HANS GROUP HOLDINGS LIMITED
漢思集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00554)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS

- Revenue increased by 274.4% to HK$3,551,066,000 (2023: HK$948,510,000)
- Profits from operations increased by 486.1% to HK$14,372,000 (2023: HK$2,452,000)
- Earnings before interest, tax, depreciation and amortisation ("EBITDA") increased by 425.2% to HK$302,928,000 (2023: HK$57,676,000)
- Loss attributable to equity shareholders of the Company increased by 414.0% to HK$180,550,000 (2023: HK$35,125,000)
- The board of Directors of the Company recommends the payment of a final dividend for the year ended 31 December 2024 of HK1.5 cents per share (2023: Nil) in appreciation of the Shareholders' support to the Group

The board of Directors (the "Board") of Hans Group Holdings Limited (the "Company") announces the consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2024.

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in Hong Kong dollars)

	Note	**2024** **$'000**	2023 $'000
Revenue	2	**3,551,066**	948,510
Other income	3	**20,762**	8,860
		3,571,828	957,370
Operating costs:			
Cost of inventories sold		**(1,662,280)**	(775,623)
Staff costs		**(923,614)**	(52,738)
Bus energy costs		**(175,458)**	-
Repairs and maintenance		**(150,440)**	(10,443)
Insurance		**(44,502)**	(9,292)
Depreciation and amortisation		**(288,556)**	(55,224)
Tolls and Franchised Bus Toll Exemption Fund		**(53,333)**	-
Other expenses		**(259,273)**	(51,598)
Profit from operations		**14,372**	2,452
Finance costs	4(a)	**(190,901)**	(31,700)
Loss before taxation	4	**(176,529)**	(29,248)
Income tax	5	**(5,076)**	(3,821)
Loss for the year		**(181,605)**	(33,069)
Attributable to:			
Equity shareholders of the Company		**(180,550)**	(35,125)
Non-controlling interests		**(1,055)**	2,056
Loss for the year		**(181,605)**	(33,069)
Basic and diluted loss per share	6	**(4.52) cents**	(0.91) cent

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in Hong Kong dollars)

	2024	2023
	$'000	*$'000*
Loss for the year	**(181,605)**	(33,069)
Other comprehensive income for the year (after tax and reclassification adjustments):		
Items that may be reclassified subsequently to consolidated income statement:		
– Exchange differences on translation of financial statements of subsidiaries	**(5,525)**	(2,925)
Cash flow hedges:		
– Changes in fair value	**5,925**	-
– Income tax relating to cash flow hedges	**(656)**	-
Items that will not be reclassified subsequently to consolidated income statement:		
– (Decrease)/increase in fair value of investments at fair value through other comprehensive income	**(63,875)**	62,045
– Remeasurement of long service payments	**3,249**	-
Other comprehensive income for the year	**(60,882)**	59,120
Total comprehensive income for the year	**(242,487)**	26,051
Attributable to:		
Equity shareholders of the Company	**(240,922)**	24,665
Non-controlling interests	**(1,565)**	1,386
Total comprehensive income for the year	**(242,487)**	26,051

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2024
(Expressed in Hong Kong dollars)

	Note	**2024**	2023
		$'000	*$'000*
Non-current assets			
Property, plant and equipment		**3,902,573**	373,390
Interests in leasehold land and buildings held for own use		**1,356,970**	176,224
Investment property		**-**	37,734
Prepayments and other receivables		**9,001**	11,813
Other investments		**-**	700,000
Intangible assets		**1,569,391**	756
Interest in an associate		**994**	1,015
Interest in joint ventures		**1,744**	1,777
Goodwill	*7*	**1,643,344**	4,674
Restricted bank balances		**170,000**	-
		8,654,017	1,307,383
Current assets			
Inventories		**210,847**	184,713
Trade and other receivables, prepayments and deposits	*8*	**464,640**	90,065
Derivative financial assets		**9,374**	-
Restricted bank balances		**43,307**	-
Cash and bank balances		**487,969**	374,862
		1,216,137	649,640
Current liabilities			
Trade and other payables and contract liabilities	*9*	**844,586**	57,096
Bank loans	*10*	**290,161**	136,703
Lease liabilities		**120,239**	3,879
Deferred payment	*11*	**433,796**	-
Amounts due to related parties and joint ventures		**69,012**	74,182
Current taxation		**6,164**	1,604
		1,763,958	273,464
Net current (liabilities)/assets		**(547,821)**	376,176
Total assets less current liabilities		**8,106,196**	1,683,559

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2024 (CONTINUED)

(Expressed in Hong Kong dollars)

	Note	**2024** **$'000**	2023 *$'000*
Non-current liabilities			
Bank and other loans	*10*	**2,104,634**	427,323
Lease liabilities		**1,151,730**	23,159
Provisions	*9*	**46,796**	-
Other payables	*9*	**1,385,841**	-
Deferred payment	*11*	**1,740,726**	-
Deferred income tax liabilities		**602,395**	-
Deferred income		**3,994**	-
		7,036,116	450,482
Net assets		**1,070,080**	1,233,077
Capital and reserves			
Share capital		**423,555**	395,664
Reserves		**626,708**	816,031
Total equity attributable to equity shareholders of the Company		**1,050,263**	1,211,695
Non-controlling interests		**19,817**	21,382
Total equity		**1,070,080**	1,233,077

NOTES

(Expressed in Hong Kong dollars unless otherwise indicated)

1. Basis of preparation

The financial information set out in this announcement does not constitute the Group's statutory financial statements for the year ended 31 December 2024 but is extracted from those financial statements.

The 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 applicable disclosure requirements of the Hong Kong Companies Ordinance. The consolidated 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 "Listing Rules").

The consolidated financial statements for the year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in an associate and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that other investments are stated at their fair value.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

As at 31 December 2024, the Group had net current liabilities of $547,821,000. Notwithstanding the above conditions, the Directors are of the opinion that the Group would have sufficient funds to meet its liabilities as and when they fall due, after considering the following:

- the Group will have operating cash inflows from principal activities;
- the Group has unutilised bank facilities of $161,621,000 as at 31 December 2024 (note 10 (c));
- the Group has obtained new loan facilities of up to $2,800,000,000 on 5 March 2025 (note 15); and
- the Group has obtained a shareholder's loan facility of $900,000,000 on 24 March 2025 (note 15).

Accordingly, the Directors consider it is appropriate to prepare the consolidated financial statements on a going concern basis.

1. **Basis of preparation (continued)**

Changes in accounting policies

The HKICPA has issued certain amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these developments has had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in these financial statements.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2. **Revenue and segment reporting**

(a) Revenue

The principal activities of the Group are public transportation services in Hong Kong, provision of media and advertising services, trading of and provision of terminal, storage, warehousing and transshipment services for oil and petrochemical products and leasing and operating a filling station.

(i) Disaggregation of revenue from contracts with customers by major service lines

	2024	2023
	$'000	*$'000*
Revenue from contracts with customers not within the scope of HKFRS 15		
Storage and warehousing income	**91,557**	106,259
Rental income from a filling station	**3,072**	5,332
	94,629	111,591
Revenue from contracts with customers within the scope of HKFRS 15		
Revenue from operating a filling station	**27,587**	-
Sales of oil and petrochemical products	**1,649,647**	797,703
Fare revenue	**1,538,763**	-
Advertising income	**189,435**	-
Port and transshipment income	**36,686**	39,216
Bus hire income	**10,179**	-
Miscellaneous	**4,140**	-
	3,456,437	836,919
	3,551,066	948,510

Disaggregation of revenue from contracts with customers by business lines and by geographic markets is disclosed in notes 2(b)(i) and 2(b)(iii) respectively.

2. Revenue and segment reporting (continued)

(a) Revenue (continued)

(ii) In 2024, the Group has no customer (2023: one) with whom transactions have exceeded 10% of the Group's revenues.

Revenues from sales of oil and petrochemical products to the customer arose in Mainland China amounted to approximately $272,704,000 in 2023.

(iii) The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in the prior year.

	2024	2023
	$'000	*$'000*
Revenue recognised that was included in the contract liabilities balance at the beginning of the year		
Sales contracts of oil and petrochemical products	**30,569**	11,666

(iv) The following table shows unsatisfied performance obligations resulting from fixed-price long-term advertising contracts which are expected to be recognised as revenue over one year from the contract inception.

