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## **Poly Property Group Co., Limited**

### **保利置業集團有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 00119)**

## **RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024**

### **RESULTS**

The directors (the “Directors”) of Poly Property Group Co., Limited (the “Company”) announce the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2024, together with comparative figures for the previous year ended 31 December 2023, as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS***For the year ended 31 December 2024*

		<b>2024</b>	<b>2023</b>
	<i>Notes</i>	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
Revenue	2	<b>40,208,482</b>	40,932,418
Cost of sales		<b>(33,612,960)</b>	(32,572,337)
Gross profit		<b>6,595,522</b>	8,360,081
Decrease in fair value of investment properties		<b>(66,691)</b>	(250,160)
Increase in fair value of financial assets		<b>72,160</b>	69,252
Other gains, net		<b>671,170</b>	663,917
Selling expenses		<b>(1,431,333)</b>	(1,324,200)
Administrative expenses		<b>(1,235,987)</b>	(1,268,527)
Gain on disposal of subsidiaries		<b>184,647</b>	16,036
Impairment loss on properties under development and held for sale		<b>(707,612)</b>	(101,289)
Other operating expenses		<b>(446,519)</b>	(447,782)
Finance costs	3	<b>(1,583,371)</b>	(1,593,362)
Share of results of associates		<b>119,482</b>	(70,740)
Share of results of joint ventures		<b>70,169</b>	(21,129)
Profit before income tax expense	4	<b>2,241,637</b>	4,032,097
Income tax expense	5	<b>(2,145,823)</b>	(2,400,189)
Profit for the year		<b>95,814</b>	1,631,908
Attributable to:			
Owners of the Company		<b>182,867</b>	1,444,626
Non-controlling interests		<b>(87,053)</b>	187,282
<b>Profit for the year</b>		<b>95,814</b>	1,631,908
<b>Earnings per share (expressed in RMB cents)</b>	7		
– Basic and diluted		<b>4.79</b>	37.81

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME***For the year ended 31 December 2024*

	<b>2024</b> <b>RMB'000</b>	<b>2023</b> <b>RMB'000</b>
<b>Profit for the year</b>	<b>95,814</b>	<b>1,631,908</b>
<b>Other comprehensive income</b>		
Items that will not be reclassified to profit or loss:		
Surplus arising on revaluation of properties	<b>77,230</b>	206,844
Exchange differences arising on translation of functional currency to presentation currency	<b>158,436</b>	167,965
<b>Other comprehensive income before income tax effect</b>	<b>235,666</b>	374,809
Deferred tax liability arising on revaluation of properties	<b>(19,308)</b>	(51,711)
<b>Other comprehensive income for the year, net of tax</b>	<b>216,358</b>	323,098
<b>Total comprehensive income for the year</b>	<b>312,172</b>	<b>1,955,006</b>
Attributable to:		
Owners of the Company	<b>400,869</b>	1,748,941
Non-controlling interests	<b>(88,697)</b>	206,065
	<b>312,172</b>	<b>1,955,006</b>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*As at 31 December 2024*

		2024	2023
	<i>Notes</i>	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
<b>Non-current assets</b>			
Investment properties		<b>8,676,752</b>	8,917,152
Property, plant and equipment		<b>3,392,941</b>	3,479,549
Right-of-use assets		<b>530,439</b>	582,901
Interests in associates		<b>2,765,516</b>	2,258,535
Interests in joint ventures		<b>2,702,012</b>	6,073,322
Financial assets at fair value through profit or loss		<b>785,231</b>	713,048
Loan receivables		<b>176,560</b>	196,030
Deposits paid for acquisition of land use rights		<b>439,123</b>	426,693
Deferred tax assets		<b>270,826</b>	249,751
<b>Total non-current assets</b>		<b>19,739,400</b>	22,896,981
<b>Current assets</b>			
Properties under development		<b>80,266,271</b>	102,092,369
Properties held for sale		<b>45,223,352</b>	32,309,830
Other inventories		<b>42,361</b>	41,038
Contract costs		<b>1,104,604</b>	491,253
Trade and other receivables	8	<b>5,477,695</b>	4,984,022
Amounts due from associates		<b>619,885</b>	758,277
Amounts due from joint ventures		<b>4,446,368</b>	4,285,403
Amounts due from non-controlling shareholders of subsidiaries		<b>3,356,816</b>	2,345,171
Taxation recoverable		<b>3,754,378</b>	3,748,248
Pledged bank deposits		<b>164,147</b>	226,443
Bank balances, deposits and cash		<b>34,507,500</b>	31,631,917
<b>Total current assets</b>		<b>178,963,377</b>	182,913,971

		2024	2023
	Notes	RMB'000	RMB'000
<b>Current liabilities</b>			
Trade and other payables	9	24,127,769	29,913,119
Contract liabilities		41,377,239	40,802,298
Property rental deposits		85,681	83,234
Amounts due to associates		1,761,342	1,110,739
Amounts due to joint ventures		925,353	992,316
Amount due to the ultimate holding company		7,099	7,554
Amount due to an intermediate holding company		2,792	2,792
Amount due to a fellow subsidiary		485	485
Amounts due to non-controlling shareholders of subsidiaries		3,723,788	4,284,477
Taxation payable		8,086,584	7,775,280
Note payable – due within one year		10,127,000	626,000
Bank and other borrowings – due within one year		9,416,401	20,168,686
<b>Total current liabilities</b>		<b>99,641,533</b>	<b>105,766,980</b>
<b>Net current assets</b>		<b>79,321,844</b>	<b>77,146,991</b>
<b>Total assets less current liabilities</b>		<b>99,061,244</b>	<b>100,043,972</b>
<b>Capital and reserves attributable to owners of the Company</b>			
Share capital	10	15,712,159	15,712,159
Reserves		4,107,704	3,806,190
Accumulated profits		14,389,490	14,581,921
<b>Equity attributable to owners of the Company</b>		<b>34,209,353</b>	<b>34,100,270</b>
<b>Non-controlling interests</b>		<b>12,337,957</b>	<b>11,060,363</b>
<b>Total equity</b>		<b>46,547,310</b>	<b>45,160,633</b>

	<i>Notes</i>	<b>2024</b> <b><i>RMB'000</i></b>	2023 <i>RMB'000</i>
<b>Non-current liabilities</b>			
Bank and other borrowings – due after one year		<b>36,784,705</b>	34,551,668
Note payable – due after one year		<b>14,126,000</b>	18,549,000
Lease liabilities		<b>11,499</b>	38,341
Loan from a fellow subsidiary		–	180,000
Deferred tax liabilities		<b>1,591,730</b>	1,564,330
		<hr/>	<hr/>
<b>Total non-current liabilities</b>		<b>52,513,934</b>	54,883,339
		<hr/>	<hr/>
		<b>99,061,244</b>	100,043,972
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## NOTES:

### 1. BASIS OF PREPARATION

The annual results set out in this announcement are extracted from the Group's consolidated financial statements, which have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance (Cap. 622). The consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules").

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

- investment property, including interests in leasehold land and buildings held as investment property where the Group is the registered owner of the property interest;
- hotel properties carried at revaluated amounts; and
- financial assets at fair value through profit or loss.

