華潤萬象生活有限公司
China Resources Mixc Lifestyle Services Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1209)

ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

HIGHLIGHTS

For the year ended 31 December 2024, revenue for the year amounted to Renminbi ("**RMB**") 17.043 billion, representing a year-on-year ("**YoY**") growth of 15.4%, of which RMB6.274 billion was generated from the commercial management business, representing a YoY growth of 21.4%, RMB10.715 billion was generated from the property management business, representing a YoY growth of 11.6%, and RMB54 million was generated from the ecosystem business.

For the year ended 31 December 2024, gross profit for the year amounted to RMB5.609 billion, representing a YoY growth of 19.5%. Gross profit margin increased from 31.8% for the year ended 31 December 2023 to 32.9% for the year ended 31 December 2024.

For the year ended 31 December 2024, profit attributable to the shareholders of the Company RMB3.629 billion, representing a YoY growth of 23.9%, and core net profit attributable to the shareholders of the Company (non-HKFRS measure) amounted to RMB3.507 billion, representing a YoY growth of 20.1%.

As at 31 December 2024, the number of opened shopping malls and office buildings for which the Group provided commercial operational services were 118 and 27, respectively, and the Group has four opened shopping mall subleasing projects, and the gross floor area ("**GFA**") under management for which the Group provided property management services was 413 million sq.m. (excluding shopping mall projects).

For the year ended 31 December 2024, earnings per share attributable to shareholders for the year was RMB1.590, and core net profit per share attributable to shareholders of the Company (non-HKFRS measure) was RMB1.536.

The Board recommended a final dividend of RMB0.643 per Share for the year ended 31 December 2024 and declared a special dividend of RMB0.614 per Share for the year ended 31 December 2024.

The board (the "**Board**") of directors (the "**Directors**") of China Resources Mixc Lifestyle Services Limited (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2024 (the "**Year**") as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024
(Expressed in Renminbi)

	Note	**2024** *RMB'000*	2023 *RMB'000*
Revenue	*3(b)*	**17,042,658**	14,766,952
Cost of sales		**(11,433,190)**	(10,072,674)
Gross profit		**5,609,468**	4,694,278
Gain on changes in fair value of investment properties		**40,702**	39,353
Other income and gains	*4*	**704,663**	576,502
Marketing expenses		**(290,673)**	(284,707)
Administrative expenses		**(975,174)**	(949,805)
Other expenses		**(81,120)**	(48,944)
Finance costs		**(115,768)**	(117,202)
Share of profit of an associate		**57**	4
Share of profit of a joint venture		**3,066**	2,645
Profit before tax		**4,895,221**	3,912,124
Income tax expenses	*5*	**(1,165,114)**	(969,484)
Profit and total comprehensive income for the year		**3,730,107**	2,942,640
Attributable to:			
Equity shareholders of the Company		**3,629,375**	2,928,749
Non-controlling interests		**100,732**	13,891
Profit and total comprehensive income for the year		**3,730,107**	2,942,640
Earnings per share	*6*		
Basic and diluted for the year		**RMB159.0 cents**	RMB128.3 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed in Renminbi)

	Note	**2024**	2023
		RMB'000	*RMB'000*
Non-current assets			
Property, plant and equipment		**614,194**	551,857
Investment properties		**4,160,000**	3,788,000
Intangible assets		**1,358,855**	1,573,593
Right-of-use assets		**85,471**	112,161
Goodwill	*7*	**1,809,503**	1,900,340
Interest in an associate		**656**	599
Interest in a joint venture		**6,630**	3,703
Deferred tax assets		**142,552**	117,122
Prepayments, other receivables and other assets	*9*	**1,231**	15,595
Time deposits		**4,472,706**	202,097
Total non-current assets		**12,651,798**	8,265,067
Current assets			
Inventories		**239,771**	202,745
Trade and bill receivables	*8*	**2,365,884**	1,995,595
Prepayments, other receivables and other assets	*9*	**1,272,280**	1,620,537
Structured deposits		**2,607,951**	–
Time deposits		**101,017**	4,052,766
Restricted bank deposits		**98,618**	66,613
Cash and cash equivalents		**9,570,816**	11,580,159
Total current assets		**16,256,337**	19,518,415
Current liabilities			
Trade payables	*10*	**1,655,727**	1,546,118
Other payables and accruals	*11*	**4,394,750**	4,121,078
Contract liabilities		**2,279,382**	2,171,612
Lease liabilities		**132,731**	151,786
Contingent consideration payables		**34,793**	114,025
Current taxation		**330,556**	235,088
Total current liabilities		**8,827,939**	8,339,707
Net current assets		**7,428,398**	11,178,708
Total assets less current liabilities		**20,080,196**	19,443,775

	Note	2024 RMB'000	2023 RMB'000
Non-current liabilities			
Lease liabilities		**2,174,182**	2,267,323
Contingent consideration payables		**151,209**	221,131
Other liabilities		**9,926**	13,238
Deferred tax liabilities		**1,023,723**	906,033
Total non-current liabilities		**3,359,040**	3,407,725
NET ASSETS		**16,721,156**	16,036,050
EQUITY			
Share capital	*12(a)*	**152**	152
Reserves		**16,525,220**	15,948,084
Equity attributable to equity shareholders of the Company		**16,525,372**	15,948,236
Non-controlling interests		**195,784**	87,814
TOTAL EQUITY		**16,721,156**	16,036,050

NOTES

(Expressed in Renminbi unless otherwise indicated)

1 GENERAL INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 18 May 2017. The registered office address of the Company is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

During the year, the Group was mainly engaged in commercial management business, property management business and ecosystem business in Chinese Mainland.

The Company's shares became listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 9 December 2020 (the "**Listing**").

In the opinion of the Directors, the immediate holding company of the Company is China Resources Land Limited ("**CR Land**"), a public limited company incorporated in the Cayman Islands and its shares are listed on the Main Board of the Stock Exchange. The ultimate holding company of the Company is China Resources Company Limited ("**CRCL**"), a company incorporated in the People's Republic of China (the "**PRC**").

2 MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation of the financial statements

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the disclosure requirements of the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention, except for investment properties and certain financial instruments which have been measured at fair value.

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

(b) Changes in accounting policies

The HKICPA has issued the following amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- 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*

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

(a) Segment reporting

Information reported to the executive Directors, being the chief operating decision makers ("**CODM**") of the Group, was specifically focused on the segments of the commercial management business, property management business and ecosystem business. These divisions are the basis on which the Group reports its segment information under HKFRS 8 Operating Segments.

- Commercial management business: Commercial management services are provided to property owners or tenants of shopping malls and office buildings. For shopping malls, the Group provides property management and other services, commercial operational services and commercial subleasing services. For office buildings, the Group provides commercial operational services, property management and other services.

- Property management business: The Group provides property management services to community space properties and urban space properties. Such services mainly include (i) basic property management services; (ii) value-added services to non-property owners; and (iii) value-added services to property owners.

- Ecosystem business: The Group provides ample eco-services, including self-owned cosmetics, cultural operation and other services.

(i) ***Segment results***

Segment results represent the profit earned or loss incurred before taxation by each segment without allocation of income or expenses which are not recurring in nature or unrelated to the CODM's assessment of the Group's operating performance, e.g., other income and gains, share of profit of interest in a joint venture, share of profit of interest in an associate, unallocated finance costs, and unallocated expenses. Segment revenues and results are the measures reported to the CODM for the purposes of resource allocation and performance assessment.

The following is an analysis of the Group's revenue and results by operating and reportable segments:

Year ended 31 December 2024

	Commercial management business *RMB'000*	**Property management business** *RMB'000*	**Ecosystem business** *RMB'000*	**Total** *RMB'000*
Revenue				
Revenue from contracts with customers				
Recognised at a point in time	**18,228**	**874,323**	**32,862**	**925,413**
Recognised over time	**5,683,320**	**9,807,878**	**20,542**	**15,511,740**
	5,701,548	**10,682,201**	**53,404**	**16,437,153**
Revenue from other sources				
Rental income	**572,758**	**32,747**	**–**	**605,505**
Revenue from external customers	**6,274,306**	**10,714,948**	**53,404**	**17,042,658**
Segment results	**3,706,223**	**1,904,281**	**13,357**	**5,623,861**
Share of profit of a joint venture				**3,066**
Share of profit of an associate				**57**
Other income and gains				**553,198**
Unallocated expenses				**(1,279,691)**
Unallocated finance costs				**(5,270)**
Profit before tax				**4,895,221**
Capital expenditure*	**282,681**	**109,185**	**205**	**392,071**

* The capital expenditure consists of additions to property, plant and equipment and intangible assets.

