

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



GREENTOWN MANAGEMENT HOLDINGS COMPANY LIMITED

綠城管理控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 09979)

ANNOUNCEMENT OF THE ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the “**Board**”) of directors (the “**Directors**”) of Greentown Management Holdings Company Limited (“**Greentown Management**” or the “**Company**”) is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2024 (the “**Reporting Period**” or the “**Period**”) prepared in accordance with the International Financial Reporting Standards, together with comparative figures for the previous financial year. The audited consolidated annual results have been reviewed by the audit committee of the Company (the “**Audit Committee**”) and approved by the Board.

A final dividend in respect of the year ended 31 December 2024 of RMB0.24 per share, an aggregate amount of RMB482.4 million, has been proposed by the Board, and is subject to the approval of the shareholders of the Company (the “**Shareholders**”) at the forthcoming annual general meeting of the Company (the “**AGM**”).

BUSINESS HIGHLIGHTS

	2024 (Audited) RMB'000	2023 (Audited) RMB'000	Change Increase/(Decrease) %
Revenue	3,441,234	3,302,422	4.2%
Gross profit	1,705,564	1,722,302	(1.0)%
Administrative expenses	481,081	514,505	(6.5)%
Net profit attributable to owners of the Company	801,134	973,607	(17.7)%
Basic earnings per share (ordinary shareholders of the Company)	RMB0.41	RMB0.50	(18.0)%
	2024 Million sq.m.	2023 Million sq.m.	Change %
Total Gross Floor Area (“GFA”) of contracted projects	125.6	119.6	5.0%
Area under construction	54.0	52.5	2.9%
Total GFA of the newly contracted projects	36.5	35.3	3.4%
	2024 RMB' billion	2023 RMB' billion	Change %
Project management fee for the newly contracted projects	9.32	10.37	(10.1)%

The following financial information is extracted from the audited annual consolidated financial statements as set out in the 2024 Annual Report to be published by the Group:

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

		2024	2023
	Notes	RMB'000	RMB'000
REVENUE	3	3,441,234	3,302,422
Cost of services		<u>(1,735,670)</u>	<u>(1,580,120)</u>
Gross profit		1,705,564	1,722,302
Other income	4	111,646	155,846
Other gains and losses	5	(130,701)	(75,878)
Selling and marketing expenses		(91,377)	(104,520)
Administrative expenses		(481,081)	(514,505)
Finance costs	6	(5,222)	(5,493)
Impairment losses under expected credit loss model, net of reversal		(98,328)	(42,092)
Loss from changes in fair value of investment properties		–	(1,333)
Gain on disposal of joint ventures		2,781	–
Gain on disposal of an associate		694	–
Share of results of associates		12,548	360
Share of results of joint ventures		<u>10,525</u>	<u>42,721</u>
PROFIT BEFORE TAX	7	1,037,049	1,177,408
Income tax expense	8	<u>(246,520)</u>	<u>(196,711)</u>
PROFIT FOR THE YEAR		<u><u>790,529</u></u>	<u><u>980,697</u></u>
Attributable to:			
Owners of the Company		801,134	973,607
Non-controlling interests		<u>(10,605)</u>	<u>7,090</u>
		<u><u>790,529</u></u>	<u><u>980,697</u></u>

		2024	2023
	Note	RMB'000	RMB'000
OTHER COMPREHENSIVE LOSS			
<i>Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:</i>			
Fair value loss on equity investments designated at fair value through other comprehensive income (“FVTOCI”) for the year, net of tax		(6,529)	(8,104)
OTHER COMPREHENSIVE LOSS FOR THE YEAR		(6,529)	(8,104)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		784,000	972,593
Attributable to:			
Owners of the Company		794,605	965,503
Non-controlling interests		(10,605)	7,090
		784,000	972,593
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic	10	RMB0.41	RMB0.50
Diluted	10	RMB0.40	RMB0.49

