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KECK SENG INVESTMENTS (HONG KONG) LIMITED
激成投資（香港）有限公司

(Incorporated in Hong Kong with limited liability)

Website: www.keckseng.com.hk

(Stock Code: 184)

2024 FINAL RESULTS ANNOUNCEMENT

The board of directors (the “Board”) of Keck Seng Investments (Hong Kong) Limited (the “Company”) hereby announces the consolidated final results of the Company and its subsidiaries (the “Group”), and associated companies for the year ended 31 December 2024. These results have been reviewed by the Audit and Compliance Committee of the Board and the figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit of loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group’s auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on this preliminary announcement.

The consolidated profit attributable to equity shareholders of the Company for the year ended 31 December 2024 was HK\$255,841,000 (HK\$0.752 earnings per share), compared to HK\$219,656,000 (HK\$0.646 earnings per share) in 2023.

The Board has recommended the payment of a final dividend of HK\$0.07 per share (2023: HK\$0.08) for the year. Subject to equity shareholders’ approval of the payment of the final dividend at the forthcoming Annual General Meeting of the Company (the “2025 AGM”), the proposed final dividend is expected to be paid on or before Thursday, 26 June 2025.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December

		2024	2023
	Note	HK\$'000	HK\$'000
Revenue	3	1,692,023	1,738,354
Cost of sales		<u>(155,107)</u>	<u>(143,465)</u>
		1,536,916	1,594,889
Other revenue	4(a)	103,565	141,436
Other net (losses)/gains	4(b)	(49,789)	9,755
Gains on disposal of the Hotel Assets		156,237	-
Direct costs and operating expenses		(707,091)	(733,452)
Marketing and selling expenses		(44,662)	(60,687)
Depreciation		(112,713)	(141,334)
Administrative and other operating expenses		<u>(450,285)</u>	<u>(448,037)</u>
Operating profit		432,178	362,570
Net decrease in fair value of investment properties		(66,700)	(12,500)
Reversal of impairment loss on a hotel property		<u>169,922</u>	<u>58,297</u>
		535,400	408,367
Finance costs	5(a)	(89,454)	(98,830)
Share of net profits of associates		<u>20,670</u>	<u>32,340</u>
Profit before taxation	5	466,616	341,877
Income tax	6	<u>(113,161)</u>	<u>(28,021)</u>
Profit for the year		<u>353,455</u>	<u>313,856</u>
Attributable to:			
Equity shareholders of the Company		255,841	219,656
Non-controlling interests		<u>97,614</u>	<u>94,200</u>
Profit for the year		<u>353,455</u>	<u>313,856</u>
Earnings per share, basic and diluted (cents)	7	<u>75.2</u>	<u>64.6</u>

Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 11(a).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December

	2024	2023
	HK\$'000	HK\$'000
Profit for the year	353,455	313,856
Other comprehensive income for the year		
<i>Item that will not be reclassified to profit or loss:</i>		
Equity investments at fair value through other comprehensive income - net movement in fair value reserve (non-recycling)	67	(229)
<i>Items that are or may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of:		
- financial statements of overseas subsidiaries and associates	(52,346)	(13,469)
- release of exchange reserve upon cessation of a subsidiary's business	18,114	-
Other comprehensive income for the year	(34,165)	(13,698)
Total comprehensive income for the year	319,290	300,158
Attributable to:		
Equity shareholders of the Company	232,977	208,797
Non-controlling interests	86,313	91,361
Total comprehensive income for the year	319,290	300,158

There is no tax effect relating to the above components of other comprehensive income.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*as at 31 December*

	<i>Note</i>	2024 HK\$'000	2023 HK\$'000
Non-current assets			
Investment properties		826,200	892,900
Property, plant and equipment		1,610,127	1,431,628
Land		765,623	777,558
		3,201,950	3,102,086
Interest in associates		96,823	98,196
Derivative financial assets		-	8,476
Other non-current financial assets		126,513	137,363
Deferred tax assets		423,556	455,818
		3,848,842	3,801,939
Current assets			
Trading securities		8,811	10,561
Properties held for sale		278,873	278,873
Inventories		3,780	4,531
Trade and other receivables	8	88,576	96,438
Derivative financial assets		2,052	-
Deposits and cash		1,523,656	1,511,698
Taxation recoverable		419	2,600
		1,906,167	1,904,701
Assets classified as held for sale		-	89,497
		1,906,167	1,994,198
Current liabilities			
Bank loans	9	317,384	319,391
Trade and other payables	10	437,589	453,614
Loan from an associate		464	464
Loans from non-controlling shareholders		77,397	4,155
Taxation payable		57,659	21,111
		890,493	798,735
Net current assets		1,015,674	1,195,463
Total assets less current liabilities		4,864,516	4,997,402
Non-current liabilities			
Bank loans	9	888,949	1,056,083
Deferred revenue		2,395	2,783
Loans from non-controlling shareholders		34,890	108,824
Deferred tax liabilities		82,294	89,914
		1,008,528	1,257,604
NET ASSETS		3,855,988	3,739,798

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

	<i>Note</i>	2024 HK\$'000	2023 HK\$'000
Capital and reserves			
Share capital	<i>12</i>	498,305	498,305
Reserves		2,808,826	2,620,075
Total equity attributable to equity shareholders of the Company		3,307,131	3,118,380
Non-controlling interests		548,857	621,418
TOTAL EQUITY		3,855,988	3,739,798

Notes:

1. Basis of preparation

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

The Company has delivered the financial statements for the year ended 31 December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap.622) and will deliver the financial statements for the year ended 31 December 2024 in due course.

The Company's auditor has reported on the financial statements of the Group for both years. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap.622).