Year ended 31 December 2023

	Commercial management business *RMB'000*	Property management business *RMB'000*	Total *RMB'000*
Revenue			
Revenue from contracts with customers			
Recognised at a point in time	17,812	672,354	690,166
Recognised over time	4,699,231	8,898,480	13,597,711
	4,717,043	9,570,834	14,287,877
Revenue from other sources			
Rental income	449,297	29,778	479,075
Revenue from external customers	5,166,340	9,600,612	14,766,952
Segment results	2,950,541	1,729,125	4,679,666
Share of profit of a joint venture			2,645
Share of profit of an associate			4
Other income and gains			525,519
Unallocated expenses			(1,283,456)
Unallocated finance costs			(12,254)
Profit before tax			3,912,124
Capital expenditure*	346,646	235,028	581,674

* The capital expenditure consists of additions to property, plant and equipment and intangible assets.

(ii) Geographic information

No geographical information is presented as the Group's revenue from the external customers is derived solely from its operation in Chinese Mainland and all non-current assets of the Group are located in Chinese Mainland.

(b) Revenue

Revenue mainly comprises proceeds from commercial management business and property management business and ecosystem business. Disaggregation of revenue from contracts with customers by each significant category is as follows:

	2024	2023
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of HKFRS 15		
Revenue from contracts with customers		
Commercial management business		
— Shopping malls	**3,636,440**	2,789,010
— Office buildings	**2,065,108**	1,928,033
	5,701,548	4,717,043
Property management business		
Community space	**8,861,312**	8,234,826
— Property management services	**6,659,780**	6,017,782
— Value-added services to non-property owners	**718,427**	821,016
— Value-added services to property owners	**1,175,510**	1,088,092
— Sales of goods and carparks	**307,595**	307,936
Urban space	**1,820,889**	1,336,008
	10,682,201	9,570,834
Ecosystem services	**53,404**	–
Total revenue from contracts with customers	**16,437,153**	14,287,877
Revenue from other sources		
Gross rental income		
— Variable lease payments that do not depend on an index or rate	**114,514**	111,026
— Other lease payments, including fixed payments	**490,991**	368,049
	605,505	479,075
Total revenue	**17,042,658**	14,766,952

For the year ended 31 December 2024, revenue from the ultimate holding company and the fellow subsidiaries (along with their respective joint ventures and associates) amounted to RMB5,580,630,000 (2023: RMB4,409,618,000). Other than the revenue from the ultimate holding company and the fellow subsidiaries, no revenue derived from sales to a single customer or a Group of customers under common control accounted for 10% or more of the Group's revenue for the year ended 31 December 2024 and 2023.

4 OTHER INCOME AND GAINS

	2024	2023
	RMB'000	*RMB'000*
Interest revenue	**412,603**	395,186
Net gain on changes in fair value of financial assets measured at fair value through profit or loss	**66,920**	–
Government grants	**40,743**	95,743
Exchange (loss)/gain, net	**(3,278)**	6,064
Net gain on disposal of items of property, plant and equipment	**298**	3,559
Gain on changes in fair value of contingent consideration payables	**151,465**	50,983
Others	**35,912**	24,967
	704,663	576,502

5 INCOME TAX EXPENSES

(a) Taxation in the consolidated statement of profit or loss represents:

	2024	2023
	RMB'000	*RMB'000*
Current taxation	**1,069,616**	835,125
PRC Land Appreciation Tax ("**LAT**")	**1,813**	2,632
Deferred taxation	**93,685**	131,727
Total tax charge for the year	**1,165,114**	969,484

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

Hong Kong Profits Tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. No provision for Hong Kong Profits Tax has been made as the Group had no assessable profits arising in Hong Kong for the year ended 31 December 2024 (2023: Nil).

Subsidiaries of the Group operating in Chinese Mainland are generally subject to the PRC Corporate Income Tax ("**CIT**") rate of 25% (2023: 25%) during the year, excluding certain subsidiaries of the Group in Chinese Mainland which are either located in Shenzhen Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone, western cities or qualified as Small and Micro Profit Enterprises and were subject to a preferential income tax rate of 15% during the period.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Chinese Mainland. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Chinese Mainland and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5%.

The provision for LAT is estimated according to the requirements set forth in the relevant the PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

6 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of RMB3,629,375,000 (2023: RMB2,928,749,000) and the weighted average of ordinary shares of 2,282,500,000 (2023: 2,282,500,000 ordinary shares) in issue during the year.

(b) Diluted earnings per share

The Company had no potentially dilutive ordinary shares in issue during the year ended 31 December 2024 and 2023.

7 GOODWILL

	RMB'000
Cost:	
At 1 January 2023	1,804,719
Acquisition of subsidiaries	95,621
At 31 December 2023 and at 1 January 2024	**1,900,340**
Derecognition in relation to the Disposals *(note (i))*	**(74,510)**
Adjustments	**(16,327)**
At 31 December 2024	**1,809,503**
Carrying value:	
At 31 December 2024	**1,809,503**
At 31 December 2023	1,900,340

Notes:

(i) In 2024, management withdrew certain property management projects from Nantong Changle, Jiangsu Zhongnan and Yuzhou under the supplemental agreements signed with the non-property owners and vendors, resulting in the disposals of customer relationships related to those terminated property management projects (the "**Disposals**") amounting to RMB59,585,000 and the associated goodwill of RMB74,510,000 was derecognised. Meanwhile, the contingent consideration payables for Nantong Changle, Jiangsu Zhongnan and Yuzhou were reduced in an amount of RMB134,095,000. No impact to profit or loss arose from the Disposals.

8 TRADE AND BILL RECEIVABLES

	2024	2023
	RMB'000	*RMB'000*
Trade receivables		
Related parties	**985,939**	878,178
Third parties	**1,483,704**	1,195,366
	2,469,643	2,073,544
Bill receivables		
Related parties	**–**	777
Third parties	**33,280**	3,762
	33,280	4,539
Less: loss allowance	**(137,039)**	(82,488)
	2,365,884	1,995,595

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade and bill receivable, based on the invoice date, is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 1 year	**2,012,085**	1,901,026
1 to 2 years	**395,066**	132,195
2 to 3 years	**55,595**	28,948
Over 3 years	**40,177**	15,914
	2,502,923	2,078,083
Less: loss allowance	**(137,039)**	(82,488)
Trade and bills receivable, net of loss allowance	**2,365,884**	1,995,595

9 PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	2024	2023
	RMB'000	*RMB'000*
Current		
Prepayments	**285,005**	299,674
Deposits	**81,279**	73,341
Other receivables	**547,716**	601,105
Prepayment to and other receivables from related parties	**396,955**	675,453
	1,310,955	1,649,573
Less: loss allowance	**(38,675)**	(29,036)
	1,272,280	1,620,537
Non-current		
Prepayments	**1,231**	15,595

The movements in the loss allowance for impairment of other receivables are as follows:

	2024	2023
	RMB'000	*RMB'000*
At beginning of year	**29,036**	19,914
Acquisition of subsidiaries	**–**	2,094
Impairment losses, net	**9,643**	7,028
Written off during the year	**(4)**	–
At end of year	**38,675**	29,036

10 TRADE PAYABLES

	2024	2023
	RMB'000	*RMB'000*
Trade payables		
Related parties	**67,671**	83,808
Third parties	**1,588,056**	1,462,310
	1,655,727	1,546,118

As of the end of the reporting period, the ageing analysis of trade payables, based on the invoice date, is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 1 year	**1,539,649**	1,443,103
1 to 2 years	**71,033**	60,564
2 to 3 years	**22,124**	22,136
Over 3 years	**22,921**	20,315
	1,655,727	1,546,118

11 OTHER PAYABLES AND ACCRUALS

	2024	2023
	RMB'000	*RMB'000*
Other payables and accruals		
Related parties	**252,838**	311,027
Third parties	**1,494,557**	1,424,691
Financial liabilities measured at amortised cost	**1,747,395**	1,735,718
Salaries and bonus payables	**1,501,414**	1,369,988
Deposits	**924,956**	863,378
Tax payables other than current income tax liabilities	**220,985**	151,994
	4,394,750	4,121,078

Notes: Other payables and accruals with third parties are unsecured, interest-free and repayable on demand. The fair values of other payables at the end of each of the reporting period approximated to their corresponding carrying amounts.

