China Uptown Group Company Limited
中國上城集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 2330)

(1) ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024; (2) APPOINTMENT OF MEMBER OF THE NOMINATION COMMITTEE; AND (3) RESUMPTION OF TRADING

The board (the "Board") of directors (the "Directors") of China Uptown Group Company Limited (the "Company") announces the audited consolidated financial results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2024 (the "Year") together with comparative figures for the year ended 31 December 2023 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

	Notes	2024 RMB'000	2023 RMB'000
Revenue	3	**23,322**	4,442
Cost of sales		**(23,302)**	(4,262)
Gross profit		**20**	180
Other income	4	**15,832**	161
Other losses	5	**(80)**	(868)
Allowance (reversal of allowance) recognised under expected credit loss ("ECL") model on other receivables		**(6,893)**	274
Allowance recognised on properties held for sale		**(21,960)**	(23,526)
Allowance recognised on properties under development		**(18,427)**	–
Selling and marketing expenses		**(554)**	(4,500)
Administrative expenses		**(18,149)**	(22,275)
Finance costs	6	**(3,138)**	(1,940)

	Notes	**2024** *RMB'000*	2023 *RMB'000*
Loss before taxation		**(53,349)**	(52,494)
Income tax credit	*7*	**2**	857
Loss for the year	*8*	**(53,347)**	(51,637)
Loss for the year attributable to:			
Owners of the Company		**(42,987)**	(46,231)
Non-controlling interests		**(10,360)**	(5,406)
		(53,347)	(51,637)
			(Restated)
Loss per share (in RMB cents)	*10*		
– Basic		**(14.17)**	(17.90)
– Diluted		**(14.17)**	(17.90)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	2024	2023
	RMB'000	*RMB'000*
Loss for the year	**(53,347)**	(51,637)
Other comprehensive expense		
Item that will not be reclassified to profit or loss:		
Exchange differences arising on translation of functional currency to presentation currency	**24,568**	19,081
Item that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of financial statements of foreign operations	**(24,860)**	(19,325)
	(292)	(244)
Total comprehensive expense for the year	**(53,639)**	(51,881)
Total comprehensive expense for the year attributable to:		
Owners of the Company	**(44,526)**	(47,214)
Non-controlling interests	**(9,113)**	(4,667)
	(53,639)	(51,881)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	Notes	**2024** *RMB'000*	2023 *RMB'000*
Non-current Assets			
Investment properties		**1,340**	1,420
Property, plant and equipment		**869**	15,625
Right-of-use assets		**659**	2,187
		2,868	19,232
Current Assets			
Properties under development		**363,000**	383,753
Properties held for sale		**130,981**	152,942
Deposits, other receivables and prepayments	*11*	**20,393**	36,240
Restricted bank deposits		**33,162**	39,226
Pledged bank deposits		**3,138**	3,133
Bank balances and cash		**15,797**	17,208
		566,471	632,502
Current Liabilities			
Trade and other payables	*12*	**115,110**	132,331
Contract liabilities		**127,061**	124,528
Other borrowings		**–**	29,994
Lease liabilities – current portion		**333**	1,455
Amounts due to non-controlling interests		**115,498**	115,498
Amounts due to directors		**44**	96
Tax payable		**93,745**	93,739
		451,791	497,641
Net Current Assets		**114,680**	134,861
Total Assets Less Current Liabilities		**117,548**	154,093

	Notes	**2024**	2023
		RMB'000	*RMB'000*
Non-current Liabilities			
Other borrowings		**9,397**	–
Lease liabilities – non-current portion		**353**	706
Deferred tax liabilities		**5,310**	5,312
		15,060	6,018
Net Assets		**102,488**	148,075
Capital and Reserves			
Share capital		**2,789**	2,222
Reserves		**137,670**	174,711
Equity attributable to owners of the Company		**140,459**	176,933
Non-controlling interests		**(37,971)**	(28,858)
Total Equity		**102,488**	148,075

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. GENERAL

China Uptown Group Company Limited (the "Company") is an exempted company incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the "Group") are principally engaged in property development and investment.

The functional currency of the Company is Hong Kong dollar ("HK$") while the consolidated financial statements are presented in Renminbi ("RMB") for the convenience of the financial statements users.