The Company's statutory financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the requirements of the Hong Kong Companies Ordinance (Cap.622). The Company's statutory financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value:

- trading securities and other non-current financial assets;
- derivative financial instruments; and
- investment properties, including interests in leasehold land and buildings held as investment property where the Group is the registered owner of the property interest.

2. Changes in accounting policies

The Group has applied the following amendments to HKFRSs issued by the HKICPA to these financial statements for the current accounting period:

- Amendments to HKAS 1, *Presentation of financial statements – Classification of liabilities as current or non-current* and amendments to HKAS 1, *Presentation of financial statements – Non-current liabilities with covenants*
- Amendments to HKFRS 16, *Leases – Lease liability in a sale and leaseback*
- Amendments to HKAS 7, *Statement of cash flows* and HKFRS 7, *Financial instruments: Disclosures – Supplier finance arrangements*

None of these amendments have had a material impact on the Group's financial results and financial position. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. Revenue and segment reporting

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geographical locations. The Group has identified the following three reportable segments in a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment.

- (i) Hotel segment is primarily engaged in the businesses of hotel room accommodation, provision of food and beverage at hotel restaurant outlets and operation of slot machines at one of the Group's hotels.
- (ii) Property segment is primarily engaged in the businesses of leasing of the Group's investment properties, which mainly consist of retail, commercial and office properties in Macau and of development, sales and marketing of the Group's trading properties in Macau.
- (iii) Investment and corporate segment are primarily engaged in the businesses of management of the Group's corporate assets and liabilities, non-trading, and trading securities, financial instruments, and other treasury operations.

(a) Revenue

Revenue represents the consideration expected to be received in respect of the transfer of goods and services in accordance with HKFRS 15, *Revenue from contracts with customers*, except for rental income derived from properties and hotels' shops which is recognised under the scope of HKFRS 16, *Leases*. Disaggregation of revenue from contracts with customers by nature is as follows:

	2024 HK\$'000	2023 HK\$'000
Hotel and club operations	1,590,265	1,645,163
Rental income	90,302	86,229
Management fee income	11,456	6,962
	<u>1,692,023</u>	<u>1,738,354</u>

(b) Segment results, assets and liabilities

Information regarding the Group's reportable segments is provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments.

Segment assets principally comprise all tangible assets, other non-current assets and current assets directly attributable to each segment with the exception of interest in associates.

Segment liabilities include all trade and other payable attributable to the individual segments and other borrowings managed directly by the segments with the exception of bank borrowings.

Analysis of segment results of the Group

	Revenue	Depreciation	Gain on disposal of the Hotel Assets	Decrease in fair value of investment properties	Reversal of impairment loss on a hotel property	Finance costs	Share of profit/(loss) of associates	Income tax (expense)/ credit	Contribution to profit/(loss)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
2024									
Hotel	1,584,082	(111,377)	156,237	-	169,922	(87,075)	20,673	(101,634)	350,928
- Vietnam	712,048	(40,504)	-	-	-	-	15,326	(47,309)	203,840
- United States	790,768	(57,736)	-	-	169,922	(83,334)	-	(20,893)	42,775
- The People's Republic of China	37,842	(10,945)	-	-	-	(3,655)	-	-	(17,121)
- Canada	11,143	-	156,237	-	-	(86)	5,347	(33,427)	110,048
- Japan	32,281	(2,192)	-	-	-	-	-	(5)	11,386
Property									
- Macau	105,239	(1,245)	-	(66,700)	-	(426)	-	(341)	28,560
Investment and corporate	2,702	(91)	-	-	-	(1,953)	(3)	(11,186)	(26,033)
Total	1,692,023	(112,713)	156,237	(66,700)	169,922	(89,454)	20,670	(113,161)	353,455

	Revenue	Depreciation	Gain on disposal of the Hotel Assets	Decrease in fair value of investment properties	Reversal of impairment loss on a hotel property	Finance costs	Share of profit/(loss) of associates	Income tax (expense)/ credit	Contribution to profit/(loss)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
2023									
Hotel	1,639,040	(138,468)	-	-	58,297	(96,803)	32,346	(11,372)	239,851
- Vietnam	716,100	(46,595)	-	-	-	(1,666)	16,433	(42,469)	182,066
- United States	765,533	(70,181)	-	-	58,297	(91,213)	-	31,704	39,227
- The People's Republic of China	45,996	(10,998)	-	-	-	(3,517)	-	-	(7,941)
- Canada	84,964	(7,916)	-	-	-	(407)	15,913	(602)	18,511
- Japan	26,447	(2,778)	-	-	-	-	-	(5)	7,988
Property									
- Macau	96,800	(2,773)	-	(12,500)	-	(179)	-	(6,131)	72,098
Investment and corporate	2,514	(93)	-	-	-	(1,848)	(6)	(10,518)	1,907
Total	1,738,354	(141,334)	-	(12,500)	58,297	(98,830)	32,340	(28,021)	313,856

Analysis of total assets of the Group

	<i>Segment assets</i> HK\$'000	<i>Interest in associates</i> HK\$'000	<i>Total assets</i> HK\$'000	<i>Capital expenditure</i> HK\$'000
As at 31 December 2024				
Hotel				
- Vietnam	329,563	46,395	375,958	19,601
- United States	2,681,201	-	2,681,201	120,333
- The People's Republic of China	123,109	-	123,109	14,196
- Canada	27,133	46,308	73,441	-
- Japan	69,882	-	69,882	625
Property				
- Macau	1,915,720	-	1,915,720	1,642
Investment and corporate	511,578	4,120	515,698	-
Total	5,658,186	96,823	5,755,009	156,397

	<i>Segment assets</i> HK\$'000	<i>Interest in associates</i> HK\$'000	<i>Total assets</i> HK\$'000	<i>Capital expenditure</i> HK\$'000
As at 31 December 2023				
Hotel				
- Vietnam	302,102	51,516	353,618	13,405
- United States	2,492,138	-	2,492,138	15,242
- The People's Republic of China	142,212	-	142,212	4,824
- Canada	135,643	42,538	178,181	12,660
- Japan	75,108	-	75,108	13
Property				
- Macau	1,992,185	-	1,992,185	893
Investment and corporate	558,553	4,142	562,695	44
Total	5,697,941	98,196	5,796,137	47,081

Investment and corporate segment assets and liabilities mainly represent financial instruments, cash and bank deposits and borrowings which are managed centrally by the Group treasury function.

