时代中国
TIMES CHINA

TIMES CHINA HOLDINGS LIMITED
時代中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1233)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

ANNUAL RESULTS HIGHLIGHTS

– Contracted sales for the year of RMB14.346 billion, representing a decrease of 63.9% as compared with last year; Average contracted sales price of RMB15,862 per square meter, representing a decrease of 1.5% as compared with last year;

– Revenue for the year of RMB21,010.8 million, representing a decrease of 14.0% as compared with last year;

– Annual loss for the year of RMB4,344.6 million, representing a decrease of 54.5% as compared with last year;

– Core net loss attributable to the owners of the Company[Note 1] for the year of RMB4,603.4 million, representing a decrease of 53.1% as compared with last year;

– During the year, the Group has effectively controlled costs and expenses for cost management; and

– In 2023, the Group has delivered 35 projects with over 45,000 flat units.

Note 1: Core net loss attributable to the owners of the Company is the net loss attributable to shareholders less changes in the fair value of self-owned investment properties, excluding the impact of the related deferred tax, changes in fair value of derivative financial instruments and gain on disposal.

RESULTS

The board (the "Board") of directors (the "Directors") of Times China Holdings Limited ("Times China" or the "Company") is pleased to announce the consolidated annual results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2023 (the "Reporting Period") together with the comparative figures for the corresponding year of 2022 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2023

	Notes	**2023** **_RMB'000_**	2022 *RMB'000* (Restated)
REVENUE	*4*	**21,010,813**	24,423,705
Cost of sales		**(18,423,099)**	(21,061,053)
Gross profit		**2,587,714**	3,362,652
Other income and gains	*4*	**643,210**	704,958
Selling and marketing costs		**(268,490)**	(717,292)
Administrative expenses		**(808,060)**	(990,140)
Other expenses		**(5,198,612)**	(9,537,914)
Finance costs	*6*	**(1,248,297)**	(840,203)
Share of profits and losses of joint ventures and associates		**414,869**	(616,644)
LOSS BEFORE TAX	*5*	**(3,877,666)**	(8,634,583)
Income tax expense	*7*	**(466,915)**	(911,416)
LOSS FOR THE YEAR		**(4,344,581)**	(9,545,999)
Attributable to:			
Owners of the Company		**(4,506,669)**	(9,862,743)
Non-controlling interests		**162,088**	316,744
		(4,344,581)	(9,545,999)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	*9*		
Basic and diluted		**RMB(2.14)**	RMB(4.72)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2023

	2023	2022
	RMB'000	*RMB'000*
		(Restated)
LOSS FOR THE YEAR	**(4,344,581)**	(9,545,999)
OTHER COMPREHENSIVE (LOSS)/INCOME		
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:		
Cash flow hedges:		
Effective portion of changes in fair value of derivative financial instruments arising during the year	**–**	50,517
Hedging losses reclassified to profit or loss	**–**	(32,592)
Share of other comprehensive loss of a joint venture	**(32,038)**	(80,525)
Exchange differences on translation of foreign operations	**(272,297)**	(1,766,787)
	(304,335)	(1,829,387)
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:		
Changes in the fair value of equity investments designated at fair value through other comprehensive income, net of tax	**(83,550)**	1,362
Gains on property revaluation, net of tax	**28,718**	–
OTHER COMPREHENSIVE LOSS FOR THE YEAR	**(359,167)**	(1,828,025)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(4,703,748)**	(11,374,024)
Attributable to:		
Owners of the Company	**(4,865,836)**	(11,690,768)
Non-controlling interests	**162,088**	316,744
	(4,703,748)	(11,374,024)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2023

	Notes	**2023** **RMB'000**	2022 RMB'000 (Restated)	1 January 2022 RMB'000 (Restated)
NON-CURRENT ASSETS				
Property, plant and equipment		**770,355**	960,701	1,087,550
Inventories of properties		**458,258**	458,258	689,026
Right-of-use assets		**79,161**	139,482	82,109
Investment properties		**8,420,554**	7,820,063	9,238,633
Goodwill		**60,465**	60,465	60,465
Other intangible assets		**169,211**	178,645	179,013
Interests in joint ventures		**10,461,674**	12,818,628	17,833,422
Interests in associates		**2,390,158**	3,244,484	6,017,228
Equity investments designated at fair value through other comprehensive income		**223,594**	415,603	359,594
Deferred tax assets		**1,769,244**	2,461,891	2,299,701
Prepayments, deposits and other receivables		**2,333,587**	3,241,022	4,318,787
Total non-current assets		**27,136,261**	31,799,242	42,165,528
CURRENT ASSETS				
Inventories of properties		**62,905,315**	79,110,755	89,814,144
Trade receivables	*10*	**847,016**	1,088,701	5,457,337
Contract assets		**75,253**	153,711	249,147
Contract costs		**774,459**	1,017,608	880,409
Prepayments, deposits and other receivables		**17,964,729**	21,820,025	28,118,619
Amounts due from joint ventures		**4,154,306**	4,769,038	7,015,382
Amounts due from associates		**371,716**	410,778	1,297,828
Tax prepayments		**2,906,014**	2,987,694	2,584,347
Restricted bank deposits		**2,239,264**	4,010,980	5,938,896
Cash and cash equivalents		**1,732,847**	2,738,415	14,718,289
Total current assets		**93,970,919**	118,107,705	156,074,398
CURRENT LIABILITIES				
Trade and bills payables	*11*	**8,201,955**	12,886,311	18,385,441
Other payables and accruals		**16,731,293**	17,807,888	25,406,636
Contract liabilities		**13,945,900**	25,933,146	30,696,157
Amounts due to joint ventures		**5,856,989**	5,846,902	7,704,130
Amounts due to associates		**2,357,025**	2,481,820	2,492,378
Amount due to immediate holding company		**496,686**	488,822	–
Interest-bearing bank and other borrowings and interest payable		**27,775,290**	34,623,030	11,830,405
Lease liabilities		**13,252**	11,067	28,419
Tax payable		**11,164,743**	12,555,131	12,445,597
Total current liabilities		**86,543,133**	112,634,117	108,989,163
NET CURRENT ASSETS		**7,427,786**	5,473,588	47,085,235
TOTAL ASSETS LESS CURRENT LIABILITIES		**34,564,047**	37,272,830	89,250,763

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 31 December 2023

	2023	2022	1 January 2022
	RMB'000	*RMB'000*	*RMB'000*
		(Restated)	(Restated)
TOTAL ASSETS LESS CURRENT LIABILITIES	**34,564,047**	37,272,830	89,250,763
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings and interest payable	**19,211,043**	13,208,348	42,374,532
Derivative financial instruments	**–**	–	19,912
Other long-term payables	**5,034**	95,194	187,881
Lease liabilities	**2,963,946**	2,440,144	2,400,402
Deferred tax liabilities	**1,726,316**	1,659,556	1,723,634
Total non-current liabilities	**23,906,339**	17,403,242	46,706,361
Net assets	**10,657,708**	19,869,588	42,544,402
EQUITY			
Equity attributable to owners of the Company			
Share capital	**167,656**	167,656	158,054
Reserves	**465,727**	5,544,139	18,993,581
	633,383	5,711,795	19,151,635
Non-controlling interests	**10,024,325**	14,157,793	23,392,767
Total equity	**10,657,708**	19,869,588	42,544,402

NOTES TO FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION

The Company was incorporated in the Cayman Islands on 14 November 2007 under the name of Times Property (Holdings) Co., Limited as an exempted company with limited liability under the Companies Act, Cap. 22 of the Cayman Islands. Pursuant to a special resolution passed on 24 January 2008, the Company's name was changed from Times Property (Holdings) Co., Limited to Times Property Holdings Limited. Pursuant to a special resolution passed on 15 January 2018, the Company's name was changed from Times Property Holdings Limited to Times China Holdings Limited. The registered office address is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands.

The Company is an investment holding company. During the year, the Company's subsidiaries were mainly involved in property development, urban redevelopment business and property leasing in the People's Republic of China (the "PRC").

In the opinion of the Directors, the immediate holding company of the Company is Asiaciti Enterprises Ltd., which was incorporated in the British Virgin Islands (the "BVI"), and the ultimate holding company is Renowned Brand Investments Limited ("Renowned Brand"), which was incorporated in the BVI. Renowned Brand is wholly owned by Mr. Shum Chiu Hung ("Mr. Shum"), the founder of the Company and the Group.

The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 11 December 2013.

2.1 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRSs") (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations) issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties and certain financial instruments that are carried at fair value at the end of each reporting period.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2023. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

Going concern basis

The Group recorded a loss attributable to the owners of the Company of RMB4,506,669,000 for the year ended 31 December 2023. As at 31 December 2023, the Group's total bank and other borrowings amounted to RMB46,143,687,000, out of which RMB27,454,696,000 will be due for repayment within the next twelve months, while its cash and cash equivalents amounted to RMB1,732,847,000. As at 31 December 2023, the Group was in default of borrowings (the "Defaulted Borrowings") with principal amount totaling RMB21,387,158,000 and interest totaling RMB1,750,229,000 because of non-payment at their respective due dates. Such default event also triggered cross-defaults of certain bank and other borrowings with an aggregate amount of RMB275,920,000 (the "Cross Defaulted Borrowings").

The above conditions indicate the existence of material uncertainties which cast significant doubt over the Group's ability to continue as a going concern. In view of such circumstances, the directors of the Company have undertaken a number of plans and measures to improve the Group's liquidity and financial position, including:

(i) the Group has appointed a financial adviser to assist it with a restructuring of its senior notes and corporate bonds, in order to reach a consensual solution with all the stakeholders as soon as practical.

(ii) the Group is actively negotiating with several existing financial institutions on the renewal of certain borrowings.

(iii) the Group will continue to implement measures to accelerate the sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables.

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

(v) the Group will continue to seek opportunities to dispose its assets or urban redevelopment projects.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 31 December 2023. They are of the opinion that, taking into account the abovementioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2023. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following:

(i) successful and timely completion of the restructuring of the Group's Defaulted Borrowings and the Group's ability to continue complying with the terms and conditions in the respective loan restructuring agreements.

(ii) successfully negotiating with the Group's existing lenders for the Defaulted Borrowings and Cross Defaulted Borrowings and reaching agreements with them for not taking any actions against the Group to exercise their right to demand immediate payment of the principals and interest of these borrowings.

(iii) successfully negotiating with the borrowers for the renewal or extension for repayment of the Group's bank and other borrowings.

(iv) the Group's ability to accelerate the sales of properties and urban redevelopment projects by carrying out the Group's business strategy plan and to accelerate the collection of outstanding sales proceeds.

(v) successful and timely implementation of the plans to dispose of certain of its other assets, such as lands, equity interests in project development companies and timely collection of the proceeds.

Should the Group fail to achieve the abovementioned plans and measures and operate as a going concern, adjustments would have to be made to write down the carrying amount of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised IFRSs for the first time for the current year's financial statements.

IFRS 17	*Insurance Contracts*
Amendments to IAS 1 and IFRS Practice Statement 2	*Disclosure of Accounting Policies*
Amendments to IAS 8	*Definition of Accounting Estimates*
Amendments to IAS 12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
Amendments to IAS 12	*International Tax Reform – Pillar Two Model Rules*

The nature and the impact of the new and revised IFRSs that are applicable to the Group are described below:

(a) Amendments to IAS 1 require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to IFRS Practice Statement 2 *Making Materiality Judgements* provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. The Group has disclosed the material accounting policy information in note 2 to the financial statements. The amendments did not have any impact on the measurement, recognition or presentation of any items in the Group's financial statements.

(b) Amendments to IAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. Since the Group's approach and policy align with the amendments, the amendments had no impact on the Group's financial statements.