	2024	2023
	$'000	*$'000*
Aggregate amount of the transaction price allocated to long-term advertising contracts that are partially or fully unsatisfied as at the end of year	**66,520**	-
Analysed by revenue being recognised:		
Within 1 year	**66,520**	-

The amount disclosed above does not include variable consideration which is constrained.

As permitted under HKFRS 15, the Group has elected the practical expedient of not disclosing the remaining performance obligations (unsatisfied or partially unsatisfied) for the types of contracts which are expected to be recognised as revenue within one year from contract inception.

2. Revenue and segment reporting (continued)

(b) Segment reporting

The Group manages its businesses by entities, which are organised by a mixture of business lines and geography. 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, the Group has identified the following four reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Terminal Storage: this segment represents the Group's provision of terminal, storage, warehousing and transshipment activities carried out in Dongguan, the People's Republic of China ("the PRC").

- Trading: this segment represents the Group's trading of oil and petrochemical products business carried out in the PRC (including Hong Kong).

- Transportation, media and advertising: this segment represents the Group's provision of public transportation services, media and advertising services in Hong Kong.

- Other: this segment represents other businesses including the leasing and operating a filling station in Zengcheng, the PRC.

Reportable segments are aligned with financial information provided regularly to the Group's most senior executive management for the purpose of resources allocation and performance assessment.

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment assets include all tangible, intangible assets and current assets with the exception of other investments and other corporate assets. Segment liabilities include trade and other payables and contract liabilities and lease liabilities attributable to the individual segments and bank loans managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit is "loss before taxation", i.e. "adjusted earnings before taxes". To arrive at "loss before taxation", the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as head office or corporate administration costs.

2. Revenue and segment reporting (continued)

(b) Segment reporting (continued)

(i) Segment results, assets and liabilities (continued)

In addition to receiving segment information concerning loss before taxation, management is provided with segment information concerning interest income, finance costs, depreciation and amortisation and reversal of loss allowance on trade and other receivables.

Information regarding the Group's reportable segments provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2024 and 2023 is set out below.

	Terminal Storage		*Trading*		*Transportation, media and advertising*		*Other*		*Total*	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
	$'000	*$'000*	***$'000***	*$'000*	***$'000***	*$'000*	***$'000***	*$'000*	***$'000***	*$'000*
Revenue from external customers	**128,243**	145,475	**1,649,647**	797,703	**1,742,517**	-	**30,659**	5,332	**3,551,066**	948,510
Reportable segment (loss)/profit before taxation	**2,741**	13,091	**260**	11,248	**(63,766)**	-	**(2,924)**	2,163	**(63,689)**	26,502
Interest income	**416**	1,288	**693**	2,516	**5,357**	-	**3**	8	**6,469**	3,812
Finance costs	**18,964**	25,501	**5,912**	4,594	**90,636**	-	**1,399**	1,438	**116,911**	31,533
Depreciation and amortisation	**44,579**	43,781	**1,460**	2,041	**234,648**	-	**2,772**	2,791	**283,459**	48,613
Reversal of loss allowance on trade and other receivables	**-**	-	**-**	1,000	**-**	-	**-**	-	**-**	1,000
Reportable segment assets	**550,508**	554,880	**360,564**	324,451	**8,876,102**	-	**49,531**	53,282	**9,836,705**	932,613
Reportable segment liabilities	**425,917**	479,407	**292,966**	133,499	**4,337,522**	-	**26,330**	23,839	**5,082,735**	636,745

(ii) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities

	2024	2023
	$'000	*$'000*
Revenue		
Reportable segment revenue	**3,551,066**	948,510
Profit		
Reportable segment (loss)/profit	**(63,689)**	26,502
Unallocated other income/(expenses)	**2,810**	(1,037)
Unallocated head office and corporate expenses	**(115,650)**	(54,713)
Consolidated loss before taxation	**(176,529)**	(29,248)

2. Revenue and segment reporting (continued)

(b) Segment reporting (continued)

(ii) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities (continued)

	2024	2023
	$'000	*$'000*
Assets		
Reportable segment assets	**9,836,705**	932,613
Other investments	**-**	700,000
Unallocated head office and corporate assets	**33,449**	324,410
Consolidated total assets	**9,870,154**	1,957,023
Liabilities		
Reportable segment liabilities	**5,082,735**	636,745
Unallocated head office and corporate liabilities	**3,717,339**	87,201
Consolidated total liabilities	**8,800,074**	723,946

(iii) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, interests in leasehold land and buildings held for own use, investment property, intangible assets, non-current prepayments and other receivables, interest in an associate, interest in joint ventures and goodwill ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided. The geographical location of the specified non-current assets is based on the physical location of the asset.

	Revenues from external customers	
	2024	2023
	$'000	*$'000*
Hong Kong	**1,742,517**	1,792
Mainland China	**1,808,549**	946,718
	3,551,066	948,510

2. Revenue and segment reporting (continued)

(b) Segment reporting (continued)

(iii) Geographic information (continued)

	Specified non-current assets	
	2024	2023
	$'000	*$'000*
Hong Kong	**7,953,658**	12,041
Mainland China	**530,359**	595,342
	8,484,017	607,383

3. Other income

	2024	2023
	$'000	*$'000*
Government grant	**1,054**	-
Interest income	**14,416**	5,019
Net foreign exchange gain/(loss)	**2,685**	(1,453)
Written off and disposal loss of property, plant and equipment	**(4,557)**	-
Rental income from investment property	**880**	1,369
Dividend income	**-**	38,898
Disposal loss of investment at fair value through profit or loss	**-**	(39,392)
Others	**6,284**	4,419
	20,762	8,860

4. Loss before taxation

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

	2024 *$'000*	2023 *$'000*
(a) Finance costs		
Interest on bank and other loans	**77,822**	30,026
Amortisation of loan arrangement fees	**413**	-
Finance cost on deferred payment	**47,508**	-
Interest on lease liabilities	**41,720**	1,674
Finance cost on other payable	**23,173**	-
Other borrowing costs	**265**	-
	190,901	31,700
(b) Other items		
Amortisation of intangible assets	**21,891**	170
Depreciation		
– owned property, plant and equipment	**194,924**	41,801
– investment property	**1,320**	2,291
– right-of-use assets	**70,421**	10,962
Reversal of loss allowance of trade and other receivables	**-**	(1,000)
Auditor's remuneration		
– audit services	**3,693**	1,600
– review services	**500**	500
– other services	**1,910**	1,100
Bus energy costs (note (i))	**175,458**	-
Rental expenses under short-term leases	**1,246**	-
Provision for claims	**17,815**	-
Tolls and Franchised Bus Toll Exemption Fund (note (ii))	**53,333**	-

Notes:

(i) During the year ended 31 December 2024, it included an amortisation of fuel price call option contracts premium of $10,901,000.

(ii) The Government announced that with effect from 17 February 2019, all franchised bus operators are exempted from paying the toll charges for franchised buses using the Government's tolled tunnels as well as Tsing Ma and Tsing Sha Control Areas with a view to relieving fare increase pressure and benefiting the general public. Each franchised bus operator is required to contribute an amount equivalent to the toll saved to the Franchised Bus Toll Exemption Fund (the "Fund") as included in "Tolls and Franchised Bus Toll Exemption Fund" and "Accruals", which would be used for mitigating the extent of fare increase shouldered by the passengers as approved by the Government when a franchised bus operator applies for a fare increase or for other purposes as directed by the Commissioner for Transport. The amount of withdrawal from the Fund for mitigating the extent of fare increase is included in "Fare revenue".

5. Income tax in the consolidated income statement

(a) Income tax in the consolidated income statement represents:

	2024	2023
	$'000	*$'000*
Current tax – Hong Kong Profits Tax (note (i))		
Provision for the year	**3,162**	-
Over-provision in respect of prior years	**(355)**	-
	2,807	-
Deferred income tax	**1,058**	-
	3,865	-
Current tax – PRC Corporate Income Tax (note (ii))		
Provision for the year	**2,293**	3,876
Over-provision in respect of prior years	**(1,082)**	(55)
	1,211	3,821
	5,076	3,821

Notes:

(i) The provision for Hong Kong Profits Tax for 2024 is calculated at 16.5% of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first $2,000,000 of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5% (2023: No Hong Kong Profits Tax was provided for the year ended 31 December 2023 as the Group recorded a loss for Hong Kong Profits Tax purposes for the year).