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

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

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

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

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

- Amendments to HKAS 1, Presentation of Financial Statements – Classification of Liabilities as Current or Non-current (“2020 amendments”) and Amendments to HKAS 1, Presentation of Financial Statements – Non-current Liabilities with Covenants (“2022 amendments”)
- Amendments to HKFRS 16, Leases – Lease Liability in a Sale and Leaseback
- Amendments to HKAS 7, Statement of Cash Flows and HKFRS 7, Financial Instruments: Disclosures – Supplier Finance Arrangements

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of the amended HKFRSs are discussed below:

**Amendments to HKAS 1, Presentation of Financial Statements (the 2020 and 2022 amendments, collectively the “HKAS 1 amendments”)**

The HKAS 1 amendments impact the classification of a liability as current or non-current, and have been applied retrospectively as a package.

The 2020 amendments primarily clarify the classification of a liability that can be settled in its own equity instruments. If the terms of a liability could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instruments and that conversion option is accounted for as an equity instrument, these terms do not affect the classification of the liability as current or non-current. Otherwise, the transfer of equity instruments would constitute settlement of the liability and impact classification.

The 2022 amendments specify that conditions with which an entity must comply after the reporting date do not affect the classification of a liability as current or non-current. However, the entity is required to disclose information about non-current liabilities subject to such conditions.

Upon the adoption of the HKAS 1 amendments, the Group has reassessed the classification of its liabilities as current or non-current and no reclassification is considered necessary.

The HKICPA has issued a number of new or amended standards which are not yet effective for the year ended 31 December 2024. None of the new and amendments were adopted in these financial statements. These developments include the following which may be relevant to the Group.

	<b>Effective for accounting periods beginning on or after</b>
Amendment to HKAS 21, The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	1 January 2025
Amendments to HKFRS 9 and HKFRS 7, Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18, Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19, Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to HKFRS 10 and HKAS 28, Sale or Contribution of Assets between an investor and its Associate or Joint Venture	To be determined by the HKICPA

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

## **Amendments to HKFRS 9 and HKFRS 7, Amendments to the Classification and Measurement of Financial Instruments**

The amendments to HKFRS 9 clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met.

The amendments also provide guidance on the assessment of whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments specify that an entity should focus on what an entity is being compensated for rather than the compensation amount. Contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost. The amendments state that, in some cases, a contingent feature may give rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs. Furthermore, the description of the term “non-recourse” is enhanced and the characteristics of “contractually linked instruments” are clarified in the amendments.

The disclosure requirements in HKFRS 7 in respect of investments in equity instruments designated at fair value through other comprehensive income are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent event not directly relating to basic lending risks and cost.

The Group has various subsidiaries operating in jurisdictions where the electronic payment systems are not instantaneous. Upon the application of the amendments, the Group will apply the exception to derecognise financial liabilities settled via such electronic payment systems when the payment instruction is initiated. On the other hand, for the settlement by the subsidiaries’ customers via electronic settlement systems, the Group can only derecognise the financial assets when cash is deposited in the bank accounts of the subsidiaries.

## **HKFRS 18, Presentation and Disclosure in Financial Statements**

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

The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group’s consolidated financial statements.

## 2. REVENUE AND SEGMENT INFORMATION

For management purposes, the Group is organised into four operating divisions. These divisions are the basis on which the Group reports its major segment information.

Principal activities are as follows:

- Property development business – property development
- Property investment and management – property investment and management
- Hotel operations – hotel and restaurant business and its related services
- Other operations – manufacturing and sales of digital discs and others

Information about these segments is presented below:

### For the year ended 31 December 2024

	Property development business RMB'000	Property investment and management RMB'000	Hotel operations RMB'000	Other operations RMB'000	Eliminations RMB'000	Total RMB'000
Revenue from contracts with customers within the scope of HKFRS 15:						
– Recognised at a point in time	38,094,598	–	–	42,574	–	38,137,172
– Recognised over time	–	1,206,264	364,625	–	–	1,570,889
Revenue from other sources outside the scope of HKFRS 15:						
– Rental income	–	500,421	–	–	–	500,421
External revenue	38,094,598	1,706,685	364,625	42,574	–	40,208,482
Inter-segment revenue*	–	185,935	–	–	(185,935)	–
Total revenue	<u>38,094,598</u>	<u>1,892,620</u>	<u>364,625</u>	<u>42,574</u>	<u>(185,935)</u>	<u>40,208,482</u>
Segment results	<u>2,941,537</u>	<u>107,558</u>	<u>(7,469)</u>	<u>82,336</u>	<u>–</u>	<u>3,123,962</u>
Unallocated income						523,580
Unallocated expenses						(196,832)
Gain on disposal of subsidiaries	184,647	–	–	–	–	184,647
Finance costs						(1,583,371)
Share of results of associates	119,482	–	–	–	–	119,482
Share of results of joint ventures	68,447	–	–	1,722	–	70,169
Profit before income tax expense						2,241,637
Income tax expense						(2,145,823)
Profit for the year						<u>95,814</u>

\* *Inter-segment revenue were charged with reference to prices charged to external parties for similar services or products.*

## Assets and liabilities

As at 31 December 2024

	Property development business <i>RMB'000</i>	Property investment and management <i>RMB'000</i>	Hotel operations <i>RMB'000</i>	Other operations <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Assets</b>					
Segment assets	141,335,678	9,200,916	3,035,869	937,823	154,510,286
Interests in associates	2,765,516	–	–	–	2,765,516
Interests in joint ventures	2,698,940	–	–	3,072	2,702,012
Unallocated corporate assets					38,724,963
<b>Total assets</b>					<b>198,702,777</b>
<b>Liabilities</b>					
Segment liabilities	70,569,736	1,333,672	64,321	8,985	71,976,714
Unallocated corporate liabilities					80,178,753
<b>Total liabilities</b>					<b>152,155,467</b>

For the year ended 31 December 2023

	Property development business <i>RMB'000</i>	Property investment and management <i>RMB'000</i>	Hotel operations <i>RMB'000</i>	Other operations <i>RMB'000</i>	Eliminations <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue from contracts with customers within the scope of HKFRS 15:						
– Recognised at a point in time	38,805,770	–	–	51,787	–	38,857,557
– Recognised over time	–	1,206,072	376,940	–	–	1,583,012
Revenue from other sources outside the scope of HKFRS 15:						
– Rental income	–	491,849	–	–	–	491,849
External revenue	38,805,770	1,697,921	376,940	51,787	–	40,932,418
Inter-segment revenue*	–	144,346	–	–	(144,346)	–
Total revenue	<u>38,805,770</u>	<u>1,842,267</u>	<u>376,940</u>	<u>51,787</u>	<u>(144,346)</u>	<u>40,932,418</u>
Segment results	<u>5,290,033</u>	<u>9,248</u>	<u>(26,630)</u>	<u>72,256</u>	<u>–</u>	<u>5,344,907</u>
Unallocated income						563,470
Unallocated expenses						(207,085)
Gain on disposal of subsidiaries	16,036	–	–	–	–	16,036
Finance costs						(1,593,362)
Share of results of associates	(70,740)	–	–	–	–	(70,740)
Share of results of joint ventures	(21,997)	–	–	868	–	(21,129)
Profit before income tax expense						4,032,097
Income tax expense						(2,400,189)
Profit for the year						<u>1,631,908</u>

\* *Inter-segment revenue were charged with reference to prices charged to external parties for similar services or products.*

## Assets and liabilities

As at 31 December 2023

	Property development business <i>RMB'000</i>	Property investment and management <i>RMB'000</i>	Hotel operations <i>RMB'000</i>	Other operations <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Assets</b>					
Segment assets	148,020,860	9,454,551	3,240,599	894,759	161,610,769
Interests in associates	2,258,535	–	–	–	2,258,535
Interests in joint ventures	6,071,104	–	–	2,218	6,073,322
Unallocated corporate assets					<u>35,868,326</u>
<b>Total assets</b>					<u><u>205,810,952</u></u>
<b>Liabilities</b>					
Segment liabilities	75,785,676	1,407,821	173,034	11,488	77,378,019
Unallocated corporate liabilities					<u>83,272,300</u>
<b>Total liabilities</b>					<u><u>160,650,319</u></u>

### 3. FINANCE COSTS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Finance costs on interest bearing borrowings	2,799,792	3,213,896
Interest on lease liabilities	1,921	2,608
Less: amounts capitalised	<u>(1,218,342)</u>	<u>(1,623,142)</u>
	<u><u>1,583,371</u></u>	<u><u>1,593,362</u></u>

Borrowing costs capitalisation during the year arose from specific borrowings.

