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JIANDE INTERNATIONAL HOLDINGS LIMITED

建德國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 865)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the “**Board**”) of directors (the “**Directors**”) of Jiande International Holdings Limited (the “**Company**”) is pleased to present the results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2024 together with the comparative figures for the previous year which are set out as follow:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	<i>Notes</i>	2024 RMB’000	2023 <i>RMB’000</i>
Revenue — sales of properties	4	76,736	278,286
Cost of sales		(69,800)	(241,280)
Gross profit		6,936	37,006
Other gains and losses, net		3,432	2,233
Reversal of expected credit loss on other receivables, net		476	180
Net fair value change of investment properties		(11,187)	108
Selling expenses		(3,513)	(8,324)
Administrative expenses		(13,349)	(15,182)
Finance costs		(7)	(8)
(Loss)/profit before tax		(17,212)	16,013
Income tax expense	5	(24,098)	(8,423)
(Loss)/profit for the year	6	(41,310)	7,590

	<i>Note</i>	2024 RMB'000	2023 RMB'000
Other comprehensive (loss)/income			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		<u>(98)</u>	<u>220</u>
Other comprehensive (loss)/income for the year		<u>(98)</u>	<u>220</u>
Total comprehensive (loss)/income for the year		<u>(41,408)</u>	<u>7,810</u>
(Loss)/profit for the year attributable to:			
Owners of the Company		<u>(40,590)</u>	4,507
Non-controlling interests		<u>(720)</u>	<u>3,083</u>
		<u>(41,310)</u>	<u>7,590</u>
Total comprehensive (loss)/income for the year attributable to:			
Owners of the Company		<u>(40,688)</u>	4,727
Non-controlling interests		<u>(720)</u>	<u>3,083</u>
		<u>(41,408)</u>	<u>7,810</u>
		RMB	RMB
(Loss)/earnings per share			
— Basic and diluted	7	<u>(0.70) cents</u>	<u>0.08 cents</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

		31 December 2024	31 December 2023
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
NON-CURRENT ASSETS			
Plant and equipment		373	780
Investment properties	8	73,405	87,065
Right-of-use assets		280	190
Fixed time deposits		30,000	–
Deferred tax assets		7,607	3,937
		<u>111,665</u>	<u>91,972</u>
CURRENT ASSETS			
Properties for/under development/ properties for sale	9	874,729	880,792
Other receivables, deposits and prepayments		14,388	15,382
Contract costs		491	2,400
Prepaid land appreciation tax		4,623	37,989
Restricted bank deposits		21,125	17,240
Bank balances and cash		65,465	153,161
		<u>980,821</u>	<u>1,106,964</u>
Assets classified as held for sale		1,546	2,865
		<u>982,367</u>	<u>1,109,829</u>
CURRENT LIABILITIES			
Trade and other payables	10	87,075	81,539
Contract liabilities	11	101,012	110,770
Amount due to a non-controlling interest of subsidiaries	12	102,330	122,274
Income tax and land appreciation tax payable		30,643	27,891
Lease liabilities		83	49
Secured bank borrowings		–	36,000
		<u>321,143</u>	<u>378,523</u>
NET CURRENT ASSETS		<u>661,224</u>	<u>731,306</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>772,889</u>	<u>823,278</u>

	31 December 2024 RMB'000	31 December 2023 RMB'000
NON-CURRENT LIABILITIES		
Deferred tax liabilities	9,910	18,907
Lease liabilities	149	37
	<u>10,059</u>	<u>18,944</u>
NET ASSETS	<u>762,830</u>	<u>804,334</u>
CAPITAL AND RESERVES		
Share capital	25,451	25,451
Reserves	722,114	762,610
	<u>747,565</u>	<u>788,061</u>
Equity attributable to owners of the Company	747,565	788,061
Non-controlling interests	15,265	16,273
	<u>762,830</u>	<u>804,334</u>
TOTAL EQUITY	<u>762,830</u>	<u>804,334</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

Jiande International Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited. Its immediate and ultimate holding companies are Fame Build Holdings Limited and Talent Connect Investments Limited respectively, companies incorporated in the British Virgin Islands with limited liabilities, which are wholly owned by Mr. Shie Tak Chung (“**Mr. Shie**”) and Mr. Tsoi Kin Sze (“**Mr. Tsoi**”). Pursuant to a deed of confirmation dated 23 October 2014 executed by Mr. Shie and Mr. Tsoi whereby they confirmed the existence of their acting in concert arrangement, which resulted in Mr. Shie and Mr. Tsoi collectively becoming the ultimate controlling shareholders of the Company. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report. The principal activity of the Company is investment holding and its subsidiaries (collectively referred as the “**Group**”) are principally engaged in property development in the People’s Republic of China (the “**PRC**”).

