall (天貓) and Mini program (微信小程序) in order to increase our sales channels. Our private label products become increasingly recognise in the market, quickly becoming synonymous with “quality, premium and lifestyle” and thereby, our brand is gaining millions of returning customers.

In year 2024, our total GMV (after sales return) was RMB378,357,000. Revenue from multi-media and entertainment business operations amounted to HK\$50,788,000 (2023: HK\$53,503,000) and its segment loss amounted to HK\$55,780,000 (2023: HK\$58,973,000). The revenue was similar to last year as the Group shifted part of its resource to development of private label products and these products start to launch in

the second half of the year. The loss mainly included administrative, marketing and operation expenses. As more and more new joiners enter the livestreaming e-commerce industry, competition becomes increasingly fierce. The commission margin and income from livestreaming is unavoidable influenced. Our products must be unique and superior to other competitors, so we produce, renovate and develop our private label products “向样”. Our private label products become more popular in the market in the beginning of year 2025. During the year ended 31st December 2024, the Group has built a more comprehensive organization structure to support the rapid growth of this business and to lay a solid foundation for its future development and thus marketing and advertising expenses are spent to increase the publicity of our sales channels and the number of our followers.

Other Business Operations

For the commercial mall in Tiffany House, the Group intends to develop it into shopping mall which can provide restaurants, shops and daily necessities to the tenants in Tiffany House and the nearby residents. In year 2024, the Group has opened a restaurant, a café and a convenient store. As all these business operations are still in its early stages, we will not classify them into new and reportable business segments. During the year ended 31st December 2024, these operations were still operated at a loss. They need time to increase their customers and reach a balance between income and expenditure.

Geographical Segments

For the geographical segments, revenue of HK\$192,000 or 0% (2023: HK\$805,000 or 1%) was sourced from Hong Kong, revenue of HK\$675,240,000 or 93% (2023: HK\$148,230,000 or 72%) was sourced from Macau, revenue of HK\$52,784,000 or 7% (2023: HK\$56,673,000 or 27%) was sourced from China and no revenue (2023: HK\$460,000 or 0%) was sourced from other territories. Revenue from Macau mainly represented property sales of Tiffany House and revenue from China mainly represented income from multi-media and entertainment business operations.

Administrative Expenses

For the year ended 31st December 2024, administrative expenses amounted to HK\$147,094,000 (2023: HK\$95,408,000), representing an increase of 54%. The increase mainly included administrative expenses incurred in our multi-media and entertainment business operations, catering operations and the operation of retail sales. During the year, both headcount and operation premises of the Group were increased. Depreciation increased from HK\$12,071,000 from the year ended 31 December 2023 to HK\$27,621,000 for the year ended 31 December 2024, an increased by 129% as decorations in catering operations and retail sales started depreciation in the year. Employee benefit expenses classified as administrative expenses amounted to HK\$62,178,000 as compared to HK\$43,023,000, also increased by 45%.

Marketing, Selling and Distribution Expenses

For the year ended 31st December 2024, marketing, selling and distribution expenses amounted to HK\$101,043,000 (2023: HK\$79,108,000), representing an increase of 28%. The increase was mainly due to marketing and selling expenses of Tiffany House which included engagement of consultancy parties and agency commission and marketing expenses incurred in multi-media and entertainment business operations which included advertising expenses in maintaining the publicity of the livestreaming channels such as the Douyin accounts and the number of followers.

Finance Costs

For the year ended 31st December 2024, finance costs amounted to HK\$134,827,000 (2023: HK\$142,994,000) were charged to the consolidated income statement which mainly included interests financing construction costs of Tiffany House amounted to HK\$113,474,000 (2023: HK\$139,006,000). Interests amounted to HK\$29,286,000 (2023: nil) financing construction costs of the Property C7 were capitalized to stock of properties. The decrease in finance costs charged to consolidated income statement was mainly due to decrease of Term Loan after loan repayment in the year.

LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31st December 2024, the Group had total assets of HK\$4,205,511,000 (2023: HK\$5,184,596,000) and net current assets of HK\$2,863,164,000 (2023: HK\$3,833,363,000), representing a current ratio of 4.6 (2023: 4.5). The Group had cash and bank balances, time deposits and restricted cash in aggregate balance of HK\$126,425,000 (2023: HK\$130,581,000).

As at 31st December 2024, the Group had total borrowing of HK\$1,629,316,000 (2023: HK\$1,803,257,000) which comprised the Term Loan of HK\$1,057,830,000 (2023: HK\$1,580,312,000), a secured bank loan (the “Secured Loan”) of HK\$80,985,000 (2023: HK\$87,142,000), a secured term loan from a finance company (the “Short Term Loan”) of HK\$165,000,000 (2023: unsecured loan of HK\$100,000,000), an unsecured loan from a related company (the “Director Loan”) of HK\$35,000,000 (2023: nil), a secured property loan (the “Construction Loan”) and its accrued interests of HK\$272,315,000 (2023: nil) and lease liabilities of HK\$18,186,000 (2023: HK\$35,803,000).