(c) Amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* narrow the scope of the initial recognition exception in IAS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for temporary differences arising from these transactions.

Prior to the initial application of these amendments, the Group applied the initial recognition exception and did not recognise a deferred tax asset and a deferred tax liability for temporary differences for transactions related to leases. The Group has applied the amendments on temporary differences related to leases as at 1 January 2022. Upon initial application of these amendments, the Group recognised (i) a deferred tax asset for all deductible temporary differences associated with lease liabilities (provided that sufficient taxable profit is available), and (ii) a deferred tax liability for all taxable temporary differences associated with right-of-use assets at 1 January 2022, with cumulative effect recognised as an adjustment to the balances of retained profits and non-controlling interests at that date. The quantitative impact on the financial statements is summarised below.

Impact on the consolidated statements of financial position:

	Increase/(decrease)		
	As at 31 December 2023	As at 31 December 2022	As at 1 January 2022
	RMB'000	*RMB'000*	*RMB'000*
Assets			
Deferred tax assets	**97,851**	169,042	113,271
Total non-current assets	**97,851**	169,042	113,271
Total assets	**97,851**	169,042	113,271
Liabilities			
Deferred tax liabilities	**167,317**	205,909	223,681
Total non-current liabilities	**167,317**	205,909	223,681
Total liabilities	**167,317**	205,909	223,681
Net assets	**(69,466)**	(36,867)	(110,410)
Equity			
Retained profits (included in reserves)	**(69,466)**	(36,867)	(110,410)
Equity attributable to owners of the parent	**(69,466)**	(36,867)	(110,410)
Total equity	**(69,466)**	(36,867)	(110,410)

Impact on the consolidated statements of profit or loss:

	Increase/(decrease) For the year ended 31 December	
	2023	2022
	RMB'000	*RMB'000*
Income tax expense	**32,599**	(73,543)
Profit for the year	**32,599**	(73,543)
Attributable to:		
Owners of the parent	**32,599**	(73,543)
Non-controlling interests	**–**	–
	32,599	(73,543)
Total comprehensive income for the year	**32,599**	(73,543)
Attributable to:		
Owners of the parent	**32,599**	(73,543)
Non-controlling interests	**–**	–
	32,599	(73,543)

The adoption of amendments to IAS 12 did not have any material impact on the basic and diluted loss per share attributable to ordinary equity holders of the parent, other comprehensive income and the consolidated statements of cash flows for the years ended 31 December 2023 and 2022.

(d) Amendments to IAS 12 *International Tax Reform – Pillar Two Model Rules* introduce a mandatory temporary exception from the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. The amendments also introduce disclosure requirements for the affected entities to help users of the financial statements better understand the entities' exposure to Pillar Two income taxes, including the disclosure of current tax related to Pillar Two income taxes separately in the periods when Pillar Two legislation is effective and the disclosure of known or reasonably estimable information of their exposure to Pillar Two income taxes in periods in which the legislation is enacted or substantively enacted but not yet in effect.

The Group has not yet applied the temporary exception during the current year because the entities comprising the Group are operating in jurisdictions in which the Pillar Two tax law has not yet been enacted or substantively enacted. The Group will disclose known or reasonably estimable information related to its exposure to Pillar Two income taxes in the consolidated financial statements by the time when the Pillar Two tax law has been enacted or substantively enacted and will disclose separately the current tax expense or income related to Pillar Two income taxes when it is in effect.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into the following reportable operating segments:

(a)	Property development:	Development and sale of properties
(b)	Urban redevelopment business:	Sale of land held for development and other related activities
(c)	Property leasing:	Property leasing (including the leasing of self-owned properties and subleasing of leased properties) and other related activities

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit before tax except that bank interest income, non-lease-related finance costs, share of profits and losses of joint ventures and associates, impairment loss of interests in joint ventures, loss on disposals of a joint venture and an associate, gain on repurchase of senior notes, as well as head office and corporate income and expenses are excluded from this measurement.

The Group's revenue from external customers is derived solely from its operations in Chinese Mainland. Except for the Group's certain equity investments designated at fair value through other comprehensive income ("FVOCI") amounting to USD547,000 (approximately equivalent to RMB3,874,000) (2022: certain equity investments designated at FVOCI amounting to USD632,000 (approximately equivalent to RMB4,399,000)), the Group's certain right-of-use assets amounting to RMB16,215,000 (2022: RMB25,062,000), and the Group's certain property, plant and equipment of RMB3,436,000 (2022: RMB5,726,000), the Group's non-current assets are located in Chinese Mainland.

Segment assets exclude interests in joint ventures, interests in associates, equity investments designated at FVOCI, deferred tax assets, amounts due from joint ventures, amounts due from associates, tax prepayments, restricted bank deposits, cash and cash equivalents and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude amount due to the immediate holding company, amounts due to joint ventures, amounts due to associates, interest-bearing bank and other borrowings and interest payable, tax payable, deferred tax liabilities, other long-term payables and derivative financial instruments as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

During the year, no revenue from transactions with a single external customer amounted to 10% or more of the Group's total revenue (2022: Nil).

Year ended 31 December 2023	Property development	Urban redevelopment business	Property leasing	Elimination	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Segment revenue					
Sales to external customers	**19,654,925**	**668,235**	**687,653**	**–**	**21,010,813**
Intersegment sales	**–**	**–**	**42,191**	**(42,191)**	**–**
Total segment revenue	**19,654,925**	**668,235**	**729,844**	**(42,191)**	**21,010,813**
Segment results	**(1,161,412)**	**(208,708)**	**276,340**	**–**	**(1,093,780)**
Reconciliation:					
Bank interest income					**47,659**
Unallocated corporate expenses					**(170,223)**
Finance costs (other than interest on lease liabilities)					**(1,015,995)**
Share of profits and losses of joint ventures and associates					**414,869**
Impairment loss of interests in joint ventures					**(2,045,572)**
Loss on disposals of joint ventures and associates					**(23,499)**
Gain on disposal of equity investments at fair value through other comprehensive income					**8,875**
Loss before tax					**(3,877,666)**
Segment assets	**78,245,618**	**7,033,175**	**9,554,153**	**–**	**94,832,946**
Reconciliation:					
Unallocated assets					**26,274,234**
Total assets					**121,107,180**
Segment liabilities	**33,779,650**	**2,263,857**	**3,831,025**	**–**	**39,874,532**
Reconciliation:					
Unallocated liabilities					**70,574,940**
Total liabilities					**110,449,472**
Other segment information					
Impairment on financial assets	**(9,786)**	**(275,266)**	**(356)**		**(285,408)**
Depreciation of property, plant and equipment	**(46,968)**	**(1,576)**	**(25,278)**		**(73,822)**
Depreciation of right-of-use assets	**(54,526)**	**–**	**–**		**(54,526)**
Amortisation of other intangible assets:					
Allocated amounts	**(31,044)**	**–**	**(179)**		**(31,223)**
Unallocated amounts					**(667)**
Fair value gains on investment properties, net	**–**	**–**	**120,716**	**–**	**120,716**

Year ended 31 December 2022	Property development	Urban redevelopment business	Property leasing	Elimination	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Segment revenue					
Sales to external customers	23,536,674	210,201	676,830	–	24,423,705
Intersegment sales	–	–	48,902	(48,902)	–
Total segment revenue	23,536,674	210,201	725,732	(48,902)	24,423,705
Segment results	(989,820)	(1,283,060)	86,473	–	(2,186,407)
Reconciliation:					
Bank interest income					82,218
Unallocated corporate expenses					(242,624)
Finance costs (other than interest on lease liabilities)					(623,285)
Share of profits and losses of joint ventures and associates					(616,644)
Impairment loss of interests in joint ventures					(5,014,237)
Loss on disposals of a joint venture and an associate					(198,842)
Gain on repurchase of senior notes					165,238
Loss before tax					(8,634,583)
Segment assets	97,014,132	9,674,586	9,328,689	–	116,017,407
Reconciliation:					
Unallocated assets					33,889,540
Total assets					149,906,947
Segment liabilities	51,513,696	2,972,102	4,425,032	–	58,910,830
Reconciliation:					
Unallocated liabilities					71,126,529
Total liabilities					130,037,359
Other segment information					
Impairment on financial assets	(17,607)	(398,913)	(196)	–	(416,716)
Depreciation of property, plant and equipment	(58,488)	(3,021)	(30,386)	–	(91,895)
Depreciation of right-of-use assets	(53,771)	–	–	–	(53,771)
Amortisation of other intangible assets:					
Allocated amounts	(26,426)	–	(169)	–	(26,595)
Unallocated amounts					(667)
Fair value losses on investment properties, net	–	–	(139,378)	–	(139,378)

4. REVENUE, OTHER INCOME AND GAINS

An analysis of the Group's revenue is as follows:

	2023	2022
	RMB'000	*RMB'000*
Revenue from contracts with customers	**20,323,160**	23,746,875
Revenue from other sources		
Gross rental income from investment property operating leases:		
Leases of self-owned properties	**134,441**	127,529
Subleases of leased properties	**553,212**	549,301
	687,653	676,830
Total revenue	**21,010,813**	24,423,705

Revenue from contracts with customers

(i) Disaggregated revenue information

For the year ended 31 December 2023

Segments	**Property development**	**Urban redevelopment business**	**Total**
	RMB'000	***RMB'000***	***RMB'000***
Types of goods or services			
Sale of completed properties	**19,654,925**	**–**	**19,654,925**
Urban redevelopment income	**–**	**668,235**	**668,235**
Total revenue from contracts with customers	**19,654,925**	**668,235**	**20,323,160**

For the year ended 31 December 2022

Segments	Property development	Urban redevelopment business	Total
	RMB'000	*RMB'000*	*RMB'000*
Types of goods or services			
Sale of completed properties	23,536,674	–	23,536,674
Urban redevelopment income	–	210,201	210,201
Total revenue from contracts with customers	23,536,674	210,201	23,746,875

All revenue from contracts with customers for the Group is recognised at a point in time when the completed properties for property sales or assets for urban redevelopment project are transferred to customers.

The following table shows the amount of revenue recognised in the current reporting period that was included in the contract liabilities at the beginning of the reporting period:

	2023	2022
	RMB'000	*RMB'000*
Sale of completed properties	**17,831,755**	20,326,872

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of completed properties

The performance obligation is satisfied upon delivery of the properties and the Group has already received the payment or has the right to receive the payment probably.

Urban redevelopment business

The performance obligation is satisfied at the point in time when control of the land held for development or other assets is transferred to the customer and payment is generally due within one year from transfer of control.

The amounts of transaction prices allocated to the remaining performance obligations as at 31 December 2023 and 31 December 2022 are as follows:

	2023	2022
	RMB'000	*RMB'000*
Amounts expected to be recognised as revenue:		
Within one year	**13,138,434**	15,972,701
After one year	**1,453,747**	13,065,199
Total	**14,592,181**	29,037,900

The amounts of transaction prices allocated to the remaining performance obligations expected to be recognised in more than one year relate to sale of properties, of which the performance obligations are to be satisfied within two years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised within one year. The amounts disclosed above do not include variable consideration which is constrained.