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSS**”) AND CHANGES IN OTHER ACCOUNTING POLICIES

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-Current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Impacts on application of Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the “2020 Amendments”) and Amendments to HKAS 1 Non-current Liabilities with Covenants (the “2022 Amendments”)

The Group has applied the amendments for the first time in the current year.

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the classification should not be affected by management intentions or expectations to settle the liability within 12 months.
- clarify that the settlement of a liability can be a transfer of cash, goods or services, or the entity’s own equity instruments to the counterparty. If a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 Financial Instruments: Presentation.

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the 2022 Amendments specifically clarify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity’s right to defer settlement of a liability for at least twelve months after the reporting date, even if compliance with the covenant is assessed only after the reporting date. The 2022 Amendments also specify that covenants with which an entity must comply after the reporting date (i.e. future covenants) do not affect the classification of a liability as current or non-current at the reporting date. However, if the entity’s right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants, the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

In accordance with the transition provision, the Group has applied the new accounting policy to the classification of liability as current or non-current retrospectively. The followings are the impact of the application of the amendments:

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11 ³
Amendments to HKAS 21	Lack of Exchangeability ³
HKFRS 18	Presentation and Disclosure in Financial Statements ⁴

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

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.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with HKFRSs issued by HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements includes applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and by the Hong Kong Companies Ordinance.

4. REVENUE AND SEGMENT INFORMATION

The Group is engaged in the property development and revenue represents the net amounts received and receivable for properties sold by the Group in the normal course of business to customers.

Disaggregation of revenue from contracts with customers

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Sales of properties		
Residential units in the Binjiang International Project*	6,171	4,371
Residential units in the Cullinan Bay Project**	3,598	16,310
Residential units in the Xixian Kangqiao Xueyuan Project***	12,660	99,473
Residential units in the Wugang Kangqiao Xueyuan Project****	51,307	158,132
	<hr/>	<hr/>
Total revenue	73,736	278,286
	<hr/> <hr/>	<hr/> <hr/>

* The project represents completed properties located in Quanzhou, Fujian Province.

** The project represents completed properties located in Yangzhou City, Jiangsu Province.

*** The project represents completed properties located in Xingyang, Henan Province.

**** The project represents completed properties located in Wugang, Hunan Province.

All of the Group's revenue is recognised at a point in time.

Segment information

Information reported to the executive directors of the Group, being the chief operating decision maker ("CODM"), for the purpose of resource allocation and assessment focuses on operating results of the Group as a whole as the Group's resources are integrated. Accordingly, no operating segment information is presented.

Entity-wide disclosures

Revenue from major products

Revenue during the years ended 31 December 2024 and 2023 represents sales of properties of property development projects in the PRC.

Geographical information

No geographical segment information is presented as the Group's revenue are all derived from the PRC based on the location of property development projects and all of the Group's non-current assets are located in the PRC by physical location of assets.

Information about major customers

No revenue from customers contributed over 10% of the total revenue of the Group for the years ended 31 December 2024 and 2023.

5. INCOME TAX EXPENSE

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current tax:		
PRC Enterprise Income Tax (“EIT”)		
— Current tax	536	699
— (Over)/under-provision in respect of prior years	(1,616)	(70)
PRC Land Appreciation Tax (“LAT”)	37,550	5,144
Withholding PRC EIT	295	344
	<u>36,765</u>	<u>6,117</u>
Deferred tax	<u>(12,667)</u>	<u>2,306</u>
	<u>24,098</u>	<u>8,423</u>