12 CAPITAL, RESERVES AND DIVIDENDS

(a) Share capital

	2024	2023
	RMB'000	*RMB'000*
Authorised:		
5,000,000,000 (2023: 5,000,000,000) ordinary shares of US$0.00001 each	**338**	338
Issued and fully paid:		
2,282,500,000 (2023: 2,282,500,000) ordinary shares at US$0.00001 each	**152**	152

(b) Dividends

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

	2024	2023
	RMB'000	*RMB'000*
Interim dividend declared after the interim period of RMB27.9 cents per ordinary share, equivalent to HK30.5 cents per ordinary share (2023: RMB22.3 cents per ordinary share, equivalent to HK24.3 cents per ordinary share)	**627,823**	508,963
Special dividend declared after the interim period of RMB57.5 cents per ordinary share, equivalent to HK62.9 cents per ordinary share (2023: Nil)	**1,326,533**	–
Final dividend declared after the year of RMB64.3 cents per ordinary share (2023: RMB48.1 cents per ordinary share, equivalent to HK52.9 cents per ordinary share)	**1,467,648**	1,097,883
Special dividend declared after the year of RMB61.4 cents per ordinary share (2023: Nil)	**1,401,455**	–

Both of the final dividend and special dividend declared after the year have not been recognised as a liability at the end of the reporting period.

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved during the year

	2024	2023
	RMB'000	*RMB'000*
Final dividend in respect of the previous financial year, approved during the year, of RMB48.1 cents per ordinary share, equivalent to HK52.9 cents per ordinary share (2023: RMB31.2 cents per ordinary share, equivalent to HK35.7 cents per ordinary share)	**1,097,883**	751,279

CHAIRMAN'S STATEMENT

I am pleased to present to shareholders the business review and outlook of the Group for the year ended 31 December 2024.

In 2024, China's economy advanced under pressure amidst a complex and challenging environment, and recovered with stable high-quality development despite fluctuations. The Chinese government took expanding domestic demand as a strategic foundation, and implemented multiple measures to boost consumption, enabling the consumer market to achieve resilient growth despite the pressure. At the same time, the differentiation of consumer demand continued to intensify. The growth of commodity retail, especially high-end consumption, slowed down under pressure, while the growth of service consumption remained robust, and consumers increasingly attached importance to the value of consumption. Overall, the landscape of the consumer market became more complex. Shopping mall operators continuously strengthened their capabilities in meticulous adaptation and innovative coordination, with an aim to achieve structural growth by accurately grasping segmented scenarios and demands. The growth rate of the property management industry shifted gears, as policy guidance and increased competition drove the focus to shift towards "quality over quantity." Leading property management enterprises firmly promoted high-quality expansion and service innovation. Through deepened lean operations and accelerated internal reforms, they explored the extension and layout of the industrial chain in sub-segments, and continuously built a positive cycle of scale, efficiency, and service quality.

In 2024, notwithstanding the significant increase in the uncertainty of the external operating environment, the Group vigorously promoted various strategic measures. Taking "high quality, high efficiency, high standard, and stable growth" as the overall operating principle, the Group implemented the business strategies of refined management and lean operations. As a result, we have achieved continuous growth in business performance and continuous improvement in management effectiveness, steadily advancing on the journey of becoming China's most influential asset-light management company.

Enhancing quantity and quality to achieve stable scale growth. The Group's commercial management business has adhered to its strategic focus on high-tier cities, while deepening the management. During the year, the Group newly signed 12 commercial asset-light expansion projects, eight of which are transit-oriented development (TOD) projects in key cities, maintaining its leading position in terms of quantity and quality; 21 new shopping malls were opened. Specifically, Xi'an MIXC, a phenomenon project, has attracted widespread attention in the market; Shenzhen Longgang Universiade project has developed the overall planning model featuring "cultural, commercial and sports construction and operation"; and the product competitiveness of YIWU PLACE, SHAOXING PLACE and other innovative projects has been ahead of the market. The number of opened shopping malls under the Group's management has increased to 122. The Group's property management business has remained in the first echelon in the industry and focused on its strategic positioning to continuously expand, and is accelerating its development into an urban space operation service provider. During the year, the Group newly expanded 91 urban public space projects, developing a series of high-quality model projects for stadiums, industrial parks, universities, etc. Capitalising on its advantages in the integrated operation and services, the Group undertook and implemented the project in Longgang, Wenzhou, which further strengthened the Group's competitive edge in the field of urban operation and services. As of the end of 2024, the area under management was 413 million sq.m. and the contracted area was 450 million sq.m., covering 173 cities across the country. In the area of the membership business, the Group made steady progress with an increasing size of members and points. As of the end of 2024, the total number of "MIXC Star" (萬象星) members reached 61.07 million, representing a 32.0% YoY increase, and the amount of "MIXC Star" (萬象星) points issued totaled RMB1.03 billion, representing a YoY increase of 15.7%. The Group has expanded high-frequency points redemption scenarios such as various kinds of travelling and community services, which covered the diversified consumption needs of its members and allowed further enhancing members' activeness in the private domain.

Improving quality and efficiency to make steady progress. Our shopping mall business in the commercial management business segment deepened the specialised management to execute the strategy of "capturing resources, attracting customers, adopting favourable policies, controlling expenses, and achieving performance goals". Our operation outperformed the general trend. The shopping malls under the management of the Group realised retail sales of RMB215.0 billion, representing a YoY increase of 18.7%. Rental income from the property owners side reached RMB26.2 billion, representing a YoY increase of 19.2%, with operating profit margin from the property owners side increasing by 0.4 percentage point YoY to 65.1%. The ecosystem business was fully upgraded. The Group completed the opening of the first self-owned store of high-quality cosmetics, which effectively improved the project's product positioning competitiveness and service capabilities and significantly enhanced the project's competitive edge. In property management business segment, the Group comprehensively focused on building better communities and continued to improve basic service capabilities, with customer satisfaction increasing by 3.44 points YoY to 91.76 points. The evenness of service standard significantly improved, and the collection rate reached 87% as driven by quality services. The Group also tapped the potential of value-added services to property owners, with revenue increasing by 6.3% YoY. The engineering service company commenced physical operation and constructed the business model, achieving breakthroughs in commercial maintenance business. The group-wide emphasis on performance quality management resulted in a YoY decrease of 1.0 percentage point in selling and administrative expense ratio to 7.4%, whereas a YoY increase of 4.4 percentage points in operating cash flow ratio to 25.0% and a YoY increase of 17.2 percentage points in the coverage ratio of operating cash flow to core net profit attributable to the shareholders of the Company (non-HKFRS measure) to 121.4%.

Leverage technologies to generate more development momentum. The Group firmly implemented digital transformation and accelerated the utilisation of technologies to achieve "production technologisation, operation digitalisation, space intelligentisation and data capitalisation". **In terms of "production technologisation and operation digitalisation"**, focusing on building smart malls, the commercial management business segment reshaped store management systems by connecting seven core systems to significantly improve operational efficiency across the entire business chain and decision-making processes. Also, it continuously optimised the "Lianggu" (良賈) mini-program to provide merchants with comprehensive online services and intelligent business operation reports, and systematically restructured the commercial settlement middle platform to further advance the integration of business and finance and process efficiency. The property management business segment focused on production digitalisation, including promoting the implementation of the parking platform and completing the construction of management systems for property renovation value-added services, leasing and sales, and public area resources. Efforts are focused on online operations of frontliner and customer service as well as optimisation of the "Zhaoxi" (朝昔) platform. Leveraging the "Zhaoxi" platform, it extended management capabilities for different urban spaces and improved the quality and efficiency of service delivery. **As for "space intelligentisation"**, the commercial management business segment has successfully piloted an Internet of Things (IoT) platform to set Shenzhen Bay MIXC as a benchmark for smart shopping malls through achieving full-lifecycle management of smart devices. The property management business segment has launched an intelligent operations platform, with pilot applications in equipment room inspections and public area comprehensive patrols. **Regarding "data capitalisation"**, the Group developed a user profiling platform, which integrates data across multiple business areas to achieve comprehensive multi-dimensional membership data accumulation. Strengthening data insights has yielded initial success in offline consumer traffic driven by commercial coupons from the commercial management business segment, while the property management business segment continues refining its self-developed e-commerce platform to further unlock customer value.