#### 4. PROFIT BEFORE INCOME TAX EXPENSE

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Profit before income tax expense is arrived at after charging:		
Depreciation of right-of-use assets	37,792	43,616
Depreciation of property, plant and equipment	156,342	190,757
Total depreciation	<u>194,134</u>	<u>234,373</u>
Loss on disposal of investment properties	18,869	2,592
Loss on disposal of property, plant and equipment	<u>25,916</u>	<u>20,654</u>

#### 5. INCOME TAX EXPENSE

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
The charge comprises:		
Hong Kong Profits Tax		
– Current taxation	20,600	18,890
– (Over)/under provision in prior years	(5)	9
	<u>20,595</u>	<u>18,899</u>
PRC Enterprise Income Tax		
– Current taxation	1,088,210	1,157,693
– Under/(over) provision in prior years	74,943	(8,501)
	<u>1,163,153</u>	<u>1,149,192</u>
Overseas Corporation Tax		
– Current taxation	20,105	688
– Under provision in prior years	–	995
	<u>20,105</u>	<u>1,683</u>
PRC Withholding Income Tax	3,086	–
PRC Land Appreciation Tax (“LAT”)	951,868	1,239,293
	<u>2,158,807</u>	<u>2,409,067</u>
Deferred taxation	<u>(12,984)</u>	<u>(8,878)</u>
	<u>2,145,823</u>	<u>2,400,189</u>

Hong Kong Profits Tax is calculated at 16.5% (2023: 16.5%) based on the estimated assessable profit for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rates regime.

For that subsidiary, the first HK\$2,000,000 of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

The provision for Hong Kong Profits Tax for 2024 is taken into account a reduction granted by the Hong Kong SAR Government of 100% of the tax payable for the year of assessment 2023–2024 subject to a maximum reduction of HK\$3,000 for each business (2023: a maximum reduction of HK\$6,000 was granted of 100% of the tax payable for the year of assessment 2022–2023 and was taken into account in calculating the provision for 2023).

The PRC Enterprise Income Tax is calculated at 25% (2023: 25%) based on the estimated assessable profit for the year.

Taxation for other overseas operations (including the United Kingdom and Macau) is calculated at the local prevailing rates.

Under the PRC EIT law, dividends received by foreign investors from investment in foreign-invested enterprises in respect of their profits earned since 1 January 2008 are subject to withholding tax of 5% to 10% unless reduced by treaty.

Certain PRC subsidiaries are also subject to LAT which is levied at progressive rates ranging from 30% to 60% on the appreciation of properties, being the proceeds from sales of properties less deductible expenditure including costs of land use rights and development and construction.

## 6. DIVIDENDS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Dividends recognised as a distribution during the year:		
2023 final dividend of HK\$0.083 (2022: HK\$0.048) per share	<u>291,786</u>	<u>165,075</u>

The Directors of the Company recommend the payment of a final dividend of HK\$0.021 per share (2023: HK\$0.083 per share) for the year ended 31 December 2024.

## 7. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company for the year is based on the following information:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Earnings:</b>		
Profit for the year attributable to owners of the Company	<u>182,867</u>	<u>1,444,626</u>
	2024	2023
<b>Number of shares:</b>		
Weighted average number of ordinary shares in issue for the purposes of basic earnings per share	<u>3,821,183,118</u>	<u>3,821,183,118</u>
Basic and diluted earnings per share ( <i>RMB cents per share</i> )	<u>4.79</u>	<u>37.81</u>

There were no potential shares as at 31 December 2024 and 31 December 2023.

Based on the above, diluted earnings per share for the years ended 31 December 2023 and 2024 were the same as the basic earnings per share.

## 8. TRADE AND OTHER RECEIVABLES

### Ageing analysis

The credit terms in connection with sales of properties granted to the customers are set out in the sale and purchase agreements and vary from agreements. There is no concentration of credit risk with respect to trade receivables arising from sales of properties as the Group has numerous customers. In respect of sales of goods granted to trade customers, the Group allows an average credit period of 30 days to 90 days. The following is an ageing analysis of trade receivables net of allowance for credit losses at the end of the reporting period presented based on invoice dates:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
0 to 30 days	187,892	82,320
31 to 90 days	16,133	23,497
More than 90 days	<u>247,019</u>	<u>202,824</u>
Total trade receivables, net of allowance for credit losses	451,044	308,641
Other receivables, net of allowance for credit losses of RMB201,284,000 (2023: RMB156,273,000)	<u>5,026,651</u>	<u>4,675,381</u>
	<u>5,477,695</u>	<u>4,984,022</u>

## 9. TRADE AND OTHER PAYABLES

The following is an ageing analysis of trade payables at the end of the reporting period:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
0 to 30 days	1,827,262	719,730
31 to 90 days	290,931	74,367
More than 90 days	14,441,805	18,142,175
	<hr/>	<hr/>
Trade payables	16,559,998	18,936,272
Other payables	7,567,771	10,976,847
	<hr/>	<hr/>
	<b>24,127,769</b>	<b>29,913,119</b>
	<hr/>	<hr/>

The average credit period is 90 days. The Group has financial risk management policies in place to ensure that all payable is within the credit time frame.

## 10. SHARE CAPITAL

	2024		2023	
	<i>No. of shares</i>	<i>RMB'000</i>	<i>No. of shares</i>	<i>RMB'000</i>
Ordinary shares, issued and fully paid				
At 31 December	<b>3,821,183,118</b>	<b>15,712,159</b>	3,821,183,118	15,712,159
	<hr/>	<hr/>	<hr/>	<hr/>

## **FINAL DIVIDEND**

The Board recommends the payment of a final dividend of 2.1 HK cents per share (2023: 8.3 HK cents per share) for the year ended 31 December 2024. The proposed final dividend is subject to the approval by the Company's shareholders at the forthcoming annual general meeting (the "AGM") and will be paid on or around 3 July 2025 to the shareholders whose names appear on the register of members of the Company on 19 June 2025.

## **CLOSURE OF REGISTER OF MEMBERS FOR AGM**

In order to determine the entitlement of shareholders to attend and vote at the AGM of the Company which is scheduled to be held on Thursday, 29 May 2025, the register of members of the Company will be closed from Friday, 23 May 2025 to Thursday, 29 May 2025, both dates inclusive, during which no transfer of shares will be registered. All duly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Thursday, 22 May 2025. Shareholders whose names appear on the register of members of the Company on Thursday, 29 May 2025 are entitled to attend and vote at the AGM.