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

		31 December 2024	31 December 2023
	Notes	RMB'000	RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		80,639	111,087
Intangible assets	11	275,392	354,139
Right-of-use assets		12,446	10,643
Investment properties		–	44,308
Goodwill		981,761	981,761
Interests in associates		93,405	100,264
Interests in joint ventures		297,190	263,733
Equity instruments at FVTOCI		49,409	56,625
Financial assets at fair value through profit or loss (“FVTPL”)		5,000	–
Other long-term receivables		–	129,394
Deferred tax assets		69,669	45,603
Other non-current assets		206,790	195,025
Total non-current assets		2,071,701	2,292,582
CURRENT ASSETS			
Trade and other receivables, deposits and prepayments	12	1,119,432	823,908
Contract assets	13	1,344,663	890,602
Amounts due from related parties		493,757	474,422
Financial assets at FVTPL		–	41,324
Pledged bank deposits		228,928	165,436
Bank balances and cash		1,518,287	2,044,377
Total current assets		4,705,067	4,440,069
CURRENT LIABILITIES			
Trade and other payables	14	1,286,085	1,257,219
Contract liabilities		545,752	507,614
Amounts due to related parties		420,702	395,246
Income tax payable		325,024	229,835
Other taxes payable		59,382	26,140
Lease liabilities		5,720	4,233
Financial liabilities at FVTPL		151,034	–
Total current liabilities		2,793,699	2,420,287
NET CURRENT ASSETS		1,911,368	2,019,782
TOTAL ASSETS LESS CURRENT LIABILITIES		3,983,069	4,312,364

	31 December 2024 RMB'000	31 December 2023 RMB'000
NON-CURRENT LIABILITIES		
Financial liabilities at FVTPL	—	122,208
Lease liabilities	4,725	3,344
Deferred tax liabilities	36,763	53,206
	<hr/>	<hr/>
Total non-current liabilities	41,488	178,758
	<hr/>	<hr/>
NET ASSETS	3,941,581	4,133,606
	<hr/> <hr/>	<hr/> <hr/>
EQUITY		
Equity attributable to owners of the Company		
Share capital	16,769	16,769
Reserves	3,793,401	3,978,978
	<hr/>	<hr/>
Equity attributable to owners of the Company	3,810,170	3,995,747
Non-controlling interests	131,411	137,859
	<hr/>	<hr/>
TOTAL EQUITY	3,941,581	4,133,606
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO FINANCIAL STATEMENTS

31 December 2024

1. GENERAL

The Company was established in the Cayman Islands as an exempted company with limited liability on 12 December 2016. The address of the registered office and the principal place of business of the Company are set out in the section headed “Corporate Information” of the annual report. The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 10 July 2020. The immediate and ultimate holding company of the Company is Greentown China Holdings Limited (“**Greentown China**”), a company listed on the Main Board of the Stock Exchange and incorporated in the Cayman Islands.

The Company is an investment holding company. The principal activity of the Group is to provide project management services.

The functional currency of the Company is Renminbi (“**RMB**”), which is the same as the presentation currency of the consolidated financial statements.

2. APPLICATION OF AMENDMENTS TO IFRS ACCOUNTING STANDARDS

Amendments to IFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to *IFRS Accounting Standards* issued by the International Accounting Standards Board (“**IASB**”) 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 IFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current</i> (the “ 2020 Amendments ”)
Amendments to IAS 1	<i>Non-current Liabilities with Covenants</i> (the “ 2022 Amendments ”)
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangements</i>

The application of the amendments to *IFRS Accounting Standards* in the current year has had no material impact on the Group’s financial position 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 IFRS 16 Lease Liability in a Sale and Leaseback

Amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of IFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

Impacts on application of Amendments to IAS 1

The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

Impacts on application of Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements

Amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and revised IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ³
IFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i> ³
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ²
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i> ²
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
Amendments to IAS 21	<i>Lack of Exchangeability</i> ¹
<i>Annual Improvements to IFRS Accounting Standards – Volume 11</i>	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 ²

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

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual/reporting periods beginning on or after 1 January 2027

⁴ No mandatory effective date yet determined but available for adoption

3. REVENUE AND SEGMENT INFORMATION

(a) Disaggregation of revenue from contracts with customers is as follows:

	2024 RMB'000	2023 RMB'000
Revenue recognised over time:		
Commercial project management	2,752,490	2,346,326
Governmental project management	625,846	788,480
Others	62,898	167,616
	<hr/>	<hr/>
Total	3,441,234	3,302,422

(b) Segment information

The chief operating decision-maker of the Group has been identified as the executive directors and certain senior management (collectively referred to as the “CODM”). Operating segments are determined based on the Group’s internal reports which are submitted to the CODM for performance assessment and resource allocation. This is also the basis upon which the Group is organised and managed.