(ii) The applicable PRC Corporate Income Tax rate for the PRC subsidiaries for the year ended 31 December 2024 was 25% (2023: 25%).

6. Loss per share

Basic and diluted loss per share

The calculation of basic and diluted loss per share is based on the loss attributable to ordinary equity shareholders of the Company of $180,550,000 (2023: $35,125,000) and the weighted average of 3,994,644,000 ordinary shares (2023: 3,878,048,000 ordinary shares) in issue during the year, calculated as follows:

	2024	2023
	'000	*'000*
Weighted average number of ordinary shares		
Issued ordinary shares at 1 January	**3,956,638**	3,956,638
Effect of ordinary shares issued during the year	**116,596**	-
Effect of treasury shares held under share award scheme	**(78,590)**	(78,590)
Weighted average number of ordinary shares as at 31 December	**3,994,644**	3,878,048

	2024	2023
	$'000	*$'000*
Loss attributable to ordinary equity shareholders	**(180,550)**	(35,125)

	2024	2023
Basic and diluted loss per share	**(4.52) cents**	(0.91) cent

The diluted loss per share is the same as the basic loss per share as there were no dilutive potential ordinary shares in existence during the years ended 31 December 2024 and 2023.

7. Goodwill

	$'000
At 1 January 2023	4,742
Exchange adjustments	(68)
At 31 December 2023 and 1 January 2024	**4,674**
Exchange adjustments	**(100)**
Acquisition of a subsidiary (note 12)	**1,638,770**
At 31 December 2024	**1,643,344**

8. Trade and other receivables, prepayments and deposits

	2024	2023
	$'000	*$'000*
Trade debtors, net of loss allowance (note (i))	**186,488**	15,752
Prepayments and other receivables (note (ii))	**165,752**	74,313
Contract assets	**112,400**	-
	464,640	90,065

Notes:

(i) Trade debtors, net of loss allowance are financial assets measured at amortised cost.

(ii) The amounts of the prepayments and other receivables expected to be recovered or recognised as expense after more than one year are $886,000 (2023: $887,000). Apart from these, all the other trade and other receivables are expected to be recovered or recognised as expense within one year.

(a) Ageing analysis

As at balance sheet date, the ageing analysis of trade debtors (which are included in trade and other receivables), based on the invoice date or date of revenue recognition and net of allowance, is as follows:

	2024	2023
	$'000	*$'000*
Within 1 month	**143,502**	8,972
Over 1 month but within 2 months	**18,905**	356
Over 2 months but within 3 months	**16,546**	24
Over 3 months but within 6 months	**5,350**	-
Over 6 months	**2,185**	6,400
	186,488	15,752

The Group allows an average credit period of 5-180 days to its customers.

8. Trade and other receivables, prepayments and deposits (continued)

(b) Movement in the loss allowance account in respect of trade receivables during the year is as follows:

	2024	2023
	$'000	*$'000*
Balance at 1 January	**-**	1,000
Reversal of loss allowance during the year	**-**	(1,000)
Balance at 31 December	**-**	-

9. Trade and other payables and contract liabilities

	2024	2023
	$'000	*$'000*
Trade creditors and bills payable	**102,550**	4,513
Contract liabilities (note b)	**156,790**	30,569
Other creditors and accruals	**1,863,558**	22,014
	2,122,898	57,096
Provisions (note c)	**154,325**	-
	2,277,223	57,096
Less: non-current portion – Provision for long service payments	**(46,796)**	-
Less: non-current portion – Other payables – Liability for acquisition of non-controlling interest (note d)	**(1,382,704)**	-
Less: non-current portion – Other payables	**(3,137)**	-
Current portion – Trade and other payables and contract liabilities	**844,586**	57,096

At 31 December 2024 and 2023, all the trade and other payables are expected to be settled or recognised as income within one year.

9. Trade and other payables and contract liabilities (continued)

(a) Ageing analysis

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

	2024	2023
	$'000	*$'000*
Within 1 month	**50,946**	4,513
Over 1 month but within 3 months	**42,979**	-
Over 3 months	**8,625**	-
	102,550	4,513

(b) Contract liabilities

The Group receives part of the contract value as a deposit from customers when they sign the oil and petroleum product trade agreement. This deposit is recognised as a contract liability until the customer has the ability to direct the use and obtain substantially all of the remaining benefits of the products, which is usually when the legal title is transferred to the customer. The rest of the consideration is typically paid according to the credit terms granted to the customer. The amount of the deposit was negotiated on a case by case basis with customers.

Movement in contract liabilities

	2024	2023
	$'000	*$'000*
At 1 January	**30,569**	11,666
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	**(30,569)**	(11,666)
Increase in contract liabilities as a result of receiving deposits from customers	**156,790**	30,569
At 31 December	**156,790**	30,569

All contract liabilities are expected to be recognised as income within one year.

9. Trade and other payables and contract liabilities (continued)

(c) Movements in provisions during the years are as follows:

	Claims (note c (i)) *$'000*	Long service payments (note c (ii) and (iii)) *$'000*	**Total** ***$'000***
At 1 January 2023, 31 December 2023 and 1 January 2024	-	-	-
Acquisition of a subsidiary	103,259	46,353	**149,612**
Utilisations	(13,545)	(721)	**(14,266)**
Additions and remeasurement	17,815	-	**17,815**
Current service cost	-	3,785	**3,785**
Net interest expenses	-	628	**628**
Total amount recognised in profit or loss	17,815	4,413	**22,228**
Remeasurement:			
Loss due to demographic experience	-	660	**660**
Gain due to changes in financial assumptions	-	(3,899)	**(3,899)**
Gain due to changes in demographic assumptions	-	(10)	**(10)**
Total amount recognised in other comprehensive income	-	(3,249)	**(3,249)**
At 31 December 2024	107,529	46,796	**154,325**

(d) The liability for acquisition of non-controlling interest represents the present value of the Group's obligation to acquire the remaining 30% interest in BTHL. The liability is measured at amortised cost, with an unwind of the discount recognised as finance cost in consolidated income statement.

10. Bank and other loans

(a) The analysis of the carrying amount of bank and other loans are as follows:

	2024	2023
	$'000	*$'000*
Current liabilities		
Bank loans	**290,161**	136,703
Non-current liabilities		
Bank loans and other loans	**2,104,634**	427,323
	2,394,795	564,026

(b) At 31 December 2024, the bank and other loans were repayable as follows:

	2024	2023
	$'000	*$'000*
Bank loans (secured)		
Within 1 year or on demand	**290,161**	136,703
After 1 year but within 2 years	**134,757**	61,046
After 2 years but within 5 years	**1,714,826**	213,662
After 5 years	**177,051**	152,615
	2,026,634	427,323
Other loan (unsecured)		
After 1 year but within 2 years	**78,000**	-
	2,394,795	564,026

10. Bank and other loans (continued)

(c) At 31 December 2024, the Group had bank loans totalling $2,316,795,000 (2023: $564,026,000) which were secured by certain of the Group's property, plant and equipment with net book value of $359,126,000 (2023: $326,072,000) and interests in leasehold land and buildings held for own use with net book value of $120,867,000 (2023: $153,579,000), trade and other receivables (including amounts due from group companies within the Group) with net book value of $4,567,141,000, cash and bank balances with net book value of $364,233,000, inventories with net book value of $53,000, derivative financial assets with net book value of $20,000, restricted bank balances of $160,799,000 and the entire issued shares in certain subsidiaries. The aggregate facilities of the Group amounted to $2,579,857,000 (2023: $574,443,000) of which $2,418,236,000 (2023: $564,026,000) were utilised.

11. Deferred payment

Deferred payment mainly represents the remaining purchase consideration payable in relation to the acquisition of Bravo Transport Holdings Limited ("BTHL"). At the acquisition date, the present value of the deferred payment is estimated by calculating the present value of the future expected cash flows.

12. Business combinations and acquisitions

(a) Purchase of a subsidiary

Acquisition of BTHL

During the year ended 31 December 2024, the Group completed the acquisition of additional 54.44% interest in BTHL, which became a subsidiary of the Company after the completion of the acquisition.

With reference to the terms of the acquisition, the Board has determined that the minority shareholders of BTHL will not have present access to the returns associated with the remaining ownership interest of BTHL. As a result, no non-controlling interest is recognised in the consolidated financial statement.

BTHL contributed an aggregate revenue of $1,743 million and aggregate net loss of $12 million to the Group from 1 August 2024 (immediately after the completion of the acquisition) to 31 December 2024.