Analysis of total liabilities of the Group

	<i>Segment liabilities</i> HK\$'000	<i>Bank borrowings</i> HK\$'000	<i>Total liabilities</i> HK\$'000
As at 31 December 2024			
Hotel			
- Vietnam	167,701	-	167,701
- United States	179,993	1,206,333	1,386,326
- The People's Republic of China	92,876	-	92,876
- Canada	22,687	-	22,687
- Japan	2,952	-	2,952
Property			
- Macau	171,206	-	171,206
Investment and corporate	55,273	-	55,273
Total	692,688	1,206,333	1,899,021

	<i>Segment liabilities</i> HK\$'000	<i>Bank borrowings</i> HK\$'000	<i>Total liabilities</i> HK\$'000
As at 31 December 2023			
Hotel			
- Vietnam	152,203	-	152,203
- United States	172,714	1,375,474	1,548,188
- The People's Republic of China	93,860	-	93,860
- Canada	17,133	-	17,133
- Japan	2,916	-	2,916
Property			
- Macau	187,967	-	187,967
Investment and corporate	54,072	-	54,072
Total	680,865	1,375,474	2,056,339

4. Other revenue and other net (losses)/gains

	2024 HK\$'000	2023 HK\$'000
<i>(a) Other revenue</i>		
Interest income	80,186	66,898
Dividend income from listed securities	574	700
Forgiveness of bank loans from Paycheck Protection Program (note 9(d))	-	58,469
Others	22,805	15,369
	103,565	141,436
<i>(b) Other net (losses)/gains</i>		
Net exchange (losses)/gains	(16,013)	5,617
Net unrealised losses on derivative financial instruments	(6,407)	(4,905)
Net unrealised (losses)/gains on other non-current financial assets	(1,869)	12,793
Net unrealised losses on trading securities	(1,750)	(1,593)
Losses on disposal of property, plant and equipment	(5,819)	(2,157)
Loss on release of exchange reserve upon cessation of a subsidiary's business	(18,114)	-
Others	183	-
	(49,789)	9,755

5. Profit before taxation

Profit before taxation is arrived at after charging/(crediting):

	2024 HK\$'000	2023 HK\$'000
<i>(a) Finance costs</i>		
Bank loan interests	83,420	93,286
Discounting effect on loans from non-controlling shareholders	5,573	5,365
Other interest expenses	461	179
	89,454	98,830
<i>(b) Staff costs (Note)</i>		
Salaries, wages and other benefits	621,496	601,827
Contributions to defined contribution retirement plans	12,743	11,082
	634,239	612,909

Note: During the year ended 31 December 2024, staff costs of HK\$193,581,000 (2023: HK\$193,692,000) are included in "Administrative and other operating expenses".

	2024 HK\$'000	2023 HK\$'000
(c) <i>Other items</i>		
Cost of inventories	155,107	143,465
Auditors' remuneration		
- Audit services	4,613	4,386
- Other services	2,102	2,618
Government rent and rates (Note)	48,311	55,198
Rentals income from investment properties less direct outgoings of HK\$829,000 (2023: HK\$1,030,000)	(29,066)	(32,896)
Rentals income from properties held for sale and other rental income less direct outgoings of HK\$1,787,000 (2023: HK\$1,479,000)	<u>(58,620)</u>	<u>(50,824)</u>

Note: Government rent and rates are included in "Administrative and other operating expenses".

6. Income tax

	2024 HK\$'000	2023 HK\$'000
<i>Current tax - Overseas</i>		
Provision for the year	90,992	61,024
Under-provision in respect of prior years	282	409
	<u>91,274</u>	<u>61,433</u>
<i>Deferred tax</i>		
Origination and reversal of other temporary differences	<u>21,887</u>	(33,412)
	<u>113,161</u>	<u>28,021</u>

Notes:

- (i) No provision has been made for Hong Kong Profits Tax as the Company and all other entities comprising the Group that are incorporated in Hong Kong sustained a loss for taxation purposes or had unutilised tax losses to set-off against taxable income during the years ended 31 December 2023 and 2024.
- (ii) Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

7. Earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of HK\$255,841,000 (2023: HK\$219,656,000) and on the 340,200,000 ordinary shares in issue during the years ended 31 December 2024 and 2023.

There are no potential dilutive ordinary shares during the years ended 31 December 2024 and 2023.

8. Trade and other receivables

Included in trade and other receivables are trade receivables (net of loss allowance) with the following ageing analysis (by invoice date) as of the end of the reporting period:

	2024	2023
	HK\$'000	HK\$'000
Within one month	28,869	30,414
One to three months	3,175	6,439
More than three months	473	2,522
	32,517	39,375

89% of trade receivables at 31 December 2024 (2023: 77%) were neither past due nor more than one month past due.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and may take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. The general credit terms allowed range from 0 to 30 days. Trade customers with balances that are more than three months overdue are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases. The management assessed that the allowance for expected credit losses is insignificant during the years ended 31 December 2024 and 2023.