The Group’s consolidated revenue and results are attributable to the market in the People’s Republic of China (the “PRC”) (country of domicile) and all of the Group’s non-current assets are located in the PRC.

No segment assets and liabilities are presented as they were not regularly provided to the CODM for the purpose of resource allocation and performance assessment.

The Group’s reportable segments under IFRS 8 *Operating Segments* are as follows:

- (1) Commercial project management – provides property development management service to project owners
- (2) Governmental project management – provides property development management service to government on resettlement housing property development projects and public infrastructure
- (3) Others (including (i) project management service provided for certain governmental projects tendered by the Group before the grade 1 qualification was obtained by the Group in August 2020, and (ii) construction design and other consulting service, etc.)

For the commercial project management service, the CODM reviews the financial information of each commercial project management service project, hence each commercial project management service project constitutes a separate operating segment. However, the commercial project management service projects possess similar economic characteristics, and are with similar development and selling activities as well as similar customer bases. Therefore, all commercial project management service projects are aggregated into one reportable segment for segment reporting purposes.

For the governmental project management service, the CODM reviews the financial information of each governmental project management service project, hence each governmental project management service project constitutes a separate operating segment. However, the governmental project management service projects possess similar economic characteristics, and are with similar development and selling activities as well as similar customer bases. Therefore, all governmental project management service projects are aggregated into one reportable segment for segment reporting purposes.

The CODM assesses the performance of the operating segments based on the post-tax profit of the group entities engaged in the respective segment activities, which include share of results of associates and joint ventures, but exclude certain other income, fair value changes in financial assets mandatorily measured at FVTPL, administrative expenses, finance costs, exchange gains and losses and licencing fee. Financial information provided to the CODM is measured in a manner consistent with the accounting policies adopted in the preparation of the consolidated financial statements.

An analysis of the Group's revenue and results by reportable segment is as follows:

Year ended 31 December 2024

	Commercial project management <i>RMB'000</i>	Governmental project management <i>RMB'000</i>	Others <i>RMB'000</i>	Segment total <i>RMB'000</i>	Eliminations <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue						
External revenue	2,752,490	625,846	62,898	3,441,234	–	3,441,234
Inter-segment revenue	142,539	365,276	1,909	509,724	(509,724)	–
Total	2,895,029	991,122	64,807	3,950,958	(509,724)	3,441,234
Segment results	813,644	81,134	5,792	900,570	438	901,008
Unallocated other income						431
Unallocated gain from changes in fair value of financial assets at FVTPL						519
Unallocated administrative expenses						(14,668)
Unallocated finance costs						(30)
Unallocated exchange losses						(24,406)
Unallocated withholding tax						(25,000)
Unallocated licencing fee						(47,325)
Profit for the year						790,529

Year ended 31 December 2023

	Commercial project management <i>RMB'000</i>	Governmental project management <i>RMB'000</i>	Others <i>RMB'000</i>	Segment total <i>RMB'000</i>	Eliminations <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue						
External revenue	2,346,326	788,480	167,616	3,302,422	–	3,302,422
Inter-segment revenue	183,938	618,232	7,099	809,269	(809,269)	–
Total	<u>2,530,264</u>	<u>1,406,712</u>	<u>174,715</u>	<u>4,111,691</u>	<u>(809,269)</u>	<u>3,302,422</u>
Segment results	<u>873,664</u>	<u>156,049</u>	<u>75,872</u>	<u>1,105,585</u>	<u>438</u>	<u>1,106,023</u>
Unallocated other income						59
Unallocated loss from changes in fair value of financial assets at FVTPL						(30,505)
Unallocated administrative expenses						(26,779)
Unallocated finance costs						(51)
Unallocated exchange losses						(16,383)
Unallocated licencing fee						(51,667)
Profit for the year						<u>980,697</u>