If the acquisition had occurred on 1 January 2024, the Group's revenue and loss after tax for the year would have been approximately $5,884 million and $355 million respectively. These amounts have been calculated by adopting the Group's accounting policies and adjusting the results of the relevant subsidiary to reflect the additional amortisation that would have been charged assuming the fair value adjustments had been applied from 1 January 2024, together with the consequential tax effects.

12. Business combinations and acquisitions (continued)

(a) Purchase of a subsidiary (continued)

Acquisition of BTHL (continued)

The acquisition of BTHL completed during the year ended 31 December 2024 had the following effect on the Group's assets and liabilities on its commencement date of consolidation on 31 July 2024:

	2024
	$'000
Net assets acquired	
Property, plant and equipment	**3,654,761**
Interests in leasehold land and buildings held for own use	**1,206,883**
Intangible assets	**1,590,400**
Derivative financial assets	**2,094**
Restricted bank balances	**170,000**
Inventories	**55,868**
Trade and other receivables, prepayment and deposits	**334,077**
Cash and bank balances	**357,918**
Trade and other payables and contract liabilities	**(692,240)**
Bank loans	**(1,624,084)**
Lease liabilities	**(1,267,839)**
Deferred payment	**(303,285)**
Current taxation	**(23,195)**
Amount due to related parties	**(1,667)**
Deferred income tax liabilities	**(600,681)**
Net identifiable assets acquired	**2,859,010**
Goodwill (note)	**1,638,770**
Consideration	**4,497,780**

Note:

Goodwill determined arising from the acquisition represents the control premium paid, the benefits of expected synergies to be achieved from integrating the subsidiary into the Group's existing businesses, future market development and the acquired workforce. None of the goodwill recognised is expected to be deductible for income tax purposes.

12. Business combinations and acquisitions (continued)

(b) Purchase of a subsidiary (continued)

Acquisition of BTHL (continued)

	2024
	$'000
Consideration	
Cash and bank balances	**500,000**
Deferred cash payment	**1,938,729**
Liability for acquisition of non-controlling interest (included in other payables)	**1,359,531**
Embedded derivative financial assets	**(16,095)**
Consideration shares	**79,490**
Previously held equity interest	**636,125**
	4,497,780
Cash consideration paid	**500,000**
Less: cash and bank balances acquired	**(357,918)**
Net cash outflow	**142,082**

13. Capital commitments

The capital commitments in respect of property, plant and equipment were as follows:

	2024	2023
	$'000	*$'000*
Contracted but not provided for	**19,820**	-

14. Dividends

Dividends payable to equity shareholders of the Company attributable to the year

	2024	2023
	$'000	*$'000*
Final dividend proposed after the end of the reporting period of 1.5 cents per ordinary share (2023: Nil)	**63,533**	-

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.

Scrip dividend election was offered to shareholders for final dividends proposed after the end of the reporting period.

15. Non-adjusting events after the balance sheet date

The Group has successfully obtained new bank loan facilities of up to $2,800 million on 5 March 2025 (comprising a term loan facility of up to $2,000 million and revolving loan facilities of up to $800 million) (the "New Loan Facilities").

Under the New Loan Facilities, the proceeds will not only be used to refinance the Group's existing loan facilities (comprising a term loan facility of up to $1,300 million and a revolving loan facility of up to $500 million), but it will also provide the Group with additional funds for general corporate and working capital purposes.

On 24 March 2025, the Group obtained a shareholder's loan facility of $900 million from the controlling shareholder, Mr. David An, for a term of 6 years. The shareholder's loan is unsecured and bears interest at 2.5% per annum, and will mature on 23 March 2031. The proceeds are used to early settle the deferred payments payable by the Group for the acquisition of BTHL.

Up to the date of this announcement, deferred payment for the acquisition of BTHL of $1,872 million out of $2,000 million has been settled by the Group. The remaining balance of deferred payment is $128 million.

BUSINESS REVIEW

Hans Group Holdings Limited ("Hans Group" or the "Company") and its subsidiaries (collectively, the "Group") is a leading operator in providing integrated facilities of jetties, storage tanks, warehousing and logistic services in south China for petroleum and liquid chemicals products and offering value-added services at its ports and storage tank farms, engages in the trading of oil and petrochemical products, and operates filling station business in China. On 31 July 2024, the Group completed the acquisition, securing a total stake of 70% in Bravo Transport Holdings Limited ("BTHL", together with its subsidiaries, the "BTHL Group"), making BTHL a non-wholly owned subsidiary of the Company. BTHL is principally engaged in the provision of franchised and non-franchised bus services under the brand "Citybus" in Hong Kong as well as the provision of media and advertising services.

TERMINAL STORAGE BUSINESS

The Group owns and operates a liquid product terminal, namely Dongzhou Petrochemical Terminal ("DZIT") through its indirect subsidiary, Dongguan Dongzhou International Petrochemical Storage Limited ("DZ International"). DZIT is situated in Lisha Island, Humen Harbour District, Shatian County, Dongguan City, Guangdong Province, PRC, with a total of land and coastal site area of over 830,000 square metres. It was built with berths ranging from 500 to 100,000 deadweight tonnage (dwt) and is installed with 94 oil and petrochemical tanks of a total storage capacity of approximately 260,000 cubic metres, out of which 180,000 cubic metres are dedicated to gasoline, diesel and similar petroleum products commonly available in trading and consumption markets, and a capacity of 80,000 cubic metres were allocated for petrochemical products.

The Group is actively pursuing market opportunities and diversifying its terminal storage business to generate more revenue and maximize shareholders' value by utilising spare capacity from jetties and approximately 150,000 square metres of vacant land at DZIT. In recent years, the Group has engaged in discussion with various stakeholders regarding the second phase development of DZIT and is exploring strategic opportunities to ensure the sustainable and economic beneficial use of the vacant land.

Strategic Location

The Group's liquid product terminal is strategically situated in the Greater Bay Area, specifically in Guangdong Province, which has long been at the forefront of China's economic development. This prime location in the center of the province's economic circle offers a significant competitive advantage, attracting customers who require efficient distribution of refined oils. Apart from customers of oil products, there are customers who have manufacturing plants in the Greater Bay Area. These customers are required to temporarily store their dangerous, poisonous and hazardous goods in designated controlled facilities with proper licenses in accordance with governmental safety and environmental regulations.

The Group's terminal is managed by experienced, professional and skillful management teams, supported by well-equipped storage hardware that persistently upholds high standards of safety and environmental protection. The terminal is also fully and properly licensed to handle a wide range of dangerous and hazardous goods, providing convenience for customers to move their products in and out of the terminal during their production cycles.

Revenue from Terminal Storage Business

The terminal generates storage income by leasing its storage tanks to customers based on the storage tank size and category of the storage tanks engaged. Furthermore, the terminal collects handling charges for moving cargoes in and out of the terminal for customers, either via water at the jetties or by road at the loading stations. Apart from these services, the terminal provides ancillary services such as tank cleaning and charges related fees for the services rendered.

Key Performance Indicators

The primary metrics used to evaluate the terminal's performance are the leaseout rates and cargo throughput, which directly correlate with revenue streams and operational efficiency. Assuming constant unit rates, higher leaseout rates typically result in increased storage income, while increased cargo flows generally lead to higher handling income due to more operational activities.

The leaseout rates and cargo throughput of DZIT over the past two years are as follows:

Operational statistics	**2024**	2023	Change %
Liquid product terminal and transshipment services			
Number of vessels visited			
– foreign	**70**	64	+9.4
– domestic	**902**	899	+0.3
Number of trucks served to pick up cargoes	**70,289**	66,470	+5.7
Number of drums filled	**13,064**	10,995	+18.8
Transshipment volume (metric ton)	**44,452**	108,373	-59.0
– oil	**44,452**	90,421	-50.8
– petrochemicals	**-**	17,952	-100.0
Terminal throughput (metric ton)	**4,566,000**	4,726,000	-3.4
Port jetty throughput (metric ton)	**2,830,000**	3,023,000	-6.4
Storage services			
Leaseout rate – oil and petrochemical tanks (%)	**94.6**	95.8	-1.2 points

As a result of macroeconomic challenges alongside advancements in technologies such as electric vehicles (EVs) and renewable energy in China, DZIT experienced a decline in its major operational statistics in 2024. During the year ended 31 December 2024, the transshipment volume, the terminal throughput and the port jetty throughput decreased by 59.0%, 3.4% and 6.4%, respectively, compared to the same period last year. The average leaseout rate for oil and petrochemical tanks was 94.6%, which was 1.2 percentage points lower than the same period last year. These decreases were primarily attributed to a reduced demand for oil and petrochemical storage. Despite these challenges, DZIT demonstrated resilience and growth in some key operational metrics. Vessel traffic increased, while truck cargo pickups and drum filling operations maintained a positive trajectory. Looking ahead, DZIT remains focused on adapting to market changes and addressing challenges to strengthen its competitive position in the industry and attract more potential business opportunities in the future.