	2023	2022
	RMB'000	*RMB'000*
Other income		
Bank interest income	**47,659**	82,218
Interest income from third parties and joint ventures	**21,090**	10,155
Management fee income	**828**	44,651
Consultation fee income	**98,283**	101,659
Compensation income	**12,163**	21,693
Government grant income	**16,682**	11,524
Construction income	**39,426**	12,663
Others	**89,574**	64,072
Total other income	**325,705**	348,635
Gains, net		
Fair value gains on self-owned investment properties	**128,949**	67,143
Gain on repurchase of senior notes	**–**	165,238
Gain on disposal of financial assets at fair value through profit or loss	**1,091**	315
Gain on disposal of equity investments at fair value through other comprehensive income	**8,875**	1,125
Gain on termination of derivative financial instruments	**–**	33,774
Foreign exchange gain, net	**–**	88,728
Gain on disposal of land held for development	**23,930**	–
Gain on debt restructuring	**154,660**	–
Total gains	**317,505**	356,323
Total other income and gains	**643,210**	704,958

5. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	2023 *RMB'000*	2022 *RMB'000*
Cost of completed properties sold	**17,778,278**	20,585,483
Cost of urban redevelopment business	**474,409**	199,506
Cost of rental service provided	**170,412**	276,064
Depreciation of property, plant and equipment**	**73,822**	91,895
Depreciation of right-of-use assets	**54,526**	53,771
Amortisation of other intangible assets**	**31,890**	27,262
Changes in fair value of self-owned investment properties*	**(128,949)**	(67,143)
Changes in fair value of sub-leased investment properties**	**8,233**	206,521
Auditor's remuneration	**6,182**	6,800
Employee benefit expense (excluding Directors' and chief executive's remuneration)**:		
Wages and salaries	**437,052**	843,728
Pension scheme contributions***	**25,658**	56,111
Less: Amount capitalised in inventories of properties	**(143,135)**	(364,461)
Total	**319,575**	535,378
Lease payments not included in the measurement of lease liabilities	**3,585**	9,173
Loss on disposal of subsidiaries*	**–**	224,222
(Gain)/loss on disposal of items of property, plant and equipment*	**(455)**	886
Write-down of inventories of properties to net realisable value*	**2,434,324**	1,686,578
Impairment of financial assets:		
Impairment of trade receivables*	**10,140**	7,515
Impairment of financial assets included in prepayments, deposits and other receivables*	**275,268**	409,201
Total	**285,408**	416,716
Losses on write-off of trade receivables and financial assets included in prepayments, deposits and other receivables*	**88,139**	1,241,577
Impairment of interests in joint ventures*	**2,045,574**	5,014,237
Loss on disposal of joint ventures*	**2,491**	32,378
Loss on disposal of associates*	**21,008**	166,464
(Gain)/loss on disposal of land held for development*	**(23,930)**	429,104
Loss on disposal of sub-leased investment properties*	**18,298**	–
Loss on disposal of self-owned investment properties*	**–**	180,358
Foreign exchange differences, net*	**39,082**	(88,728)

* These items are included in "Other expenses" or "Other income and gains" in the consolidated statement of profit or loss.

** An aggregate amount of RMB135,871,000 (2022: RMB398,658,000) which comprised employee benefit expense, depreciation of property, plant and equipment, amortisation of other intangible assets and changes in fair value of sub-leased investment properties was included in the cost of sales for the year. These amounts were also included in the respective expense items disclosed above.

*** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

6. FINANCE COSTS

An analysis of finance costs is as follows:

	2023	2022
	RMB'000	*RMB'000*
Interest expense	**3,794,276**	3,378,486
Interest on lease liabilities	**232,302**	216,918
Total interest expense on financial liabilities not at fair value through profit or loss	**4,026,578**	3,595,404
Less: Interest capitalised	**(2,778,281)**	(2,755,201)
Total	**1,248,297**	840,203

7. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and the BVI, the entities of the Group which were incorporated in the Cayman Islands and the BVI are not subject to any income tax.

Hong Kong profits tax

The statutory rate of Hong Kong profits tax was 16.5% (2022: 16.5%) on the estimated assessable profits arising in Hong Kong. No provision for Hong Kong profits tax was made as the Group had no assessable profits arising in Hong Kong during the year (2022: Nil).

PRC corporate income tax ("CIT")

The Group's income tax provision in respect of its operations in Chinese Mainland has been calculated at the applicable tax rates on the taxable profits for both years, based on the existing legislation, interpretations and practices in respect thereof. Certain of the Group's PRC subsidiaries enjoyed a preferential CIT rate of 15% during both years.

PRC land appreciation tax ("LAT")

PRC LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of completed properties less deductible expenditures including cost of land, borrowing costs and relevant property development expenditures, and is included in the consolidated statement of profit or loss as income tax expense.

	2023	2022
	RMB'000	*RMB'000*
Current:		
CIT	**335,358**	806,965
LAT	**(618,410)**	340,418
Deferred	**749,967**	(235,967)
Total tax charge for the year	**466,915**	911,416

A reconciliation of the tax expense applicable to loss before tax at the statutory tax rate for the jurisdictions in which the majority of the Company's subsidiaries are domiciled to the tax expense at the effective tax rate, and a reconciliation of the statutory rate to the effective tax rate, are as follows:

	2023		2022	
	RMB'000	*%*	*RMB'000*	*%*
Loss before tax	**(3,877,666)**		(8,634,583)	
Tax at the PRC statutory tax rate	**(969,417)**	**25.0**	(2,158,646)	25.0
Adjustment for different tax rates of certain companies	**136,097**	**(3.5)**	90,872	(1.1)
Income not subject to tax	**(12,980)**	**0.3**	(45,166)	0.5
Expenses not deductible for tax	**30,666**	**(0.8)**	26,559	(0.3)
Provision for LAT	**(618,410)**	**15.9**	340,253	(3.9)
Tax effect of LAT	**154,602**	**(4.0)**	(85,063)	1.0
Tax losses not recognised	**2,009,056**	**(51.7)**	2,771,737	(32.1)
Tax losses utilised from previous periods	**(158,982)**	**4.1**	(183,291)	2.1
Profits and losses attributable to joint ventures and associates	**(103,717)**	**2.7**	154,161	(1.8)
Tax charge at the Group's effective rate	**466,915**	**(12.0)**	911,416	(10.6)

The share of tax attributable to associates and joint ventures amounting to RMB72,839,000 and RMB164,729,000, respectively, (2022: RMB13,235,000 and RMB1,068,000, respectively) is included in "Share of profits and losses of joint ventures and associates" in the consolidated statement of profit or loss.

8. DIVIDENDS

The Board has resolved not to declare any dividend for the year ended 31 December 2023 (2022: Nil).

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares of 2,101,816,000 (2022: 2,089,562,000) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2023 and 2022 respectively.

	2023	2022 (Restated)
Loss attributable to ordinary equity holders of the Company *(RMB'000)*	**(4,506,669)**	(9,862,743)
Weighted average number of ordinary shares in issue *(in thousand)*	**2,101,816**	2,089,562
Basic and diluted loss per share *(RMB per share)*	**(2.14)**	(4.72)

10. TRADE RECEIVABLES

Trade receivables mainly arise from the sale of completed properties, urban redevelopment business and property leasing. Considerations in respect of the completed properties sold are payable by the purchasers in accordance with the terms of the related sale and purchase agreements; receivables from urban redevelopment business are payable by the government or customers in accordance with urban redevelopment contracts; and rentals in respect of leased properties are generally received in accordance with the contracts.

	2023	2022
	RMB'000	*RMB'000*
Trade receivables	**869,658**	1,112,732
Impairment	**(22,642)**	(24,031)
Net carrying amount	**847,016**	1,088,701

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2023	2022
	RMB'000	*RMB'000*
Within 6 months	**535,308**	728,623
7 to 12 months	**26,582**	57,610
Over 1 year	**285,126**	302,468
Total	**847,016**	1,088,701

11. TRADE AND BILLS PAYABLES

The ageing analysis of the trade and bills payables is as follows:

	2023	2022
	RMB'000	*RMB'000*
Within 1 year	**5,420,785**	9,265,554
Over 1 year	**2,781,170**	3,620,757
Total	**8,201,955**	12,886,311

The trade and bills payables are unsecured, interest-free and repayable within the normal operating cycle or on demand.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

Disclaimer of opinion

We do not express an opinion on the consolidated financial statements of Times China Holdings Limited (the "Company") and its subsidiaries (the "Group"). Because of the potential interaction of the multiple uncertainties relating to going concern and their possible cumulative effect on the consolidated financial statements as described in the Basis for Disclaimer of Opinion section of our report, it is not possible for us to form an opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Disclaimer of Opinion

Multiple uncertainties relating to going concern

As set out in Note 2.1 to the consolidated financial statements, the Group recorded a loss attributable to the owners of the Company of RMB4,506,669,000 for the year ended 31 December 2023. As at 31 December 2023, the Group's total bank and other borrowings amounted to RMB46,143,687,000, out of which RMB27,454,696,000 will be due for repayment within the next twelve months, while its cash and cash equivalents amounted to RMB1,732,847,000. As at 31 December 2023, the Group was in default of borrowings (the "Defaulted Borrowings") with principal amount totaling RMB21,387,158,000 and interest totaling RMB1,750,229,000 because of non-payment at their respective due dates. Such default event also triggered cross-defaults of certain bank and other borrowings with an aggregate amount of RMB275,920,000 (the "Cross-Defaulted Borrowings"). These conditions, together with other matters disclosed in Note 2.1 to the consolidated financial statements, indicate the existence of material uncertainties which cast significant doubt on the Group's ability to continue as a going concern.

The Directors of the Company have been undertaking restructuring plans and measures to improve the Group's liquidity and financial position, which are set out in Note 2.1 to the consolidated financial statements. The validity of the going concern assumptions on which the consolidated financial statements have been prepared depends on the outcome of these measures, which are subject to multiple uncertainties, including:

(i) successful and timely completion of the restructuring of the Group's Defaulted Borrowings and the Group's ability to continue complying with the terms and conditions in the respective loan restructuring agreements.

(ii) successfully negotiating with the Group's existing lenders for the Defaulted Borrowings and Cross Defaulted Borrowings and reaching agreements with them for not taking any actions against the Group to exercise their right to demand immediate payment of the principals and interest of these borrowings.

(iii) successfully negotiating with the borrowers for the renewal or extension for repayment of the Group's bank and other borrowings.

(iv) the Group's ability to accelerate the sales of properties and urban redevelopment projects by carrying out the Group's business strategy plan and to accelerate the collection of outstanding sales proceeds.

(v) successful and timely implementation of the plans to dispose of certain of its other assets, such as lands, equity interests in project development companies and timely collection of the proceeds.

As a result of these multiple uncertainties, their potential interaction, and the possible cumulative effect thereof, we were unable to form an opinion as to whether the going concern basis of preparation is appropriate. Should the Group fail to achieve the abovementioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying amount of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

CHAIRMAN'S STATEMENT

Dear Shareholders,

Follow the Right Ways and Take Unpredictable Moves for a Steady Progress

A new year began and everything started anew. Bidding farewell to last year's unpredictable rises and falls, we have once again embarked on a new journey.

Looking back form a longer historical perspective, the year 2023 was doomed to be an extraordinary year, during which enterprises and individuals did their best to survive a tough and hard time. The world was turbulent. China was bumping forward. Amid dramatic changes and reshaping, uncertainty became normal, and this was also the case for the real estate industry which stumbled through its ups and downs.

I would like to sincerely thank our partners who gave us full understanding and support, thank our customers for their trust, and thank our people in Times China for their hard work during the year of 2023, in which the industry saw a year of deep adjustments, a year of spiraling down to a dark hole and a year of complicated and volatile market environment. At the beginning of a new year, I would like to extend my sincere gratitude and greetings to all of you.

No matter how strong and heavy the storm has been, we will always progress ahead.

In 2023, we put "guaranteed delivery" as our top priority as always, and delivered over 45,000 flat units during the year. Though we were in a severe environment, we overcame all challenges and strove to honour our quality-first promise to customers, safeguarding the harmony and peace of every household.

In 2023, we spared no effort in enhancing quality and services throughout the year. By realising our business philosophy of "impressing customers with quality and warming customers with services (品質讓客戶驚喜，服務讓客戶感動)" through offering ingenious products and services, we earnestly created value for customers.