Other segment information

Year ended 31 December 2024

	Commercial project management <i>RMB'000</i>	Governmental project management <i>RMB'000</i>	Others <i>RMB'000</i>	Segment total <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Total <i>RMB'000</i>
Amounts included in the measure of segment profit or loss:						
Impairment losses under expected credit loss model, net of reversal	(98,482)	119	35	(98,328)	–	(98,328)
Impairment loss on other non-current assets	–	–	(18,636)	(18,636)	–	(18,636)
Impairment loss on intangible assets	(51,149)	–	–	(51,149)	–	(51,149)
Share of results of associates	2,245	1,309	8,994	12,548	–	12,548
Share of results of joint ventures	427	233	9,865	10,525	–	10,525
Depreciation of property, plant and equipment	(5,177)	(3,978)	(75)	(9,230)	(268)	(9,498)
Amortisation of intangible assets	(65,166)	(92)	–	(65,258)	–	(65,258)
Depreciation of right-of-use assets	<u>(6,721)</u>	<u>(1,146)</u>	<u>–</u>	<u>(7,867)</u>	<u>(936)</u>	<u>(8,803)</u>

Year ended 31 December 2023

	Commercial project management <i>RMB'000</i>	Governmental project management <i>RMB'000</i>	Others <i>RMB'000</i>	Segment total <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Total <i>RMB'000</i>
Amounts included in the measure of segment profit or loss:						
Impairment losses under expected credit loss model, net of reversal	(41,916)	731	(907)	(42,092)	–	(42,092)
Loss from changes in fair value of investment properties	–	–	(1,333)	(1,333)	–	(1,333)
Share of results of associates	2,729	425	(2,794)	360	–	360
Share of results of joint ventures	11,423	317	30,981	42,721	–	42,721
Depreciation of property, plant and equipment	(9,255)	(6,461)	(1,033)	(16,749)	(170)	(16,919)
Amortisation of intangible assets	(58,215)	–	–	(58,215)	–	(58,215)
Depreciation of right-of-use assets	(5,875)	(1,516)	(1,030)	(8,421)	(687)	(9,108)

4. OTHER INCOME

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Interest income from:		
– bank balances	43,836	30,438
– loans to related parties	41,076	42,211
– loans to third parties	24,369	40,737
	109,281	113,386
Government grants (<i>Note (i)</i>)	1,861	19,565
Gross rental income from other non-current assets	89	503
Dividends from equity investments designated at FVTOCI	–	22,000
Others	415	392
Total	111,646	155,846

Notes:

- (i) The amounts were mainly accounted for (a) tax refunds and benefits, and (b) enterprise development supports received from PRC government authorities, which have no conditions imposed.

5. OTHER GAINS AND LOSSES

	2024 RMB'000	2023 RMB'000
Impairment of intangible assets	(51,149)	—
Loss from changes in fair value of financial liabilities at FVTPL	(28,826)	(33,341)
Exchange loss	(24,406)	(16,383)
Loss on disposal of other non-current assets	(12,300)	—
Impairment of other non-current assets	(18,636)	—
Net gain on disposal of property, plant and equipment	2,333	1,392
Gain/(loss) arising on financial assets at FVTPL	519	(27,620)
Gain on early termination of leases	53	424
Others	1,711	(350)
	<hr/>	<hr/>
Total	(130,701)	(75,878)

6. FINANCE COSTS

	2024 RMB'000	2023 RMB'000
Interest expenses on loan from a third party	(2,422)	(3,150)
Interest on lease liabilities	(573)	(754)
Interest expenses on loans from related parties	(391)	(1,505)
Interest on notes receivable	(1,836)	—
Arrangement fee for entrusted loans	—	(84)
	<hr/>	<hr/>
Total	(5,222)	(5,493)