Going concern

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that the Group incurred a net loss of approximately RMB53.3 million for the year ended 31 December 2024 and recurring a net loss over five year. The current liabilities included the trade and other payables for the construction cost amounting to approximately RMB60.2 million, amount due to non-controlling interests amounting to approximately RMB115.5 million. The Group might not be able to meet its liabilities in full when they fall due unless it is able to generate sufficient cash flows from future operations and/or other sources, since as at 31 December 2024, the Group only had cash and bank balances of approximately RMB15.8 million, pledged bank deposit of approximately RMB3.1 million and restricted bank deposits of RMB33.1 million, which is restricted for construction purpose. These events or conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

In this regard, the directors of the Company have identified various initiatives to address the Group's liquidity needs, which include the following:

(a) The Group has obtained written confirmations from the relevant non-controlling interests that they will not demand repayment of the outstanding principals in the total amount of approximately RMB115.5 million until the Group becomes profitable and has sufficient cash to repay, following the settlement of other debts and liabilities;

(b) The Group will continue to make pre-sale of the properties of Second Maoming Project;

(c) The Group has obtained written confirmations from substantial shareholder that it will provide financial support to the Group for not more than approximately RMB46.9 million;

(d) The Group will continue to seek for equity financing opportunities; and

(e) The Group will continue to take active measures to control administrative costs and maintain containment of capital expenditures.

Based on the cash flow forecast of the Group prepared by the management and assuming successful implementation of the above measures, the Directors are of the opinion that the Group would have adequate funds to meet its liabilities as and when they fall due at least twelve months from the end of the reporting period.

Accordingly, the directors of the Company consider it is appropriate to prepare the consolidated financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRS ACCOUNTING STANDARDS")

(a) Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("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
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS7	Supplier Finance Arrangements
Hong Kong Interpretation 5 ("HK Int 5") (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The application of the amendments to HKFRS Accounting Standard and interpretation 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.

(b) New and Amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards 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 standard	Annual Improvements to HKFRS Accounting Standards – Volume 11[3]
Amendments to HKAS 21 and HKAS 1	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

The Group is in the process of assessing the impact of these new and amendments to HKFRs Accounting Standards. So far it has concluded that the adoption of thein is unlikely to have a significant impact on the consolidated financial statements except for HKFRS 18 Presentation and Disclosure in Financial Statements which is detailed below.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

(i) Disaggregation of revenue

An analysis of the Group's revenue arising from the Mainland China for the year is as follows:

	2024	2023
	RMB'000	*RMB'000*
Arising from the Mainland China		
Sales of properties – a point in time	**–**	4,437
Sales of electronic products – a point in time	**23,322**	–
Revenue from contracts with customers	**23,322**	4,437
Lease – other source	**–**	5
	23,322	4,442

(ii) Performance obligations for contracts with customers

Sales of properties

For contracts entered into with customers on sales of properties, the relevant properties specified in the contracts are based on standardised specifications with no alternative use. Taking into consideration of the relevant contract terms, the legal environment and relevant legal precedents, the Group concluded that the Group does not have an enforceable right to payment prior to transfer of control of the relevant properties to customers. Revenue from sales of properties is therefore recognised at a point in time when control of completed property is transferred to the customer, being at the point that the customer obtains the physical possession or the legal title of the completed property and the Group has present right to payment and the collection of the consideration is probable.

In general, the Group receives 30% of the contract value as receipt in advance from customers when they sign the sale and purchase agreement and remaining 70% of the contract value would be received through the banks by releasing the mortgages to the customers in two to three months after the agreement signing date. Such advance payment schemes result in contract liabilities being recognised throughout the property construction period for the full amount of the contract price.

Sales of electronic products

The Group sells electronic products directly to customers. Revenue is recognised when control of the goods has been transferred, when the goods have been delivered and accepted by the customer. The normal credit term is 30 to 90 days upon delivery.

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2024 and the expected timing of recognising revenue are as follows:

	2024	2023
	RMB'000	*RMB'000*
Within one year		
Sales of properties	**127,061**	124,528

(iv) Leases

	2024	2023
	RMB'000	*RMB'000*
For operating leases with respect to investment properties:		
Lease payments that are fixed	**–**	5

Information reported to the Chief Executive Officer of the Group, being the chief operating decision maker ("CODM") regularly review revenue analysis as set out in the revenue analysis above for the purpose of resource allocation and assessment of performance. However, other than revenue analysis, no operating results and other discrete consolidated financial statements is regularly reviewed by the CODM for the purpose of resource allocation and assessment of performance of respective businesses which generate different types of revenue. The CODM review the operating results of the Group as a whole to make decisions about resource allocation and for performance assessment. The operation of the Group constitutes one single operating and reportable segment under HKFRS 8 "Operating Segments" and accordingly no separate segment information is presented.