In 2023, we continued to manage our debt and steadily reduce our debt level, and made every effort to recollect funds and insisted on prudent operation against adversities.

Year 2024 is the 25th anniversary of Times China since its establishment. We were emerged from the great era of China's economic development, witnessing the rapid growth and also the ups and downs of the real estate industry. We bravely overcame every challenge and attained every glorious achievement through persistent efforts. Over 20 years of honing has not only laid a solid foundation for us to face the challenges ahead but also developed a strong backbone for us against all adversities.

Looking forward to 2024, the international environment will still be complex and severe, while the prospect for economic recovery in China is yet to show any sign of strength, and the real estate industry continues to stay in the stage of structural adjustment. Against the backdrop of challenges and uncertainties, we must follow the right way and take unpredictable moves so as to make steady progress.

"Following the right way" is our foundation. It means that we must fulfill our mission of "Helping more people live the lifestyle they are longing for" regardless of any changes in the external environment; it also means that we must uphold our core values and keep creating values for our customers; and it further means that we must maintain an attitude of adhering to long-termism and go with the time.

"Taking unpredictable moves" means that we must recognise the value of creativity, and solve problems in innovative ways when environment has changed; it also means that we have to maintain flexibility and agility so as to grasp emerging opportunities for our new journey ahead.

In 2024, we expect our people in Times China to continue to follow the right way and take unpredictable moves, upgrade themselves with essential knowledge and skills, have willingness to make first move to contact customers and provide services, make refinement and create new ideas for each segment of work, continue to provide outstanding products and services, make every effort to achieve our planned business targets, and make contribution to the Company's steady and healthy operation, so that we are able to stride forward for longer-term goals.

In the future, for us, there are new ideas waiting to be put into practice and new journeys to be explored. Let us embrace the new situation, assume our new responsibilities, follow the right way and take unpredictable moves for steady progress, and together advance forward under a more vast and starry sky!

Shum Chiu Hung
Chairman of the Board, Executive Director and Chief Executive Officer

27 March 2024

BUSINESS REVIEW

Overview

For 2023, the Group's operations recorded a revenue of RMB21,010.8 million, representing a decrease of 14.0% when compared with that of 2022. Loss for 2023 amounted to RMB4,344.6 million, representing a decrease of RMB5,201.4 million from the loss for 2022. The core net loss for 2023 (net loss less changes in fair value of self-owned investment properties, excluding the impact of the related deferred tax, changes in fair value of derivative financial instruments and gain on disposal) was RMB4,441.3 million, representing a decrease of RMB5,049.9 million from the core net loss for 2022. Loss attributable to the owners of the Company for 2023 amounted to RMB4,506.7 million, representing a decrease of RMB5,356.1 million from the loss attributable to the owners of the Company for 2022. Basic loss per share for 2023 was RMB2.14 (basic loss per share for 2022: RMB4.72).

Property Development

The Group focuses on the major core cities in the Guangdong-Hong Kong-Macau Greater Bay Area. As at 31 December 2023, the Group had 136 major projects in total at various stages, including 124 projects in major cities of Guangdong province, namely, Guangzhou, Foshan, Jiangmen, Dongguan, Huizhou, Zhuhai, Zhongshan, Qingyuan, Zhaoqing, Shantou, Shanwei and Heyuan, and 6 projects in Changsha, Hunan province, 1 project in Wuhan, Hubei province, 2 projects in Chengdu, Sichuan province, 2 projects in Hangzhou Area, Zhejiang province and 1 project in Nanjing, Jiangsu province. For 2023, the Group's contracted sales(1) amounted to approximately RMB14.346 billion with total GFA of approximately 904,000 sq.m.. The Group focuses on its projects on peripheral facilities, seeking to enhance customers' experience in art and to fulfill the needs of the middle to upper class households.

Note 1: Contracted sales is summarised based on sale and purchase agreements and purchase confirmation agreements.

The table below illustrates the contracted sales achieved by the Group by region for 2023:

Region	Available for sale project numbers	Contracted sales area *(sq.m.)*	Contracted sales amount *(RMB million)*	Percentage of amounts *(%)*
Guangzhou	21	174,478	4,127	28.8
Foshan	21	176,193	3,611	25.2
Dongguan	7	78,399	1,665	11.6
Changsha	6	98,868	1,359	9.5
Zhuhai	4	21,805	314	2.2
Qingyuan	6	152,888	991	6.9
Jiangmen	7	34,610	230	1.6
Zhongshan	5	39,474	474	3.3
Zhaoqing	3	45,814	406	2.8
Nanjing	1	8,302	278	1.9
Huizhou	4	28,504	296	2.1
Heyuan	1	14,218	88	0.6
Chengdu	1	11,438	293	2.0
Shanwei	1	14,870	143	1.0
Shantou	1	771	14	0.1
Wuhan	1	1,924	12	0.1
Hangzhou Area	2	1,862	45	0.3
Total	92	904,418	14,346	100.0

Urban redevelopment business

The Group's income from urban redevelopment business for the year amounted to RMB668.2 million. The income was mainly generated from urban redevelopment projects in Guangzhou and Foshan etc.

Properties for leasing and sub-leasing

As at 31 December 2023, the Group held a GFA of approximately 36,283 sq.m. and 224 car parking spaces at Times Property Center and a GFA of approximately 37,567 sq.m. and 242 car parking spaces at Block No. 26 of Times King City (Zhongshan) and a GFA of approximately 64,800 sq.m. at Times E-Park (Tianhe) Phase II for rental purposes and the GFA for Guangzhou Times Commercial Management Co., Ltd. and other subsidiaries for sub-leasing purposes was approximately 782,930 sq.m.. For 2023, the Group's rental income amounted to RMB687.7 million, contributing to 3.3% of the total revenue.

Land Reserves

As at 31 December 2023, the Group had total land reserves of approximately 13.3 million sq.m., which the Group believes will be sufficient to support the Group's development needs for the next three years. The table below sets forth the information of land reserves in major cities that the Group has established footholds:

Region	**Land reserves** *(sq.m.)*	**Percentage** *(%)*
Guangzhou	2,722,964	20.5
Foshan	2,038,967	15.3
Jiangmen	1,177,095	8.9
Zhuhai	339,601	2.6
Zhongshan	216,515	1.6
Qingyuan	2,592,393	19.5
Changsha	883,071	6.6
Dongguan	657,007	4.9
Huizhou	1,052,108	7.9
Chengdu	118,224	0.9
Zhaoqing	754,430	5.7
Shantou	46,438	0.3
Shanwei	61,139	0.5
Hangzhou Area	211,665	1.6
Heyuan	53,783	0.4
Wuhan	284,027	2.1
Nanjing	97,681	0.7
	13,307,108	100.0

Portfolio of Property Development Projects

The table below is a summary of the Group's portfolio of property development projects as at 31 December 2023[1].

Project	Project type	Actual/expected completion dates	Site area (sq.m.)	Completed: GFA for sale [2][4] (sq.m.)	Completed: Other GFA [3] (sq.m.)	Under development/ future development: GFA for sale [4] (sq.m.)	Under development/ future development: Other GFA [3] (sq.m.)	Ownership interest [5] (%)
Guangzhou								
Times Bund	Residential and commercial	2013-2016	92,123	1,728	31,178	–	–	99
Ocean Times	Residential and commercial	2011-2015	354,156	4,842	22,764	–	–	91
Yun Du Hui	Apartment and commercial	2015	17,480	–	38	–	–	50
Times Cloud Atlas (Guangzhou)	Residential and commercial	2016	45,593	–	6,019	–	–	100
Times Bridges (Zengcheng)	Residential and commercial	2017	93,756	–	67,913	–	–	100
Times Centralpark Living (Guangzhou)	Residential and commercial	2017	70,648	561	67,049	–	–	100
Nansha Times Long Island Project	Residential and commercial	2016-2018	71,310	–	1,007	–	–	100
Times Cloud Port (Huadu)	Residential and commercial	2020	29,959	–	9,630	–	–	100
Times Park Laurel (Guangzhou)	Residential and commercial	2018	45,537	1,046	9,201	–	–	100
Times Aerobic City (Guangzhou)	Residential and commercial	2018	64,374	4,602	332	–	–	95
B2-2 land parcel, Sino-Singapore Knowledge City	Residential and commercial	2019	61,145	4,271	54,860	–	–	100
B2-1 land parcel, Sino-Singapore Knowledge City	Residential and commercial	2016-2019	103,890	4,075	74,084	–	–	100
Times Cambridge (Huadu)	Residential and commercial	2017-2018	31,665	145	8,517	–	–	100
Project of Shigang Road, Haizhu District	Residential and commercial	2022-2023	20,211	–	44,871	–	–	100
Times Fairy Land	Residential and commercial	2019	20,076	2,466	17,483	–	–	91
Times Forture	Residential and commercial	2018	20,177	203	33,356	–	–	100
Times The Shore	Residential and commercial	2020	53,985	108	28,238	–	–	100
Times Elegance (Zengcheng)	Residential and commercial	2020	24,825	–	33,324	–	–	87
Times King City (Sino-Singapore)	Residential and commercial	2020-2021	90,976	62,434	137,623	–	–	100

Project	Project type	Actual/expected completion dates	Site area	Completed		Under development/ future development		Ownership interest [5]
				GFA for sale [2][4]	Other GFA [3]	GFA for sale [4]	Other GFA [3]	
			(sq.m.)	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(%)*
Times King City (Sino-Singapore)	Residential and commercial	2027-2028	31,509	–	–	98,138	52,970	100
Times City (Guangzhou)	Residential and commercial	2021-2027	178,038	55,185	155,556	123,271	64,504	51
Times Yunlai (Guangzhou)	Residential and commercial	2021-2024	67,695	59,312	39,255	–	49,790	100
Times Realm (Guangzhou)	Residential and commercial	2022-2023	44,995	8,958	55,188	–	–	100
Times Impression (Guangzhou)	Residential and commercial	2021-2026	102,948	10,338	112,781	162,097	27,700	75
Times Classic (Zengcheng)	Residential and commercial	2021-2024	77,530	14,356	7,110	70,250	84,899	75
Times Horizon (Huangpu)	Residential and commercial	2023-2027	100,321	27,772	22,374	208,585	136,978	70
Times Flourism (Huangpu)	Residential and commercial	2022-2023	23,467	3,821	32,215	–	–	100
Times Rhythm (Guangzhou)	Residential and commercial	2022-2024	110,168	15,628	1,255	72,819	79,964	50
Golden Field Yuefu	Residential and commercial	2021-2025	33,321	5,762	29,738	23,935	9,884	50
Times Realm (Huadu)	Residential and commercial	2024	20,819	–	–	41,182	25,426	69
Foshan								
Times King City (Shunde)	Residential and commercial	2016-2017	125,782	207	37,278	–	–	100
Times City (Foshan)	Residential and commercial	2010-2017	505,776	10,030	86,265	–	–	100
Times City (Foshan) Phases V, VI	Residential and commercial	2016	12,860	–	5,665	–	–	100
Times King City (Foshan) Phase IV	Residential and commercial	2015	34,308	68	–	–	–	91
Goden Lotus (Foshan)	Residential and commercial	2017	20,464	–	1,652	–	–	100
Times Prime (Foshan)	Residential and commercial	2016	17,148	–	783	–	–	100
Times Riverbank (Foshan)	Residential and commercial	2017	64,697	–	13,750	–	–	100
Times Classic (Foshan)	Residential and commercial	2018	35,383	–	4,362	–	–	100
Times Riverbank (Foshan) Phase II	Residential and commercial	2018-2019	111,658	–	799	–	–	100
Ocean Times (Foshan) Phase I	Residential and commercial	2018	105,553	1,232	21,129	–	–	91