TRADING BUSINESS

The Group operates in the trading of oil and petrochemical products in the PRC and has established long-term cooperative relationships with major energy companies such as CNOOC, Sinopec and Sinochem Group. These collaborations provide the Group with a stable supply chain and market support, enabling it to maintain a competitive edge in the industry.

The Group's strategy for its trading business will continue to expand refined oil trading, focusing on pursuing both volume and quality growth while further broadening its customer base. By leveraging procurement advantages to reduce costs, the Group aims to achieve stable profits through centralized procurement, retail, and wholesale operations, while also utilizing market price fluctuations to enhance its resilience against market risks and achieve higher returns. By optimizing procurement processes, expanding its customer base, and mitigating market risks, the Group can not only expand its refined oil trade but also ensure the stable development of its storage business, driving sustainable long-term growth for the Group in the future.

The operational statistics of the trading business over the past two years are as follows:

Operational statistics	**2024**	**2023**	Change %
Number of sale contracts entered	**1,161**	824	+40.9
Sales volume of oil and petrochemical products (metric ton)	**249,000**	187,000	+33.2

Building on the positive momentum from the previous year, the Group accelerated its trading operations in 2024. For the year ended 31 December 2024, the number of sale contracts entered and the sales volume of oil and petrochemical products both significantly increased by 40.9% and 33.2%, respectively, compared to the same period last year.

FILLING STATION BUSINESS

The Group owns a filling station located in the Zengcheng District, Guangzhou City, PRC, with a site area of approximately 12,500 square metres. Its floor area, fuel island configuration, equipment level, and construction standards all meet the benchmarks of local flagship filling stations. The Group began self-operating this filling station in August 2024, prior to which it was leased out for rental income.

In addition to signing key fuel supply agreements with several oil filling companies, the Group commenced operating the filling station under the Sinochem Group brand during the year. This cooperation not only enhances product competitiveness but also facilitates improvements in safety management standards. By collaborating with Sinochem Group, the Group leverages advanced management expertise and technical support, ensuring higher safety standards and service quality throughout operations. Furthermore, operating under the Sinochem Group brand provides the Group with significant advantages in marketing and brand recognition. This partnership is expected to attract more customers, boost sales performance, and ensure that the filling station's operations align with the industry's best practices.

TRANSPORTATION BUSINESS

Hong Kong Franchised Public Bus Operations

Established in 1979 with only one double deck bus, Citybus Limited ("Citybus") has grown, through innovation and high-quality service delivery, to operate over 1,700 buses across Hong Kong Island, Kowloon and the New Territories. The Company employs over 5,000 staff and serves an average of over 1 million passenger journeys daily. Citybus boasts an industry leading bus fleet, which includes both electric and hydrogen buses, with all buses currently operating at Euro5 emissions standard or better. Citybus is also the only franchised public bus operator with solely operated bus routes across all 18 districts in Hong Kong.

Our franchised bus services started in 1991, and we currently hold two bus franchises, namely the Franchise for the Urban and New Territories bus network ("CTB (F3)") and Franchise for the Airport and North Lantau bus network ("CTB (F2)"). Both franchises successfully commenced in 2023 for a ten-year period until 2033.

We operate the franchised bus network under three main brands: (i) the Citybus brand provides bus services for urban and the New Territories, which recently extended its service network in new development areas such as Kai Tak, Tuen Mun North, Queen's Hill and Shap Sze Heung, along with the popular boundary services to Heung Yuen Wai and Shenzhen Bay; (ii) the Cityflyer brand offers industry leading bus services from the Airport and the Hong Kong-Zhuhai-Macao Bridge, to the urban areas; and (iii) the recently rebranded Hong Kong City Sightseeing open-top sightseeing service that provides departure intervals as frequent as every 8 minutes to all the key tourist attractions in Hong Kong, along with connections to retail outlets and Hong Kong's incredible array of food and beverage options both day and night.

Hong Kong Non-Franchised Transport Operations

Citybus has been providing non-franchised bus services since its establishment in 1979, playing a vital supplementary role in Hong Kong's public transport system, addressing passenger needs that regular scheduled services cannot fully accommodate, including employee bus services for various companies, resident shuttle services for residential estates, private bus hire services for special events, and open-top bus hire services in Hong Kong. These services primarily serve a residential estate in Sha Tin, a broadcasting company in Tseung Kwan O, and an international health and beauty retailer in Sha Tin. Citybus has also maintained a long-standing partnership with the Hong Kong Marathon, providing shuttle services for over 25 years. Additionally, Citybus offers charter services for group outings, functions, and events, further diversifying its non-franchised bus operations.

The Group operates City Tours Limited ("City Tours"), a subsidiary of Citybus, which offers travel agency services and holds a travel agent license, enabling it to provide bus, coach, and travel-related services throughout Hong Kong. City Tours currently offers on-demand sightseeing, open-top bus hire and private hire services.

As of 31 December 2024, the number of non-franchised licensed buses stood at 34.

Key Performance Highlights

Operational statistics	2024
Hong Kong Franchised Public Bus Operations:	
Number of bus routes operated at year-end	235
- Hong Kong Island Routes	97
- Cross Harbour Tunnel Routes	85
- Kowloon / New Territories Routes	53
Fleet size	
- Number of registered buses at year-end	1,739
- Number of licensed buses at year-end	1,552
Fleet availability (%) *	90.4
Average number of passengers carried per day (million) *	1.0
Number of full-time and part-time drivers employed at year-end	4,366
Average number of full-time drivers per licensed bus at year-end	2.5
Hong Kong Non-Franchised Transport Operations:	
Number of non-franchised licensed buses at year-end	34

* Data represents the period from 1 August 2024 (immediately after the completion of the acquisition) to 31 December 2024

As at 31 December 2024, Citybus operated 235 franchised bus routes, including 97 Hong Kong Island routes, 85 cross harbour tunnel routes and 53 Kowloon and New Territories routes. The CTB (F3) covers Hong Kong Island, Kowloon, New Territories and cross-harbour bus networks. The CTB (F2) covers the Airport and North Lantau bus networks. Both CTB (F3) and CTB (F2) commenced in 2023 for a period of ten years to 2033.

Including non-franchised bus services, Citybus carried approximately 358.8 million passenger journeys in 2024, averaging about 1 million journeys per day. This represents approximately 25.9% of the total daily average passenger journeys carried by all franchised bus operators in Hong Kong during the same period.

Citybus was awarded a new route package after successfully bidding and winning under the HKSAR Government's Operator Selection Exercise route scheme, serving the new Shap Sze Heung development area in September 2023. The first phase of operations having commenced in April 2024, which included a feeder route from Ma On Shan Town Center and Wu Kai Sha Station to Shap Sze Heung, and another route connecting Pak Shek Kok, University Station and Shap Sze Heung.

As at 31 December 2024, the number of franchised registered buses was 1,739, while the number of franchised licensed buses was 1,552.

MEDIA AND ADVERTISING BUSINESS

Advertising Services and Strategic Partnerships

The Group's advertising services are managed by Bravo Media Limited ("BML" or "Bravo Media"), which serves as the exclusive advertising agency for the exterior and interior of Citybus' franchised bus fleet under a ten-year contract extending until 2033. BML has further expanded its reach by securing the exclusive rights to provide advertising services across multiple MTR lines, including the East Rail Line, Tuen Ma Line, Light Rail, and MTR Bus. This agreement, effective from 1 January 2024 to 31 December 2028, includes options for extensions for up to another five years at the discretion of the MTR Corporation.

This strategic partnership enables BML to provide unmatched advertising opportunities by utilizing prime locations to enhance brand visibility. With a network that encompasses 109 MTR stations and Citybus routes, BML connects with over 3.2 million patrons daily, ensuring comprehensive coverage across Hong Kong from North to South and East to West.