(v) Geographical information

The Group's operations are located on the Mainland China and Hong Kong.

Information about the Group's revenue from continuing operations from external customers is presented based on the location of the operations. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Revenue from External customers		Non-current assets	
	2024	2023	**2024**	2023
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
The Mainland China	**–**	4,442	**2,160**	3,871
Hong Kong	**23,322**	–	**708**	15,361
	23,322	4,442	**2,868**	19,232

(vi) Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	2024	2023
	RMB'000	*RMB'000*
Customer A	**–**	1,093
Customer B	**–**	879
Customer C	**–**	755
Customer D	**–**	576
Customer E	**–**	536
Customer F	**23,322**	–

4. OTHER INCOME

	2024	2023
	RMB'000	*RMB'000*
Gain on disposal of a property	**15,660**	–
Gain on early terminate of leases	**9**	–
Bank interest income	**100**	117
Other income	**63**	44
	15,832	161

5. OTHER LOSSES

	2024	2023
	RMB'000	*RMB'000*
Fair value change on investment properties	**80**	380
Fair value change on financial assets at FVTPL	**–**	488
	80	868

6. FINANCE COSTS

	2024	2023
	RMB'000	*RMB'000*
Interest expenses on		
– secured bank borrowing	**–**	341
– other borrowing	**3,029**	1,357
– lease liabilities	**109**	177
– bank overdrafts	**–**	65
	3,138	1,940

7. INCOME TAX CREDIT

	2024	2023
	RMB'000	*RMB'000*
Current tax		
PRC EIT	**–**	–
PRC LAT	**–**	–
	–	–
Deferred taxation		
Current year	**(2)**	(857)
	(2)	(857)

Under the two tiered profits tax rates regime, 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%. The profits of group entities not qualifying for the two tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

No provision for Hong Kong Profits Tax has been made for the years ended 31 December 2024 and 2023 as the Group has no assessable profit for the years.

Under the Law of the PRC on EIT (the "EIT Law") and Implementation Regulations of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

The provision of PRC LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. PRC LAT has been provided at progressive rates ranging from 30% to 60% on the appreciation of land value, with certain allowable exemptions and deductions.

Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

8. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging (crediting):

	2024	2023
	RMB'000	*RMB'000*
Directors' emoluments	**2,514**	4,245
Other staff costs	**5,058**	8,004
Retirement benefits scheme contributions for other staff	**782**	971
	8,354	13,220
Gross rental income from investment properties	**–**	(5)
Less: Direct operating expenses incurred for investment properties that generated rental income during the year	**–**	1
	–	(4)
Cost of properties held for sale recognised as expenses (included in cost of sales)	**23,302**	4,262
Auditor's remuneration		
– audit service	**1,152**	1,136
– non-audit service	**341**	–
Allowance (reversal of allowance) recognised under ECL model on other receivables	**6,893**	(274)
Allowance recognised on properties held for sale	**21,960**	23,526
Allowance recognised on properties under development	**18,427**	–
Depreciation of property, plant and equipment	**718**	751
Depreciation of right-of-use assets	**723**	1,177
Expenses related to short-term leases	**133**	464

9. DIVIDEND

No dividends were declared and proposed by the Company during the years ended 31 December 2024 and 2023, nor has any dividend been proposed since the end of the reporting period.

10. LOSS PER SHARE

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

	2024	2023
	RMB'000	*RMB'000*
Loss		
Loss for the purposes of basic and diluted loss per share – loss for the year attributable to owners of the Company	**(42,987)**	(46,231)

		(Restated)
Number of shares	*'000*	*'000*
Weighted average number of share for the purposes of basic and diluted loss per share	**303,421**	258,252

The computation of diluted loss per share does not assume the exercise of the Company's share options because the exercise price of those options was higher than the average market price for shares for the year of 2024.

11. DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS

	2024	2023
	RMB'000	*RMB'000*
Other receivables *(Note 1)*	**12,278**	8,122
Less: allowance recognised, net	**(8,003)**	(1,094)
	4,275	7,028
Deposits and prepayments	**3,760**	4,408
Value-added tax and other tax receivables	**12,358**	24,804
	20,393	36,240

Notes:

1. It includes loan receivables of approximately RMB335,000 (2023: RMB335,000) extended to the buyers of properties as at 31 December 2024. The amounts are interest-free, unsecured and repayable within twelve months.