Project	Project type	Actual/expected completion dates	Site area	Completed		Under development/ future development		Ownership interest (5)
				GFA for sale (2)(4)	Other GFA (3)	GFA for sale (4)	Other GFA (3)	
			(sq.m.)	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(%)*
Timing Home	Residential and commercial	2019	40,794	11,686	21,154	–	–	100
Ocean Times (Foshan) Phase II	Residential and commercial	2019	89,927	2,022	38,666	–	–	100
Mt. Tittlis (Foshan)	Residential and commercial	2019	117,893	1,055	3,146	–	–	100
Project of Juxian, Nanshan, Sanshui, Foshan	Residential and commercial	2020	49,125	5,882	45,883	–	–	100
Project of Aoli Garden, Datang, Sanshui, Foshan	Residential and commercial	2018-2019	91,760	6,076	64,262	–	–	80
Project of Xinya Project, Nanhai, Foshan	Residential and commercial	2020	41,772	126	15,152	–	–	100
Times Starry Mansion (Foshan)	Residential and commercial	2018-2019	37,835	4,741	34,133	–	–	75
Times Merchants Tianxi (Foshan)	Residential and commercial	2021	43,518	3,955	14,612	–	–	50
Times Realm (Foshan)	Residential and commercial	2021-2022	67,579	658	71,947	–	–	100
Poly Times (Foshan)	Residential and commercial	2022	48,498	9,636	10,705	–	–	49
Toplus (Foshan)	Residential and commercial	2021-2023	120,487	70,619	70,923	–	–	33
Times Memory (Foshan)	Residential and commercial	2021-2024	62,063	71,359	44,005	–	31,337	51
Foshan Dali Yanjiang Road Project	Residential and commercial	2021-2022	36,313	382	15,765	–	–	100
Hexiquan Project in Shuitou Industrial Zone, Nanhai, Foshan	Residential and commercial	2021	12,688	68	3,589	–	–	33
Foshan's Shunde Lunjiao Project	Residential and commercial	2022	38,654	19,738	35,641	–	–	100
Times Global Chuangke Town	Residential and commercial	2022-2028	223,952	32,168	65,053	409,930	133,258	75
Panjian Project in Shuitou Industrial Zone, Nanhai, Foshan	Residential and commercial	2023	11,304	12,451	11,587	–	–	33
Times Cloud Atlas (Sanshui) Phase II	Residential and commercial	2022	26,658	6,559	10,149	–	–	100
Changke Phase II	Residential and commercial	2028-2029	119,035	–	–	335,584	110,085	40

Project	Project type	Actual/expected completion dates	Site area (sq.m.)	Completed: GFA for sale (2)(4) (sq.m.)	Completed: Other GFA (3) (sq.m.)	Under development/ future development: GFA for sale (4) (sq.m.)	Under development/ future development: Other GFA (3) (sq.m.)	Ownership interest (5) (%)
Jiangmen								
Times King City (Heshan)	Residential and commercial	2019-2020	120,804	8,766	39,837	–	–	70
Lake Forest	Residential and commercial	2020-2027	316,980	43,227	112,840	123,981	3,280	51
Central Park Living	Residential and commercial	2019	90,034	2,140	36,781	–	–	100
Times Horizon (Heshan)	Residential and commercial	2020-2022	49,735	679	35,569	–	–	90
Central Park Living (Heshan) Phase II	Residential and commercial	2020-2025	119,153	177	1,550	110,335	24,626	91
Times Elegance (Heshan)	Residential and commercial	2023-2028	187,782	53,875	–	423,638	127,673	51
Times King City (Jiangmen)	Residential and commercial	2020	34,674	85	28,036	–	–	100
Zhuhai								
Times King City (Zhuhai) Phase I	Residential and commercial	2015	52,950	3,535	5,952	–	–	100
Times King City (Zhuhai) Phases II, III, IV	Residential and commercial	2016-2017	198,204	779	10,409	–	–	100
The Shore (Zhuhai)	Residential and commercial	2016-2017	119,169	96	3,592	–	–	100
Baoli Xiangbin Huayuan Project	Residential and commercial	2017	77,206	–	21,129	–	–	49
West of Tin Ka Ping Secondary School, Zhuhai	Residential and commercial	2018	85,363	2,079	48,988	–	–	100
Zhuhai Times Eolia City (Zhuhai)	Residential and commercial	2018	53,963	–	9,117	–	–	100
Times King City (Zhuhai) Phase V	Residential and commercial	2018	17,791	2,156	14,422	–	–	80
Times Poly TOPlaza (Zhuhai)	Residential and commercial	2019-2023	60,138	38,278	74,978	–	–	50
West of Heyi Road (Middle), Baijiao Township, Doumen District, Zhuhai	Residential and commercial	2020	20,000	1,002	9,488	–	–	100
Times Horizon II	Residential and commercial	2020	11,393	474	8,206	–	–	50
Times Horizon III	Residential and commercial	2021	23,712	7,649	18,565	–	–	50
Times Horizon I	Residential	2020	9,540	2,713	5,237	–	–	38
Times Horizon IV	Residential and commercial	2021-2023	48,432	13,715	37,042	–	–	38

Project	Project type	Actual/expected completion dates	Site area	Completed		Under development/ future development		Ownership interest [5]
				GFA for sale [2][4]	Other GFA [3]	GFA for sale [4]	Other GFA [3]	
			(sq.m.)	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(%)*
Zhongshan								
Times King City (Zhongshan)	Residential and commercial	2013-2015	101,821	1,468	50,655	–	–	100
Times Cloud Atlas (Zhongshan)	Residential and commercial	2015-2016	46,667	–	68	–	–	100
Jin Sha Project (Zhongshan)	Residential and commercial	2020-2022	132,290	22,632	102,016	–	–	93
Sanxi Village Project (Zhongshan)	Residential and commercial	2019	39,351	518	1,651	–	–	91
Baoyi Project (Zhongshan)	Residential and commercial	2020	26,256	349	14,409	–	–	100
Jieyue Project of Times North Shore (Zhongshan)	Residential and commercial	2019	25,672	294	9,703	–	–	73
Guanfu Project of Times North Shore (Zhongshan)	Residential and commercial	2020	24,328	1,130	11,622	–	–	73
Qingyuan								
Times King City (Qingyuan)	Residential and commercial	2014-2019	301,368	10,130	87,893	–	–	100
Times Garden (Qingyuan) (Phase I)	Residential and commercial	2016	70,650	–	35,917	–	–	100
Times Garden (Qingyuan) (Phase II)	Residential and commercial	2019-2020	84,440	–	4,778	–	–	100
Fogang Huanghua Lake Project	Residential and commercial	2028-2029	477,020	–	–	490,363	19,706	100
Times The Shore (Qingyuan) Jiada Feilai Lake Project	Residential and commercial	2026	91,127	–	–	331,466	103,810	100
Times The Shore (Qingyuan) Wanda West Project	Residential and commercial	2019	68,840	4,476	80,621	–	–	90
Fogang Songfeng Project (Qingyuan)	Residential and commercial	2021-2028	118,164	32,130	33,630	235,500	83,726	70
Times The Shore II (Qingyuan) Hengda Feilai Lake Project	Residential and commercial	2019-2024	133,102	8,282	76,260	134,683	80,108	100
Feilai South Road Project (Qingyuan)	Residential and commercial	2025-2026	23,137	–	–	71,498	30,832	100
Times Sweet (Qingyuan)	Residential and commercial	2019-2020	28,620	8,256	34,384	–	–	100
Xinteng Project (Qingyuan)	Residential and commercial	2022-2029	123,987	46,133	1,012	247,788	105,117	75
Project of Hengfeng (Qingyuan)	Residential and commercial	2025	53,164	–	–	143,663	50,231	100

				Completed		Under development/ future development		
Project	Project type	Actual/expected completion dates	Site area	GFA for sale [(2)(4)]	Other GFA [(3)]	GFA for sale [(4)]	Other GFA [(3)]	Ownership interest [(5)]
			(sq.m.)	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(%)*
Changsha								
Times King City (Changsha)	Residential and commercial	2013-2025	649,862	3,178	127,036	195,057	69,297	100
Times Prime (Changsha)	Residential and commercial	2020	48,017	429	37,646	–	–	100
Times Memory (Changsha)	Residential and commercial	2021	39,722	1,881	22,530	–	–	100
Times Mt. Tittlis (Meixi)	Residential and commercial	2021-2024	71,041	1,611	420	–	54,439	100
Project of Huangtuling, Yuhua District, Changsha	Commercial	2022-2024	8,848	7,198	218	–	12,050	100
S16 Series Land Parcel, Moon Island, Changsha	Residential and commercial	2024-2025	121,666	–	–	243,571	106,510	51
Dongguan								
Times King City (Dongguan)	Residential and commercial	2018	55,792	1,363	265	–	–	100
Times Realm (Dongguan)	Residential and commercial	2018-2020	79,190	7,000	39,024	–	–	100
Times Thriving City (Dongguan)	Residential and commercial	2018-2020	42,519	1,000	7,216	–	–	100
Acquisition Project of Xiaohe Road, Daoqiang Town (Dongguan)	Residential and commercial	2019-2023	56,298	28,910	19,013	–	–	60
Project of Luwu Village, Changping Town (Dongguan)	Residential and commercial	2019-2020	26,345	4,615	6,192	–	–	17
Shipai Town Project (Dongguan)	Residential and commercial	2019-2023	95,977	709	22,404	–	–	13
Project of Douchizhou, Zhongtang Town, Dongguan	Residential and commercial	2021	22,451	2,391	9,998	–	–	51
Project of Land Parcel II of Douchizhou, Zhongtang Town, Dongguan	Residential and commercial	2021-2025	38,096	13,861	20,370	1,083	6	49
Project of Dingshan, Houjie Town, Dongguan	Residential and commercial	2023-2024	69,524	23,680	1,088	2,187	61,556	33
Land Parcel 014 of Douchizhou, Zhongtang Town, Dongguan	Residential and commercial	2022-2023	41,837	25,924	33,706	–	–	51
Land Parcel 016 of Douchizhou, Zhongtang Town, Dongguan	Residential and commercial	2024	27,572	–	–	83,494	27,385	49
Project of Liaoxia, Houjie, Dongguan	Residential and commercial	2023-2024	104,561	29,449	36,278	4,625	51,917	30
Times Brilliance	Plant and commercial	2021-2024	51,886	67,905	–	–	22,393	100

Project	Project type	Actual/expected completion dates	Site area	Completed		Under development/ future development		Ownership interest [5]
				GFA for sale [2][4]	Other GFA [3]	GFA for sale [4]	Other GFA [3]	
			(sq.m.)	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(%)*
Huizhou								
Desai Land Parcel of Gutang'ao	Residential and commercial	2020-2026	284,414	48,287	80,047	132,437	151,407	49
Golden Totus (Huizhou)	Residential and commercial	2020	23,459	8,582	25,615	–	–	80
Vantin Casa (Huiyang)	Residential and commercial	2020	71,274	388	42,717	–	–	100
Sanhe Road Housing Estate (Huizhou)	Residential and commercial	2026-2027	62,000	–	–	121,389	45,783	80
Project of Baiyunshan Town, Zhongkai District, Huizhou	Residential and commercial	2023-2027	93,628	12,552	–	254,789	128,115	100
Chengdu								
Times Blossom (Chengdu)	Residential and commercial	2020	30,429	1,794	25,099	–	–	100
Times Realm (Chengdu)	Residential and commercial	2021-2023	38,338	32,842	58,489	–	–	100
Zhaoqing								
Times Bund (Zhaoqing)	Residential and commercial	2020	59,677	–	5,726	–	–	100
Project of Fenghuang Avenue, Zhaoqing New District	Residential and commercial	2023-2028	51,385	96,555	125	85,154	40,575	100
Times Shimao Riverbank (Zhaoqing)	Residential and commercial	2027-2030	59,394	–	–	168,382	47,097	50
Times Xinghu Memory (Zhaoqing)	Residential and commercial	2023-2025	43,031	3,088	8	17,274	36,818	100
Times Impression (Zhaoqing)	Residential and commercial	2028-2029	69,999	–	–	208,739	44,889	100
Shantou								
Times Horizon (Shantou)	Residential and commercial	2022	36,230	4,015	42,423	–	–	100
Shanwei								
Times Riverbank (Haifeng)	Residential and commercial	2021	27,612	18,522	42,617	–	–	100
Hangzhou Area								
Times Realm (Hangzhou)	Residential and commercial	2023	26,861	1,268	31,707	–	–	100
Project of Longduhu, Xucun Town, Haining	Residential and commercial	2024	46,938	–	–	128,394	50,296	51