## **CLOSURE OF REGISTER OF MEMBERS FOR ENTITLEMENT TO PROPOSED FINAL DIVIDEND**

The register of members of the Company will be closed from Tuesday, 17 June 2025 to Thursday, 19 June 2025 (both dates inclusive), during which no transfer of shares will be registered. In order to determine the identity of shareholders who are entitled to the proposed final dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Monday, 16 June 2025. Shareholders whose names appear on the register of members of the Company on Thursday, 19 June 2025 are entitled to receive the proposed final dividend in cash for the year ended 31 December 2024.

## CHAIRMAN’S STATEMENT

### BUSINESS REVIEW

In 2024, China’s economy steadily advanced along the path of high-quality development in the face of severe and complex domestic and international environment. China’s gross domestic product (GDP) exceeded RMB130 trillion for the first time and expanded 5% year on year, successfully achieving the expected target. China retained its position as the world’s second-largest economy, continuing to serve as a pivotal driver of global economic growth.

The real estate market continued its trend of bottoming out and consolidating. The annual sales of newly-built commercial housing amounted to approximately RMB9.7 trillion, representing a year-on-year decrease of 17.1%. A sharp market contraction in the second quarter prompted an accelerated policy rollout in the second half of the year. The Politburo meeting held in late September proposed “to make efforts to stabilize the property market and reverse its downturn”, sending the strongest signal to maintain stability. It decisively deployed a package of incremental policies, marking an inflection point in real estate policies, which has led to the improvement of market expectations.

The Group recorded profit attributable to shareholders of RMB183 million for the year, representing a year-on-year decrease of 87.3%. This decrease was mainly due to the market downturn and the pressure on selling prices. The Group devoted efforts to accelerate the turnover of assets and capital to avoid risks and maximize shareholders’ interests in the long term. As a result, the gross profit margin decreased by 4.0 percentage points to 16.4% and a provision for impairment of properties under development and held for sale of RMB708 million was made. The Board of Directors of the Company (the “Board”) recommends the distribution of a final dividend of 2.1 HK cents per share to shareholders in appreciation of their support.

Poly Property Group (the Group, together with its joint ventures and associates) achieved contracted sales of RMB54.2 billion for the year, representing a year-on-year growth of 1%, and was one of only two listed companies which recorded growth among the top 20 real estate companies on the CRIC List. It ranked 17th in the industry in terms of total sales amount, a jump of 10 places from the end of 2023. The sales amount in the Yangtze River Delta and the Greater Bay Area accounted for 73%, a year-on-year increase of 6 percentage points, reflecting the further concentration of expansion resources in high-tier cities in recent years. During the year, the sales collection amounted to RMB54.8 billion, representing a collection rate of 101%. Sales scale reflects market competitiveness, while collection quality ensures financial stability, both of which are of equal importance.

As the market remained in a bottoming-out stage, the Group maintained a prudent investment strategy, adding six property development projects in Shanghai, Ningbo, Shenzhen and Jinan during the year. It is expected that these projects and their respective local teams will be able to bring in returns for shareholders’ investment and achieve the desired capital turnover amid sector consolidation. The project management business achieved remarkable results, with the Guiyang Era Opus project securing an 80% sell-through rate at its debut, which encouraged our regional companies to leverage our brand and operational expertise to explore asset-light models and diversify their revenue sources. In January 2025, the Group acquired a land parcel at Luju Road, Liwan District, Guangzhou at the reserve price, with the aim to develop a flagship project and steadily strengthen our development foundation.

Despite sector-wide volatility and downturn, Poly Property has steadfastly pursued prudent innovation and diligent execution, achieving year-on-year enhancements in product competitiveness and operational capabilities while maintaining positive operating cash flow for consecutive years. In 2024, it recorded net operating cash inflow of RMB6.8 billion, enabling a net reduction of RMB3.4 billion or 4.7% in total borrowings. Capital structure was further optimised, with all indicators of the “three red lines” improving markedly. Net gearing ratio decreased by 16.2 percentage points year-on-year to 76.9%, cash-to-short-term debt ratio rose from 1.53 to 1.77, and liability-to-asset ratio (excluding presale deposits) decreased by 2.2 percentage points to 70.4%. During the year, the Group refinanced maturing debts through a HK\$3.9 billion sustainability-linked syndicated loan and a RMB5.0 billion corporate bond, lowering the average financing cost by 50 basis points to 3.38%. In January 2025, the Group obtained approvals of issuance of an additional RMB7 billion of corporate bonds, and will seize financing opportunities and take advantage of low-interest funding channels to steadily advance debt optimization.

## **BUSINESS OUTLOOK**

In 2025, the external environment remains fraught with uncertainties. The Central Economic Work Conference emphasized the need to implement a more proactive fiscal policy and an appropriately accommodative monetary policy, advocating for a coordinated policy “toolkit” to lay a solid foundation for the upcoming 15th Five-Year Plan period. For the real estate sector, key priorities include intensifying urban village redevelopment and dilapidated housing renovations to fully unlock the potential of rigid and improved housing demand, rationally controlling new land supply for real estate development, revitalizing existing land reserves and commercial properties, and advancing the disposal of unsold housing inventory. Stabilizing and restoring the real estate market stands as both a clear policy objective and a shared market expectation.

The property market regulations have now entered their most accommodative phase in history. The focus this year will center on the implementation efficacy and transmission effectiveness of announced policies, particularly the fiscal support for urban renewal and state-backed inventory acquisition programs. The Group will proactively advance the planning adjustment and revitalization of stock assets. While real estate investment may remain under pressure in 2025, policy interventions are expected to facilitate a soft landing for developers, narrowing the decline in key market indicators and gradually restoring homebuyer confidence.

Amid efforts to capitalize on policy tailwinds, property developers must simultaneously strengthen operational fundamentals. Strategic clarity, refined management, and efficient execution remain perpetual imperatives for enterprises. It is also necessary to align with and anticipate industry trends, focusing on delivering “quality housing” that embodies safety, comfort, sustainability, and smart technologies, thereby steering the industry toward a new development model and high-quality growth. As winter heralds the promise of spring, we will rise to challenges with resolute confidence, embracing innovation in the relentless pursuit of our vision and honoring the trust placed in us by stakeholders.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS OVERVIEW**

For the year ended 31 December 2024 (the “Year”), the Group recorded a revenue of RMB40,208 million (2023: RMB40,932 million), representing a decrease of 1.8% when comparing to that of last year. Profit attributable to shareholders amounted to RMB183 million (2023: RMB1,445 million), representing a decrease of 87.3% when comparing to that of last year. Basic and diluted earnings per share were both RMB4.79 cents, representing year-on-year decreases of 87.3%.

The above decreases were mainly due to the impact of the downward trend of the real estate market in Mainland China and Hong Kong, resulting in the decrease in the gross profit margin of projects with sales recognised during the Year. Meanwhile, impairment provision was made on properties under development and properties held for sale and such projects mainly included Hong Kong Chill Residence, Jinan Poly Mountain Villa and Changzhou Poly Jingyue Palace.

As at 31 December 2024, shareholders’ equity of the Group amounted to RMB34.2 billion (as at 31 December 2023: RMB34.1 billion), with a net asset value per share of RMB8.95 (as at 31 December 2023: RMB8.92).