6. PROFIT FOR THE YEAR

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Profit for the year has been arrived at after charging (crediting):		
Directors’ emoluments	2,174	2,134
Other staff costs		
— Salaries and allowances	5,527	5,381
— Retirement benefits scheme contributions	443	498
	<u>8,144</u>	<u>8,013</u>
Gross rental income from investment properties	(678)	(564)
Less: direct operating expenses incurred for investment properties that generated rental income during the year	<u>31</u>	<u>57</u>
	<u>(647)</u>	<u>(507)</u>
Auditors’ remuneration		
— Audit services	905	905
— Non-audit services	277	290
Cost of properties held for sale recognised as an expense	69,800	241,280
Depreciation of plant and equipment	506	869
Depreciation of right-of-use assets	155	249
Reversal of expected credit loss on other receivables, net	<u>(476)</u>	<u>(180)</u>

7. (LOSSES)/EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

	2024	2023
	RMB'000	RMB'000
Earnings		
(Loss)/profit for the year attributable to owners of the Company for the purpose of basic earnings per share	<u>(40,590)</u>	<u>4,507</u>
	<i>'000</i>	<i>'000</i>
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u>5,837,990</u>	<u>5,837,990</u>

No diluted earnings per share for the years ended 31 December 2024 and 2023 were presented as there were no potential ordinary shares in issue during both years.

8. INVESTMENT PROPERTIES

	<i>RMB'000</i>
FAIR VALUE	
At 1 January 2023	93,645
Net fair value change recognised in profit or loss	108
Disposals	(3,823)
Reclassified as held for sale	<u>(2,865)</u>
At 31 December 2023	87,065
Net fair value change recognised in profit or loss	(11,187)
Disposals	(927)
Reclassified as held for sale	<u>(1,546)</u>
At 31 December 2024	<u>73,405</u>

The Group leases out car parking spaces, a kindergarten property and retail store properties under operating leases with rentals payable monthly. The leases typically run for an initial period of 3 months to 20 years.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

9. PROPERTIES FOR/UNDER DEVELOPMENT/PROPERTIES FOR SALE

Properties for/under development and properties for sale in the consolidated statement of financial position comprise:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Properties for development	253,519	253,274
Properties under development	396,978	336,184
Properties for sale	<u>224,232</u>	<u>291,334</u>
	<u>874,729</u>	<u>880,792</u>

The carrying amount of leasehold lands is measured at cost less any impairment losses. The residual values are determined as the estimated disposal value of the leasehold land component. No depreciation charge on the leasehold lands taking into account the estimated residual values for the year ended 31 December 2024 and 2023.

The properties for development, properties under development and completed properties are located in Fujian Province, Jiangsu Province, Henan Province and Hunan Province in the PRC. All the properties for/under development/properties for sale are stated at lower of cost and NRV on an individual property basis.

10. TRADE AND OTHER PAYABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade payables	3,213	2,242
Retention payable (<i>note (a)</i>)	8,047	7,781
Accrued construction costs (<i>note (b)</i>)	53,550	49,030
Accrual staff costs and contributions to the retirement benefits scheme	6,080	6,066
Other tax payables	6,685	5,565
Other payables and accrued expenses	9,348	9,627
Deposits received on exclusive sales agreements with property agents (<i>note (c)</i>)	10	10
Deposits received on sales of investment properties	<u>142</u>	<u>1,218</u>
	<u>87,075</u>	<u>81,539</u>

Notes:

- (a) In accordance with the normal practice of the industry, a certain percentage of contract sums is usually withheld by the Group as retention money for a period of one to two years after the work of subcontractors has been completed.
- (b) The accrued construction costs relate to construction of properties under development for sale which will be transferred to trade payables on achieving payment milestones as stipulated in the agreements with the subcontractors.
- (c) The amount represents the performance deposits received from two independent property agents for their exclusive sales agency agreements signed with the Group for underwriting certain residential flats, garages and car parking spaces with a minimum selling price in The Cullinan Bay Project. Such amount will be conditionally returned to the property agent depending on the number of residential flats, garages and car parking spaces sold within a fixed period of time as specified in the agreements.

The following is an aged analysis of trade payables presented based on the invoice date:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
0–60 days	177	216
61–90 days	53	231
91–180 days	4	16
181 days–1 year	1,133	325
Over 1 year	1,846	1,454
	3,213	2,242

The credit period on trade payables is normally within 90 days from the invoice date.