Project	Project type	Actual/expected completion dates	Site area	Completed: GFA for sale [(2)(4)]	Completed: Other GFA [(3)]	Under development/ future development: GFA for sale [(4)]	Under development/ future development: Other GFA [(3)]	Ownership interest [(5)]
			(sq.m.)	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(%)*
Heyuan								
Times King City (Heyuan)	Residential and commercial	2021	44,470	133	53,650	–	–	100
Wuhan								
Times Mark (Wuhan)	Residential and commercial	2024-2027	78,037	–	–	202,546	81,481	50
Nanjing								
Land Parcel from East to Zhijia Garden, West to Magao Road, Maqun Street, Qixia District, Nanjing	Residential	2024	32,844	–	–	71,030	26,651	55
Total			10,914,432	1,324,684	3,708,684	5,778,857	2,494,569	

(1) The table above includes properties for which (i) the Group has obtained the relevant land use rights certificate(s), but has not obtained the requisite construction permits, or (ii) the Group has signed a land grant contract with the relevant government authority, but has not obtained the land use rights certificate(s). The figures for total and saleable GFA are based on figures provided in the relevant governmental documents, such as the property ownership certificates, the construction work planning permits, the pre-sale permits, the construction land planning permits or the land use rights certificate. The categories of information are based on our internal records.

(2) Certain completed projects have no GFA available for sale by the Group as all saleable GFA have been sold, pre-sold or rented out.

(3) "Other GFA" mainly comprises car parks and ancillary facilities.

(4) "GFA for sale" and "GFA under development and GFA held for future development" are derived from the Group's internal records and estimates.

(5) "Ownership interest" is based on the Group's effective ownership interest in the respective project companies.

Acquisition of Land Parcel during the Year 2023

During the year ended 31 December 2023, the Group did not acquire any land parcels.

MARKET REVIEW

The year 2023 marked the economic recovery following the transition in COVID-19 prevention and control for three years. The transaction volume of China's real estate industry showed a downward trend from the high starts, with the combined transaction volume throughout the year continuing the trend of shrink in 2022. For the year ended 31 December 2023, according to the National Bureau of Statistics, the saleable area of new commercial properties reached 1,117.35 million sq.m. nationwide, representing a decrease of 8.5 percentage points on a year-on-year basis. The transaction value of new commercial properties reached RMB11,662.2 billion, representing a decrease of 6.5 percentage points on a year-on-year basis. Among them, the sales growth rates of commercial properties in Guangdong, Zhejiang and Jiangsu provinces were –5%, –9% and –14%, respectively.

The national residential land market has also shrunk further as a result of the downturn in the new housing market. According to statistics from the China Index Academy, in 2023, the total land premium for residential lands in 300 cities nationwide was RMB2,874.3 billion, which decreased by 15% on a year-on-year basis. Among them, the growth rates of the land premiums for residential lands in first-tier cities, second-tier cities and third- and fourth-tier cities were 15%, –12% and –19%, respectively.

On 23 July 2023, the meeting of the Political Bureau of the Central Committee set the tone that "there have been significant changes in the relationship between supply and demand in the real estate market", and the central and local governments at all levels continued to optimise the regulatory and control policies of the real estate market by lowering the interest rates for inventory and new mortgages and strongly supporting first-time home buyers and upgraders. However, the effect of the policies has yet to be manifested, and the trend of adjustment in the real estate market has not been reversed.

PROSPECTS

Looking forward to 2024, it is expected that the central and local governments at all levels will continue to introduce policies to bring the real estate market back on track with balanced demand and supply. As the administrative restrictions on home purchase in key cities will be further relaxed, the mortgage rates for home purchase still have room to fall, providing strong support to first-time home buyers and upgraders. In addition, supportive policies targeting real estate development projects, such as the coordination mechanism for urban real estate financing, will also be conducive to the gradual bottoming out and stabilisation of the real estate market. Meanwhile, given that there are still some difficulties and challenges to be overcome for further recovery in China's macro economy, including insufficient effective demand, weak social expectations, etc., first- and second-hand housing inventories remained at a relatively high level, and it still takes time for residents' home-buying expectations to improve. As such, the recovery of the overall market is still uncertain.

Going forward, it is expected that the regional and customer structures of the real estate market will continue to be highly differentiated. Demand of upgraders in core areas of first- and second-tier cities will be relatively strong.

The Group will adhere to the aggressive sales strategies, closely monitor receivables, reduce costs and enhance efficiency, and maintain a stable operating cash flow. The Group will continue to optimise the structure of urban redevelopment projects, accelerate the conversion of urban redevelopment project and investment return. We will actively manage our debt, optimise debt structure, accelerate the disposal of non-core assets, respond proactively to the policy to seek financing support for our projects and sustain stable operation of the Company.

Financial Review

Revenue

The Group's revenue is primarily generated from property development, urban redevelopment business and property leasing and sub-leasing, which contributed approximately 93.5%, 3.2% and 3.3% of the revenue of 2023, respectively. The Group's revenue decreased by RMB3,412.9 million, or 14.0%, to RMB21,010.8 million for 2023 from RMB24,423.7 million for 2022. This decrease in revenue was primarily attributable to the decrease in average sales price of properties delivered compared with that of 2022.

The table below sets forth the breakdown of the Group's revenue by operating segments as indicated:

	Year 2023		Year 2022	
	(RMB in millions)	***(%)***	*(RMB in millions)*	*(%)*
Sales of properties	**19,654.9**	**93.5**	23,536.7	96.3
Income from urban redevelopment business	**668.2**	**3.2**	210.2	0.9
Rental income	**687.7**	**3.3**	676.8	2.8
	21,010.8	**100**	24,423.7	100.0

Property development

The Group's revenue from sales of properties decreased by RMB3,881.8 million, or 16.5%, to RMB19,654.9 million for 2023 from RMB23,536.7 million for 2022. The decrease was primarily due to the decrease in average sales price of properties delivered for the year. The projects that contributed substantially to the Group's revenue for 2023 mainly included Times Rhythm (Guangzhou), Times Horizon (Huangpu), Golden Field Yuefu, Times Realm (Huangpu) and Times Realm (Hangzhou).

Urban redevelopment business

In 2023, the Group's income from urban redevelopment business increased by RMB458.0 million, or 217.9%, to RMB668.2 million for 2023 from RMB210.2 million for 2022. The income was mainly generated from urban redevelopment projects in Guangzhou and Foshan etc.

Property leasing and sub-leasing

The Group's gross rental income increased by RMB10.9 million, or 1.6%, to RMB687.7 million for 2023, which remained stable compared to that of RMB676.8 million for 2022.

Cost of sales

The Group's cost of sales decreased by RMB2,638.0 million, or 12.5%, to RMB18,423.1 million for 2023 from RMB21,061.1 million for 2022. The decrease was primarily attributable to the decrease in land acquisition cost for projects delivered during the year.

Gross profit and gross profit margin

The Group's gross profit decreased by RMB775.0 million, or 23.0%, to RMB2,587.7 million for 2023 from RMB3,362.7 million for 2022. As of 2023, the Group's gross profit margin was 12.3%, which remained stable compared to that of 13.8% for 2022.

Other income and gains

The Group's other income and gains decreased to RMB643.2 million for 2023 from RMB705.0 million for 2022 which is primarily attributable to no gain from repurchase of senior notes recorded during the year.

Selling and marketing costs

The Group's selling and marketing costs decreased by RMB448.8 million, or 62.6%, from RMB717.3 million for 2022 to RMB268.5 million for 2023. The decrease was mainly due to the strict control over the marketing expenses by the Group.

Administrative expenses

The Group's administrative expenses decreased by RMB182.0 million, or 18.4%, to RMB808.1 million for 2023 from RMB990.1 million for 2022. Such decrease was mainly attributable to the strict control of administrative expenses by the Group.

Other expenses

The Group's other expenses decreased by RMB4,339.3 million to RMB5,198.6 million for 2023 from RMB9,537.9 million for 2022. The decrease was primarily due to the decrease in impairment on assets recognised during the year.

Finance costs

The Group's finance costs increased by RMB408.1 million, or 48.6%, to RMB1,248.3 million for 2023 from RMB840.2 million for 2022. The increase was primarily due to the decrease in interest charge available for capitalisation of the Group's projects.

Income tax expenses

The Group's income tax expenses decreased by RMB444.5 million, or 48.8%, to RMB466.9 million for 2023 from RMB911.4 million for 2022. The decrease was primarily attributable to the decrease in the land appreciation tax recognised for the year.

Loss for the year

The Company's loss for the year for 2023 amounted to RMB4,344.6 million, representing a decrease of RMB5,201.4 million as compared to the Company's loss for the year for 2022. Basic loss per share for 2023 was RMB2.14 (basic loss per share in 2022: RMB4.72).

Loss attributable to the owners of the Company

Loss attributable to the owners of the Company for 2023 was RMB4,506.7 million, representing a decrease of RMB5,356.1 million as compared to the loss attributable to the owners of the Company for 2022. Core net loss attributable to the owners of the Company for 2023 (net loss attributable to shareholders less changes in fair value of self-owned investment properties, excluding the impact of the related deferred tax, changes in fair value of derivative financial instruments and gain on disposal) was RMB4,603.4 million, representing a decrease of RMB5,204.5 million from the core net loss attributable to the owners of the Company for 2022.

Liquidity, Financial and Capital Resources

Cash position

As at 31 December 2023, the carrying balance of the Group's cash and bank deposits was approximately RMB3,972.1 million (31 December 2022: RMB6,749.4 million), representing a decrease of 41.1% when compared with that of 31 December 2022. Under relevant PRC laws and regulations, some of the Group's project companies are required to place a certain amount of pre-sale proceeds in designated bank accounts as guarantee deposits for construction of the relevant properties. These guarantee deposits may only be used for payments to construction contractors in the project development process and for other construction-related payments, such as purchase of materials. The remaining guarantee deposits are released when certificates of completion for the relevant properties have been obtained. In addition, a portion of the Group's bank deposits represented loan proceeds in the monitoring accounts designated by the banks, in which case the use of the restricted bank deposits, subject to the banks' approval, is restricted to the purposes as set out in the relevant loan agreements. As at 31 December 2023, the Group's restricted bank deposits was RMB2,239.3 million (31 December 2022: RMB4,011.0 million).

Borrowings and pledged assets

The Group had aggregate interest-bearing bank loans and other borrowings (excluding interest payable) of approximately RMB46,143.7 million as at 31 December 2023. Borrowings that are due within one year decreased from RMB33,792.8 million as at 31 December 2022 to RMB27,454.7 million as at 31 December 2023, and approximately RMB18,642.0 million of borrowings are due within two to five years and approximately RMB47.0 million of borrowings are due in over five years. As at 31 December 2023, the Group's outstanding borrowings were secured by certain of investment properties, trade receivables, inventories of properties and property, plant and equipment with carrying values of approximately RMB1,004.8 million, RMB147.0 million, RMB15,018.8 million and RMB552.6 million respectively.