Transformation revitalises organisational vitality. The Group remains committed to organisational transformation and enhancing efficiency within the organisation through iterations. During the year, the management framework featured "service-platform headquarter, legally anchored business segments, specialisation in prioritised verticals" has been established. In line with the principles of "streamline for efficiency and authority with corresponding responsibility", the commercial management and the property management business segments have been structured as business entities. Decentralised authorisation, organisational alignment and team strengthening have further enhanced organisational capabilities and operational vitality of the full-value chain for major segments. In-depth differentiated management for sub-segments and mid-and-back-office function sharing ensure simultaneous improvements in professional competency and operational efficiency. Focusing on critical positions of operations, the Group promoted the quality improvement and upgrading of the talent team and built a talent reserve by internal promotions and external recruitment to support business growth. The frontline compensation system has been restructured to improve employees' sense of gain and satisfaction. A refined salary standard framework highlighted value differentiation for aiding in talent retention. Incentive mechanisms for market expansion and tenant sourcing have been optimised by strengthening the linkage with individual contribution for further reinforcing a performance-driven culture.

Sustainable development for a better future. The Group integrates its Environmental, Social and Governance ("**ESG**") strategy into business operations and management to drive sustainable development and value creation. In fulfilling our commitment to sustainable cities and communities, the Group has joined the WELL at Scale, released our first community prosperity report, and expanded implementation frameworks. We actively address to climate change by refining our carbon peak and carbon neutrality management mechanisms while achieving our annual targets. Additionally, the beautiful community green initiative has been launched by the Group, incorporating zero-waste community development into its operations. Further strengthening the connotation of the "MIXC Care" (萬象守護) responsibility brand, the Group remains focused on rural revitalisation, low-carbon environmental protection, community engagement, and public responsibility, while consistently rolling out a series of initiatives. We prioritise stakeholder engagement, including consumers, tenants, and property owners, to foster the sustainable development of the industry and expand its impact. For two consecutive years, the Group has been listed in the "China ESG-Listed Companies Pioneer 100" (中國ESG上市公司先鋒100) and the "Central Enterprise ESG-Listed Companies Pioneer 100" (央企上市公司先鋒100指數) and has also received prestigious honours, including the "Rising Star Award" (卓越新星獎) from the International WELL Building Institute (IWBI), "Most Respected Enterprise Award" (受尊敬企業獎) from The Economic Observer and "Annual Low-Carbon Pioneer" (低碳先鋒) from the Southern Weekly.

In 2024, the Group delivered steady growth across key performance indicator, achieving solid results. Our consolidated revenue amounted to RMB17.043 billion, representing a YoY increase of 15.4%, and core net profit attributable to the shareholders of the Company (non-HKFRS measure) amounted to RMB3.507 billion, representing a YoY increase of 20.1%. Core net profit per share attributable to the shareholders of the Company (non-HKFRS measure) were RMB1.536, with a steady growth in each core performance indicator. The Board resolved to recommend a final dividend of RMB0.643 per share, representing a YoY increase of 33.7% and leading to an increase of 5 percentage points in dividend payout rate to 60% for the year, and simultaneously declaring a special dividend of RMB0.614 per share, which significantly boosted shareholders' returns.

Looking forward to 2025, the complex and challenging domestic and international environment will extend for China's economy, and intensifying market competition and insufficient endogenous driving force in consumer spending for industries. However, the Group believes that proactive macroeconomic policies and precise regulatory measures will drive sustained improvement in the national economy. Guided by policies focused on people's livelihoods and bolstered by initiatives to stimulate consumption, the consumer market is expected to achieve a virtuous cycle of demand release and structural upgrading. The year of 2025 marks the conclusion of the 14th Five-Year Strategic Plan. The Group will adhere to the principle of "reform-driven development", with "stable growth" as the overarching operational goal. Guided by the core business strategy of "organic growth + extensional growth", we will do our utmost to achieve steady results growth and enhance shareholders' value. **In terms of operation, our commercial management business segment** continues to consolidate its competitive advantage in the market. For shopping malls, the Group will deepen the professional management of the segment, using benchmark development as a key driver to comprehensively enhance the full-chain operational capabilities of malls. For office building business, the Group will focus on the integrated management mode of "leasing + operations + property management" to improve leasing efficiency, enhance service quality, and build robust facility maintenance capabilities, thereby to further elevate brand influence. For ecosystem business, the Group will effectively balance scale growth with development quality, continuously strengthening core competitiveness. **In property management business segment,** the Group will transit from a singular focus on quality service to a customer-centric mindset, providing scenario-based services to improve service quality and consistency. This approach will further enhance customer satisfaction and loyalty. The Group will change the value-added services model to convert customer trust into tangible value and continuously scale up operations. The engineering services company will focus on core business scenarios to enhance its market-oriented professional capabilities, and strive to establish itself as a comprehensive supply chain integration platform. **In the area of the membership business**, the Group will centre on membership operations. By focusing on the three core assets of "points, benefits and data", we will expand the scenarios for points consuming and the scope of benefits, cultivate data-driven marketing capabilities, and clarify the value creation model and asset monetisation pathways. **In terms of scale development**, the Group will stick to high-quality growth. In commercial management business segment, the Group will focus on tapping the potential of existing and sub-leased projects, continuously looking for high-quality projects in key cities, and actively exploring opportunities in segmented sectors. In property management business segment, the Group will concentrate on mid-to-high-end residential projects, and accelerate the transformation into an urban space operation service provider by promoting and replicating the acquisition of citywide operational projects. **In terms of capacity building**, the Group will integrate insights into technological trends with the application of cutting-edge technologies to drive the implementation of emerging technologies in core business scenarios. Key focus areas will include enhancing consumer experiences, improving operational efficiency, accumulating data assets, and applying AI large model technologies. These will accelerate digital transformation and elevate organisational capabilities across the entire value chain.

In the medium to long term, deepening transformation, developing new quality productive forces and advancing Chinese modernisation will provide solid support for the long-term economic growth of China. The synergy between the advantages of the super-large-scale market and the strategy of expanding domestic demand will provide a broad space for the high-quality development of the Group. With strategic foresight and under the strategic guidance of "developing a world-class enterprise" and "becoming China's most influential asset-light management company", the Group will continue to expand, optimise and strengthen the two main businesses of commercial management and property management, systematically build industry-leading competitiveness in quality services, space operation and technological intelligence, and accelerate the value realisation of the membership business. With a continuous focus on the three key elements, i.e. "space, customer, and product and service", the Group will improve the ecological distribution of industries and strengthen its ability to lead the industry and provide comprehensive services. Looking ahead, opportunities and challenges coexist. We will insist on promoting transformation and innovation with our own changes, winning reputation among customers with quality services, enhancing development resilience with management improvement, and continue to explore growth space, striving to achieve long-term effective results growth and enhance shareholders' value.

Last but not least, on behalf of the Board, I would like to extend my heartfelt gratitude to the shareholders, customers and the public who have been paying attention to and supporting the development of the Group. The Group will continue to innovate and improve at a steady pace to create greater value for our shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group's business comprises two main businesses, (i) commercial management business and (ii) property management business, and ecosystem business.

Commercial management business: commercial properties under the Group's management include shopping malls and office buildings.

For shopping malls, the Group provides:

— Commercial operational services, including pre-opening management and operation management services;

— Property management and other services, principally including security, cleaning and greening, repair and maintenance, as well as other value-added services; and

— Commercial subleasing services, where the Group leases certain quality shopping malls from their owners and sublease to tenants such as retail stores and supermarkets. Commercial subleasing services include profit-sharing and leasing operation mode.

For office buildings, the Group provides:

— Commercial operational services, including tenant sourcing, operational services, and opening preparation services; and property management and other services, principally including security, cleaning and greening, repair and maintenance, as well as other value-added services.

Property management business: the Group introduces various services that meet the needs of families and residents living in residential communities, and provides operation and management services for city utilities and other urban space properties, including neighbourhoods, stadiums, parks, rivers and industrial parks.

For community space property management services, the Group provides:

— Property management services, including security, cleaning and greening, as well as repair and maintenance services to (i) property developers for properties prior to their delivery, and (ii) property owners, property owners' associations or residents for properties sold and delivered;

— Value-added services to non-property owners regarding property developers, including consultancy, preliminary preparation, and pre-delivery marketing services; and

— Value-added services to community property owners, including community life-style services, and brokerage and asset management services.

For urban space property management services, the Group provides:

— Property management services, including security, cleaning and greening, as well as repair and maintenance services; and value-added services, including consultancy, tenant sourcing and operation, venue leasing and event support.

Ecosystem business: based on basic services and operation services provided by main business segments and leveraging accumulated customer flow and resource, the Group expands the eco-chain of up-stream and down-stream and further provides ample eco-services, including self-owned cosmetics, cultural operation and other businesses.