7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	2024 RMB'000	2023 RMB'000
Directors' remuneration	11,671	25,922
Salaries and other benefits	1,095,194	970,616
Retirement benefit scheme contributions	49,203	51,456
	<hr/>	<hr/>
Staff costs (including directors' emoluments)	1,156,068	1,047,994
Research and development costs recognised as expenses (included in administration expenses)	23,591	31,785
Depreciation of property, plant and equipment	9,498	16,919
Amortisation of intangible assets	65,258	58,215
Depreciation of right-of-use assets	8,803	9,108
Impairment of intangible assets	51,149	—
Impairment losses under expected credit loss model, net of reversal	98,328	42,092
Auditors' remuneration	3,396	4,663
	<hr/>	<hr/>

8. INCOME TAX EXPENSE

The major components of the Group's income tax expense are as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current tax:		
– PRC enterprise income tax	279,498	265,139
Under provision/(over provision) in prior years:		
– EIT	5,354	(3,173)
Deferred tax	<u>(38,332)</u>	<u>(65,255)</u>
Total	<u>246,520</u>	<u>196,711</u>

The Company is registered as an exempted company and as such is not subject to the Cayman Islands taxation.

No provision for income tax has been made for the Company's subsidiaries incorporated in Hong Kong as they had no assessable profits derived from Hong Kong during the year.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% or 15%. Greentown Construction Management Co., Ltd. and Zhejiang Greentown Shangli Construction Management Co., Ltd. (“**Greentown Shangli**”) are new technology enterprises and the applicable income tax rate is 15% for the current year.

Certain subsidiaries of the Group operating in the PRC meet the eligibility criteria set for small and low-profit enterprises in this year, which are eligible for preferential corporate income tax policy. The EIT of those eligible PRC subsidiaries is calculated based on 25% of the taxable profit amount and a preferential tax rate of 20% is applied, thus the actual EIT rate for those PRC subsidiaries for the current year is 5%. The qualification of small and low-profit enterprises is reassessed annually through the annual EIT filing process.

A reconciliation of the tax expense applicable to profit before tax at the PRC statutory tax rate to the tax expense at the effective tax rate, and a reconciliation of the PRC statutory tax rate to the effective tax rate, are as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Profit before tax	1,037,049	1,177,408
Income tax expense calculated at 25% (2023: 25%)	259,262	294,352
Tax effect of share of results of associates	(3,137)	(90)
Tax effect of share of results of joint ventures	(2,193)	(10,680)
Effect of income that is non-taxable	–	(5,500)
Effect of expenses that are not deductible	20,726	31,338
Effect of unused tax losses not recognised as deferred tax assets	4,795	823
Effect of deductible temporary differences not recognised as deferred tax assets	325	1,541
Utilisation of unused tax losses previously not recognised	(219)	(997)
Utilisation of deductible temporary differences previously not recognised	(614)	(1,757)
Effect of preferential EIT rate applied to deferred tax and current tax	(62,779)	(109,146)
Effect of withholding tax at 5% on the distributable profits of the Group's PRC subsidiaries	25,000	–
Under provision/(over provision) in prior years	5,354	(3,173)
	<u>246,520</u>	<u>196,711</u>
Tax charge for the year	<u>246,520</u>	<u>196,711</u>

In addition to the amount charged to profit or loss, the following amounts relating to tax have been recognised in other comprehensive income:

	Year ended					
	31 December 2024			31 December 2023		
	Before-tax amount <i>RMB'000</i>	Tax benefit <i>RMB'000</i>	Net-of- income tax amount <i>RMB'000</i>	Before-tax amount <i>RMB'000</i>	Tax benefit <i>RMB'000</i>	Net-of- income tax amount <i>RMB'000</i>
Item that will not be reclassified to profit or loss:						
Fair value loss on investments in equity instruments at FVTOCI	(8,706)	2,177	(6,529)	(10,805)	2,701	(8,104)

9. DIVIDENDS

During the year, a final dividend of RMB0.40 per share (2023: RMB0.30 per share) and a special dividend of RMB0.10 per share (2023: RMB0.08 per share) in respect of the year ended 31 December 2023 were declared to owners of the Company, in an aggregate amount of RMB1,005,000,000 (2023: RMB766,361,000), including a dividend of RMB21,551,000 (2023: RMB18,334,000) distributed to the shares retained by or on behalf of the Group for share award schemes. The final dividend and special dividend were wholly paid on 15 July 2024.