12. TRADE AND OTHER PAYABLES

	2024	2023
	RMB'000	*RMB'000*
Trade payables	**6,374**	6,284
Value-added tax payable	**39,540**	39,540
Other tax payables	**3,036**	3,036
Other payables	**13,521**	10,331
Accrued charges	**52,639**	73,140
	115,110	132,331

Credit periods granted to the Group by suppliers range from 0 to 180 days.

The following is an aging analysis of trade payables, presented based on the invoice date at the end of the reporting period:

	2024	2023
	RMB'000	*RMB'000*
Within 90 days	**6,374**	6,284

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The review of the major business segments of the Group during the Year is as follows:

Property Development and Investment

The Group operates two property development projects located in Maoming City, Guangdong Province, the People's Republic of China (the "PRC"). The first Maoming Project has been developed into a composite of residential and commercial properties in three phases (the "First Maoming Project"). Majority of the commercial and residential properties of the First Maoming Project had been delivered in 2019 and most of the proceeds from sales of the First Maoming Project has been used in the development of the second Maoming Project situated at Maoming Jixiang District*（茂名市吉祥小區）(the "Second Maoming Project").

During the Year, the revenue attributed to the property development and investment business amounted to approximately RMBnil (2023: RMB4.4 million).

As the sales of the First Maoming Project is near the end while the Second Maoming Project is still under development, revenue decreased significantly as compared with last year. During the Year, the Group has no real estate project for sale due to non-favorable market condition (2023: total area of residential and commercial properties of the First Maoming Project recognised as sales of approximately 747 square meters).

The Second Maoming Project

On 27 November 2019, Maoming Shang Cheng Real Estate Company Limited*（茂名上誠置業有限公司）(the "Maoming Shang Cheng Real Estate"), an indirect non-wholly owned subsidiary of the Company, successfully won the bid of land use rights of the Second Maoming Project situated at Maoming Jixiang District*（茂名市吉祥小區）with a total site area of approximately 29,274.16 square meters and the consideration of which was approximately RMB241.5 million. The land acquisition transaction by Maoming Shang Cheng Real Estate was completed in 2020. The Second Maoming Project was planned to be developed into a composite of residential and commercial properties with the following approximate planned areas:

Land site area	29,000m^2
Gross saleable area	84,000m^2
Residential areas	59,000m^2
Commercial areas	25,000m^2
Carpark spaces	1,000 units

During the pandemic, construction and pre-sales schedule of the Second Maoming Project experienced delays. As at 31 December 2024, approximately 63% of the construction had been completed. The basement, kindergarten, and the first two residential blocks were finished. Pre-sales of the residential blocks commenced in June 2022, while the pre-sales for the remaining parts of the project have been rescheduled as follows:

Pre-Sales of residential properties (The two blocks)	Second half year of 2024
Pre-Sales of apartment properties	First half year of 2026
Pre-Sales of commercial properties	Second half year of 2024
Pre-Sales of car parks and shops	First half year of 2026
Partial completion and delivery	Second half year of 2025

The management of the Group believe the market sentiment is improving in Maoming City and that the upcoming pre-sales will strengthen the financial position of the Group.

Trading business

Historically, the Group has been engaged in the trading business, primarily focused on raw cane sugar. During the Year, there was no revenue generated from trading of raw cane sugar as the global market of raw cane sugar remained volatile, driven by unpredictable weather conditions and shifting trade dynamics influenced by policy changes across nations.

The Group has a team which specialises in trading business. To diversify its trading business, the Group recruited additional staff and started the sale of electronic component business in mid-2024. The electronic component products that the Group sells are mainly brand-named memory cards. The Group is also exploring other business opportunities to diversify its revenue streams.

Revenue generated from the trading of electronic products amounted to approximately RMB23.3 million for the Year (2023: RMB nil). The trading business is the major source of revenue for the Year, with a gross profit margin of approximately 0.1 % for the Year.

The Group considers the sale of electronic component products enables the Group to diversify its income streams and stabilise operation whilst awaiting recovery in the Chinese property market.

The trading team will continue to explore other opportunities and may diversify into other product categories including but not limited to consumer goods or commodities in the future. The Group is also exploring other business opportunities for maximising the return to shareholders of the Company in the long run. The management of the Group will continue to take additional precautions to mitigate relevant business risks and will remain vigilant in identifying business opportunities.