9. Bank loans

(a) At 31 December 2024, the bank loans were repayable as follows:

	2024	2023
	HK\$'000	HK\$'000
Within 1 year or on demand	317,384	319,391
After 1 year but within 2 years	888,949	6,701
After 2 years but within 5 years	-	1,049,382
	888,949	1,056,083
	1,206,333	1,375,474

At 31 December 2024, the bank loans were secured and unsecured as follows:

	2024	2023
	HK\$'000	HK\$'000
Bank loans		
- Secured	1,196,287	1,358,870
- Unsecured	10,046	16,604
	1,206,333	1,375,474

At 31 December 2024, except for the loans received by two of the Group's subsidiaries amounting to HK\$10,046,000 (2023: HK\$16,604,000) which bear fixed interest rates, all other bank loans bear interest at floating interest rates which approximate to market rates of interest.

- (b) At 31 December 2024, the banking facilities available to the Company and certain subsidiaries of the Group were secured by:
- (i) Properties held for sale with a carrying value of HK\$64,366,000 (2023: HK\$64,366,000), and
 - (ii) Hotel properties, including land, of the Group with aggregate carrying value of HK\$2,056,344,000 (2023: HK\$1,835,269,000).

Such banking facilities amounted to HK\$1,281,287,000 (2023: HK\$1,443,870,000) and were utilised to the extent of HK\$1,196,287,000 as at 31 December 2024 (2023: HK\$1,358,870,000).

- (c) Except for the loans received by two of the Group's subsidiaries amounting to HK\$10,046,000 (2023: HK\$16,604,000), all of the Group's banking facilities are subject to the fulfilment of covenants relating to certain of the Group's financial ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, depositing or prepaying the shortfall balance will be required. The Group regularly monitors its compliance with these covenants.

Certain covenant ratios of two bank loans (referred as "Loan 1" and "Loan 2", respectively) entered into by two of the Group's subsidiaries deviated from the requirements as stated in the relevant loan agreements. For both Loan 1 and Loan 2, the Group has obtained waivers from the banks to waive the testing of the covenant prior to the end of the reporting periods of 2024 and 2023, respectively, and the waivers to exempt those covenants testing covered a period of twelve months from 31 December 2024 and 2023, respectively.

- (d) During the year ended 31 December 2023, the Group obtained bank loans forgiveness of US\$7,466,000 (approximately HK\$58,469,000) under the Paycheck Protection Program administered by the United States Government.

10. Trade and other payables

As of the end of the reporting period, the ageing analysis of trade creditors (which are included in trade and other payables), based on the invoice date, is as follows:

	2024	2023
	HK\$'000	HK\$'000
Within one month	84,933	74,880
One to three months	28,283	50,131
More than three months	6,138	3,451
	119,354	128,462

11. Dividends

- (a) Dividends payable to equity shareholders of the Company attributable to the year

	2024	2023
	HK\$'000	HK\$'000
Interim dividend declared and paid of HK\$0.05 (2023: HK\$0.03) per ordinary share	17,010	10,206
Final dividend proposed after the end of the reporting period of HK\$0.07 (2023: HK\$0.08) per ordinary share	23,814	27,216
	40,824	37,422

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

- (b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2024	2023
	HK\$'000	HK\$'000
Final dividend in respect of the previous financial year, approved and paid during the year, of HK\$0.08 (2023: HK\$0.05) per ordinary share	27,216	17,010

12. Share capital

	2024		2023	
	No. of shares '000	Amount HK\$'000	No. of shares '000	Amount HK\$'000
Ordinary shares, issued and fully paid:				
At 1 January and 31 December	340,200	498,305	340,200	498,305

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

13. Capital commitments outstanding not provided for in the financial statements

- (a) At 31 December 2024, capital commitments outstanding not provided for in the financial statements were as follows:

	2024	2023
	HK\$'000	HK\$'000
Contracted for	52,607	8,944
Authorised but not contracted for	464,764	46,567
	517,371	55,511

REVIEW OF OPERATIONS

In 2024, the global economy experienced moderate growth despite ongoing challenges. Persistent high interest rates, geopolitical tensions, and regional conflicts disrupted supply chains, leading to rising energy costs and higher operational expenses for businesses. These pressures fueled economic uncertainty, heightened risk profiles across the board, and increased the cost of living. While some economies showed resilience, others faced slowdowns and a higher risk of deflation due to weakened consumer confidence and restrained investment activity. The hospitality industry saw uneven growth, with strong tourism demand in the U.S., Vietnam, and Japan, while China faced challenges from weak domestic consumption, weak international visitor arrivals, and reduced foreign direct investment. Macau's property market has struggled with weak demand for office and commercial space, rising vacancies in these two sectors. Rental income, on the other hand, has remained stable and in certain selected locales have improved against the background of weak investment sentiments. Meanwhile, local consumer spending has shifted to weekend trips in China, further delaying recovery despite robust economic performance of the tourism, gaming and related sectors.

Despite these challenges, the Group delivered satisfactory performance in 2024, though uncertainties persisted.

The Group's revenue for 2024 was HK\$1,692.0 million, a slightly decrease of 2.7% as compared to HK\$1,738.4 million in 2023. Operating profit for the Group amounted to HK\$432.2 million, as compared with HK\$362.6 million in 2023.

A summary and analysis of the operations are as follows.