OUTLOOK

The year 2024 marks a significant milestone for Hans Group. Following the completion of the acquisition of BTHL, the Group's business has expanded beyond energy terminal storage and trading to include Hong Kong's public transportation and advertising sectors, establishing a diversified revenue portfolio.

As the Group's largest revenue source, the performance of its public transportation business is critical to driving the Group's growth. The Group will continue leveraging its expertise in the energy sector to discover more competitively priced energy supplies to Citybus, reducing operating costs and enhancing profitability. The Government has approved a 7.5% fare increase for Citybus in 2025, which is expected to significantly boost its revenue. To support green transportation initiatives, Citybus has launched #MissionZero, the zero-emission transition plan, committing to a full transition to zero-emission buses by 2045 or earlier, with 70% of the fleet expected to be powered by hydrogen and 30% by electricity. Recently, the Group signed a hydrogen supply framework agreement with Grand Resource Hydrogen Energy Science & Technology Co., Ltd., ensuring a stable and competitively priced hydrogen supply to support the expansion of Citybus's hydrogen buses.

In daily operations, the Group will continue to attract more passengers through high-quality and efficient services, as well as expand tourist-related routes, including those to the airport, North Lantau, and boundary control points, to increase revenue.

Bravo Media, our advertising agency business, represents a new revenue growth driver for the Group. In 2025, Bravo Media will actively participate in bidding for several large out-of-home advertising tenders both in Hong Kong and overseas, striving to achieve new breakthroughs.

Regarding the traditional energy business, despite macroeconomic challenges such as oil price volatility and regulatory changes, we remain focused on stabilizing our existing customer base and market share. Simultaneously, we are expediting the second-phase renovation project of DZIT, with the goal of completing and operationalizing certain facilities by mid-next year.

Looking ahead, the Group will continue to drive the integration of its various businesses, striving to maximize synergies. While fostering innovation, we will also enhance operational efficiency to drive sustainable growth and deliver enhanced returns for our shareholders.

FINANCIAL REVIEW

During the year ended 31 December 2024, the Group's financial performance is set out as below:

	2024	2023	
	$'000	*$'000*	Change %
Revenue	**3,551,066**	948,510	+274.4
Other income	**20,762**	8,860	+134.3
Operating costs	**(3,557,456)**	(954,918)	+272.5
Profits from operations	**14,372**	2,452	+486.1
Finance costs	**(190,901)**	(31,700)	+502.2
Loss before taxation	**(176,529)**	(29,248)	+503.6
Income tax expenses	**(5,076)**	(3,821)	+32.8
Loss for the year	**(181,605)**	(33,069)	+449.2
Depreciation and amortisation	**288,556**	55,224	+422.5
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	**302,928**	57,676	+425.2
Net loss margin (%)	**(5.1)**	(3.5)	+1.6 points
Basic and diluted loss per share (cent)	**(4.52)**	(0.91)	+396.7

The Group's results for the year and EBITDA

The Group's net loss for the year ended 31 December 2024 was approximately $181.6 million (2023: $33.1 million), representing an increase of 449.2% compared to last year. The increase was mainly due to (i) the depreciation and amortisation of approximately $74 million arising from the fair values adjustments on the property, plant and equipment and the intangible assets of the BTHL Group upon the completion of the acquisition; and (ii) the finance costs of approximately $68 million due to the recognition of liabilities arising from the deferred payments payable by the Group for the acquisition and the unsettled consideration payable by the Group for the Put Option Shares.

Excluding the interest, tax, depreciation and amortisation, the Group recorded a strong EBITDA of approximately $302.9 million (2023: $57.7 million), an increase of 425.2% compared to last year.

Revenue

During the year, the Group managed its operations by the existing reportable segment revenue from the business of (i) trading, (ii) terminal storage, (iii) retail filling station, (iv) transportation and (v) media and advertising. The breakdown is as follows:

	2024		2023		
	$'000	***%***	*$'000*	*%*	Change %
Trading business					
Sales of oil and petrochemical products	**1,649,647**	**46.5**	797,703	84.1	+106.8
Terminal storage business					
Storage income	**91,557**	**2.6**	106,259	11.2	-13.8
Port and transshipment income	**36,686**	**1.0**	39,216	4.1	-6.5
Retail filling station business					
Revenue from operating and leasing a filling station	**30,659**	**0.9**	5,332	0.6	+475.0
Transportation business *					
Fare revenue	**1,538,763**	**43.3**			
Bus hire income	**10,179**	**0.3**			
Miscellaneous	**4,140**	**0.1**			
Media and advertising business *					
Advertising income	**189,435**	**5.3**			
	3,551,066	**100.0**	948,510	100.0	+274.4

* Data represents the period from 1 August 2024 (immediately after the completion of the acquisition) to 31 December 2024

During the year ended 31 December 2024, the Group's revenue was approximately $3,551.1 million (2023: $948.5 million), representing an increase of 274.4% compared to the previous year. This remarkable growth was mainly attributable to the consolidation of newly acquired BTHL Group since the completion date of the acquisition and a significant rise in trading revenue during the year.

Revenue from the trading, terminal storage and retail filling station businesses were approximately $1,649.6 million (2023: $797.7 million), $128.2 million (2023: $145.5 million) and $30.7 million (2023: $5.3 million), respectively. Revenue from newly acquired transportation and media and advertising business contributed approximately $1,553.1 million (2023: N/A) and $189.4 million (2023: N/A), respectively, to the Group immediately after the completion of the acquisition to 31 December 2024. Despite a decline in terminal storage income due to a lower leaseout rate, the Group achieved substantial growth in overall revenue, primarily driven by the consolidation of revenue of approximately $1,742.5 million from the BTHL Group since the completion of the acquisition and the increase in trading revenue of $851.9 million due to the increase in the number of sale contracts entered and sales volumes of oil and petrochemical products compared to last year.

Fare revenue mainly represented income received from the provision of bus transport services through the operation of two bus franchises, namely CTB (F2) and CTB (F3), and non-franchised bus services in Hong Kong. During the period from 1 August 2024 (immediately after the completion of the acquisition) to 31 December 2024, the fare revenue amounted to $1,538.8 million.

Advertising income mainly represented (i) income from advertising partners for the use of bus shelters in providing advertising services through Citybus; (ii) income from the provision of advertising services on interior and exterior surfaces of bus bodies through BML; (iii) income from the provision of advertising services across multiple MTR lines, including the East Rail Line, Tuen Ma Line, Light Rail, and MTR Bus through BML; and (iv) the production and installation income from advertisements through BML. During the period from 1 August 2024 (immediately after the completion of the acquisition) to 31 December 2024, the advertising income amounted to approximately $189.4 million.

Other income

During the year ended 31 December 2024, the Group's other income was approximately $20.8 million (2023: $8.9 million), representing an increase of 134.3% compared to the previous year. The increase was primarily attributable to the increase in interest income. The breakdown of other income is set out in note 3.

Operating costs

During the year ended 31 December 2024, the Group's operating costs were approximately $3,557.5 million (2023: $954.9 million), representing an increase of 272.5% compared to the previous year. The increase was mainly attributable to the increase in cost of inventories sold by $886.7 million, representing an increase of 114.3% compared to the previous year, due to the increase in trading revenue during the year. In addition to the increase in cost of inventories sold, the consolidation of newly acquired BTHL Group resulted in a substantial increase in staff costs by $870.9 million, depreciation and amortisation by $233.3 million, bus energy costs by $175.5 million, and repair and maintenance by $140.0 million during the year.

Finance costs

During the year, the finance costs amounted to approximately $190.9 million (2023: $31.7 million). The increase was mainly attributable to the recognition of liabilities arising from the deferred payments payable by the Group for the acquisition, the unsettled consideration payable by the Group for the Put Option Shares, the increase in interest on bank loans, and interest on lease liabilities after the acquisition of BTHL Group.

Taxation

During the year ended 31 December 2024, the Group's income tax expenses were approximately $5.1 million (2023: $3.8 million), representing an increase of 32.8% compared to the previous year. The details of income tax expenses are set out in note 5.

Basic and diluted loss per share

The basic and diluted losses per share for the year ended 31 December 2024 were 4.52 cents (2023: 0.91 cent).

LIQUIDITY, GEARING AND CAPITAL STRUCTURE

As at 31 December 2024, the Group's total cash and bank balances amounted to approximately $488.0 million (2023: $374.9 million). The increase in the Group's total cash and bank balances was primarily attributable to the completion of the acquisition of the BTHL Group. Most of the funds were held in HK dollars, RMB and US dollars.