The table below sets forth a breakdown of revenue by business segment and type of services as of the dates indicated:

	As of 31 December			
	2024	**Percentage**	2023	Percentage
	(RMB'000)	***(%)***	*(RMB'000)*	*(%)*
Commercial management business				
Shopping malls	**4,209,198**	**24.7**	3,238,307	21.9
Office buildings	**2,065,108**	**12.1**	1,928,033	13.1
Subtotal	**6,274,306**	**36.8**	5,166,340	35.0
Property management business				
Community space	**8,894,059**	**52.2**	8,264,604	56.0
— Property management services	**6,659,780**	**39.1**	6,017,782	40.8
— Value-added services to non-property owners	**718,427**	**4.2**	821,016	5.6
— Value-added services to property owners	**1,515,852**	**8.9**	1,425,806	9.6
Urban space	**1,820,889**	**10.7**	1,336,008	9.0
Subtotal	**10,714,948**	**62.9**	9,600,612	65.0
Ecosystem business	**53,404**	**0.3**	–	–
Total	**17,042,658**	**100.0**	14,766,952	100.0

Commercial Management Business

Shopping Malls

For the year ended 31 December 2024, the Group's revenue from the commercial operational and management services for shopping malls amounted to RMB4,209.2 million, representing an increase of 30.0% as compared with the corresponding period of last year and accounting for 24.7% of the total revenue. As of 31 December 2024, the Group provided commercial operational services for 118 opened shopping mall projects with an aggregate GFA of 12.7 million sq.m., among which, the vast majority of shopping malls were provided property management services by the Group at the same time. In addition, the Group had one opened profit-sharing project and three opened leasing operation projects, with an aggregate GFA of 0.4 million sq.m. as of 31 December 2024.

There was 81.5% segment revenue from the provision of commercial operational and property management services for shopping malls, with the remaining revenue derived from the commercial subleasing services.

The table below sets forth details of the contracted GFA of shopping mall projects and the GFA of projects opened as of the dates indicated:

	As of 31 December	
	2024	2023
Management outsourcing projects		
Contracted GFA (sq.m. in thousands)[1]	**18,568**	16,728
Number of projects for contracted GFA[1]	**169**	154
GFA of projects opened (sq.m. in thousands)	**12,691**	10,591
Number of projects opened	**118**	98
Profit-sharing projects		
Contracted GFA (sq.m. in thousands)	**327**	127
Number of projects for contracted GFA	**4**	2
GFA of projects opened (sq.m. in thousands)	**107**	107
Number of projects opened	**1**	1
Leasing operation projects		
Contracted GFA (sq.m. in thousands)	**488**	340
Number of projects for contracted GFA	**4**	3
GFA of projects opened (sq.m. in thousands)	**340**	274
Number of projects opened	**3**	2

Note 1: The contracted GFA and number of projects for contracted GFA as at 31 December 2024 excluded those attributable to reserved shopping malls acquired by CR Land but not contracted. The contracted GFA and number of projects for contracted GFA including reserved shopping malls acquired by CR Land but not contracted are 21,724 thousand sq.m. and 191 as at 31 December 2024 respectively.

The table below sets forth, by type of property developer, a breakdown of the number of opened shopping malls for which commercial operational and property management services were provided and their aggregate GFA as of the dates indicated, and a breakdown of revenue generated from commercial operational and property management services for the periods indicated:

	As of 31 December					
	2024			2023		
	GFA under management *(sq.m. in thousands)*	**Number of projects**	**Revenue** *(RMB'000)*	GFA under management *(sq.m. in thousands)*	Number of projects	Revenue *(RMB'000)*
CR Land	**10,720**	**92**	**3,037,807**	9,221	78	2,400,764
CR Group[2] and third-party developers	**1,971**	**26**	**391,400**	1,370	20	233,783
Total	**12,691**	**118**	**3,429,207**	10,591	98	2,634,547

Note 2: China Resources (Holdings) Company Limited ("**CRH**"), its holding companies, and their respective subsidiaries.

Office Buildings

For the year ended 31 December 2024, the Group's revenue from the commercial operational and property management services to office buildings was RMB2,065.1 million, representing an increase of 7.1% as compared with the corresponding period of last year, and accounted for 12.1% of the total revenue. As of 31 December 2024, the Group provided commercial operational services for 27 office buildings with an aggregate GFA of 1.9 million sq.m., and property management services for 221 office buildings with an aggregate GFA of 16.7 million sq.m.

93.7% of the segment revenue was generated from the provision of property management services to office buildings, with the remaining revenue from the provision of commercial operational services to office buildings.

The table below sets forth details of our contracted GFA and GFA under management of office buildings as of the dates indicated:

	As of 31 December	
	2024	2023
Commercial operational services		
Contracted GFA (sq.m. in thousands)	**2,161**	2,207
Number of projects for contracted GFA	**32**	33
GFA of the commercial operational services (sq.m. in thousands)	**1,893**	1,694
Number of projects for commercial operational services	**27**	26
Property management services		
Contracted GFA (sq.m. in thousands)	**21,401**	18,784
Number of projects for contracted GFA	**240**	210
GFA of the property management services (sq.m. in thousands)	**16,686**	14,820
Number of projects for property management services	**221**	195

The table below sets forth, by type of property developers, a breakdown of the number of office buildings under management and the aggregate GFA under management as of the dates indicated, and a breakdown of revenue generated from commercial operational services and property management services to office buildings for the periods indicated:

	As of 31 December					
	2024			2023		
	GFA under management *(sq.m. in thousands)*	**Number of projects**	**Revenue** *(RMB'000)*	GFA under management *(sq.m. in thousands)*	Number of projects	Revenue *(RMB'000)*
Commercial operational services						
CR Land	**1,392**	**21**	**103,979**	1,255	20	99,418
CR Group and third-party developers	**501**	**6**	**26,055**	439	6	32,802
Total	**1,893**	**27**	**130,034**	1,694	26	132,220
Property management services						
CR Land	**10,183**	**105**	**1,435,085**	9,375	95	1,352,266
CR Group and third-party developers	**6,503**	**116**	**499,989**	5,445	100	443,547
Total	**16,686**	**221**	**1,935,074**	14,820	195	1,795,813

Property Management Business

Community Space

Property Management Services

For the year ended 31 December 2024, the Group's revenue from property management services for community space amounted to RMB6,659.8 million, representing an increase of 10.7% as compared with the corresponding period of last year and accounting for 39.1% of the total revenue. The quality expansion of the scale of property under management has led to a steady growth in revenue from property services. As of 31 December 2024, there were 1,385 community space projects under management, representing an increase of 89 as compared with the corresponding period of last year; and the aggregate GFA under management was 271.4 million sq.m., representing an increase of 20.4 million sq.m. as compared with the corresponding period of last year.

The table below sets forth details of our contracted GFA and GFA under management of community space properties as of the dates indicated:

	As of 31 December	
	2024	2023
Contracted GFA (sq.m. in thousands)	**302,317**	300,989
Number of projects for contracted GFA	**1,507**	1,481
GFA under management (sq.m. in thousands)	**271,445**	251,033
Number of projects for GFA under management	**1,385**	1,296

The table below sets forth, by type of property developer, a breakdown of the number of community space properties under management, the aggregate GFA under management as of the dates indicated, and a breakdown of revenue generated from property management services for the periods indicated:

	As of 31 December					
	2024			2023		
	GFA under management *(sq.m. in thousands)*	**Number of projects**	**Revenue** *(RMB'000)*	GFA under management *(sq.m. in thousands)*	Number of projects	Revenue *(RMB'000)*
CR Land	**150,790**	**708**	**4,214,171**	134,588	605	3,647,431
CR Group and third-party developers	**120,655**	**677**	**2,445,609**	116,445	691	2,370,351
Total	**271,445**	**1,385**	**6,659,780**	251,033	1,296	6,017,782

Value-added Services to Non-Property Owners

For the year ended 31 December 2024, the Group recorded revenue generated from value-added services to non-property owners provided by developers of RMB718.4 million, accounting for 4.2% of our total revenue, which decreased by 12.5% as compared with the corresponding period of last year. Such decrease was mainly affected by the slowed acquisition of new projects and delivery progress of the existing projects by developers, leading to a decrease in the revenue of pre-delivery businesses such as preparation, marketing services and preliminary consultancy services.