### **PROPERTY DEVELOPMENT**

The GFA of newly commenced construction of Poly Property Group (the Group, together with its joint ventures and associates) during the Year was approximately 1,555,000 square metres. The GFA of construction completed during the Year was approximately 4,553,000 square metres. The contracted area sold amounted to approximately 2,121,000 square metres, including 147 continual launches and 9 debut launches. As at 31 December 2024, Poly Property Group had 55 projects under construction and under planning, representing a total GFA of approximately 13,164,000 square metres.

### **PROPERTY SALES**

In 2024, contracted sales of Poly Property Group increased by 1% year-on-year to RMB54.2 billion with contracted area sold of 2,121,000 square metres. The average selling price of contracted sales was RMB25,546 per square metre. The average selling price of contracted sales in Mainland China was RMB21,986 per square metre, remaining unchanged year-on-year. 11 projects recorded contracted sales of over RMB1 billion per single project, including Hong Kong Pano Harbour, Hangzhou Jade Urban, Shanghai Poly Serene Centro, Shanghai Poly Center Manor, Jinan Poly Crown, Hong Kong Chill Residence, Guangzhou Poly Gratified West Bay, Kunshan Poly Brilliant Palace, Shenzhen Poly Vibe Centro, Ningbo Poly Villa Re Place and Ningbo Poly Jinmao Palace.

<b>Region</b>	<b>Contracted Sales in 2024 by Region (RMB million)</b>	<b>Percentage (%)</b>	<b>Contracted Area Sold in 2024 by Region (’000 square metres)</b>	<b>Percentage (%)</b>
Yangtze River Delta	22,123	41%	664	31%
Pearl River Delta	9,479	17%	451	21%
Southwestern	4,390	8%	384	18%
Others	10,025	19%	594	28%
Hong Kong	8,159	15%	28	1%
<b>Total</b>	<b>54,176</b>	<b>100%</b>	<b>2,121</b>	<b>100%</b>

*Notes:*

1. Contracted sales include car park sales;
2. The totals may not be equal to the sum of the figures due to round-off.

## **NEW LAND RESERVES**

In 2024, 6 development projects were acquired by Poly Property Group in Shanghai, Ningbo, Shenzhen and Jinan. The total GFA of new land reserves for the Year was approximately 964,000 square metres. The cost of land was considered reasonable.

## List of Land Reserve Acquired in 2024

Project	Type	Site Area (‘000 square metres)	Planned GFA (‘000 square metres)	Interests Attributable to the Group (%)	Development Status
Ningbo Poly Jinmao Palace	Commercial and Residential	66	206	60%	For sale
Jinan Poly Jinmao Splendid Jade	Commercial and Residential	12	66	30%	For sale
Jinan Poly Greentown Phoenix Mansion	Commercial and Residential	108	393	34%	For sale
Jinan Poly Glory of Praise	Commercial and Residential	40	135	51%	For sale
Shenzhen Bao An Project	Commercial and Residential	10	80	100%	Under planning
Shanghai Min Hang Project	Residential	30	83	100%	Under planning
<b>Total</b>		<b>266</b>	<b>964</b>		

### Notes:

1. Since figures were rounded up to the nearest thousand, their total may not be equal to the actual sum;
2. As at 31 December 2024.

## SUMMARY OF NEWLY ACQUIRED PROJECTS IN 2024

### 1. *Ningbo Poly Jinmao Palace*

The project is located in the East New Town, Ningbo, which is the new political, financial and exhibition centre of the city. It is approximately 200 metres away from the Donghuan South Road Station of Metro Line 1, offering excellent transportation links. The surrounding development is mature, with comprehensive education, medical and commercial facilities, ensuring a perfect living environment. The project, with a planned total GFA of approximately 206,000 square metres, is intended to be developed into high-rise residential buildings.

### 2. *Jinan Poly Jinmao Splendid Jade*

The project is located in the CBD area of Lixia District, Jinan, neighbouring the Second Ring East Road in the east and Jiefang East Road in the north, both of which are iconic trunk roads, enjoying convenient transportation. Jinan’s key schools, Dianliu No.1 Primary School and Dianliu No.1 Middle School, are both located on the west side of the project, and with complete commercial and medical facilities in the vicinity and high convenience in life. There are landscape resources such as Quanfu River, Yanchi Mountain, Maoling Mountain and Baihua Park around the project, enjoying an advantageous geographical position. The project, with a planned total GFA of approximately 66,000 square metres, is intended to be developed into high-rise residential buildings.

### **3. *Jinan Poly Greentown Phoenix Mansion***

The project is located in Lianhuashan area of Licheng District, Jinan, about 1 kilometer away from Jingshi Road and Lyuyou Road, both of which are the iconic transportation trunk roads in Jinan, making transportation convenient. The surrounding development is relatively mature, with complete educational, commercial and medical facilities. The project is surrounded by landscape resources such as Hancang River, Fenghuangshan Mountain and Lianhuashan Mountain Park, providing a prime geographical location. The project, with a planned total GFA of approximately 393,000 square metres, is intended to be developed into high-rise residential buildings.

### **4. *Jinan Poly Glory of Praise***

The project is located in Xianwen Area, the core area of Jinan High-tech Zone. It neighbours CBD in the west and Olympic sports governmental area in the south with geographical advantages and mature development. It is a hot area for improvement projects in Jinan. The project is approximately 4 kilometres from the CBD and the Olympic Sports Centre and approximately 7 kilometres from Jinan East Railway Station, enjoying high traffic accessibility. With full-fledged commercial, medical, educational and other ancillary facilities in the surrounding 3-kilometre area, the area enjoys high living convenience. The project, with a planned total GFA of approximately 135,000 square metres, is intended to be developed into high-rise residential buildings.

### **5. *Shenzhen Bao An Project***

The project is located in Bao'an Central Area, Xin'an Subdistrict, Shenzhen, which is in the core area of Qianhai and only 700 metres away from Bao'an District Government. The project is approximately 600 metres away from the Bao'an Station of Metro Line 11 and approximately 1.2 kilometres away from the Bao'an Stadium Station of Metro Line 1, offering excellent transportation links. With medical, educational, cultural and sports, commercial and other ancillary facilities in the surrounding 1-kilometre area, the area boasts a strong residential atmosphere. The project, with a planned total GFA of approximately 80,000 square metres, is intended to be developed into high-rise residential buildings.

### **6. *Shanghai Min Hang Project***

The project is located in Chunshen Area in the outskirts of Minhang District, Shanghai and adjacent to the Xinzhuan sub-center. It lies within one of Shanghai's four model residential zones. Close to the junction of multiple urban trunk roads and within an approximately 2-kilometre walking distance from Jingxi Road Station of Metro Line 15, the project boasts excellent transportation links. It has complete set of educational and medical facilities in the vicinity and is adjacent to Minhang Experimental Primary School, Xinsong Middle School and Zhongshan Hospital Affiliated to Fudan University, offering a vibrant residential environment. The project, with a planned total GFA of approximately 83,000 square metres, is intended to be developed into high-rise residential buildings.

## PROJECTS UNDER CONSTRUCTION AND PROJECTS UNDER PLANNING

As at 31 December 2024, Poly Property Group had a total of 55 real estate development projects in 24 cities. 44% of the total GFA was located in Yangtze River Delta and Pearl River Delta Region, 31% in Southwestern Region, 24% in Other Regions, and 1% in Hong Kong. Meanwhile, 41 projects were under construction, with a total GFA of 5,699,000 square metres (attributable area amounted to 3,845,000 square metres), and a total GFA of 7,465,000 square metres (attributable area amounted to 5,317,000 square metres) was under planning.