Property Leasing and Management Operations

Macau

In 2024, Macau's economy continued its post-pandemic recovery, driven by strong tourism and gaming revenues. GDP grew by 8.8% for the year, reaching 86% of pre-pandemic 2019 levels, supported by a 23.8% year-on-year increase in visitor arrivals, which also recovered to nearly 90% of pre-pandemic 2019 figures, along with higher consumer spending. The unemployment rate remained low at 1.7% for the sixth consecutive quarter, in fact the lowest reported since January 2020, reflecting sufficient income for housing and various other expenditures. However, Macau's property market experienced mixed trends amid a rapidly recovering economy. The residential and serviced apartment sectors saw notable improvements, driven by the return of expatriates post-pandemic. However, the commercial and office markets continued to struggle with weak demand, rising vacancies, and declining rents. These challenges were largely attributed to shifting consumer spending patterns, with more residents opting for weekend trips to China, plus the slow recovery of the local commercial sector, and the government's transition from leasing private office spaces to constructing new government office buildings for its operating departments. While government infrastructure projects and deeper integration with the Greater Bay Area offered long-term growth prospects, short-term economic uncertainties, including subdued investor sentiment and external geopolitical risks, remained challenges.

Amidst varying market conditions, the Group's income from leasing of Macau properties experienced a moderate increase, rising to HK\$87.1 million in 2024 from HK\$83.1 million in 2023. This growth was driven by higher occupancy rates in residential properties and serviced apartments, supported by the return of expatriates and limited supply suitable of high-end residential units. While office demand declined, the Group's office buildings continued to maintain high occupancy levels over the past three years, demonstrating the high standard and popularity of our Group's office portfolio, as well as its resilience amid market challenges.

A net decrease in fair value of our investment properties of HK\$66.7 million (2023: net decrease of HK\$12.5 million) was recorded. Our investment properties are held as long-term investments to generate recurring rental income.

In light of continuing improvements in Macau’s visitors arrival numbers, satisfactory gaming revenues, an extremely low unemployment rate, as well as the gradual stabilisation of the mainland Chinese economy, and more importantly, the high occupancy rates and improving rental income from the Group’s Macau properties, the Group is maintaining its existing strategic sales plan and is well-positioned to proceed with the sale of its Macau assets when market at more enhanced market conditions, while actively monitoring Macau’s property market to capture suitable opportunities.

With a positive outlook for Macau on a longer-term basis, the Group believes that ongoing infrastructure developments, such as the expansion of the Macau Light Rapid Transit System—including the newly launched Hengqin Line in December 2024—are enhancing cross-border accessibility. Additionally, the increasing use of the Hong Kong-Zhuhai-Macau Bridge, the new Hengqin immigration facility, and the recently opened Shenzhen-Zhongshan Bridge are further strengthening regional connectivity. Also, the 4th bridge crossing between Macau and Taipa opened in October 2024. At the same time, the Macau government’s efforts to diversify the economy, boost tourism, and attract overseas talents are expected to drive steady growth in both residential and commercial property markets. These developments, along with deeper integration with the Guangdong-Hong Kong-Macau Greater Bay Area, will collectively strengthen Macau’s economic influence and sustain the long-term growth of its property sector.

Most of the Group’s assets in Macau are held by Golden Crown Development Ltd, in which the Group had 70.61% equity interest.

Hotel Operations

	Occupancy		Average Room Rate	
	2024	2023	2024	2023
The People’s Republic of China				
Holiday Inn Wuhan Riverside	47%	56%	RMB 391	RMB 403
Vietnam				
Sheraton Saigon Grand Opera Hotel (formerly known as Sheraton Saigon Hotel & Tower)	80%	76%	USD 181	USD 172
Caravelle Hotel	74%	72%	USD 151	USD 150
Japan				
Best Western Hotel Fino Osaka Shinsaibashi	84%	75%	JPY 11,766	JPY 9,444
The United States				
W San Francisco	61%	67%	USD 328	USD 336
Sofitel New York	85%	77%	USD 389	USD 389
Canada				
The Sheraton Ottawa Hotel *	60%	69%	CAD 195	CAD 216
Delta Hotels by Marriott Toronto Airport & Conference Centre	73%	70%	CAD 179	CAD 177

* Sheraton Ottawa Hotel was disposed of on 29 February 2024, with figures reported up to that date.

In 2024, the hospitality sector experienced mixed performance across regions. Global travel demand remained strong, driven by the resurgence of corporate events, conferences, and leisure tourism. However, rising operational costs, labor shortages, and evolving consumer spending patterns created challenges, putting pressure on profitability. While some markets saw a robust rebound in international tourism, others continued to struggle with economic uncertainties, shifting travel behaviors, and slower cross-border movement. The industry’s overall recovery remained uneven, influenced by varying regional conditions and macroeconomic factors.

In 2024, total revenue for the hotel operations decreased slightly to HK\$1,584.1 million, down from HK\$1,639.0 million in 2023. This decline was primarily attributed to the strategic disposal of a hotel property in Canada, which reduced the overall revenue base. Additionally, the depreciation of the Vietnamese dong adversely affected both revenue and operating profit in HK dollar term.

Profit from hotel operations increased to HK\$350.9 million in 2024, up from HK\$239.9 million in 2023, mainly driven by a HK\$169.9 million reversal of an impairment loss on a hotel property (2023: HK\$58.3 million) and a HK\$156.2 million gain from the disposal of a hotel asset in Canada. However, these gains were partially offset by a decline in the share of profit from associates and higher income tax expenses. In addition, the 2023 results included a HK\$58.5 million bank loan forgiveness under the United States Government's Paycheck Protection Program. Excluding those non-recurring factors, the underlying performance of hotel operations remained stable.

The People's Republic of China

China's GDP grew by 5.0% in 2024, in line with government target but facing headwinds in industrial output, property markets, and weak consumer spending. The hospitality sector remained under pressure, particularly in secondary cities such as Wuhan, where occupancy and room rates were below expectations. Contributing factors included weak consumer confidence, a slow recovery in international tourism, and an oversupply of hotel rooms. Intense pricing competition further compressed profitability, while economic uncertainties and subdued business travel added to the challenges.

Holiday Inn Wuhan Riverside (Group's interest: 41.26%)

Room revenue of the hotel decreased to RMB20.4 million in 2024 from RMB24.9 million in 2023. The food and beverage revenue also saw a slight decline to RMB9.8 million in 2024 from RMB11.4 million in 2023.