MARKET OUTLOOK AND PROSPECTS

The global economy has entered a phase of gradual recovery. In the PRC, the overall economic environment is improving, supported by favorable government policies towards the real estate sector. The real estate market has bottomed out and begun to rebound, with signs of recovery in transaction volumes and prices compared to last year. With the increased policy support and improved market confidence, the management anticipates stronger performance in the coming year and remains vigilant in pursuing profitable ventures with market trends.

FINANCIAL REVIEW

During the Year, the Group's revenue amounted to approximately RMB23.3 million which was contributed from trading business (2023: RMB4.4 million, all contributed from property development and investment business). Loss attributable to owners of the Company was approximately RMB43.0 million (2023: RMB46.2 million), mainly due to the low gross profit generated from the trading business and the allowance recognised on properties under development and properties held for sale.

As at 31 December 2024, bank balances and cash were approximately RMB15.8 million (2023: RMB17.2 million), pledged bank deposits amounting to RMB3.1 million (2023: RMB3.1 million) and restricted bank deposits amounting to RMB33.1 million (2023: RMB39.2 million) have been pledged to guarantee the mortgage loans granted by the banks to customers of the Group.

As at 31 December 2024, the Group's total secured bank borrowings and other borrowing amounted to approximately RMB9.4 million (2023: RMB30.0 million). As at 31 December 2024, the gearing ratio, expressed as a percentage of total secured bank borrowings, other borrowing and bank overdrafts over net assets was approximately 9% (2023: 20%) and the current ratio was approximately 1.3 times (2023: 1.3 times).

CAPITAL STRUCTURE

As at 31 December 2024, the authorised share capital of the Company was HK$300,000,000 divided into 30,000,000,000 shares of the Company with par value of HK$0.01 each (the "Shares") and the issued share capital was HK$3,163,074.57 divided into 316,307,457 Shares.

Placing of New Shares under General Mandate

On 15 February 2024, the Company entered into a placing agreement (the "Placing Agreement") with VC Brokerage Limited (the "Placing Agent"), pursuant to which the Placing Agent has conditionally agreed, as the placing agent of the Company, to procure on a best effort basis not less than six placees to subscribe for up to 50,888,000 Shares (the "Placing Share(s)") at the placing price of HK$0.14 per Placing Share (the "Placing"). The Placing Price of HK$0.14 per Placing Share represents a discount of approximately 18.13% to the closing price of HK$0.171 per Share as quoted on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of the Placing Agreement.

The Placing Shares were issued under the general mandate granted to the Directors at the annual general meeting of the Company held on 31 May 2023. Completion of the Placing took place on 6 March 2024. An aggregate of 50,888,000 Placing Shares in nominal value of HK$508,880 were issued and allotted, and the issued share capital of the Company increased to HK$3,053,570.52 divided into 305,357,052 Shares.

The gross proceeds from the Placing amounted to approximately HK$7.12 million and the net proceeds amounted to approximately HK$6.88 million (after deduction of commission and other expenses of the Placing), representing a net issue price of approximately HK$0.135 per Placing Share.

The Company intended to use the net proceeds for repayment of outstanding liabilities and general working capital of the Group, which shall be applied on, including, staff cost, professional fees, rental payments and general administrative and operating expenses of the Group. The Directors are of the view that the Placing would enlarge the shareholder base and the capital base of the Company, and the net proceeds of the Placing would strengthen the Group's financial position for future development of the Group.

As at 31 December 2024, the net proceeds from the Placing had been fully utilised.

For the details of the Placing, please refer to the announcements of the Company dated 15 February 2024, 19 February 2024 and 6 March 2024.

Rights Issue and Placing under Specific Mandate

On 8 April 2024, a rights issue on the basis of two rights shares for every one share of the Company held by the qualifying shareholders on the record date (i.e. 20 June 2024) at a subscription price of HK$0.15 each on a non-underwritten basis (the "Rights Issue") was announced by the Company. On the same date, a placing agreement was entered into between the Company and China Demeter Securities Limited (the "CDS"), pursuant to which CDS has conditionally agreed to procure placee(s), on a best efforts basis, to subscribe for the unsubscribed rights shares under the specific mandate (the "SM Placing").