11. CONTRACT LIABILITIES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Pre-sales proceeds received on sales of properties	<u>101,012</u>	<u>110,770</u>

As at 1 January 2023, contract liabilities amounted to RMB234,085,000.

The Group averagely receives 35% (2023: 35%) of the contract value as deposits from customers when they sign the sale and purchase agreement. However, depending on market conditions, the Group may offer customers a discount compared to the listed sales price, provided that the customers agree to pay the balance of the consideration early while construction is still ongoing. The deposits and advance payment schemes result in contract liabilities being recognised throughout the property construction period until the customer obtains control of the completed property.

In addition, the Group assesses whether the advance payment schemes contain significant financing component and if so, adjusts the amount of consideration for the effects of the time value of money taking into consideration the credit characteristics of the relevant group entities. As this accrual increases the amount of the contract liabilities during the period of construction, it increases the amount of revenue recognised when control of the completed property is transferred to the customers.

12. AMOUNT DUE TO A NON-CONTROLLING INTEREST OF SUBSIDIARIES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Shishi Qixin Trading Company Limited (“ Shishi Qixin ”) (石獅市琦鑫貿易有限責任公司)	<u>102,330</u>	<u>122,274</u>

The amount due is non-trade, unsecured, non-interest bearing and repayable when 息縣德建置業有限公司 Xixian Dejian Property Company Limited (“**Xixian Dejian**”) and 武崗德建置業有限公司 Wugang Dejian Property Company Limited (“**Wugang Dejian**”), non-wholly owned subsidiaries of the Company, have accumulated net cash inflow.

13. SUBSEQUENT EVENTS

There were no significant events that have accrued subsequent to the end of the reporting period.

INDUSTRY REVIEW

With the drastic change in the demand-supply relationship, the real estate industry in the PRC accelerated its transformation during 2024. The investment in property development and the sales of newly constructed commodity housing in 2024 amounted to approximately RMB10,028 billion and RMB9,675 billion, representing year-on-year decrease of 10.6% and 17.1% respectively, according to the statistics from the National Bureau of Statistics.

BUSINESS REVIEW AND PROSPECT

2024 is another difficult year in the complicated international political and economic environment and facing the challenges in the domestic property market. The Group continued focusing on the development of its residential property projects in the PRC, namely Xixian Kangqiao Xueyuan (息縣康橋學苑) in Xinyang, Henan Province, and Wugang Kangqiao Xueyuan (武岡康橋學苑) in Wugang, Hunan Province during the year ended 31 December 2024.

The Central government has re-emphasized the importance of restoring and stabilising the local property market. A series of policy measures, such as reducing down payment requirements, lowering mortgage interest rates, and refining restrictions on housing purchases, has been implemented to support the real estate industry. Additional region-specific and flexible regulatory policies are expected to be rolled out by governments to promote the long-term healthy and high-quality development of real estate industry.

The Group will continue to uphold its prudent management approach to maintain a balance between steady development, efficiency and risk. The Group has committed to developing quality properties accompanied with a living community to customers, particularly in those cities in the PRC where residents still have the rigid demand for housing due to the continuous urbanization process. The Group will also aim at being customer-centred and innovating product functions to realise customers' pursuit for better lives.

As at 31 December 2024, the status of the Group's property development projects are as follows:

Location	Project Name	Address	Type	Site area (<i>'000 sq.m</i>)	Total gross floor area (<i>'000 sq.m</i>)	Properties for development (<i>'000 sq.m</i>)	Properties under development (<i>'000 sq.m</i>)	Properties for sale (<i>'000 sq.m</i>)	Properties	Properties	Actual/ expected time of whole project completion	Percentage interest attributable to the Group
									held for investment (<i>'000 sq.m</i>)	completed and delivered (<i>'000 sq.m</i>)		
Quanzhou, Fujian Province	Binjiang International (濱江國際)	Southeast of Xibin Park (溪濱公園東南側), Luoyang Town, Huian County, Quanzhou	Residential (<i>Note b</i>)	83	346	—	—	3	13	330	2014	98.4%
Yangzhou, Jiangsu Province	The Cullinan Bay (天璽灣)	East of Linjiang Road and north of Dingxing Road (臨江路東側、鼎興路北側), Yangzhou	Residential (<i>Note c</i>)	82	236	—	—	46	3	187	2021	98.4%
Xinyang, Henan Province	Xixian Kangqiao Xueyuan (息縣康橋學苑) (<i>Note a</i>)	West of Shuyingongda Road and north of Xirangda Road (叔穎公大道西側、 息壤大道北側), Xi County, Xinyang	Residential (<i>Note c</i>)	55	147	—	111	10	—	26	2026	80%
Wugang, Hunan Province	Wugang Kangqiao Xueyuan (<i>Note a</i>) (武岡康橋學苑)	South of Zhucheng Highway (竹城公路 南側), Wugang	Residential (<i>Note c</i>)	34	122	—	58	15	—	49	2025	80%
Wugang, Hunan Province	Kangqiao Meiju Phase 1 (formerly known as Kangqiao International City) (康橋美居一期 (前稱康橋國際城)) (<i>Note a</i>)	South of Xindong Road and east of Futian Road (新東路南側、 富田路東側), Wugang	Commercial	22	36	36	—	—	—	—	2026	80%
Wugang, Hunan Province	Kangqiao Meiju Phase 2 (formerly known as Kangqiao Meiju) (康橋美居二期 (前稱康橋美居)) (<i>Note a</i>)	South of Xindong Road and east of Futian Road (新東路南側、 富田路東側), Wugang	Residential and Commercial (<i>Note c</i>)	24	72	72	—	—	—	—	2027	80%
Wugang, Hunan Province	Kangqiao Meishu (康橋美墅) (<i>Note a</i>)	East side of Futian Road and north side of Chunyuan Road (富田路以東、 春園路以北), Wugang	Residential and Commercial (<i>Note c</i>)	49	148	148	—	—	—	—	2027	100%
Total				349	1,107	256	169	74	16	592		

Notes:

- (a) English name of this project is not official and for identification purpose only.
- (b) Car parking spaces, retail stores and kindergarten are included as ancillary residential facilities of this project.
- (c) Car parking spaces and retail stores are included as ancillary residential facilities of this project.
- (d) Properties are situated on land held on long term lease according to the term stated in the relevant state-owned land use rights certificates.

FINANCIAL REVIEW

Financial Performance

The Group's revenue for the year ended 31 December 2024 was mainly derived from the sale and delivery of residential properties of the projects in Henan Province and Hunan Province, namely Xixian Kangqiao Xueyuan (息縣康橋學苑) and Wugang Kangqiao Xueyuan (武岡康橋學苑), net of discounts and sales related taxes. Revenue declined by 72.4% from RMB278,286,000 for the year ended 31 December 2023 to RMB76,736,000 for the year ended 31 December 2024, primarily due to the decrease in properties completed and delivered to customers during the year ended 31 December 2024.

Gross profit of the Group dropped by 81.3% from RMB37,006,000 for the year ended 31 December 2023 to RMB6,936,000 for the year ended 31 December 2024, mainly caused by the reduction of sales. Gross profit margin decreased from 13.3% for the year ended 31 December 2023 to 9.0% for the year ended 31 December 2024, generally due to the downward adjustment on average property selling price.

Selling expenses of the Group reduced by 57.8% from RMB8,324,000 for the year ended 31 December 2023 to RMB3,513,000 for the year ended 31 December 2024. Administrative expenses decreased by 12.1% from RMB15,182,000 for the year ended 31 December 2023 to RMB13,349,000 for the year ended 31 December 2024. The reduction of administrative and selling expenses was primarily due to the Group's implementation of additional cost control measures.

Income tax expense, representing current tax provision for the PRC EIT and PRC LAT and deferred tax, increase by 186.1% from RMB8,423,000 for the year ended 31 December 2023 to RMB24,098,000 for the year ended 31 December 2024, mainly due to the prior year's under-provision of LAT, net of the resulting adjustment on deferred tax on LAT payments after the Group completed the settlement of LAT of The Cullinan Bay project of the Group in Yangzhou, Jiangsu province with the relevant tax authority.

The Group suffered a net loss attributable to owners of the Company of RMB40,590,000 for the year ended 31 December 2024, as compared to a net profit attributable to owners of the Company of RMB4,507,000 for the year ended 31 December 2023. Such change from profit to loss was primarily due to the decrease in revenue, gross profit and fair value of investment properties and the increase in income tax expense.