A final dividend in respect of the year ended 31 December 2024 of RMB0.24 per share, an aggregate amount of RMB482,400,000, has been proposed by the Board of directors of the Company, and is subject to the approval of the shareholders of the Company at the forthcoming annual general meeting of the Company.

10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the company, and the weighted average number of ordinary shares of 1,967,440,000 (2023: 1,958,322,000) outstanding during the year. The number of shares for the current year has been arrived at after eliminating the shares of the Company held under the share award schemes.

The calculation of the diluted earnings per share amount is based on the profit for the year ended 31 December 2024 attributable to ordinary equity holders of the company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued on the deemed exercise of all dilutive potential ordinary shares arising from share options granted by the Company.

The calculations of basic and diluted earnings per share attributable to ordinary equity holders of the Company are based on the following data:

	2024 RMB'000	2023 RMB'000
Earnings:		
Earnings for the purpose of basic and diluted earnings per share calculation	<u>801,134</u>	<u>973,607</u>
	Year ended 31 December	
	2024	2023
	'000	'000
Shares:		
Weighted average number of ordinary shares for the purpose of the basic earnings per share calculation	1,967,440	1,958,322
Effect of dilutive potential ordinary shares:		
Share awards	<u>31,123</u>	<u>40,644</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share calculation	<u>1,998,563</u>	<u>1,998,966</u>

11. INTANGIBLE ASSETS

	Software RMB'000	Contractual rights from the project RMB'000	Total RMB'000
31 December 2024			
Cost as at 1 January 2024, net of accumulated amortisation	–	354,139	354,139
Additions	14,690	–	14,690
Transfers	22,970	–	22,970
Amortisation during the year	(7,043)	(58,215)	(65,258)
Impairment during the year	–	(51,149)	(51,149)
As at 31 December 2024	<u>30,617</u>	<u>244,775</u>	<u>275,392</u>
As at 31 December 2024:			
Cost	43,896	465,717	509,613
Accumulated amortisation and impairment	<u>(13,279)</u>	<u>(220,942)</u>	<u>(234,221)</u>
Net carrying amount	<u>30,617</u>	<u>244,775</u>	<u>275,392</u>
31 December 2023			
Cost as at 1 January 2023, net of accumulated amortisation	–	412,354	412,354
Amortisation during the year	–	(58,215)	(58,215)
As at 31 December 2023	<u>–</u>	<u>354,139</u>	<u>354,139</u>
As at 31 December 2023:			
Cost	–	465,717	465,717
Accumulated amortisation	<u>–</u>	<u>(111,578)</u>	<u>(111,578)</u>
Net carrying amount	<u>–</u>	<u>354,139</u>	<u>354,139</u>

The intangible assets held by the Group are the contractual rights from the project management contracts with the project owners, which arose from the acquisition of Greentown Shangli from third parties during the year ended 31 December 2022.

The contractual rights from the project management contracts have finite useful lives and are amortised on a straight-line basis over a period of approximately eight years, which is the estimated period over which future economic benefits will be received of the project management contracts acquired.

Based on the impairment test performed at the end of the reporting period, the carrying amount of the contractual rights from the project was impaired by RMB51,149,000 (2023: nil).

12. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade receivables	488,233	221,623
Less: Allowance for credit losses	<u>(50,793)</u>	<u>(23,840)</u>
	<u>437,440</u>	<u>197,783</u>
Other receivables	693,165	642,589
Less: Allowance for credit losses	<u>(37,875)</u>	<u>(24,664)</u>
	<u>655,290</u>	<u>617,925</u>
Prepayments and deposits	<u>26,702</u>	<u>8,200</u>
Total	<u>1,119,432</u>	<u>823,908</u>

Included in the trade receivables were bills receivable amounting to RMB42,040,000 as at 31 December 2024 (31 December 2023: RMB28,664,000). All bills received by the Group are with a maturity period of less than one year.