### List of Projects under Construction and under Planning as at 31 December 2024

Project	GFA under construction ( <i>'000 square metres</i> )	GFA under planning ( <i>'000 square metres</i> )	Interest attributable to the Group (%)
<b>YANGTZE RIVER DELTA REGION</b>			
1. Shanghai Poly Center Manor	515	89	51%
2. Shanghai Poly Serene Centro	49	—	100%
3. Shanghai Lanzhou Road Project	14	—	49%
4. Shanghai Min Hang Project	—	83	100%
5. Kunshan Poly Brilliant Palace	328	—	51%
6. Kunshan Poly Shangyun Fu	134	—	100%
7. Changzhou Poly Jingyue Palace	87	—	51%
8. Suzhou Poly Lake Mansion	—	104	100%
9. Suzhou Urban Ideal Habitat	161	—	20%
10. Suzhou Poly Junhua Mansion	90	13	51%
11. Suzhou Classics Mansion	119	—	40%
12. Ningbo Hai Shu Project	71	—	100%
13. Ningbo Poly Jinmao Palace	206	—	60%
14. Hangzhou Jade Urban	201	—	30%
15. Yuyao Poly Jordan International	13	299	100%
16. Deqing Poly Origin	—	67	100%
<b>Sub total</b>	<b>1,987</b>	<b>654</b>	

<b>Project</b>	<b>GFA under construction</b> <i>(‘000 square metres)</i>	<b>GFA under planning</b> <i>(‘000 square metres)</i>	<b>Interest attributable to the Group</b>  <i>(%)</i>
<b>PEARL RIVER DELTA REGION</b>			
17. Guangzhou Poly Gratified West Bay	218	172	75%
18. Guangzhou Poly Polaris	114	—	100%
19. Guangzhou Poly Moonlight Lake	—	129	100%
20. Guangzhou Poly Chill Residence	81	—	100%
21. Foshan Poly Mansion	89	—	100%
22. Shenzhen Poly Keenstar Super City	—	1,858	50%
23. Shenzhen Poly New Dream	183	—	51%
24. Shenzhen Poly Urban Cultural Bay	59	—	100%
25. Shenzhen Poly Jade Apartments	138	—	51%
26. Shenzhen Bao An Project	—	80	100%
<b>Sub total</b>	<b>883</b>	<b>2,239</b>	
<b>SOUTHWESTERN REGION</b>			
27. Guiyang Poly Park 2010	—	224	100%
28. Guiyang Poly Phoenix Bay	—	215	51%
29. Guiyang Poly Bright Moon on Top	84	104	100%
30. Zunyi Poly Metropolis of Future	—	2,105	70%
31. Nanning Poly Town Phase II	—	359	100%
32. Nanning Poly Jin House	163	—	51%
33. Nanning Poly Park City	176	105	100%
34. Kunming Poly City	182	317	90%
35. Kunming Poly Moonlight Mansion	—	87	51%
<b>Sub total</b>	<b>606</b>	<b>3,517</b>	

<b>Project</b>	<b>GFA under construction</b> (‘000 square metres)	<b>GFA under planning</b> (‘000 square metres)	<b>Interest attributable to the Group</b> (%)
<b>OTHER REGIONS</b>			
36. Wuhan Poly City	–	460	68%
37. Wuhan Poly Embossed Elegance	146	138	55%
38. Wuhan Poly Emerald Mansion	227	–	100%
39. Wuhan Poly Bright Lights	112	–	100%
40. Harbin Guang Xin Project	108	–	100%
41. Mudanjiang Poly Landscape	–	34	100%
42. Jinan Phili House	–	83	25%
43. Jinan Huai Yin Project	134	–	75%
44. Jinan Poly Grand Joy II	52	139	100%
45. Jinan Poly Crown	313	21	100%
46. Jinan Poly Quehua Peak Scenery	83	–	51%
47. Jinan Poly Jinmao Splendid Jade	66	–	30%
48. Jinan Poly Greentown Phoenix Mansion	327	66	34%
49. Jinan Poly Glory of Praise	135	–	51%
50. Yantai Poly Moon Mansion	50	–	51%
51. Weihai Poly Moon Fenghua	7	–	51%
52. Weifang Zoina Poly Mansion	56	–	30%
53. Wanning Poly Peninsula No. 1	264	113	100%
<b>Sub total</b>	<b>2,078</b>	<b>1,054</b>	
<b>HONG KONG REGION</b>			
54. Hong Kong Chill Residence	43	–	70%
55. Hong Kong Pano Harbour	102	–	35%
<b>Sub total</b>	<b>145</b>	<b>–</b>	
<b>Grand total</b>	<b>5,699</b>	<b>7,465</b>	

Note:

Since figures were rounded up to the nearest thousand, their total may not equal to the actual sum or the sum in each group.

## COMPLETED CONSTRUCTION

In 2024, Poly Property Group has achieved a total GFA of approximately 4,553,000 square metres in completed construction. The construction of all phases of 21 projects has been completed in the Year.

<b>Project</b>	<b>Completed GFA in 2024 (<i>'000 square metres</i>)</b>	<b>Accumulated completed GFA by the end of 2024 (<i>'000 square metres</i>)</b>
<b>YANGTZE RIVER DELTA REGION</b>		
Shanghai Poly Moonrise Mansion	112	112
Shanghai Poly Vibe Centro	86	86
Shanghai Poly Dawn Light Residence	106	106
Kunshan Moonlight Mansion	89	216
Kunshan Moonlight Jade	196	196
Kunshan East City	270	270
Kunshan Poly Brilliant Palace	29	29
Changzhou Poly Jingyue Palace	67	141
Taicang Tianhe Mansion	120	120
Suzhou Riverside Time Zone	82	82
Suzhou Tide Mansion	152	152
Ningbo Poly Spring Poetry	88	88
Ningbo Poly Brocade Scroll	132	132
Ningbo Poly Rising	185	185
Ningbo Poly Villa Re Place	234	234
<b>PEARL RIVER DELTA REGION</b>		
Guangzhou Clover Shades	59	183
Guangzhou Poly Polaris	87	174
Guangzhou Glory of City	71	187
Guangzhou Poly Moonlight Lake	88	88
Guangzhou Poly Longyue	114	114
Foshan Guangfo Poly City III	108	108
Foshan Poly Mansion	118	118
Shenzhen Poly Vibe Centro	178	178
Shenzhen Poly Urban Cultural Bay	193	193

<b>Project</b>	<b>Completed GFA in 2024 ( '000 square metres)</b>	<b>Accumulated completed GFA by the end of 2024 ( '000 square metres)</b>
<b>SOUTHWESTERN REGION</b>		
Guiyang Poly Park 2010	46	1,736
Guiyang Poly Bright Moon on Top	77	109
Nanning Poly Town Phase II	192	416
Nanning Poly Moon Bay	349	349
<b>OTHER REGIONS</b>		
Harbin Guang Xin Project	136	500
Jinan Poly Grand Joy II	224	359
Jinan Poly Jade	152	152
Jinan Poly Park TOD	140	140
Weihai Poly Moon Fenghua	111	217
Weifang Zoina Poly Mansion	83	362
Wanning Poly Peninsula No. 1	77	77
	<hr/>	<hr/>
<b>Grand total</b>	<b>4,553</b>	<b>7,910</b>
	<hr/> <hr/>	<hr/> <hr/>

Note:

Since figures were rounded up to the nearest thousand, their total may not equal to the actual sum.