Liquidity and Financial Resources

As at 31 December 2024, the Group had total assets of RMB1,094,032,000 (including restricted bank deposits and bank balances and cash of RMB116,590,000), which were financed by total equity of RMB762,830,000 and total liabilities of RMB331,202,000. The Group's working capital requirements were mainly fulfilled by its internal resources during the year ended 31 December 2024.

Current ratio of the Group was 3.06 times as at 31 December 2024 (31 December 2023: 2.93 times). The Group had no bank borrowings as at 31 December 2024 (31 December 2023: secured bank borrowings of RMB36,000,000). Gearing ratio, defined as total debts comprising bank borrowings and amount due to a non-controlling interest of subsidiaries divided by total equity, was 13.4% as at 31 December 2024 (31 December 2023: 19.7%).

Foreign Exchange Exposure

Major subsidiaries of the Company operate in the PRC and all the business transactions of the Group are denominated in RMB. Net foreign exchange loss for the year ended 31 December 2024 primarily resulted from the translation of the bank balances denominated in currencies other than RMB into RMB. Currently, the Group does not use derivative financial instruments and has not entered into any derivative contracts. However, the management will monitor the currency fluctuation exposure and will consider hedging significant foreign exchange risk should the need arise.

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

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

CHARGE ON ASSETS

As at 31 December 2024, there was no charge on the Group's assets.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2024, the Group had approximately 34 full-time employees, excluding the Directors, in the PRC. During the year ended 31 December 2024, the total staff costs, including Directors' remuneration, was RMB8,144,000 (2023: RMB8,013,000). Remuneration packages of the employees are determined by reference to the qualifications and experience of the employee concerned and are reviewed annually by the management with reference to market conditions and individual performance. The Group offers a comprehensive and competitive remuneration and benefit package to its employees. As required by applicable PRC laws and regulations, the Group participates in various employee benefit plans of the municipal and provincial governments, including housing provident fund, pension, medical, maternity, work injury insurance and unemployment benefit plans.

CORPORATE GOVERNANCE

To the best knowledge of the Directors, the Company has complied with the code provisions as set out in Appendix C1 of the Listing Rules — Corporate Governance Code (the “**CG Code**”) during the year ended 31 December 2024.

The Board is committed to maintaining good corporate governance standard and procedures to safeguard the interests of all shareholders of the Company and to enhance accountability and transparency.

MODEL CODE

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2024.

DIVIDEND

The Board does not recommend payment of any dividend for the year ended 31 December 2024 (2023: Nil).

EVENT AFTER THE REPORTING DATE

Save as disclosed in this announcement, there were no significant events that have occurred subsequent to the end of the reporting period of the Company and up to the date of this announcement.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the “**AGM**”) will be held on Thursday, 5 June 2025 in Hong Kong. The notice of AGM will be published and despatched to the Company’s shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 2 June 2025 to Thursday, 5 June 2025 (both days inclusive) to facilitate the processing of proxy voting. In order to be entitled to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Friday, 30 May 2025.

REVIEW OF ANNUAL RESULTS

The audit committee of the Company (the “**Audit Committee**”) comprises all independent non-executive Directors. The Audit Committee has reviewed with the management the consolidated financial statements of the Company for the year ended 31 December 2024, including the accounting principles and practices adopted.

The figures in respect of this announcement of the Group’s preliminary results for the year ended 31 December 2024 have been agreed by the Company’s auditors, HLB Hodgson Impey Cheng Limited (“**HLB**”), to the amounts set out in the Group’s draft consolidated financial statements for the year. The work performed by HLB in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by HLB on this preliminary results announcement.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the Company's website at www.jiande-intl.com and the website of the Stock Exchange at www.hkexnews.hk. The 2024 annual report of the Company will be despatched to shareholders of the Company and published on the above-mentioned websites on or before 30 April 2025.

By order of the Board
Jiande International Holdings Limited
Shie Tak Chung
Chairman

Hong Kong, 28 March 2025

As at the date of this announcement, the executive Directors are Mr. Shie Tak Chung, Mr. Tsoi Kin Sze and Mr. Wu Zhisong and the independent non-executive Directors are Mr. Ma Sai Yam, Mr. Yang Quan and Ms. Zhu Aiping.