Occupancy rate fell to 46.6% in 2024, down from 55.5% in 2023, while the average room rate declined to RMB391 per room night in 2024, as compared to RMB403 per room night in 2023.

To enhance competitiveness, the hotel renovated four floors of guest rooms in 2024, upgrading facilities to enhance guest experience and service quality. Renovation will continue in the coming years to further modernise accommodations, attract more guests, support higher room rates, and improve occupancy. These will result in a strengthening of the hotel's market positioning, as well as its financial performance amidst a challenging market environment.

Vietnam

Vietnam's economy remained resilient in 2024, achieving a GDP growth of 7.09%, primarily driven by the services as well as other sectors of the economy. Despite challenges including super typhoon Yagi, the country maintained economic stability regardless, with trade playing a crucial role in sustaining growth. A significant trade surplus underscored Vietnam's strong export performance, while inflation remained under control and foreign direct investment continued flowing into manufacturing as businesses continued to adopt a China Plus One approach to manufacturing.

Vietnam's hospitality sector experienced strong growth in 2024, driven by enhanced air connectivity, relaxed visa policies, and strategic tourism promotion. The country welcomed over 17.5 million international visitors, a 39.5% increase from 2023, with arrivals from Oceania and the Americas surpassing pre-pandemic levels, while Asia and Europe also showed strong recovery. However, while the weaker Vietnamese dong supported tourism growth, it pressured profitability, reducing revenue and profit contributions in Hong Kong dollar term. Despite these challenges, government initiatives, infrastructure improvements, and a strong tourism outlook continue to reinforce Vietnam's position as one of the leading travel destinations in Asia. Looking ahead, the country's stable economic trajectory and investment-friendly policies provide a solid foundation for sustained industry growth in 2025.

In 2024, Caravelle Saigon continued its tradition of excellence, winning the Travelers' Choice Award by TripAdvisor for the fourth consecutive year. The hotel also received Best Vietnam City Hotel from Travel + Leisure and DestinAsian, along with the ASEAN Green Hotel Standard, recognising its commitment to hospitality and sustainability. Meanwhile, Sheraton Saigon Grand Opera Hotel was honored with Best Innovation Restaurant of the Year by LUXUO ASIA AWARD for Li Bai Restaurant, and its Human Resources department was recognised for excellence in employee well-being. These accolades reinforce both hotels' reputations as premier destinations in Vietnam.

***Sheraton Saigon Grand Opera Hotel (Group's interest: 64.12%)
(formerly known as Sheraton Saigon Hotel & Tower)***

Sheraton Saigon Grand Opera Hotel's occupancy rate has increased to 79.6% as compared to 76.3% in 2023. Average room rate was at US\$181 per room night in 2024, as compared to US\$172 per room night in 2023. The hotel's financial performance in terms of gross operating profit in 2024 was increased by 6% year-on-year.

Caravelle Hotel (Group's interest: 24.99%)

Caravelle Hotel's occupancy rate has slightly increased to 73.6%, as compared to 71.8% in 2023. Average room rate was at US\$151 per room night in 2024, as compared to US\$150 per room night in 2023.

Japan

Japan's economy faced significant challenges in 2024, with a 2.2% annualised GDP contraction in the first quarter of 2024 due to the Tokyo earthquake that disrupted consumption and exports. However, robust consumer spending, rising wages, and fiscal support drove a gradual recovery in the following quarters, resulting in 0.1% full-year GDP growth. The unemployment rate remained stable at 2.4%, while currency fluctuations and China's economic slowdown pressured exports.

Overall, Japan's hospitality sector saw strong growth in 2024, with a record 36.9 million international visitors, surpassing pre-pandemic levels and marking a 47.1% year-on-year increase. The weakened yen boosted tourism, attracting more travelers, especially Chinese visitors, whose numbers nearly tripled from 2023, supported by improved diplomatic ties and relaxed visa policies. However, labor shortages, rising operational costs, and broader economic uncertainties posed challenges to the industry. Despite these headwinds, the hospitality sector remained a key economic driver throughout the year.

Best Western Hotel Fino Osaka Shinsaibashi (Group's interest: 100%)

Hotel performance continued to strengthen in 2024. With operating profit rising significantly. Occupancy rates increased to 84.0%, up from 75.3% in 2023, while the average room rate reached JPY11,766 per room night in 2024, as compared to JPY9,444 per room night in 2023.

The United States ("US")

The U.S. economy maintained steady growth in 2024, though uncertainties persisted. GDP grew by 2.8%, slightly below the 2.9% recorded in 2023. This expansion was driven by strong consumer spending, increased investment, higher government expenditures, and rising exports and imports. The unemployment rate remained stable at just over 4%, reflecting a resilient labor market. However, economic uncertainty intensified as the administration pursued trade wars, federal workforce reductions, and stricter immigration policies. President Trump's new tariff measures signaled a shift toward protectionism, heightening risks to the 2025 economic outlook for US which threatens the stability of the global trading system.

The hospitality sector experienced steady growth in 2024, driven by domestic travel and corporate events, though high operation costs and labor shortages continued to pressure profitability. While domestic tourism and business travel rebounded, regional performance remained uneven. New York performed well, benefiting from strong international tourism and corporate demand. In contrast, San Francisco faced challenges due to weak business travel, remote work trends, and rising costs. A slowdown in the tech sector and reduced convention activity further dampened hotel demand, while security concerns discouraged both business travelers and tourists. Unlike other major cities, San Francisco has yet to regain its pre-pandemic vibrancy, with declining office occupancy affecting nearby hotels, restaurants, and retail, leading to a slower recovery.