Details of the equity or debt securities issued by the Company and/or its subsidiaries are set out below:

(a) USD 5.00% Senior Notes due 2028

On 22 December 2023, the Company issued 5.00% senior notes due 2028 in a principal amount of USD99,500,000 (equivalent to approximately RMB704,728,650) (the "USD 5.00% Senior Notes due 2028") and bear interest from and including 22 December 2023 at the rate of 5.00% per annum, payable semi-annually in arrears.

(b) USD 5.55% Senior Notes due 2024

On 4 June 2021, the Company issued 5.55% senior notes due 2024 in a principal amount of USD400,000,000 (equivalent to approximately RMB2,833,080,000) (the "USD 5.55% Senior Notes issued in June 2021"). On 27 July 2021, the Company issued 5.55% senior notes due 2024 in a principal amount of USD100,000,000 (equivalent to approximately RMB708,270,000) (the "USD 5.55% Senior Notes issued in July 2021"). The USD 5.55% Senior Notes issued in June 2021 and the USD 5.55% Senior Notes issued in July 2021 were consolidated and formed a single series, collectively as the "USD 5.55% Senior Notes due 2024". The USD 5.55% Senior Notes due 2024 are listed on the Stock Exchange and bear interest from and including 4 June 2021 at the rate of 5.55% per annum, payable semi-annually in arrears.

(c) USD 5.75% Senior Notes due 2027

On 14 January 2021, the Company issued 5.75% senior notes due 2027 in a principal amount of USD350,000,000 (equivalent to approximately RMB2,478,945,000) (the "USD 5.75% Senior Notes due 2027"). The USD 5.75% Senior Notes due 2027 are listed on the Stock Exchange and bear interest from and including 14 January 2021 at the rate of 5.75% per annum, payable semi-annually in arrears.

(d) USD 6.20% Senior Notes due 2026

On 22 September 2020, the Company issued 6.20% senior notes due 2026 in a principal amount of USD350,000,000 (equivalent to approximately RMB2,478,945,000) (the "USD 6.20% Senior Notes issued in September 2020"). On 17 March 2021, the Company issued 6.20% senior notes due 2026 in a principal amount of USD100,000,000 (equivalent to approximately RMB708,270,000) (the "USD 6.20% Senior Notes issued in March 2021"). The USD 6.20% Senior Notes issued in September 2020 and the USD 6.20% Senior Notes issued in March 2021 are consolidated and formed a single series, collectively as the "USD 6.20% Senior Notes due 2026". The USD 6.20% Senior Notes due 2026 are listed on the Stock Exchange and bear interest from and including 22 September 2020 at the rate of 6.20% per annum, payable semi-annually in arrears.

(e) RMB 5.94% Non-Public Domestic Corporate Bonds due 2026

On 21 August 2020, Guangzhou Times Holdings Group Co., Ltd.* (廣州市時代控股集團有限公司) ("Guangzhou Times"), a wholly-owned subsidiary of the Company, issued non-public domestic corporate bonds at a coupon rate of 5.94% per annum at a par value of RMB1,100,000,000 (the "RMB 5.94% Non-Public Domestic Corporate Bonds due 2024") for a term of four years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the second year and the end of third year, while investors are entitled to sell back. The RMB 5.94% Non-Public Domestic Corporate Bonds due 2024 are listed on the Shanghai Stock Exchange and bear interest from and including 24 August 2020 at the rate of 5.94% per annum, payable annually in arrears. On 24 August 2022, the Company made the first installment payment, repaying 10% of the total principal amount and the total amount of the outstanding payable interest of the RMB 5.94% Non-Public Domestic Corporate Bonds due 2024. During the period from 22 February to 20 April 2023, Guangzhou Times convened a bondholders' meeting to adjust the maturity date of the bonds to 2026 (the "RMB 5.94% Non-Public Domestic Corporate Bonds due 2026"), set up a small-amount redemption mechanism and a pro-rata principal repayment node, and capitalise the unpaid interest payable up to 24 February 2023, so as to settle the new interest along with the principal amount, and create new credit enhancement and protection measures.

(f) RMB 5.68% Non-Public Domestic Corporate Bonds due 2026

On 3 August 2020, Guangzhou Times issued non-public domestic corporate bonds at a coupon rate of 5.68% per annum at a par value of RMB500,000,000 (the "RMB 5.68% Non-Public Domestic Corporate Bonds due 2024") for a term of four years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the second year and the end of third year, while investors are entitled to sell back. The RMB 5.68% Non-Public Domestic Corporate Bonds due 2024 are listed on the Shanghai Stock Exchange and bear interest from and including 4 August 2020 at the rate of 5.68% per annum, payable annually in arrears. On 4 August 2022, the Company made the first installment payment, repaying 10% of the total principal amount and the total amount of the outstanding payable interest of the RMB 5.68% Non-Public Domestic Corporate Bonds due 2024. During the period from 22 February to 28 April 2023, Guangzhou Times convened a bondholders' meeting to adjust the maturity date of the bonds to 2026 (the "RMB 5.68% Non-Public Domestic Corporate Bonds due 2026"), set up a small-amount redemption mechanism and a pro-rata principal repayment node, and capitalise the unpaid interest payable up to 24 February 2023, so as to settle the new interest along with the principal amount, and create new credit enhancement and protection measures.

(g) RMB 5.94% Public Domestic Corporate Bonds due 2027

On 16 July 2020, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 5.94% per annum at a par value of RMB1,600,000,000 (the "RMB 5.94% Public Domestic Corporate Bonds due 2025") for a term of five years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the third year, while investors are entitled to sell back. The RMB 5.94% Public Domestic Corporate Bonds due 2025 are listed on the Shanghai Stock Exchange and bear interest from and including 17 July 2020 at the rate of 5.94% per annum, payable annually in arrears. During the period from 22 February to 24 April 2023, Guangzhou Times convened a bondholders' meeting to adjust the maturity date of the bonds to 2027 (the "RMB 5.94% Public Domestic Corporate Bonds due 2027"), set up a small-amount redemption mechanism and a pro-rata principal repayment node, and capitalise the unpaid interest payable up to 24 February 2023, so as to settle the new interest along with the principal amount, and create new credit enhancement and protection measures.

(h) USD 6.75% Senior Notes due 2025

On 8 July 2020, the Company issued 6.75% senior notes due 2025 in a principal amount of USD300,000,000 (equivalent to approximately RMB2,124,810,000) (the "USD 6.75% Senior Notes issued in July 2020"). On 30 October 2020, the Company issued 6.75% senior notes due 2025 in a principal amount of USD250,000,000 (equivalent to approximately RMB1,770,675,000) (the "USD 6.75% Senior Notes issued in October 2020"). The USD 6.75% Senior Notes issued in July 2020 and the USD 6.75% Senior Notes issued in October 2020 were consolidated and formed a single series, collectively as the "USD 6.75% Senior Notes due 2025". The USD 6.75% Senior Notes due 2025 are listed on the Stock Exchange and bear interest from and including 8 July 2020 at the rate of 6.75% per annum, payable semi-annually in arrears.

(i) RMB 5.24% Public Domestic Corporate Bonds due 2027

On 26 May 2020, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 5.24% per annum at a par value of RMB2,500,000,000 (the "RMB 5.24% Public Domestic Corporate Bonds due 2025") for a term of five years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the third year, while investors are entitled to sell back. The RMB 5.24% Public Domestic Corporate Bonds due 2025 are listed on the Shanghai Stock Exchange and bear interest from and including 27 May 2020 at the rate of 5.24% per annum, payable annually in arrears. During the period from 22 February to 11 April 2023, Guangzhou Times convened a bondholders' meeting to adjust the maturity date of the bonds to 2027 (the "RMB 5.24% Public Domestic Corporate Bonds due 2027"), set up a small-amount redemption mechanism and a pro-rata principal repayment node, and capitalise the unpaid interest payable up to 24 February 2023, so as to settle the new interest along with the principal amount, and create new credit enhancement and protection measures.

(j) RMB 5.10% Public Domestic Corporate Bonds due 2027

On 26 March 2020, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 5.10% per annum at a par value of RMB1,550,000,000 (the "RMB 5.10% Public Domestic Corporate Bonds due 2025") for a term of five years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the third year, while investors are entitled to sell back. The RMB 5.10% Public Domestic Corporate Bonds due 2025 are listed on the Shanghai Stock Exchange and bear interest from and including 30 March 2020 at the rate of 5.10% per annum, payable annually in arrears. During the period from 22 February to 14 April 2023, Guangzhou Times convened a bondholders' meeting to adjust the maturity date of the bonds to 2027 (the "RMB 5.10% Public Domestic Corporate Bonds due 2027"), set up a small-amount redemption mechanism and a pro-rata principal repayment node, and capitalise the unpaid interest payable up to 24 February 2023, so as to settle the new interest along with the principal amount, and create new credit enhancement and protection measures.

(k) RMB 6.30% Public Domestic Corporate Bonds due 2027

On 26 March 2020, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 6.30% per annum at a par value of RMB950,000,000 (the "RMB 6.30% Public Domestic Corporate Bonds due 2027") for a term of seven years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the fifth year, while investors are entitled to sell back. The RMB 6.30% Public Domestic Corporate Bonds due 2027 are listed on the Shanghai Stock Exchange and bear interest from and including 30 March 2020 at the rate of 6.30% per annum, payable annually in arrears. During the period from 22 February to 24 April 2023, Guangzhou Times convened a bondholders' meeting to adjust the maturity date of the bonds to 2027, set up a small-amount redemption mechanism and a pro-rata principal repayment node, and capitalise the unpaid interest payable up to 24 February 2023, so as to settle the new interest along with the principal amount, and create new credit enhancement and protection measures.

(l) RMB 5.00% Public Domestic Corporate Bonds due 2027

On 21 February 2020, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 5.00% per annum at a par value of RMB740,000,000 (the "RMB 5.00% Public Domestic Corporate Bonds due 2025") for a term of five years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the third year, while investors are entitled to sell back. The RMB 5.00% Public Domestic Corporate Bonds due 2025 are listed on the Shanghai Stock Exchange and bear interest from and including 24 February 2020 at the rate of 5.00% per annum, payable annually in arrears. During the period from 22 February to 11 April 2023, Guangzhou Times convened a bondholders' meeting to adjust the maturity date of the bonds to 2027 (the "RMB 5.00% Public Domestic Corporate Bonds due 2027"), set up a small-amount redemption mechanism and a pro-rata principal repayment node, and capitalise the unpaid interest payable up to 24 February 2023, so as to settle the new interest along with the principal amount, and create new credit enhancement and protection measures.

(m) RMB 6.20% Public Domestic Corporate Bonds due 2027

On 21 February 2020, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 6.20% per annum at a par value of RMB575,000,000 (the "RMB 6.20% Public Domestic Corporate Bonds due 2027") for a term of seven years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the fifth year, while investors are entitled to sell back. The RMB 6.20% Public Domestic Corporate Bonds due 2027 are listed on the Shanghai Stock Exchange and bear interest from and including 24 February 2020 at the rate of 6.20% per annum, payable annually in arrears. During the period from 22 February to 24 February 2023, Guangzhou Times convened a bondholders' meeting to adjust the maturity date of the bonds to February 2027, set up a small-amount redemption mechanism and a pro-rata principal repayment node, and capitalise the unpaid interest payable up to 24 February 2023, so as to settle the new interest along with the principal amount, and create new credit enhancement and protection measures.