Value-added Services to Property Owners

For the year ended 31 December 2024, the Group recorded revenue generated from value-added services to property owners for community space of RMB1,515.9 million, accounting for 8.9% of our total revenue, which increased by 6.3% as compared with the corresponding period of last year. Such increase was driven by the continued exploration of value-added services, the transformation and upgrading of traditional businesses, and the successful piloting of innovative business models that fueled expansion.

Urban Space

For the year ended 31 December 2024, the Group's revenue from property management services for urban space amounted to RMB1,820.9 million, representing an increase of 36.3% as compared with the corresponding period of last year, and accounting for 10.7% of our total revenue. The rapid increase in revenue was mainly attributable to the market expansion strategy of the Group with a focus on its strategic positioning. By accelerating the process of becoming an urban space operation service provider, the proactive expansion into the market has significantly increased the GFA under management of urban space. As of 31 December 2024, there were 438 managed urban space properties, increasing by 3 properties as compared with last year; and the aggregate GFA under management was 124.9 million sq.m., representing an increase of 20.6 million sq.m. as compared with the corresponding period of last year.

91.5% of the segment revenue was generated from the provision of property management services to urban space, with the remaining revenue derived from the provision of value-added services.

The table below sets forth details of our contracted GFA and GFA under management of urban space properties as of the dates indicated:

	As of 31 December	
	2024	2023
Contracted GFA (sq.m. in thousands)	**126,778**	105,496
Number of projects for contracted GFA	**453**	450
GFA under management (sq.m. in thousands)	**124,935**	104,306
Number of projects for GFA under management	**438**	435

The table below sets forth, by type of property developer, a breakdown of the number of urban space properties under management, the aggregate GFA under management as of the dates indicated, and a breakdown of revenue generated from property management services for the periods indicated:

	As of 31 December					
	2024			2023		
	GFA under management *(sq.m. in thousands)*	**Number of projects**	**Revenue** *(RMB'000)*	GFA under management *(sq.m. in thousands)*	Number of projects	Revenue *(RMB'000)*
CR Land	**2,355**	**22**	**81,261**	2,610	22	83,883
CR Group and third-party developers	**122,580**	**416**	**1,584,464**	101,696	413	1,143,712
Total	**124,935**	**438**	**1,665,725**	104,306	435	1,227,595

Ecosystem Business

For the year ended 31 December 2024, the Group's revenue from ecosystem business amounted to RMB53.4 million, mainly contributed by the revenue from self-owned cosmetics business and cultural operation business.

OUTLOOK

PURSUING HIGH-QUALITY SCALE DEVELOPMENT TO PROMOTE THE LEADING MARKET POSITION OF THE COMPANY

The Group will implement the strategy to lead scale expansion, and achieve high-quality and large-scale development of the two main segments, namely commercial management business and property management business. First, the Group will adhere to its strategy to penetrate urban market and intensify market penetration in core cities. By aligning with China's regional development strategies and leveraging established networks and brand advantages in existing markets, we will focus on replicating successful projects in key regions to enhance regional management efficiency. Second, the Group will adhere to its strategy to raise professional level in its main segments and cultivate differentiated competitive advantages. We will focus on serving diversified urban spaces by continuously optimising our industrial ecosystem layout, cultivating specialised and integrated service capabilities tailored to distinct urban spaces, thereby acquiring more projects through enhancing space values. Third, the Group will adhere to its strategy to promote mergers and acquisitions. We will proactively pursue mergers and acquisitions opportunities in respect of premium property management firms, specialised service providers demonstrating synergistic effects with the Group's business, and outstanding enterprises across upstream and downstream industrial chains, in a view to accelerate our scale expansion, capability reinforcement, and ecosystem enrichment.

MAINTAINING HIGH-QUALITY AND EFFICIENT OPERATION TO ACHIEVE RESILIENT DEVELOPMENT THROUGH EXCELLENT PRODUCT AND SERVICE

The Group adheres to systematically building quality services, technological intelligence, and organisational efficiency, driving connotative growth through refined and efficient operations. First, we remain committed to providing quality services. In response to increasingly segmented and diversified consumer demands, we actively investigate customer demand to deliver more precise and differentiated services, establishing core competitive strength for our products and services in the intense market competition. Second, we resolutely advance our digitalisation strategy of "production technologisation, operation digitalisation, space intelligentisation and data capitalisation". With more open and proactive attitude to technological trends, we continuously enhance customer experience, improve management efficiency, and strengthen technological capabilities. Third, we deepen our management model of "service-platform headquarter, legally anchored business segments, specialisation in prioritised verticals". This approach will achieve streamlined organisational efficiency, enhanced talent quality, and precise incentive systems, consolidating powerful momentum for high-quality development.

DEVELOPING AN INTEGRATED MEMBERSHIP PROGRAM WITH CROSS-BUSINESS FUNCTION TO EXPAND MORE SPACE FOR VALUE CREATION

The Group continues to enhance the functionality of its membership system to capture members' interest in our products and services, boost their loyalty, attract new users into our ecosystem and build digital connections with customers. We will continue to consolidate our membership programs, which allow us to fully understand the needs of users and enrich the options for the interests of the members and strengthen the identity value perception of the members, while improving customers' cross platform experience and realising cross-segment customer diversion. We will also continue to promote the membership programs to attract third-party merchants and further develop our platform and ecosystem through creating value and growth opportunities.

PRACTISING SUSTAINABLE DEVELOPMENT WHILE COMMITTING TO OUR MISSION AND VISION

The Group will continue to uphold the concept of green, low carbon and sustainable development, and will unswervingly incorporate ESG concepts throughout the entire process of our business. Focusing on the five major areas of MIXC-ecology, people orientation, partnership, green development, and honest operation, we are committed to creating long-term value for the stakeholders and urban development. At the same time, in response to the "dual-carbon" (雙碳) strategy of the country, the Group has set and worked towards our goal under the initiative of "carbon peak by 2030 and carbon neutrality by 2050" (2030年碳達峰、2050年碳中和), actively fulfilling our social responsibilities and delivering on our sustainability commitments.

FINANCIAL REVIEW

REVENUE

The Group's revenue is mainly generated from two main business segments, (i) commercial management business and (ii) property management business, and ecosystem business.

For the year ended 31 December 2024, the Group's revenue amounted to RMB17,042.7 million, representing an increase of 15.4% as compared with the corresponding period of last year. Such increase was primarily due to the continuous increase in management scale. The revenue from commercial operation management services and property management services grew steadily.

COST OF SALES

The Group's cost of sales mainly comprises (i) staff costs; (ii) subcontracting costs; (iii) utilities costs; (iv) common area facility costs; (v) office and related expenses; and (vi) depreciation and amortisation, which is mainly the amortisation of customer relationships brought about by historical mergers and acquisitions.

For the year ended 31 December 2024, the Group's cost of sales amounted to RMB11,433.2 million, representing an increase of 13.5% as compared with the corresponding period of last year. Such increase was primarily due to the increase in various types of corresponding costs resulting from the continuous growth of business scale.

GROSS PROFIT AND GROSS PROFIT MARGIN

For the year ended 31 December 2024, the gross profit of the Group amounted to RMB5,609.5 million, representing an increase of 19.5% as compared with the corresponding period of last year, and the gross profit margin was 32.9%, representing an increase of 1.1 percentage points as compared with the corresponding period of last year.

The table below sets forth details of the gross profit and gross profit margin by segment as of the dates indicated:

	As of 31 December			
	2024		2023	
	Gross profit	**Gross profit margin**	Gross profit	Gross profit margin
	(RMB'000)	***(%)***	*(RMB'000)*	*(%)*
Commercial management business				
Shopping malls	**3,056,291**	**72.6**	2,328,961	71.9
Office buildings	**720,728**	**34.9**	687,175	35.6
Subtotal	**3,777,019**	**60.2**	3,016,136	58.4
Property management business				
Community space	**1,584,020**	**17.8**	1,513,176	18.3
— Property management services	**958,235**	**14.4**	843,288	14.0
— Value-added services to non-property owners	**237,352**	**33.0**	281,959	34.3
— Value-added services to property owners	**388,433**	**25.6**	387,929	27.2
Urban space	**235,072**	**12.9**	164,966	12.3
Subtotal	**1,819,092**	**17.0**	1,678,142	17.5
Ecosystem business	**13,357**	**25.0**	–	–
Total	**5,609,468**	**32.9**	4,694,278	31.8

For the year ended 31 December 2024, the gross profit margin of commercial management business was 60.2%, representing an increase of 1.8 percentage points as compared with the corresponding period of last year. The increase was mainly due to the expansion of commercial operational services and the improvement in leverage effect and the increase in gross profit margin driven by the increase in revenue as well as cost reduction and efficiency improvement.