The purpose of the Term Loan is to finance the construction costs and any other soft costs in relation to Tiffany House and secured by first legal mortgage over properties of Tiffany House with carrying amount as stock of properties and restricted cash in aggregate amount of HK\$1,460,572,000 (2023: HK\$2,308,160,000), interest bearing at Hong Kong Interbank Offered Rate (“HIBOR”) for three or six month period selected by the borrower plus margin of 2.85% (2023: HIBOR plus 3%) per annum for each interest period and its minimum repayment schedules are as follows:

Instalments	Repayment Date (counting from 13th December 2022)	Minimum Repayment Amount (HK\$)
1	12 months	50,000,000
2	18 months	160,000,000
3	24 months	160,000,000
4	30 months	160,000,000
5	36 months	160,000,000
6	42 months	160,000,000
7	48 months (final maturity)	850,000,000

There is a clause in the Term Loan that mandatory prepayment in an amount of 90% of the net sales proceeds from Tiffany House (net deduction of direct expenses to be accepted by the lender) or dispositions of any properties or assets of Tiffany House unless otherwise approved by the lender. The remaining sales proceeds from Tiffany House after the repayment shall be deposited into charge accounts, and can only be used for the payment of interest of the Term Loan. The original Term Loan facility was HK\$1,700,000,000, after an aggregate repayment of HK\$642,171,000, the outstanding balance is HK\$1,057,829,000 which has fulfilled the minimum repayment requirement in the first 24 months. During the year ended 31st December 2024, the Group repaid principal of HK\$522,483,000 and has to repay further principal of HK\$47,829,000 within the next 12 months in order to fulfill the minimum repayment amount.

The Secured Loan is in original currency of New Taiwan Dollar 342,000,000, secured by investment property in carrying amount of HK\$150,297,000, interest bearing at floating rate of 2-year New Taiwan Dollar deposit at Chungwa Post Co., Ltd plus margin 1.43% per annum (i.e. 3.15% as at 31st December 2024) which will mature on 12th March 2028.

The Short Term Loan is secured by the Group’s property in carrying amount of HK\$42,799,000 (2023: nil), personal guarantee provided by Mr. Heung Wah Keung and Ms. Chen Ming Yin Tiffany, being directors and controlling shareholders of the Company, interest bearing at 13.5% per annum and will mature on 20th November 2025. Part of the funding from the Short Term Loan was used to repay an unsecured loan in principal amount of HK\$100,000,000 on 20th November 2024 which was interest bearing at 10% per annum.

The Director Loan is unsecured, interest bearing at 13.5% per annum and will mature on 20th November 2025. The source of fund for the Director Loan was same as the Short Term Loan. The repayment of the Director Loan is deferred after the Short Term Loan.

The purpose of the Construction Loan is to finance the construction costs, design and sales expenses of the Property C7. The facility amount of the Construction Loan is HK\$550,000,000, secured by first legal mortgage over the leasehold land and properties to be erected on Property C7 with carrying amount as stock of properties of HK\$1,670,860,000 and will mature twenty-eight months after the date of drawdown, ie. 2nd November 2026. Interest is payable annually at the rate of 18% per annum.

As at 31st December 2024, the Group had bank and other credit facilities amounted to HK\$2,466,746,000 which were utilized to extent of HK\$2,030,986,000. The Group's gearing was acceptable during the year with total debts of HK\$1,629,316,000 (2023: HK\$1,803,257,000) against owners' equity of HK\$2,053,818,000 (2023: HK\$2,661,142,000). This represents a gearing ratio, calculated in the basis of the Group's total borrowings over owners' equity of 79% (2023: 68%).

As at the date of approving these annual results and as at 31st December 2024, the fair value of the Group's equity securities listed in Hong Kong held at 31st December 2024 was HK\$8,183,000 (excluded fair value of equity security stated at HK\$2,700,000 sold after 31st December 2024) and HK\$11,802,000 respectively. During the year ended 31st December 2024, the Group did not acquired or disposed any equity securities listed in Hong Kong. The loss arising on change in fair value of financial assets at fair value through profit and loss of HK\$9,933,000 was resulted from change in fair values of equity securities listed in Hong Kong between the year ended 31st December 2024 and 31st December 2023. As at 31st December 2024, no single equity security's fair value held by the Group accounted for 5% or more of the total assets of the Group.

During the year, 164,000,000 awards granted to Ms. Chen Ming Yin, Tiffany, the substantial shareholder and executive director of the Company were lapsed and no awards were granted, vested, expired or cancelled. As at 31st December 2024, there were no awards outstanding.