The Rights Issue and the SM Placing were completed on 22 July 2024 and 5 August 2024 respectively. An aggregate of 8,347,605 rights shares were allotted and issued under valid acceptances of the provisional allotment letters and 2,602,800 rights shares were allotted and issued under valid application of the excess application forms at a subscription price of HK$0.15, representing in aggregate approximately 1.8% of the total number of 610,714,104 rights shares available for subscription under the Rights Issue, and no unsubscribed rights shares were allotted and issued under the SM Placing.

The gross proceeds from the Rights Issue and the SM Placing are approximately HK$1.6 million and the net proceeds from the Rights Issue and the SM Placing, after deducting the relevant expenses, are approximately HK$0.56 million. The Company has applied the net proceeds of the Rights Issue and the SM Placing in full for payment of professional fee and general working capital of the Company.

For details of the Rights Issue and the SM Placing, please refer to the circular of the Company dated 22 May 2024, the prospectus of the Company dated 21 June 2024 and the announcements of the Company dated 10 July 2024 and 5 August 2024.

FOREIGN CURRENCY EXPOSURE

The Group mainly earns revenues and incurs costs in Renminbi, United States dollars and Hong Kong dollars. The Group's monetary assets and liabilities are denominated in Renminbi, United States dollars and Hong Kong dollars. The Group currently does not have a foreign currency hedging policy. However, the management will monitor foreign exchange exposure closely and consider the use of hedging instruments when the need arises.

CHARGE ON ASSETS

As at 31 December 2024, the Group did not have pledge on leasehold land and buildings (2023: RMB14.6 million were pledged for other borrowings).

As at 31 December 2024, bank deposits of RMB3.1 million (2023: RMB3.1 million) of the Group were pledged to obtain the mortgage facilities provided to certain purchasers of the Group's properties for which guarantees were provided by the Group to the banks.

SEGMENT INFORMATION

The details of segment information are set out in note 3 to the consolidated financial statements.

CAPITAL AND OTHER COMMITMENTS

As at 31 December 2024, the Group had commitments for development of properties amounted to RMB237.3 million (2023: RMB243.0 million).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2024, the Group employed 35 (2023: 53) full time employees in Hong Kong and the PRC. Total remuneration of the Group for the year ended 31 December 2024 was approximately RMB8.4 million (2023: RMB13.2 million). The Group's emolument policies are formulated on the basis of market trends, future plans and the performance of individuals, which will be reviewed periodically. Apart from provident fund scheme and state-managed social welfare scheme, share options will also be awarded to employees according to assessment of individuals' performance.

FINANCIAL GUARANTEE CONTRACTS

As at 31 December 2024, the Group's maximum obligation in respect of the mortgage facilities provided to certain purchasers of the Group's properties amounted to approximately RMB82.5 million (2023: RMB94.0 million).

DIVIDEND

No dividend was declared or proposed during the Year. The Board does not recommend the payment of any dividend for the Year.

PURCHASE, SALE AND REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There were no significant investments held as at 31 December 2024 nor material acquisitions and disposals of subsidiaries, associates and joint ventures during the year and there is no plan for material investments or capital assets as at the date of this announcement.

DISPOSAL OF PROPERTY

On 26 September 2024, a provisional sale and purchase agreement (the "Provisional Agreement") was entered into between Weina Land Limited (the "Vendor") (a wholly-owned subsidiary of the Company) and Polish Green Holdings Limited (the "Purchaser"), pursuant to which the Purchaser conditionally agreed to purchase and the Vendor conditionally agreed to sell a property located at Suite 1501, 15/F, Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong (the "Property") at a consideration of HK$32,500,000, subject to fulfilment of the conditions precedent to the completion (the "Disposal").

Pursuant to the terms of the Provisional Agreement, on 10 October 2024, the Purchaser and the Vendor formally entered into the Formal Agreement in relation to the Disposal, which incorporates the terms and conditions of the Provisional Agreement and other customary terms adopted in similar transactions. The Disposal constituted a major transaction for the Company and is subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and was approved by the shareholders of the Company at the extraordinary general meeting held on 25 November 2024.

For details of the Disposal, please refer to the announcements of the Company dated 26 September 2024 and 3 October 2024 and the circular of the Company dated 6 November 2024.

CONTINGENT LIABILITIES

The Group has no material contingent liabilities as at 31 December 2024.

SUBSEQUENT EVENT AFTER THE REPORTING PERIOD

Mr. Liu Jianhui has been appointed as an executive Director and the Chief Executive Officer of the Company with effect from 1 April 2025.