Sofitel New York's service excellence continued to be recognised in 2024. The property received the AAA Four Diamond Award from the American Automobile Association (AAA) and was once again named a Recommended Hotel by Forbes Travel Guide, marking its fourth consecutive year of recognition.

W San Francisco (Group's interest: 100%)

W San Francisco's occupancy decreased to 61.4% in 2024, as compared to 66.5% in 2023. Average room rate was US\$328 per room night in 2024, as compared to US\$336 per room night in 2023.

Sofitel New York (Group's interest: 100%)

Sofitel New York's occupancy rate increased to 84.6% in 2024, as compared to 76.6% in 2023. Average room rate remained steady at US\$389 per room night for both years.

In 2024, operating conditions and the market outlook for Sofitel New York continued to improve, leading to an impairment reversal of HK\$169.9 million, following the HK\$58.3 million reversal recorded in 2023.

Sofitel New York has commenced renovations to upgrade guest rooms and other facilities, aiming to enhance competitiveness and elevate service standards. The project is scheduled for completion by 30 June 2026.

Canada

In 2024, Canada's real GDP grew by 1.6%, marking its fourth consecutive year of economic expansion, though at a slower pace than previous years. Growth was supported by consumer spending, business investments, and exports, but economic momentum weakened. The unemployment rate increased to 6.7% in December 2024, up from 5.8% a year earlier, indicating a softening labor market amid slower economic growth and business adjustments. Economic uncertainty intensified, driven by global trade tensions, rising interest rates, and declining business confidence. Additionally, new U.S. tariff measures and protectionist policies created further risks to Canada's export-driven economy, adding challenges to the 2025 outlook. A potential trade war between Canada and China is likely to accentuate the risk profile for the Canadian economy.

Despite facing such challenges, Canada's hospitality sector experienced steady growth in 2024, supported by domestic tourism, business travel, and major events.

The Sheraton Ottawa Hotel

In February 2024, the Group disposed of its 85% interest in the Sheraton Ottawa Hotel. This disposal resulted in a profit before taxation attributable to the Group of HK\$156.2 million.

Delta Hotels by Marriott Toronto Airport & Conference Centre (Group's interest: 25%)

Occupancy rate of Delta Hotels by Marriott Toronto Airport & Conference Centre increased to 72.8% in 2024 as compared to 69.7% in 2023. Average room rate was C\$179 per room night in 2024 as compared to C\$177 per room night in 2023.

Other net losses/gains

Net exchange losses for 2024 amounted to HK\$16.0 million, as compared net exchange gains of HK\$5.6 million in 2023.

Net unrealised losses on derivative financial instruments amounted to HK\$6.4 million in 2024, as compared to HK\$4.9 million in 2023.

Net unrealised losses on other non-current financial assets amount to HK\$1.9 million recognised in 2024, as compared to gains of HK\$12.8 million in 2023. These were mainly related to our investment in A2I Holdings S.A.R.L., which owns 6.52% (2023: 6.75%) equity shares of AccorInvest Group S.A..

Net unrealised losses on trading securities for 2024 amounted to HK\$1.8 million, as compared to HK\$1.6 million in 2023.

Loans forgiveness & government grants

In 2023, the Group received loans forgiveness of HK\$58.5 million under the Paycheck Protection Program administered by the United States Government. No such loan forgiveness was recorded in 2024.

FINANCIAL REVIEW

The Group's revenue was HK\$1,692.0 million for the year ended 31 December 2024, representing a slight 2.7% decline compared to 2023. This decline was mainly due to the strategic disposal of a hotel property in Canada, which lowered the revenue base, along with the adverse impact of the Vietnamese dong's depreciation.

The Group's operating profit was HK\$432.2 million for the year ended 31 December 2024, which includes a reversal of an impairment loss on a hotel property of HK\$169.9 million and gains on disposal of hotel assets, which amounted to HK\$156.2 million, as compared to HK\$362.6 million in 2023.

Profit attributable to equity shareholders amounted to HK\$255.8 million as compared to the HK\$219.7 million in 2023.

FINANCIAL RATIO

The debt to total assets ratio (defined as the percentage of bank loans over total assets) of the Group was 21.0% (2023: 23.7%), while the total liabilities as a percentage of total assets was 33.0% (2023: 35.5%).

PLEDGE OF ASSETS

As at 31 December 2024, hotel properties including land, and certain properties held for sale with an aggregate value of HK\$2,120.7 million (2023: HK\$1,899.6 million) were pledged to banks to secure bank loans and banking facilities granted to the Group.

CONTINGENT LIABILITIES

As at 31 December 2024, there were outstanding counter indemnities relating to guarantees issued by the bankers of a subsidiary in favour of the Macau SAR Government in respect of properties held for sale amounted to HK\$8.3 million (2023: HK\$8.3 million).

As at 31 December 2024, the directors do not consider it probable that a claim will be made against the Group under any of the guarantees. The Group has not recognised any deferred income in respect of any of the above guarantees as their fair value cannot be reliably measured and they were issued many years ago and their transaction price was Nil.

PROSPECTS

Looking ahead to 2025, the global economy has to navigate a mix of growth opportunities and rising challenges. While inflationary pressures are expected to fluctuate resulting from tariffs and other cost factors, uncertainties in respect of the direction of interest rates in the US and its effect across all economies could stymie investments and consumer spending. Continuing geopolitical tensions, trade uncertainties, and an escalating trade war may pose additional risks to economic stability. In particular, the ongoing trade war conflict between the U.S. and its key trading partners is likely to disrupt global supply chains and dampen investor confidence. China's economy faces headwinds from weak domestic demand and the continuing difficulties facing the property sector, while the U.S. contends with high interest rates and protectionist trade policies. The cumulation of these developments could negatively impact consumer and business activity in a significant manner. These challenges, alongside global trade uncertainties, point to a more cautious economic and business outlook for 2025.