During the year ended 31st December 2024, no share options of the Company were outstanding, granted, exercised, lapsed, expired or cancelled.

CHARGES OF ASSETS

As at 31st December 2024, stock of properties and certain bank accounts in aggregate carrying amount of HK\$1,460,572,000 and quota capital of China Star Creative Development Limited, a wholly owned subsidiary of the Company which is engaged in the business of property development and investment has been pledged for banking facilities of HK\$1,700,000,000 granted to the Group; stock of properties in carrying amounts of HK\$1,670,860,000 has been pledged for other credit facilities of HK\$550,000,000 granted to the Group; time deposit in amount of HK\$168,000 has been pledged as guarantee to Macau government for deposits in the development of stock of properties in Macau; the Group's property in carrying amount of HK\$42,799,000 has been pledged for the Short Term Loan facility; and investment property in carrying amount of HK\$150,297,000 has been pledged for the Secured Loan facility.

EXCHANGE RISK AND HEDGING

Majority of the Group's transactions, assets and liabilities are denominated in Hong Kong Dollar, Macau Pataca, United States Dollar, New Taiwan Dollar and Renminbi. The exposure to fluctuation in exchange rates in Renminbi mainly arises from multi-media and entertainment business operations in China and receipts and expenditure incurred in film investment, production and distribution. The Group has closely monitors its exposure to this fluctuation and consider appropriate hedging activities if necessary. The exposure to fluctuation in other currencies is consider to be minimal and no hedge activity is considered necessary.

COMMITMENTS

As at 31st December 2024, outstanding commitments by the Group amounted to HK\$1,058,405,000, of which HK\$1,025,212,000 for development expenditure of stock of properties in Macau, HK\$16,046,000 for development expenditure of catering operations in Macau and HK\$17,147,000 for film rights, films in progress and film deposits.

CONTINGENT LIABILITIES

As at 31st December 2024, the Group had no material contingent liability.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

Modern Vision (Asia) Limited ("Modern Vision") which is an indirect wholly owned subsidiary of the Company is currently indirectly interested in 50% of the Property C7 through Over Profit International Limited ("Over Profit"). On 20th February 2024, Reform Base Holdings Limited ("Reform Base") which is wholly owned by Ms. Chen, Ms. Chen and Modern Vision entered into an agreement (the "Agreement") pursuant to which Reform Base has agreed to transfer the rights in relation to the shareholding of Reform Base in Over Profit including: (1) the right of Modern Vision to make recommendations to Reform Base on the management and operations of Over Profit; (2) the right of Modern Vision to make recommendation of such persons as Modern Vision may elect to be directors of Over Profit; and (3) the right for Modern Vision to receive

dividends and other distribution of Over Profit payable or due to Reform Base, at the consideration of HK\$479,678,000 (the “Acquisition”). The consideration shall be satisfied by setting-off such amount from loan to director in principal amount of HK\$500,000,000. The difference of HK\$20,322,000 should be pay by Ms. Chen to Modern Vision between 6 and 12 months from date of completion. The transaction constitutes a disclosable transaction and connected transaction of the Company and was approved by the shareholders of the Company on 8th July 2024 and completed on 12th July 2024.

There were no other significant investments, material acquisitions or disposals during the year.

EMPLOYEES AND REMUNERATION POLICY

As at 31st December 2024, the Group employed 237 staff (2023: 236 staff) with employee benefit expenses (included directors’ remuneration) of HK\$90,799,000 (2023: HK\$58,404,000), of which HK\$62,178,000 (2023: HK\$43,023,000) classified as administrative expenses and HK\$28,621,000 (2023: HK\$15,381,000) classified as marketing, selling and distribution expenses, an overall increase of 55%. The increase mainly included increase in headcount who are responsible for multi-media and entertainment business operations in China and catering and retail operations in Macau. The directors believe that the quality of its employees is the single most important factor in sustaining the Group’s reputation and improving its profitability. The staff are remunerated based on their work performance, professional experience and prevailing industry practices. Apart from basic salaries, pension fund, housing allowances, meal allowances, medical schemes and discretionary bonuses, share options and share awards are awarded to certain staff according to the assessment of individual performance.

EVENT AFTER THE REPORTING DATE

There is no significant event took place subsequent to end of the reporting date.