For the year ended 31 December 2024, the gross profit margin of property management business was 17.0%, representing a YoY decrease of 0.5 percentage point, which was attributable to the a decrease in the proportion of revenue from value-added services to non-property owners (which has a higher gross profit margin) as the community space property management services segment was impacted by the developer industry, resulting in a decrease in gross profit margin.

For the year ended 31 December 2024, the gross profit margin of ecosystem business was 25.0%.

GAIN ON CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES

For the year ended 31 December 2024, the Group recorded gain on changes in fair value of investment properties of RMB40.7 million, which was mainly related to the valuation change of the commercial subleasing projects.

OTHER INCOME AND GAINS

For the year ended 31 December 2024, the Group recorded other income and gains of RMB704.7 million, representing an increase of 22.2% as compared with the corresponding period of last year, which was mainly attributable to changes in fair value of contingent consideration arising from historical acquisition and merger transactions.

MARKETING EXPENSES

For the year ended 31 December 2024, the Group recorded marketing expenses of RMB290.7 million, representing an increase of 2.1% as compared with the corresponding period of last year, which was mainly due to the increase in marketing expenses for newly opened commercial subleasing projects.

ADMINISTRATIVE EXPENSES

For the year ended 31 December 2024, the Group's administrative expenses were RMB975.2 million, representing an increase of 2.7% as compared with the corresponding period of last year. Benefiting from the continuous deepening of cost control and efficiency enhancement measures as well as efforts put in the sharing middle and back office functions, the intensive management has significantly improved, and the proportion of administrative expenses in revenue for the current period decreased by 0.7 percentage point as compared with the corresponding period of last year.

OTHER EXPENSES

For the year ended 31 December 2024, the Group recorded other expenses of RMB81.1 million, representing an increase of 65.7% as compared with the corresponding period of last year, which was mainly attributable to the increase in the impairment losses for trade receivables.

FINANCE COSTS

For the year ended 31 December 2024, the Group's finance costs were RMB115.8 million, which was mainly the interest expenses incurred on lease liabilities and the amount was basically unchanged as compared with the corresponding period of last year.

INCOME TAX

For the year ended 31 December 2024, the Group's effective income tax rate was 23.8%, representing a decrease of 1.0 percentage point as compared with the corresponding period of last year, which was mainly attributable to the tax exclusion of the gains arising from the change in the fair value of contingent consideration recognised in acquisition and merger transactions.

PROFIT FOR THE YEAR

For the year ended 31 December 2024, the Group's net profit was RMB3,730.1 million, representing an increase of 26.8% as compared with the corresponding period of last year.

For the year ended 31 December 2024, the net profit attributable to equity shareholders of the Group amounted to RMB3,629.4 million, representing an increase of 23.9% as compared with the corresponding period of last year.

CORE NET PROFIT (NON-HKFRS MEASURE)

To supplement the consolidated financial statements, which are prepared in accordance with HKFRS, we also adopt core net profit (non-HKFRS measure) as an additional financial measure, which is not required by, or presented in accordance with HKFRS. We believe that the presentation of core net profit (non-HKFRS measure) provides useful information to investors and the management in understanding the consolidated results of the core operation of the Group from period to period by excluding the potential impact of certain items that are unrelated to the Company's daily business operations and management. The core net profit (non-HKFRS measure) is defined as the net profit attributable to shareholders of the Company adjusted by deducting revaluation gain/loss from investment properties, amortisation and disposal of intangible assets — customer relationships, gain/loss on changes in fair value of contingent consideration and associated deferred tax impact.

For the year ended 31 December 2024, the core net profit attributable to shareholders of the Company (non-HKFRS measure, which has been adjusted by (i) deducting the gain on fair value change of investment properties together with the associated deferred tax impact of RMB30.5 million; (ii) deducting the gain on changes in fair value of contingent consideration of RMB151.5 million; and (iii) adding the amortisation and disposal of intangible assets — customer relationships together with the associated deferred tax impact of RMB59.3 million), amounted to RMB3,506.7 million, representing an increase of 20.1% as compared with the corresponding period of last year. For the year ended 31 December 2023, the core net profit attributable to shareholders of the Company (non-HKFRS measure, if adjusted on the same basis) amounted to RMB2,919.5 million.

LIQUIDITY AND CAPITAL RESOURCES

As of 31 December 2024, the Group's total bank deposits and cash (including restricted bank deposits) amounted to RMB9,669.4 million and were mainly held in RMB. The Group maintains a reasonable and adequate level of cash through centralised fund management.

GEARING RATIO

As of 31 December 2024, the Group's gearing ratio was 42.2%, representing a decrease of 0.1 percentage point as compared with the corresponding period of last year. The gearing ratio was calculated by total liabilities divided by total assets.

PROPERTY HELD FOR INVESTMENT

As of 31 December 2024, three of the properties of the Group, namely Shenzhen Buji MIXC ONE, Lanzhou MIXC and Shenzhen Longgang Universiade project, were recognised as the investment properties under HKFRS 16 in the consolidated statement of financial position, and the relevant percentage ratios of such investment properties exceed 5% pursuant to Rule 14.04(9) of the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Shenzhen Buji MIXC ONE is located at No. 2 Xiangge Road, Buji Sub-district, Longgang District, Shenzhen, Guangdong Province, the PRC, Lanzhou MIXC is located at No.2, Qingyang Road, Chengguan District, Lanzhou, Gansu Province, the PRC, and Shenzhen Longgang Universiade project is located in Huanggekeng Community, Longcheng Sub-district, Longgang District, Shenzhen, the PRC. They are currently used for operating lease and are held under long-term leases. During the effective term of the lease contracts, the lessors have no right to unilaterally terminate the contracts except for force majeure events and extreme conditions such as the default on rental payment by the Group, illegal operation and damage to the buildings.

CONTINGENT LIABILITIES

As of 31 December 2024, the Group had no material contingent liabilities (31 December 2023: Nil).

PLEDGE OF ASSETS

As of 31 December 2024, the Group had no pledge of assets (31 December 2023: Nil).

CAPITAL COMMITMENTS

As of 31 December 2024, the Group's capital commitments amounted to RMB26.6 million (31 December 2023: RMB417.2 million).

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

For the year ended 31 December 2024, the Group had no significant investments and material acquisitions or disposals of subsidiaries, associates and joint ventures.

Save as disclosed in the section "Future Plans and Use of Proceeds" in the prospectus of the Company dated 25 November 2020 and the announcement of the Company dated 25 March 2024 in relation to the change in use of net proceeds from the global offering and the exercise of the over-allotment option (the "**Announcement**"), the Group has no future plans for material investments or capital assets.

PROCEEDS OF THE LISTING

The shares of the Company were successfully listed on the Stock Exchange on 9 December 2020, with total net proceeds of the Listing amounted to approximately RMB11,600.4 million after deducting the underwriting fees and relevant expenses.

As at 31 December 2024, RMB5,784.4 million of the proceeds of the Listing had been utilised and used in accordance with the use of proceeds set out in the prospectus of the Company dated 25 November 2020 and the Announcement. The unutilised net proceeds of approximately RMB5,816.0 million will be allocated and used in accordance with the purposes and proportions set out in the Announcement. As of 31 December 2024, the revised proposed use of the net proceeds pursuant to the Announcement is as follows:

Revised proposed use of the net proceeds		Revised percentage of the net proceeds	Revised net proceeds for the proposed use	Revised unutilised net proceeds as of 31 December 2023[2]	Utilised net proceeds for the year ended 31 December 2024	Unutilised net proceeds as of 31 December 2024	Expected timeline for fully utilising the remaining net proceeds from the Listing
				RMB million			
(i)	Making strategic investments and acquisitions to expand property management and commercial operational businesses	45%	5,220.3	2,891.5	811.4	2,080.1	By December 2027
(ii)	Pursuing strategic investment in providers of value-added services and across the upstream and downstream supply chain of the Company's industry	30%	3,480.0	3,057.6	157.5	2,900.1	By December 2027
(iii)	Investing in information technology systems and smart communities	15%	1,740.1	1,242.4	406.6	835.8	By December 2027
(iv)	Working capital and general corporate uses	10%	1,160.0	–	–	–	N/A
		100%	11,600.4	7,191.5	1,375.5	5,816.0	

Notes:

1. The sum of the data may not add up to the total due to rounding.

2. The revised unutilised net proceeds as of 31 December 2023 in respect of each proposed use are restated after taking into account of the change in use of net proceeds set out in the Announcement.