(n) USD 6.75% Senior Notes due 2023

On 16 July 2019, the Company issued 6.75% senior notes due 2023 in a principal amount of USD400,000,000 (equivalent to approximately RMB2,833,080,000) (the "USD 6.75% Senior Notes issued in July 2019"). On 4 September 2019, the Company issued 6.75% senior notes due 2023 in a principal amount of USD100,000,000 (equivalent to approximately RMB708,270,000) (the "USD 6.75% Senior Notes issued in September 2019"). The USD 6.75% Senior Notes issued in July 2019 and the USD 6.75% Senior Notes issued in September 2019 were consolidated and formed a single series which are referred to as the "USD 6.75% Senior Notes due 2023". The USD 6.75% Senior Notes due 2023 are listed on the Stock Exchange and bear interest from and including 16 July 2019 at the rate of 6.75% per annum, payable semi-annually in arrears.

(o) RMB 6.80% Public Domestic Corporate Bonds due 2027

On 6 June 2019, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 6.80% per annum at a par value of RMB500,000,000 (the "RMB 6.80% Public Domestic Corporate Bonds due 2024") for a term of five years in the PRC. The RMB 6.80% Public Domestic Corporate Bonds due 2024 are listed on the Shanghai Stock Exchange and bear interest from and including 10 June 2019 at the rate of 6.80% per annum, payable annually in arrears. During the period from 22 February to 6 March 2023, Guangzhou Times convened a bondholders' meeting to adjust the maturity date of the bonds to 2027 (the "RMB 6.80% Public Domestic Corporate Bonds due 2027"), set up a small-amount redemption mechanism and a pro-rata principal repayment node, and capitalise the unpaid interest payable up to 24 February 2023, so as to settle the new interest along with the principal amount, and create new credit enhancement and protection measures.

(p) RMB 7.50% Public Domestic Corporate Bonds due 2023

On 7 December 2018, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 8.10% per annum at a par value of RMB1,900,000,000 (the "RMB 8.10% Public Domestic Corporate Bonds due 2023") for a term of five years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the third year, while investors are entitled to sell back. The RMB 8.10% Public Domestic Corporate Bonds due 2023 were listed on the Shanghai Stock Exchange and bear interest from and including 10 December 2018 at the rate of 8.10% per annum, payable annually in arrears. In November 2021, the holders of the RMB 8.10% Public Domestic Corporate Bonds due 2023 have registered to sell back 14,000,000 bonds at a price of RMB100 each. The Group has repaid these registered sold-back bonds in the amount of RMB1,400,000,000 on 10 December 2021. Since 10 December 2021, the annual interest rate of the bonds has been reduced from 8.10% to 7.50% (the "RMB 7.50% Public Domestic Corporate Bonds due 2023"). The RMB 7.50% Public Domestic Corporate Bonds due 2023 was delisted on 7 February 2023.

(q) USD 6.60% Senior Notes due 2023

On 30 November 2017, the Company issued 6.60% senior notes due 2023 (the "USD 6.60% Senior Notes due 2023") in a principal amount of USD300,000,000 (equivalent to approximately RMB2,124,810,000). The USD 6.60% Senior Notes due 2023 are listed on the Stock Exchange and bear interest from and including 30 November 2017 at the rate of 6.60% per annum, payable semi-annually in arrears.

(r) RMB 5.50% Non-Public Domestic Corporate Bonds due 2026

On 8 September 2017, Guangzhou Times issued non-public domestic corporate bonds at a coupon rate of 8.20% per annum at a par value of RMB1,100,000,000 (the "RMB 8.20% Non-Public Domestic Corporate Bonds due 2022") for a term of five years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the third year, while investors are entitled to sell back. The RMB 8.20% Non-Public Domestic Corporate Bonds due 2022 are listed on the Shanghai Stock Exchange and bear interest from and including 8 September 2017 at the rate of 8.20% per annum, payable annually in arrears. On 8 September 2020, Guangzhou Times adjusted the coupon rate of the bonds to 5.50%. From 5 to 7 September 2022, Guangzhou Times held a meeting of bondholders to adjust the maturity date of the bonds to 2024 (the "RMB 5.50% Non-Public Domestic Corporate Bonds due 2024"). On 8 September 2022, the Company made the first installment payment, repaying 2.5% of the total principal amount and the total amount of the outstanding payable interest of the RMB 5.50% Non-Public Domestic Corporate Bonds due 2024. During the period from 22 February to 6 March 2023, Guangzhou Times convened a bondholders' meeting to adjust the maturity date of the bonds to 2026 (the "RMB 5.50% Non-Public Domestic Corporate Bonds due 2026"), set up a small-amount redemption mechanism and a pro-rata principal repayment node, and capitalise the unpaid interest payable up to 24 February 2023, so as to settle the new interest along with the principal amount, and create new credit enhancement and protection measures.

The Group aims to achieve a holistic management of its offshore debts that ensures a fair and equitable treatment to its creditors, and provides a sustainable capital structure. To this end, the Group has suspended payments under certain offshore debts (details of which can be found in the announcements of the Company dated 30 December 2022 and 4 January 2023). Trading in the offshore USD denominated senior notes of the Company has been suspended from 9:00 a.m. on 5 January 2023 and will remain suspended until further notice. The Group has been in negotiation, and still is actively negotiating, with its creditors to reach a holistic management of its offshore debts.

Contingent liabilities

As at 31 December 2023, the outstanding guarantee mortgage loans that domestic banks provided to purchasers of the Group's properties amounted to approximately RMB18,982.7 million (31 December 2022: approximately RMB29,764.1 million). These guarantees are released upon the earlier of (i) the relevant certificates of registration of mortgage or the certificates of other interests with respect to the relevant properties being delivered to the mortgagor banks; and (ii) the settlement of mortgage loans between the mortgagor banks and the purchasers of the Group's projects. If a purchaser defaults on a mortgage loan before the guarantees are released, the Group may have to repurchase the underlying property by paying off mortgage. If the Group fails to do so, the mortgagor bank may auction the underlying property and recover any outstanding amount from the Group if the amount of outstanding loan exceeds the net foreclosure sales proceeds from the auction. In line with industry practices, the Group does not conduct independent credit reviews of our customers but rely on the credit reviews conducted by the mortgagor banks.

As at 31 December 2023, the Group provided guarantees in respect of certain bank loans of approximately RMB1,624,912,000 (2022: approximately RMB2,288,760,000) for its joint ventures and associated companies.

Foreign currency risks

The Group mainly operates in the PRC and conducts its operations mainly in RMB. The Group will closely monitor the fluctuations of the RMB exchange rate and give prudent consideration as to entering into any currency swap arrangement as and when appropriate for hedging corresponding risks. As at 31 December 2023, the Group had not engaged in hedging activities for managing foreign exchange rate risk.

Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures, and Future Plans for Material Investments or Capital Assets

Save as disclosed in this announcement, there were no other significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures during the year, nor was there any plan authorised by the Board for other material investments or additions of capital assets at the date of this announcement.

Events After the Reporting Period

There were no significant events occurring after the Reporting Period.

Employees and Remuneration Policy

As at 31 December 2023, the Group had 1,757 employees (31 December 2022: 2,656 employees). The remunerations of the employees are commensurate with their performance, skills, knowledge, experience and the market trend. Employee benefits provided by the Group include provident fund schemes, medical insurance scheme, unemployment insurance scheme and housing provident fund. The Group reviews the remuneration policies and packages on a regular basis and will make necessary adjustments that accommodate the pay levels in the industry. In addition to basic salaries, the employees may be offered with discretionary bonuses and cash awards based on individual performances. The Group also provides training programs for the employees with a view to constantly upgrading their skills and knowledge. Further, the Company adopted a share option scheme on 19 November 2013 (the "Share Option Scheme") as incentives or rewards for the employees' contributions to the Group. The Share Option Scheme has expired on 19 November 2023. Further information of the Share Option Scheme will be available in the Company's annual report for the year ended 31 December 2023. The Group's employee benefit expense (excluding Directors' and chief executive's remuneration) is approximately RMB462.7 million for the year ended 31 December 2023 (2022: RMB899.8 million).

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2023 (2022: Nil).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 24 May 2024 (Friday) to 29 May 2024 (Wednesday), both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the forthcoming annual general meeting of the Company (the "AGM"). In order to be eligible to attend and vote at the forthcoming AGM, all transfer accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on 23 May 2024 (Thursday).

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "CG Code") contained in Appendix C1 (previously Appendix 14) to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as its own code of corporate governance.

The Company has been conducting its business according to the principles of the CG Code. Save for the deviation disclosed below, in the opinion of the Directors, the Company has complied with all the applicable code provisions as set out in the CG Code during the year ended 31 December 2023.

Code provision C.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Shum currently assumes the roles of both the chairman and the chief executive officer of the Company. Mr. Shum is one of the founders of the Group and has extensive experience in property development. The Board believes that by holding both roles, Mr. Shum will be able to provide the Group with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as execution of long-term business strategies of the Group. As such, the structure is beneficial to the business prospects of the Group. Furthermore, the Directors have regular discussions in relation to major matters affecting the operations of the Group and the Group has effective risk management and internal control systems in place for providing adequate checks and balances. Based on the foregoing, the Board believes that a balance of power and authority has been and will be maintained.

Compliance with Code of Conduct Regarding Directors' Securities Transactions

The Company has also adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 (previously Appendix 10) to the Listing Rules. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the Model Code for the year ended 31 December 2023.

The Company has also adopted a code for dealing in the Company's securities by relevant employees, who are likely to be in possession of inside information in relation to the Company or its securities, on no less exacting terms than the required standard set out in the Model Code.

Audit Committee and Review of Financial Statements

The Board has established the audit committee of the Company (the "Audit Committee") which comprises three independent non-executive Directors, namely Mr. Wong Wai Man (chairman), Mr. Jin Qingjun and Ms. Sun Hui.

The Audit Committee has reviewed the annual report and the consolidated annual results of the Group for the year ended 31 December 2023 in conjunction with the Company's management. The Audit Committee has also reviewed the effectiveness of the risk management and the internal control systems of the Company, and considers the risk management and internal control systems to be effective and adequate.

Purchase, Sale or Redemption of Listed Securities

There was no purchase, sale and redemption of any listed securities of the Company by the Company or any of its subsidiaries during the year ended 31 December 2023.

REVIEW OF PRELIMINARY ANNOUNCEMENT OF RESULTS BY THE INDEPENDENT AUDITOR

The figures in respect of the Group's results for the year ended 31 December 2023 as set out in this preliminary announcement of results have been agreed by the Group's independent auditor, Ernst & Young, Certified Public Accountants of Hong Kong ("Ernst & Young") to the amounts set out in the Group's consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently, no assurance has been expressed by Ernst & Young on this preliminary announcement of results.

ANNUAL GENERAL MEETING

The AGM for the year ended 31 December 2023 is scheduled to be held on 29 May 2024 (Wednesday). A notice convening the AGM will be issued and disseminated to the Shareholders in due course.

PUBLICATION OF THE ANNUAL RESULTS AND ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.timesgroup.cn), and the annual report for the year ended 31 December 2023 containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and the Company in due course.

By Order of the Board
Times China Holdings Limited
Shum Chiu Hung
Chairman

Hong Kong, 27 March 2024

As at the date of this announcement, the executive Directors are Mr. Shum Chiu Hung, Mr. Guan Jianhui, Mr. Bai Xihong, Mr. Li Qiang, Mr. Shum Siu Hung and Mr. Niu Jimin; and the independent non-executive Directors are Mr. Jin Qingjun, Ms. Sun Hui, and Mr. Wong Wai Man.

* *For identification purpose only*