PROSPECT

In year 2024, the Group has achieved remarkable sales in Tiffany House and the Property C7 has commenced construction and plans to pre-sell in year 2025. The Group adopts a conservative approach in selling properties and Macau’s economy is crucial for our properties sales. In year 2024, Macau celebrated its 25th anniversary of returning to the motherland, President Xi Jinping visited Macau for the handover celebration and the inauguration ceremony of the new Macau government. This visit enhanced Macau’s confidence in implementing “one country, two systems” outlined a new direction for Macau’s future development. As an integral special region of China’s long-term economic development, Macau’s economic future is secure and strong, bolstering our confidence in Macau’s prospects. Macau property market is expected to experience several positive trends in the coming years. Macau’s efforts to diversify its economy away from heavy reliance on gaming and tourism will create new opportunities in commercial and industrial real estate. Meanwhile, improvements in transportation links between Macau, Hong Kong, and mainland China could have boosted property values in

our properties' areas. Macau government is expected to maintain a stable and supportive regulatory environment for property investments, encouraging both local and foreign investors. Our properties will benefit from demand for luxury properties with the return of high-net-worth individuals and investors. However, the interest rate trends remain a significant factor influencing property demand. In conclusion, we are confident with the Macau property market, supported by favorable government policies, infrastructure development, and increased demand across various sectors. Investors and potential buyers can anticipate a dynamic and growing market with numerous opportunities for both short-term gains and long-term investments.

Due to the keen competition in year 2024, the Group's livestreaming e-commerce business has been adversely impacted. Nevertheless, the Group remains optimistic about the potential of livestreaming e-commerce business in China. Keen competition also leads to a growing user base as more consumers adopt this shopping method. Our directors, Ms. Chen Ming Yin, Tiffany and Mr. Heung Wah Keung are key opinion leaders and celebrities who play a crucial role in driving sales through live streaming by leveraging their large followings to promote products effectively. With the launch of more and more of our new private label products in the market, reaching a wider audience and with their generally higher margin, we can expect a boost in sales of these products which would further increase our revenue. In the future, our private label products will extend to in-store sales which remain a key part of major sales channels.

In conclusion, the future of livestreaming e-commerce looks promising, driven by sustained growth, technological innovation, and evolving consumer preferences. As the market matures, it will likely become an even more integral part of the global e-commerce landscape. With the Company's continuous improvements in supply chain management capabilities and the expansion of its product portfolio, we are able to collaborate with more e-commerce platforms and tailor our product portfolio to meet the diverse needs of target consumers of different platforms. This would ensure that consumers receive consistently high-quality products, brand experience and services through different platforms.

Looking forward, the Group will continue to grasp favorable opportunities brought by its multi-media and entertainment business and will enhance the development of commercial mall in Tiffany House as well as sales of residential units and will strive to achieve high quality development and successfully monetizing the value of the Property C7.

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

During the year ended 31st December 2024, the Company repurchased and cancelled its own shares as follows:

Month of repurchase	Number of ordinary shares '000	Price per share		Aggregate consideration paid HK\$'000
		Highest HK\$	Lowest HK\$	
January 2024	<u>33,000</u>	0.82	0.79	<u>26,927</u>

The Company repurchased 33,000,000 ordinary shares at an aggregate consideration of HK\$26,927,000 and transaction costs of HK\$114,000. 33,000,000 ordinary shares were cancelled on 29th January 2024. The directors considered that the Company's ordinary shares were trading at a discount to the net asset value per share, the repurchase would increase the net asset value per share of the Company.

Other than as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31st December 2024.

CORPORATE GOVERNANCE

The Company is committed to maintain a high standard of corporate governance. The Company has complied with all the code provisions set out in Appendix C1 to the Listing Rules for the year ended 31st December 2024.

AUDIT COMMITTEE AND REVIEW OF ACCOUNTS

As at the date of this announcement, the audit committee of the Company comprises Messrs. Hung Cho Sing, Ho Wai Chi, Paul and Tai Kwok Leung, Alexander, all being independent non-executive directors. Mr. Ho Wai Chi, Paul is the chairman of the audit committee.

The audit committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal control, risk management and financial reporting matters including the review of the Group's consolidated financial statements for the year ended 31st December 2024.

ADOPTION OF THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuer (the “Model Code”) as set out in Appendix C3 to the Listing Rules for securities transactions by directors of the Company. All directors of the Company have confirmed, following specific enquiry by the Company, that they have complied with the required standard set out in the Model Code throughout the year ended 31st December 2024. The Model Code also applies to other specified senior management of the Group.

SCOPE OF WORK OF AUDITORS

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

PUBLICATION OF ANNUAL REPORT

The Company’s 2024 annual report will be despatched to the shareholders of the Company on or before 30th April 2025 and will be published on the website of Stock (www.hkexnews.hk) and the Company’s website (www.chinastar.com.hk or www.irasia.com/listco/hk/chinastar).

By Order of the Board
China Star Entertainment Limited
Heung Wah Keung
Chairman

Hong Kong, 28th March 2025

As at the date of this announcement, the executive directors of the Company are Mr. Heung Wah Keung, Ms. Chen Ming Yin, Tiffany and Ms. Li Yuk Sheung; the independent non-executive directors of the Company are Mr. Hung Cho Sing, Mr. Ho Wai Chi, Paul and Mr. Tai Kwok Leung, Alexander.