As at 31 December 2024, the Group had total assets of approximately $9,870.2 million (2023: $1,957.0 million) and net current liabilities of approximately $547.8 million (2023: net current assets of $376.2 million). The current ratio as at 31 December 2024 of the Group was 0.69 (2023: 2.38). The turnaround from net current assets in 2023 to net current liabilities in 2024 was primarily attributable to the recognition of liabilities arising from the deferred payments payable by the Group for the acquisition, the increase in trade and other payables as well as short-term bank borrowings after the acquisition of the BTHL Group.

As at 31 December 2024, the Group had outstanding bank and other borrowings of approximately $2,394.8 million (2023: $564.0 million). The increase was mainly attributable to the consolidation of BTHL Group's total bank loans of $1,711.6 million since the completion of the acquisition of the BTHL Group. The total equity of the Group as at 31 December 2024 was approximately $1,070.1 million (2023: $1,233.1 million). The gearing ratio (defined as total liabilities to total assets) as at 31 December 2024 was 89.2% (2023: 37.0%).

Subsequently to the balance sheet date, the Group successfully obtained new loan facilities of up to $2,800 million (comprising a term loan facility of up to $2,000 million and revolving loan facilities of up to $800 million) (the "New Loan Facilities") from China CITIC Bank International Limited ("CNCBI"). The proceeds will be used to refinance the Group's existing loan facilities with CNCBI and provide the Group with additional funds for general corporate and working capital purposes. In addition, the Group obtained a shareholder's loan facility of $900 million from the controlling shareholder, Mr. David An. The proceeds are used to early settle the deferred payments payable by the Group for the acquisition of BTHL. This arrangement significantly improves the current financial position. The details are set out in note 15.The Group actively considers various financial methods to improve its existing financial position and reduce the degree of leverage of the Group.

FINANCIAL RESOURCES

The Group actively monitors its liquidity requirement and financial resources to maintain a healthy and stable financial position. Throughout the financial year ended 31 December 2024, the Group met its working capital requirement principally from its business operations and financed with facilities provided by banks. Management is confident that the Group has adequate financial resources to meet its future debt repayment and support its working capital and future expansion requirements. Due attention will be paid to the capital and debt markets as well as the latest developments of the Group to ensure the efficient use of financial resources.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 31 December 2024, the Group's significant investments comprised unlisted equity securities and financial assets set out as below.

(i) Acquisition of 54.44% of the Total Issued Shares of BTHL

Reference is made to the announcements of the Company dated 21 August 2020 and 21 October 2020 in respect of the 2020 Acquisition (as defined below), the announcements of the Company dated 3 December 2021 and 28 March 2022 and the circular of the Company dated 29 July 2022 in respect of the 2021 Acquisition (as defined below), and the announcements of the Company dated 24 May 2024, 17 July 2024 and 31 July 2024 and the circular of the Company dated 21 June 2024 (the "Acquisition Circular") in respect of the acquisition of 54.44% of the total issued shares of BTHL by Glorify Group Limited ("Glorify"), a wholly-owned subsidiary of the Company (the "Acquisition"). Unless otherwise indicated, capitalised terms used in this section shall have the same meanings as those defined in the Acquisition Circular.

The unlisted equity securities are shares in BTHL, a company incorporated in the British Virgin Islands and engaged in investment holding. The principal subsidiaries of BTHL include Bravo Transport Services Limited ("BTSL") which is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in the provision of public bus and travel related services in Hong Kong through its principal subsidiary, Citybus.

On 21 August 2020, Glorify entered into a share subscription agreement (the "2020 BTHL Share Subscription Agreement") with TWB Holdings, ABL and BTHL, pursuant to which each of Glorify, TWB Holdings and ABL subscribed for BTHL Shares constituting (in aggregate) approximately 8.56%, 90.85% and 0.59%, respectively of the total issued BTHL Shares for the aggregate consideration of approximately $119 million (equivalent to US$15.3 million), $1,258 million (equivalent to US$162.3 million) and $8 million (equivalent to US$1.1 million), respectively. On the same day (immediately after signing of the 2020 BTHL Share Subscription Agreement), BTHL and NWS Service Management Limited ("NWS Service") entered into an acquisition agreement (the "2020 Acquisition Agreement"), pursuant to which NWS Service agreed to sell, and BTHL agreed to purchase all the issued BTSL Shares for a total consideration of $3,200 million (the "2020 Acquisition"). The subscription of the BTHL Shares under the 2020 BTHL Share Subscription Agreement was fully completed on 30 September 2020, and the completion of the 2020 Acquisition under the 2020 Acquisition Agreement took place on 15 October 2020. Following the completion of 2020 Acquisition and as at 31 December 2020, Glorify held 855.91 BTHL Shares, representing approximately 8.56% of the total issued BTHL Shares.

On 3 December 2021, Glorify entered into an acquisition agreement (the "2021 Acquisition Agreement") with TWB Holdings and ABL, pursuant to which Glorify acquired an aggregate of 700 BTHL Shares, being 695 BTHL Shares from TWB Holdings and 5 BTHL Shares from ABL ("2021 Acquisition"), respectively and together representing 7% of the total issued BTHL Shares at the total consideration of $350 million (equivalent to US$44.9 million), of which $244.5 million was for tranche 1 sale shares of 489 BTHL Shares and $105.5 million was for tranche 2 sale shares of 211 BTHL Shares. Tranche 1 completion and tranche 2 completion took place on 8 December 2021 and 28 March 2022 respectively. Immediately after tranche 1 completion and as at 31 December 2021, Glorify held 1,344.91 BTHL Shares, representing approximately 13.45% of the total issued BTHL Shares. Immediately after tranche 2 completion and as at 31 December 2022, Glorify held 1,555.91 BTHL Shares, representing approximately 15.56% of the total issued BTHL Shares.

As at 31 December 2023, the Group recorded a fair value of $700.0 million in respect of its holding in about 15.56% of such BTHL Shares. The fair value of such BTHL Shares represented 35.8% of the Group's total assets and 100% of the aggregate fair value of the Group's investment portfolio.

On 24 May 2024, the Acquisition Agreement was entered into between TWB Holdings and ABL (as vendors), Glorify (as purchaser) and the Company, pursuant to which Glorify conditionally agreed to acquire, and TWB Holdings and ABL have conditionally agreed to sell 5,444.09 shares of BTHL, representing approximately 54.44% of the total issued BTHL Shares, at the consideration of $2,722,045,000 for the Acquisition. Upon the completion of the Acquisition (the "Completion"), the Group held 70% of the total issued BTHL Shares. On 17 July 2024, the Acquisition was approved by the shareholders of the Company at the extraordinary general meeting of the Company ("EGM").

On 31 July 2024, the Completion pursuant to the Acquisition Agreement took place. Immediately after Completion, such investment was derecognised and the assets and liabilities of BTHL Group were consolidated into the Group, and accordingly, Glorify held 7,000 BTHL Shares, representing 70% of the total issued BTHL Shares.

On 31 July 2024, the New Shareholders' Agreement in respect of BTHL, which contains provisions relating to, among other things, the Call Option and the Put Option in respect of 30% of the total issued BTHL Shares, was entered into between Glorify and TWB Holdings. At any time during the Call Option Period, subject to all outstanding amounts due to the vendors under the Acquisition Agreement having been settled in full, Glorify shall have the option (but not the obligation) (the "Call Option"), exercisable by serving a written notice on TWB Holdings, to purchase all or part of the BTHL Shares then held by TWB Holdings. If Glorify does not exercise its aforesaid Call Option in full during the Call Option Period, during the Put Option Period, TWB Holdings shall have the option, exercisable by serving a written notice on Glorify, to require Glorify to purchase the BTHL Shares held by TWB Holdings. At the end of the Put Option Period, with regard to all the BTHL Shares then held by TWB Holdings, the Put Option shall be deemed exercised on the last day of the Put Option Period in respect of all of the BTHL Shares (if any) then held by TWB Holdings.

On 31 July 2024, the Company allotted and issued 278,915,965 Consideration Shares to TWB Holdings, representing approximately 7.05% of the issued share capital of the Company as at 31 July 2024 and approximately 6.59% of the issued share capital of the Company as enlarged by the issue of the Consideration Shares. Subsequent to the issue of the Consideration Shares, and as at 31 December 2024, the Group had deferred payment of $2,000 million in relation to the Acquisition. Subsequent to the year-end date and up to the date of this announcement, the deferred payment of $1,872 million out of $2,000 million has been settled by the Group. The remaining balance of deferred payment is $128 million.