Save as disclosed herein, there are no significant subsequent events occurred that materially affect the Group's financial condition or operation following the reporting period and up to the date of this announcement.

CLOSURE OF REGISTER OF MEMBERS

For determining the eligibility of the shareholders of the Company to attend and vote at the forthcoming annual general meeting of the Company to be held on Thursday, 19 June 2025 (the "2025 AGM"), the register of members of the Company will be closed from Monday, 16 June 2025 to Thursday, 19 June 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the 2025 AGM, all transfers of Shares accompanied by the relevant share certificate(s) must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Friday, 13 June 2025.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company's corporate governance practices are based on the principles and code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules. During the year ended 31 December 2024, in the opinion of the Directors, the Company was in compliance with all the relevant code provisions set out in the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C2 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiry of all Directors, the Company confirms that all Directors have complied with the required standard set out in the Model Code during the year ended 31 December 2024.

AUDIT COMMITTEE

The Company established an audit committee (the "Audit Committee") with written terms of reference in compliance with the CG Code. On 1 January 2019, the Board adopted a set of the revised terms of reference of the Audit Committee, which has brought it in line with the requirement of the Listing Rules. The revised terms of reference setting out the Audit Committee's authority, duties and responsibilities are available on both the websites of the Company and the Stock Exchange.

The principal responsibilities of the Audit Committee include making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of such auditor; reviewing the interim and annual reports and accounts of the Group; and supervising the financial reporting process and effectiveness of the risk management and internal control systems of the Group.

The Audit Committee has reviewed the audited financial statements of the Group for the year ended 31 December 2024.

REVIEW OF ANNUAL RESULTS

The figures in respect of the Company's consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 December 2024 as set out in this announcement have been agreed by the Group's auditor, McMillan Woods (Hong Kong) CPA Limited ("McMillan"), to the amounts set out in the Company's audited consolidated financial statements for the year ended 31 December 2024.

The work performed by McMillan 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 opinion or no assurance has been expressed by McMillan on this announcement.

AUDIT OPINION

McMillan issued an opinion with an emphasis of matters on the consolidated financial statements of the Group for the Year. An extract of the independent auditor's report is set out in the section headed "EXTRACT OF THE INDEPENDENT AUDITOR'S REPORT" below.

EXTRACT OF THE INDEPENDENT AUDITOR'S REPORT

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 3.1.1 to the consolidated financial statements, which indicates that the Group incurred a net loss of approximately RMB53,347,000 during the year ended 31 December 2024. As stated in Note 3.1.1, these events or conditions, along with other matters as set forth in Note 3.1.1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

PUBLICATION OF ANNUAL REPORT

The 2024 annual report will be dispatched to the shareholders of the Company and published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.chinauptown.com.hk on or before 30 April 2025.

APPOINTMENT OF MEMBER OF THE NOMINATION COMMITTEE

The Board hereby announces that in light of the proposed amendments to the Corporate Governance Code to be effective from 1 July 2025 and with regard to the circumstances of the Company, with effect from 11 April 2025, Ms. Aika Ouji, an independent non-executive Director, was appointed as a member of the nomination committee of the Board (the "Nomination Committee").

Following the above change, the Nomination Committee now comprises Mr. LAU Chi Yan, Pierre (Chairman), Mr. SU Zhi Jie, Mr. LEE Chun Tung and Ms. Aika Ouji. Upon appointment of Ms. Aika Ouji, the Nomination Committee comprises at least one female member.

The Board would like to take this opportunity to extend its warm welcome to Ms. Aika Ouji in her new role in the Nomination Committee.

RESUMPTION OF TRADING

Trading in the Shares on the Stock Exchange was suspended since 1 April 2025 as the Company failed to publish its audited annual results announcement for the year ended 31 December 2024 on or before 31 March 2025 pursuant to Rule 13.49(1) and Rule 13.50 of the Listing Rules.

As a result of publication of this announcement, an application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on Monday, 14 April 2025.

By order of the Board
China Uptown Group Company Limited
Lau Chi Yan, Pierre
Executive Director

Hong Kong, 11 April 2025

As at the date of this announcement, the executive Directors are Mr. Liu Jian Hui, Mr. Lau Chi Yan, Pierre and Mr. Zhang Xiao Jun; and the independent non-executive Directors are Mr. Yau Sze Yeung, Mr. Su Zhi Jie, Mr. Lee Chun Tung and Ms. Aika Ouji.