The Group normally does not allow a credit period to its customers. For the receivable balances which have been past due for more day 90 days, the senior management of the Group consider certain past due balances are not in default since certain balances could be recovered based on the historical repayment pattern of the overdue receivables and the financial conditions of the corresponding customers.

The following is an ageing analysis of trade receivables (including bills receivable), net of allowance for credit losses, presented based on the invoice date at the end of each reporting period:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within 180 days	335,628	163,934
180 to 365 days	31,079	13,725
Over 365 days	<u>70,733</u>	<u>20,124</u>
Total	<u>437,440</u>	<u>197,783</u>

13. CONTRACT ASSETS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Project management service		
Contract assets	1,461,817	954,749
Less: Allowance for credit losses	(117,154)	(64,147)
	<hr/>	<hr/>
Total	1,344,663	890,602
	<hr/> <hr/>	<hr/> <hr/>

14. TRADE AND OTHER PAYABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade payables	97,605	34,073
Other payables	969,314	937,211
Payroll payable	204,928	270,435
Provision for share of losses of joint ventures exceeding interests invested	14,238	15,500
	<hr/>	<hr/>
Total	1,286,085	1,257,219
	<hr/> <hr/>	<hr/> <hr/>

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within 1 year	95,221	32,431
1 to 2 years	1,125	870
2 to 3 years	635	676
More than 3 years	624	96
	<hr/>	<hr/>
Total	97,605	34,073
	<hr/> <hr/>	<hr/> <hr/>

MANAGEMENT DISCUSSION AND ANALYSIS

The Board is pleased to announce the audited annual results of the Group for 2024 together with comparative figures. The annual results have been reviewed by the Audit Committee.

FINAL DIVIDEND

The Board recommended the payment of a final dividend for 2024 of RMB0.24 per share to the Shareholders, subject to Shareholders' approval at the AGM to be convened on Wednesday, 18 June 2025. The dividend payable to the Shareholders will be declared in RMB and paid in HKD based on the average exchange rate published by the People's Bank of China for the 5 business days prior to the date of the AGM.

The proposed final dividend is expected to be paid to the Shareholders on or before 18 July 2025.

BUSINESS REVIEW

Business Overview

In 2024, the global economic environment moved forward under pressure and showed a complex trend of differentiation. China's real estate market underwent deep adjustments and gradually bottomed out and stabilized. The project management industry also faced multiple challenges such as slowing scale growth, evolving competitive landscape, and increased business requirements, which placed higher demands on the operational, service and professional capabilities of industry participants.

In the face of cyclical fluctuations and market pressure, Greentown Management, as a leader in the project management industry, has always maintained strategic determination, adjusted the development pace in a timely manner, and focused on improving quality and efficiency. While stabilizing our operating fundamentals, we have continued to strengthen our capacities, ensure cash flow security, and proactively diversify our businesses to maintain our leading position in the industry. In 2024, the Company secured the top spot as "China's Leading Enterprise in Real Estate Project Management Operation" for the ninth consecutive year, earning over 30 industry TOP 1 honors throughout the year. Its market share remained above 20% for nine consecutive years, fully demonstrating Greentown Management's comprehensive strength and robust resilience.

During the Reporting Period, revenue of the Group reached RMB3,441.2 million, representing an increase of 4.2% from RMB3,302.4 million for the corresponding period of last year; the gross profit reached RMB1,705.6 million, representing a decrease of 1.0% from RMB1,722.3 million for the corresponding period of last year; the administrative expenses reached RMB481.1 million, representing a decrease of 6.5% from RMB514.5 million for the corresponding period of last year; the comprehensive gross profit margin rate during the Period reached 49.6%, representing a decrease of 2.6 percentage points from 52.2% for the corresponding period of last year; the net profit attributable to shareholders of the Company reached RMB801.1 million, representing a decrease of 17.7% compared with RMB973.6 million for the corresponding period of last year; the net cash flow from operating activities of the Group reached RMB291.7 million during the Reporting Period, and the Group had no bank liabilities.