(ii) Security

As security for the payment of the deferred consideration under the 2020 Acquisition, TWB Holdings had granted a share charge over 51% of the total issued BTHL Shares to NWS Service (i.e. the 2020 NWS Share Charge). Accordingly, in order to facilitate the Acquisition, the 2020 NWS Share Charge was released by NWS Service pursuant to a deed of release dated 26 July 2024 prior to Completion. Immediately after Completion, it was replaced by a new share charge over 51% of the total issued BTHL Shares dated 31 July 2024, granted by Glorify and TWB Holdings, on a pro rata basis based on their respective shareholding in BTHL immediately after Completion (the "2024 NWS Share Charge"). As such, upon Completion, under the 2024 NWS Share Charge, each of Glorify and TWB Holdings had granted a share charge in respect of 3,600 BTHL Shares (representing 36% of the total issued BTHL Shares) and 1,500 BTHL Shares (representing 15% of the total issued BTHL Shares), respectively, to NWS Service. On the same day, as security for the payment of the deferred payment under the Acquisition, Glorify had granted a share charge over 3,400 BTHL Shares (representing 34% of the total issued BTHL Shares) in favour of TWB Holdings. As such, all of the BTHL Shares (i.e. 7,000 BTHL Shares) owned by Glorify had been charged as security.

Save for the above disclosed, there were no other significant investments, nor were there any other material acquisitions or disposals during the year. The Group did not have any future plans for materials investments nor addition of capital assets as at the reporting date.

EXPOSURE TO FLUCTUATION IN EXCHANGE RATES, PRICES AND RELATED HEDGE

Foreign Currency Risk

The Group's cash and bank balances are held predominately in HK dollars, RMB and US dollars. Operating outgoings incurred by the Group's PRC subsidiaries are mainly denominated in RMB, which usually receives revenue in RMB as well. The Group's exposure to foreign currency risk mainly arises from transactions where storage, port, and transsshipment income are billed in a currency different from the functional currency of the respective operations. However, as most of the Group's revenue and expenditure are naturally aligned in their respective functional currencies, management considers that the Group's exposure to fluctuation in exchange rates is not significant.

Fuel Price Risk

Prices of oil products are affected by a wide range of global and domestic factors which are beyond the control of the Group. The fluctuations in such prices may have favourable or unfavourable impacts on the Group. For the Group's trading business, the Group mainly operates on a back-to-back sale and purchase model and has been vigorously developing the establishment of end customers of filling stations to reduce procurement costs by centralising procurement, retail and wholesale, which not only reduces the risk of oil price fluctuations but also enhances profitability. For the Group's core franchised public bus operations, fuel price fluctuations can have a significant financial impact, as fuel costs represent a major component of operating expenses. To mitigate fuel price risk, the Group has entered into supplier contracts with diesel suppliers to secure fuel at stable pricing and ensure a reliable supply, while utilizing the fuel price call option contract. Management will continue to closely monitor fuel price rate movements and review its strategy in respect of fuel price risk management in light of prevailing market conditions.

Interest Rate Risk

The Group's interest rate risk arises primarily from bank and other loans. In view of the volatile financial markets, the Group will continue to closely monitor the market conditions and devise suitable strategies to manage its exposure to interest rate risk. To manage the fluctuations in the interest rate, the Group has entered into the interest rate cap option contract. As at 31 December 2024, all of the Group's borrowings were denominated in Hong Kong dollars and RMB and over 70% of the Group's borrowings were on a floating rate basis (2023: all were on fixed rate basis). Management will continue to closely monitor interest rate movements and review its strategy in respect of interest rate risk management in light of prevailing market conditions.

Save for the above disclosed, there were no other significant risks of exchange rates, price, and related hedge during the year ended 31 December 2024.

EMPLOYEE AND REMUNERATION POLICY

As at 31 December 2024, the Group had a total of approximately 6,040 employees (2023: 174). The number of employees increased in 2024 mainly due to the completion of acquisition of BTHL Group during the year. The Group aims to recruit, retain and develop competent individuals who are committed to the Group's long-term success and growth. Remunerations and other benefits of employees are reviewed annually in response to both market conditions and trends, and are based on qualifications, experience, responsibilities and performance. In addition to basic salaries and other staff benefits, discretionary bonuses, share options and share awards may be awarded to employees who display outstanding performance and contributions to the Group.

CHARGE ON GROUP'S ASSETS

In addition to the security arrangements referred to in the section headed "SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS – (ii) Security" above, the Group has provided the lender with certain of the Group's property, plant and equipment, interests in leasehold land and buildings held for own use, trade and other receivables (including amounts due from group companies within the Group), cash and bank balances, inventories, derivative financial assets, restricted bank balances and the entire issued shares in certain subsidiaries as collaterals for the banking facilities granted. Details are set out in note 10.

COMMITMENT

Details of commitments are set out in note 13.

CONTINGENT LIABILITIES

As at 31 December 2024, the Group has no material contingent liabilities.

EVENTS AFTER BALANCE SHEET DATE

Details of events after the end of the reporting period are set out in note 15.

FINAL DIVIDEND

The Board recommended a final dividend of HK1.5 cents per Share for the year ended 31 December 2024, subject to approval by the Shareholders at the annual general meeting ("AGM") to be held on Thursday, 22 May 2025.

The ordinary final dividend will be payable in cash, with an option for the shareholders of the Company to receive new and fully paid ordinary shares in lieu of cash or partly in cash or partly in shares under a scrip dividend scheme (the "Scrip Dividend Scheme"). The new shares will, on issue, not be entitled to the aforesaid ordinary final dividend, but will rank pari passu in all other respects with the existing shares. The circular containing details of the Scrip Dividend Scheme and the election form are expected to be sent to shareholders on or about Wednesday, 11 June 2025.

The Scrip Dividend Scheme is conditional upon the passing of the resolution relating to the payment of ordinary final dividend at the forthcoming AGM to be held on 22 May 2025 or at any adjournment thereof and the granting of the listing of and permission to deal in the new shares to be issued under the Scrip Dividend Scheme by the Listing Committee of The Stock Exchange of Hong Kong Limited. The ordinary final dividend and any share certificates to be issued under the Scrip Dividend Scheme are expected to be distributed and sent to shareholders on or about Friday, 11 July 2025.

CORPORATE GOVERNANCE

The Company is committed to a high standard of corporate governance practices appropriate to the conduct and growth of its business in compliance with the principles and code provisions (the "Code Provisions") set out in the corporate governance code (the "CG Code") contained in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Board is of the view that throughout the year, the Company has complied with the CG Code except for the deviations from Code Provision F.2.2 as the chairman of the Board and one of the Directors were unable to attend the last annual general meeting held on 25 April 2024 due to business engagements. They will use their best endeavours to attend all future shareholders' meetings of the Company.

The Company regularly reviews its corporate governance practices to ensure that these continue to meet the requirements of the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Listing Rules. Specific enquiry has been made to all Directors and all of them have confirmed that they have fully complied with the Model Code and there was no event of non-compliance throughout the year ended 31 December 2024.

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

Save as disclosed in elsewhere in this results announcement, during the year ended 31 December 2024, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

REVIEW OF ANNUAL RESULTS

The Group's annual results for the year ended 31 December 2024 have been reviewed by the audit committee of the Company.

Scope of work of KPMG

The figures in respect of the Group's consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this preliminary announcement have been agreed by the Group's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on the preliminary announcement.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement of the annual results for the year ended 31 December 2024 is published on the websites of the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.hansgh.com), and the 2024 annual report of the Company will be dispatched to the shareholders of the Company upon request and published on the aforesaid websites in due course.

By order of the Board
Hans Group Holdings Limited
Yang Dong
Chief Executive Officer and Executive Director

Hong Kong, 26 March 2025

As at the date of this announcement, the Board comprises four executive directors, namely Mr. David An (Chairman), Mr. Yang Dong, Mr. Zhang Lei and Mr. Li Wai Keung, two non-executive directors, namely Mr. Nicolas Charles Philippe de Mascarel de la Corbiere and Mr. James Anthony Williamson, and three independent non-executive directors, namely Mr. Chan Chun Wai, Tony, Mr. Chung Chak Man, William and Ms. Helen Zee.

website : www.hansgh.com