## RECOGNISED PROPERTY SALES

The sales of 111 projects of Poly Property have been recognised in 2024, with a total sales value of RMB37,918 million and a total GFA of 1,956,000 square metres. The recognised average selling price was RMB19,387 per square metre. Among the sales recognised, ordinary residential properties accounted for 93%, villas accounted for 3%, retail shops accounted for 3%, offices accounted for 0% and parking spaces accounted for 1% of the total value. In terms of geographical distribution, Yangtze River Delta Region, Pearl River Delta Region, Southwestern Region, Other Regions and Hong Kong accounted for 44%, 18%, 12%, 25% and 1%, respectively.

## List of Major Projects with Sales Recognised in 2024

Project	Sales recognised in 2024 (RMB million)
<b>Yangtze River Delta Region</b>	
1. Shanghai Poly Moonrise Mansion	744
2. Shanghai Poly Vibe Centro	4,882
3. Shanghai Poly Dawn Light Residence	2,407
4. Kunshan Poly Brilliant Palace	263
5. Changzhou Poly Jingyue Palace	994
6. Suzhou Poly Poetic Dwelling	495
7. Suzhou Tide Mansion	1,159
8. Ningbo Poly Riverview Mansion	569
9. Ningbo Poly Spring Poetry	1,170
10. Ningbo Poly Brocade Scroll	2,770
11. Ninghai Poly Origin of Nebula	833
12. Others	375
<b>Sub total</b>	<b>16,663</b>
<b>Pearl River Delta Region</b>	
13. Guangzhou Poly Glory	442
14. Guangzhou Nan Sha Project	106
15. Guangzhou Poly Polaris	719
16. Guangzhou Poly Moonlight Lake	168
17. Guangzhou Poly Longyue	453
18. Foshan Guangfo Poly City III	330
19. Foshan Guangfo Poly City	265
20. Foshan Guangfo Poly City Phase II	261
21. Foshan Poly Mansion	734
22. Shenzhen Poly Vibe Centro	2,949
23. Huizhou Poly Sunshine Town	143
24. Huizhou Poly Lujiang Lane	191
25. Others	57
<b>Sub total</b>	<b>6,819</b>

<b>Project</b>	<b>Sales recognised in 2024 (RMB million)</b>
<b>Southwestern Region</b>	
26. Guiyang Poly Park 2010	428
27. Guiyang Poly Phoenix Bay	134
28. Guiyang Poly Bright Moon on Top	287
29. Nanning Poly Town	205
30. Nanning Poly Town Phase II	1,581
31. Nanning Poly Moon Bay	1,081
32. Liuzhou Poly Mountain Villa	167
33. Kunming Poly City	287
34. Kunming Poly Moonlight Mansion	252
35. Others	164
	<hr/>
<b>Sub total</b>	<b>4,587</b>
	<hr/>
<b>Other Regions</b>	
36. Wuhan Poly City	555
37. Wuhan Poly Bright Lights	192
38. Harbin Poly Tin Yor Phase II	120
39. Harbin Poly Time Lane	209
40. Harbin Guang Xin Project	624
41. Jinan Poly Mountain Villa	108
42. Jinan Huai Yin Project	293
43. Jinan Poly Grand Joy	183
44. Jinan Poly Grand Joy II	1,598
45. Jinan Poly Jade	2,332
46. Jinan Poly Park TOD	1,353
47. Yantai Poly Moon Mansion	272
48. Weihai Poly Moon Fenghua	461
49. Zibo Poly City	137
50. Tai'an Poly Yuelu Mansion	126
51. Wanning Poly Peninsula No. 1	606
52. Others	362
	<hr/>
<b>Sub total</b>	<b>9,532</b>
	<hr/>

<b>Project</b>	<b>Sales recognised in 2024 (RMB million)</b>
<b>Hong Kong Region</b>	
53. Hong Kong Villa La Plage	313
54. Others	4
<b>Sub total</b>	<b>317</b>
<b>Grand total</b>	<b>37,918</b>

Note:

Since figures were rounded up to the nearest million, their total may not equal to the actual sum or the sum in each group.

#### **Recognised Sales in 2024 by Property Type**

<b>Property type</b>	<b>Sales recognised in 2024 RMB million</b>	<b>Percentage (%)</b>
Ordinary residential property	35,208	93%
Villa	1,048	3%
Retail shop	1,027	3%
Office	170	0%
Parking space	464	1%
<b>Total</b>	<b>37,918</b>	<b>100%</b>

Note:

Since figures were rounded up to the nearest million, their total may not equal to the actual sum or the sum in each group.

#### **INVESTMENT PROPERTIES**

The Group has various investment properties and hotels located in first-tier cities and second-tier provincial capitals. The investment properties had a total GFA of approximately 682,000 square metres and an asset value of approximately RMB8,677 million.

## List of Major Investment Properties and Hotels as at 31 December 2024

Region	Project	GFA held ('000 square metres)	Average occupancy rate of 2024 (%)	Average occupancy rate of 2023 (%)	Interests attributable to the Group (%)	Property type
<b>Investment properties</b>						
Beijing	Beijing Poly Plaza	15	75%	76%	75%	Office
Shanghai	Shanghai Poly Plaza (partial)	30	72%	78%	100%	Office and commercial
Shanghai	Shanghai Stock Exchange Building (partial)	48	57%	61%	100%	Office
Shenzhen	Shenzhen Poly Cultural Plaza (partial)	135	92%	64%	100%	Commercial
Wuhan	Wuhan Poly Plaza (partial)	56	52%	57%	100%	Office
<b>Hotels</b>						
Beijing	Beijing Poly Plaza Hotel	63	74%	75%	75%	Hotel
Shanghai	Hyatt Regency Shanghai Jiading	69	79%	76%	100%	Hotel
Wuhan	Wuhan Poly Hotel	28	62%	63%	100%	Hotel

## PROPERTY MANAGEMENT

The Group has various property management companies engaging in the operation management service of residential, commercial, offices, hotels, theatres and other property types. They have been the leading players in the property management industry of China and have received numerous titles and awards.

In 2024, the Group's property management companies recorded total revenue of RMB1,206 million. The companies managed a total of 288 property projects with a GFA under management of approximately 52,738,000 square metres, representing an increase of 3.9% when comparing with last year.

## FINANCIAL REVIEW

### Liquidity and Capital Structure

As at 31 December 2024, total equity attributable to shareholders of the Company amounted to RMB34,209,353,000 (2023: RMB34,100,270,000), while the net asset value per share was RMB8.95 (2023: RMB8.92). As at 31 December 2024, the Group's gearing ratio (on the basis of the amount of total liabilities divided by the amount of total assets) was 76.6% (2023: 78.1%).

As at 31 December 2024, the Group had an outstanding bank and other borrowings (including the note payable) of RMB70,454,106,000. In terms of maturity, the outstanding bank and other borrowings (including note payable) can be divided into RMB19,543,401,000 (27.7%) to be repaid within one year, RMB23,448,454,000 (33.3%) to be repaid after one year but within two years, RMB19,582,575,000 (27.8%) to be repaid after two years but within five years, RMB7,879,676,000 (11.2%) to be repaid after five years. In terms of currency denomination, the outstanding bank and other borrowings (including the note payable) can be divided into RMB63,200,106,000 (90%) in Renminbi, RMB3,627,000,000 (5%) in United State dollars, and RMB3,627,000,000 (5%) in Hong Kong dollars.