Macau's property market continues to face challenges, particularly in the commercial and office sectors, where weak demand and declining rental yields persist. The relocation of government departments to government-owned premises has further increased vacancy rates, placing additional downward pressure on rental prices. In the residential market, the government's removal of property cooling measures, including the abolition of additional stamp duties and relaxed loan-to-value ratios, has yet to drive a significant market recovery. However, infrastructure developments, a rebound in tourism, and limited new supply in the luxury segment may help stabilise demand and support pricing. While the long-term outlook remains positive, market conditions will continue to be influenced by inflation, interest rates, and China's economic recovery. To navigate these challenges, the Group remains focused on enhancing occupancy rates and tenant retention through competitive leasing strategies to mitigate risks and capture opportunities. Again, the premier standard of the Group's residential portfolio has ensured high occupancy rates and a satisfactory rental income stream.

The hospitality industry is expected to continue its recovery, benefiting from strong inbound tourism and major events. However, rising operating costs, labor shortages, and intensifying competition could pose challenges. The pace of recovery will vary across regions, with markets heavily reliant on international and domestic visitors; those facing economic headwinds will recover more gradually. Despite these disparities, the overall outlook remains cautiously optimistic as global conditions continue to improve. The Group remains committed to enhancing operational efficiency and investing in ongoing hotel renovations to strengthen competitiveness and drive long-term profitability amid market uncertainties.

The Group maintains a robust financial position with HK\$1,523.7 million in cash, bank balances, and short-term bank deposits as of 31 December 2024. We will focus on reviewing potential investments that create long-term value for shareholders on a sustainable basis. Our approach to acquisitions remains disciplined and pragmatic, targeting industries and regions where we have experience and comparative advantages.

PERSONNEL

As at 31 December 2024, the Group had approximately 1,830 employees. A policy of localising as many of the positions as possible is in place throughout the Group, subject to suitable and sufficient local executives and staff with relevant qualifications and experiences being available. Salary and remuneration are competitive and are based on varying conditions in the different countries in which the Company and its subsidiaries operate.

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

No purchase, sale or redemption of the Company's listed securities was made by the Company or any of its subsidiaries during the year under review.

CORPORATE GOVERNANCE

The Board has committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Company to safeguard the interests of shareholders and to enhance corporate value and accountability.

The Company's corporate governance practices are based on the principles, code provisions as set out in the Corporate Governance Code (the "CG Code") as contained in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). During the year, the Company has complied with the principles set out in the CG Code, save and except for deviations as explained below:

- Code Provision C.2.1, as the roles of chairman and chief executive officer of the Company are not separated.

Pursuant to Code Provision C.2.1, the roles of chairman and chief executive should be separated and should not be performed by the same individual. The Company has not appointed a chief executive officer, since day-to-day operations of the Group were undertaken by the management teams in the respective geographical locations under the supervision of the Executive Directors. In respect of the management of the Board, the role was undertaken by Mr. HO Kian Guan, the Executive Chairman of the Company. The Board is of the view that this structure has served the Company well in past years and does not impair the balance of responsibility between the Board and the management of the business.

SECURITIES TRANSACTIONS BY DIRECTORS

The Board adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Listing Rules. The Company has made specific enquiries of all Directors who have confirmed compliance with the required standards set out in the Model Code during the period under review.

ANNUAL GENERAL MEETING

The 2024 AGM will be held on Monday, 2 June 2025 at 12:00 noon. The notice of the 2025 AGM, which constitutes part of a circular to shareholders of the Company, will be sent to the shareholders of the Company in due course.

All shareholders of the Company are encouraged to attend the 2025 AGM and exercise their right to vote. Shareholders are invited to ask questions related to the business of the meeting, and will be able to meet with directors and the senior management of the Company.

CLOSURE OF REGISTER OF MEMBERS

For the purposes of determining shareholders' eligibility to attend and vote at the 2025 AGM, and entitlement to the proposed final dividend, the Company's Register of Members will be closed as set out below:

- (i) For determining eligibility to attend and vote at the 2025 AGM
- Latest time to lodge transfer documents for registration with the Company's registrar and transfer office At 4:30 p.m. (Hong Kong time) on Tuesday, 27 May 2025
 - Closure of Register of Members Wednesday, 28 May 2025 to Monday, 2 June 2025, both days inclusive
 - Record date Monday, 2 June 2025
- (ii) For determining entitlement to the final dividend:
- Ex-dividend date Friday, 6 June 2025
 - Latest time to lodge transfer documents for registration with the Company's registrar and transfer office At 4:30 p.m. (Hong Kong time) on Monday, 9 June 2025
 - Closure of Register of Members Tuesday, 10 June 2025 to Friday, 13 June 2025, both days inclusive
 - Record date Friday, 13 June 2025

During the above closure periods, no transfer of shares will be registered. To be eligible to attend and vote at the 2025 AGM, and to qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than the aforementioned latest time.

By Order of the Board
Keck Seng Investments (Hong Kong) Limited
HO Kian Guan
Executive Chairman

Hong Kong, 24 March 2025

As at the date of this announcement, the Board of the Company comprises Mr. HO Kian Guan, Mr. HO Kian Hock, Mr. TSE See Fan Paul, Mr. CHAN Lui Ming Ivan, and Mr. HO Chung Hui (whose alternate is Mr. HO Chung Kain) as executive directors, Mr. HO Kian Cheong (whose alternate is Mr. HO Chung Kiat Sydney) as non-executive director, and Mr. KWOK Chi Shun Arthur, Ms. WANG Poey Foon Angela, Mr. YU Hon To David and Mr. Stephen TAN as independent non-executive directors.