CONTINUING DISCLOSURE REQUIREMENT UNDER RULE 13.21 OF THE LISTING RULES

The Company entered into the following loan agreement which has specific performance covenant of its controlling shareholders. The obligations of such loan agreements continue to exist as of the date of this announcement. As at the date of this announcement, CRH beneficially owns directly or indirectly approximately 73.72% of the issued share capital of the Company, and CR Land is the single largest shareholder of the Company, directly owning approximately 72.29% of the issued share capital of the Company and being able to control the Company.

A revolving loan facility letter for a facility in an aggregate amount of up to HKD600,000,000 with a maturity date of 12 months was entered into on 20 October 2021, details of which have been disclosed in the announcement dated 20 October 2021. The Company has undertaken that during the term of the facility, the Company shall procure that CRH and CR Land remain directly or indirectly interested in no less than 35% and 51% of the issued share capital of the Company respectively. If violation of the relevant undertakings under this facility letter occurs, the lender may declare any commitment under this facility letter to be cancelled and/or declare the outstanding loans, together with all the interests accrued thereon, and all other amounts due under this facility letter shall become immediately due and payable. The revolving loan facility letter has been renewed on the same terms on 20 October 2022, 20 October 2023 and 20 October 2024 respectively with the maturity date having been extended for 12 months on each occasion. As of 31 December 2024, the Group did not draw down this facility.

SUBSEQUENT EVENT

There were no significant events affecting the Group which have occurred after 31 December 2024 and up to date of this announcement.

FOREIGN CURRENCY RISK

As the Group's business is mainly conducted in the PRC, we mainly adopt RMB as the settlement currency. As of 31 December 2024, non-RMB assets and liabilities mainly included cash of HKD8.2 million and US$19,467.7. The management believes that the operation of the Group was not exposed to material foreign currency risk. No significant impact was caused by the fluctuation of RMB exchange rate on the Group's financial position. Currently, the Group does not have any hedging policies against its foreign exchange risk, but the management will actively monitor the foreign exchange exposure and make necessary adjustments in accordance with the changes in market environment.

EMPLOYEE AND COMPENSATION POLICY

As of 31 December 2024, the Group had 42,046 full time employees in Chinese Mainland and Hong Kong (31 December 2023: 40,977). The Group remunerates its employees based on their performance, working experience and market salary levels. In addition, performance bonus is granted on a discretionary basis. Other employee benefits include provident fund, insurance and medical coverage.

CORPORATE GOVERNANCE PRACTICES

The Company and the Board are committed to establishing good corporate governance practices and procedures. The Company recognises the importance of maintaining high standards of corporate governance to the long-term stable development of the Group.

The Company has applied the principles and adopted the code provisions stated in the Corporate Governance Code contained in Appendix C1 to the Listing Rules (the "**CG Code**"). The Company is committed to the view that the Board should include a balanced composition of executive Directors and independent non-executive Directors so that there is a strong independent element on the Board, which can effectively exercise independent judgment.

The Company has complied with all applicable code provisions set out in the CG Code throughout the year ended 31 December 2024.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own securities dealing code to regulate all dealings of securities of the Company by Directors and other matters covered by the Model Code.

Specific enquiry has been made by the Company to all the Directors and all of them have confirmed that they have complied with the Model Code for the year ended 31 December 2024.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company (including sale or transfer of treasury shares as defined under the Listing Rules) during the year ended 31 December 2024. As at 31 December 2024, the Company did not hold any treasury shares.

AUDIT COMMITTEE AND AUDITOR

The financial results for the year ended 31 December 2024 have been reviewed by the audit committee which comprises three independent non-executive Directors and one non-executive Director, namely Mr. CHAN Chung Yee Alan (Chairman), Mr. CHEUNG Kwok Ching, Ms. LO Wing Sze and Mr. GUO Shiqing. The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and consolidated statement of comprehensive income, and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on the preliminary announcement.

FINAL DIVIDEND AND SPECIAL DIVIDEND

The Board recommended a final dividend of RMB0.643 per share of the Company (the "**Share**") for the year ended 31 December 2024 (the "**2024 Final Dividend**") (2023: RMB0.481 per Share) and declared a special dividend of RMB0.614 per Share for the year ended 31 December 2024 (the "**2024 Special Dividend**") (2023: nil), both payable on or about 25 July 2025 to shareholders whose names appear on the register of members of the Company on 16 June 2025. Together with the interim dividend of RMB0.279 (equivalent to HKD0.305) per Share (2023: RMB0.223 per Share) for the six months ended 30 June 2024 which was paid on 25 October 2024 and the special dividend of RMB0.575 (equivalent to HKD0.629) per Share which was paid on 20 December 2024, the total dividend for the year ended 31 December 2024 shall amount to RMB2.111 per Share.

The 2024 Final Dividend, if approved by shareholders, and the 2024 Special Dividend will be payable in cash in Hong Kong Dollars ("**HKD**") unless an election is made to receive the same in RMB. The amount in HKD will be converted from RMB at the average CNY Central Parity Rate announced by the People's Bank of China for the five business days prior to and including the date of the 2025 AGM (as defined below). To make such election, shareholders should complete the dividend currency election form which is expected to be dispatched to shareholders in June 2025 as soon as practicable after the record date of 16 June 2025 to determine shareholders' entitlement to the 2024

Final Dividend and the 2024 Special Dividend, and lodge it to the Company's branch share registrar in Hong Kong, Tricor Investors Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on 10 July 2025.

Shareholders who are minded to elect to receive all or part of their dividends in RMB by cheque(s) should note that (i) they should ensure that they have an appropriate bank account to which the RMB cheques for dividend can be presented for payment; and (ii) there is no assurance that RMB cheques can be cleared without material handling charges or delay in Hong Kong or that RMB cheques will be honoured for payment upon presentation outside Hong Kong. The cheques are expected to be posted to the relevant shareholders by ordinary post on or about 25 July 2025 at the shareholders' own risk.

If no duly completed dividend currency election form in respect of that shareholder is received by the Company's branch share registrar in Hong Kong by 4:30 p.m. on 10 July 2025, such shareholder will automatically receive the 2024 Final Dividend and the 2024 Special Dividend in HKD. All dividend payments in HKD will be made in the usual way on or about 25 July 2025.

If shareholders wish to receive the 2024 Final Dividend and the 2024 Special Dividend in HKD in the usual way, no additional action is required.

Shareholders should seek professional advice with their own tax advisers regarding the possible tax implications of the dividend payment.

There is no arrangement that a shareholder of the Company has waived or agreed to waive any dividend.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 2 June 2025 to 5 June 2025, both days inclusive and during which period no share transfer will be effected, for the purpose of ascertaining shareholders' entitlement to attend and vote at the annual general meeting of the Company to be held on 5 June 2025 (the "**2025 AGM**"). In order to be eligible to attend and vote at the 2025 AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on 30 May 2025.

The 2024 Final Dividend, subject to the approval of shareholders at the 2025 AGM, and the 2024 Special Dividend will be payable to shareholders whose names appear on the register of members of the Company after the close of business of the Company at 4:30 p.m. on 16 June 2025 and the register of members of the Company will be closed from 16 June 2025 to 19 June 2025, both days inclusive and during which no transfer of shares of the Company will be registered. In order to qualify for the 2024 Final Dividend and the 2024 Special Dividend, all share transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at the above address not later than 4:30 p.m. on 13 June 2025.

ANNUAL GENERAL MEETING AND PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.crmixclifestyle.com.cn). The 2025 AGM will be held on 5 June 2025. A notice convening the 2025 AGM and the Company's annual report for the year ended 31 December 2024 containing the relevant information required by the Listing Rules will be published and despatched to shareholders who request a printed copy in the manner as required by the Listing Rules on the same websites in due course.

By order of the board of directors of
China Resources Mixc Lifestyle Services Limited
LI Xin
Chairman

China, 25 March 2025

As of the date of this announcement, the Board comprises Mr. LI Xin (Chairman) and Mr. GUO Shiqing as non-executive Directors, Mr. YU Linkang, Mr. WANG Haimin, Mr. WANG Lei and Mr. NIE Zhizhang as executive Directors, and Mr. LAU Ping Cheung Kaizer, Mr. CHEUNG Kwok Ching, Mr. CHAN Chung Yee Alan and Ms. LO Wing Sze as independent non-executive Directors.

In this announcement, certain amounts and figures presented may have been rounded to the nearest units. Any discrepancies in or between any table or announcement content are due to rounding.