43% of the bank and other borrowings (including the note payable) of the Group are subject to fixed interest rates and the remaining 57% are subject to floating interest rates. Therefore, under circumstances of interest rates uncertainty or fluctuations or otherwise as appropriate, the Group will consider the use of hedging instruments (including interest rates swaps) to manage interest rate risks. As at 31 December 2024, the Group had net current assets of RMB79,321,844,000 and total bank balances of RMB34,671,647,000 (2023: RMB77,146,991,000 and RMB31,858,360,000, respectively). With the available banking facilities and cash revenue from business operations, it is believed that the Group has sufficient resources to meet the foreseeable working capital demands and capital expenditure.

The monetary assets and liabilities and business transactions of the Group are mainly carried and conducted in Hong Kong dollars, Renminbi and United States dollars. The Group maintains a prudent strategy in its foreign exchange risk management, where foreign exchange risks are minimised via balancing the monetary assets versus monetary liabilities, and foreign exchange revenue versus foreign exchange expenditures. The management believes that the foreign exchange rate between Hong Kong dollars and United States dollars is relatively stable. Due to recent fluctuation of Renminbi exchange rate against Hong Kong dollars, the Group closely monitors the fluctuation and adopts policy to minimise exchange rate risks, if necessary.

## Pledged Assets

At the end of the reporting period, the carrying value of the Group's assets which were pledged to secure credit facilities granted to the Group are as follows:

	<b>2024</b> <b>RMB'000</b>	<b>2023</b> <b>RMB'000</b>
Investment properties	<b>5,530,726</b>	5,008,576
Hotel properties	<b>1,605,000</b>	1,280,000
Buildings	<b>120,258</b>	90,970
Right-of-use assets	<b>205,392</b>	123,139
Properties under development	<b>23,421,673</b>	26,817,016
Properties held for sale	<b>1,118,818</b>	164,296
Bank deposits	<b>164,147</b>	226,443
	<b><u>32,166,014</u></b>	<b><u>33,710,440</u></b>

In addition to above pledged assets, as at 31 December 2024 and 2023, the Group's interests in certain subsidiaries were pledged to secure credit facilities granted to the Group. The details of net assets value of subsidiaries are as follows:

	<b>2024</b> <b>RMB'000</b>	<b>2023</b> <b>RMB'000</b>
Total assets	<b>10,462,976</b>	43,069,200
Total liabilities	<b>(10,190,072)</b>	(42,764,844)
Net assets value	<b><u>272,904</u></b>	<b><u>304,356</u></b>

## **Contingent Liabilities**

The Group arranged mortgage loan facilities with certain banks for purchasers of property units and provided guarantees to banks to secure obligations of such purchasers of repayment. The maximum guarantees given to banks amounted to approximately RMB23,496,301,000 (2023: RMB27,693,189,000) as at 31 December 2024. Such guarantees terminate upon the earlier of (i) issue of the real estate ownership certificate; and (ii) the satisfaction of the mortgage loans by the buyers of the properties. The Group has not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the Directors. The Directors also consider that the fair value of the underlying properties is able to cover the outstanding mortgage loans guaranteed by the Group in the event the purchasers default payments to the banks.

As at 31 December 2024, the Group had given guarantees to certain banks in respect of credit facilities granted to certain associates and joint ventures of the Group amounting to approximately RMB6,494,874,000 (2023: RMB7,544,812,000), of which approximately RMB3,547,951,000 (2023: RMB5,132,349,000) had been utilised by associates and joint ventures.

## **EMPLOYEES**

As at 31 December 2024, the Group employed about 6,332 employees with remuneration for the year amounted to approximately RMB1,264 million. The Group provides employees with various benefits, including year-end double pay, contributory provident fund and medical insurance. In addition, share options and discretionary bonuses are also granted based on the Group's and individuals' performance. Employee trainings are also provided as and when required.

## **SHARE OPTION SCHEME**

In order to provide incentives or rewards to the Directors and certain employees of the Company and certain eligible persons who contribute to the long-term success of the businesses of the Group, the shareholders of the Company adopted a share option scheme (the "Share Option Scheme") on 28 May 2014. The Share Option Scheme was valid and effective for a period of 10 years from 28 May 2014 and expired on 27 May 2024.

As at 31 December 2024, there were no outstanding options under the Share Option Scheme.

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

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

## **REVIEWED BY AUDIT COMMITTEE**

The audit committee of the Company presently comprises three non-executive directors, namely Mr. Zhang Yi, Mr. Gong Jian and Mr. Deng Huan and four independent non-executive directors, namely Miss Leung Sau Fan, Sylvia (Chairlady), Mr. Fung Chi Kin, Mr. Wong Ka Lun and Mr. Ng Kim Lam. The consolidated financial statements of the Group for the year ended 31 December 2024 have been reviewed by the audit committee.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

Throughout the period under review, the Company has adopted the provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules (the “CG Code”). The Company has strictly complied with the provisions of the CG Code in other aspects except the following two specific deviations:

Under code provision C.2.1 of the CG Code, the roles of chairman and managing director should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and the managing director has been established and adopted by the Company in writing in accordance with code provision C.2.1. However, due to work rearrangements, Mr. Wang Jian resigned as an executive director and managing director of the Company on 3 November 2023, and his daily management work was temporarily performed by the Chairman of the Company with the assistance of various centres (offices and departments) of the Group. Following the resignation of Mr. Wang Jian, the Company had been actively identifying suitable candidates, and appointed Mr. Hu Zaixin as an executive director and managing director of the Company on 14 March 2024 to fill the casual vacancy arising from the resignation of Mr. Wang Jian as managing director.

Under code provision F.2.2 of the CG Code, the chairman of the board should attend annual general meetings. However, Mr. Wan Yuqing, the Chairman of the Company, was unable to attend the annual general meeting of the Company held on 13 June 2024 due to ill-health. Mr. Hu Zaixin was appointed as the chairman of the meeting and addressed questions raised by shareholders at the meeting.

The Company considers that sufficient measures have been taken to ensure that the Company’s corporate governance practices are no less exacting than those in the CG Code.

## **COMPLIANCE WITH THE MODEL CODE SET OUT IN APPENDIX C3 TO THE LISTING RULES**

The Company has adopted the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “Model Code”) for the code of conduct regarding directors’ securities transactions. Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2024.

## **EVENTS AFTER THE REPORTING PERIOD**

From 31 December 2024 to the date of this announcement, there were no significant events after the reporting period that had a material impact on the Group.

## **PUBLICATION OF THE RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This results announcement is published on the website of the Company and the website of Hong Kong Exchanges and Clearing Limited (the “HKEX”). The 2024 Annual Report will also be available on the Company’s and the HKEX’s websites in April 2025.

For and on behalf of the Board  
**Poly Property Group Co., Limited**  
**WAN Yuqing**  
*Chairman*

Hong Kong, 20 March 2025

*As at the date of this announcement, the executive directors of the Company are Mr. Wan Yuqing and Mr. Hu Zaixin, the non-executive directors of the Company are Mr. Zhang Yi, Mr. Gong Jian and Mr. Deng Huan, and the independent non-executive directors of the Company are Mr. Fung Chi Kin, Miss Leung Sau Fan, Sylvia, Mr. Wong Ka Lun and Mr. Ng Kim Lam.*