The Macro Market

In 2024, the overall project management industry showed the characteristics of “slower growth and structural differentiation”. According to the data of China Index Academy, the overall new construction area of the industry declined slightly by 5% year-on-year, and the threshold of new entry of the industry was raised, which further aggravated the competition.

From the fourth quarter of 2024 onwards, with the central government’s clear proposal of “promoting the stabilization of the real estate market”, and the combination of “market stabilization and delivery stabilization” policies launched across the country, the confidence of the project owners has gradually recovered, and the volume of new contracts has begun to pick up. From a long-term perspective, the government, centralized state-owned enterprises, urban investment platforms, private enterprises and financial institutions will still be the main suppliers in the project management industry. At the same time, policy-driven, event-driven and structural adjustments have injected new momentum into the project management industry. Specifically:

In terms of providing services to government, local governments continued to promote affordable housing, urban village transformation, industry-city integration, and improved municipal supporting facilities. The market-oriented project management has gradually become a mature model of government procurement. The main provinces and municipalities continued to improve the system of regulatory documents, opening up a wide space for the project management business.

In terms of providing services to state-owned enterprises and urban investment platform central state-owned enterprises and urban investment platforms still dominated the land market, especially urban investment companies, which have large land reserves, but the construction commencement rate was relatively low. With the “stabilization” policies and the recovery of housing confidence, the introduction of professional project management companies to revitalize existing resources has become an effective way to improve asset efficiency and realize the preservation and appreciation of the value of state-owned assets.

In terms of providing services to capital owners, a nationwide “urban real estate financing coordination mechanism” has been established, and the white list system for house and land-related projects has been gradually improved, resulting in a marginal improvement in the financing environment. With the advantages of credit empowerment, brand rejuvenation and stable operation, the project management model has become an important tool for capital owners to fix their balance sheets, revitalize distressed projects and ensure completion and delivery, thus helping the industry reshape its benign cycle.

Overall, the trend of separation between real estate investment and operation was accelerating, and professional and branded project management services have become a key driving force to promote the transformation of the industry and achieve a win-win situation for all parties. Greentown Management will continue to play a leading role in this trend and create long-term value for the Shareholders and partners with stronger capability and more stable operation.

Business Review

In response to the market challenges faced by the project management industry in the first half of 2024, the Company has taken strong and prompt measures in the short term and proposed reform measures for the medium and long term. These included optimizing the organization structure, salary and performance systems, and evaluation and incentive mechanisms, leading to positive operational outcomes. In the second half of 2024, the newly contracted projects and the collection of project management fees steadily improved quarter-over-quarter. Throughout the year, all operating indicators remained industry-leading, with market share further increasing, and the total volume of new orders, deliveries, sales and product competitiveness remaining at the forefront of the industry.

1. Steady progress in scale, expanding leading advantages

In 2024, the Company maintained its No. 1 position in the field of real estate project management. The Company achieved a market share of 22.1% in the project management industry, an increase of 1.7 percentage points from 2023, marking the ninth consecutive year with a market share exceeding 20%. This success was underscored by several prestigious recognitions earned throughout the year, such as the “2024 China’s Leading Enterprise in Project Management Operation TOP 1” (2024中國房地產代建運營引領企業TOP 1), “Project Management Comprehensive Capability” (代建綜合能力) list TOP 1, “2024 China’s Top 1 in Comprehensive Strength of Project Management Enterprises” (2024中國代建企業綜合實力Top 1) and “2024 China’s Top 10 Brands in Real Estate Project Management No. 1” (2024中國房地產代建企業品牌十強No. 1).

As of 31 December 2024, the Company’s project management footprint covered 130 major cities in 30 provinces, municipalities and autonomous regions in China. The total GFA of the contracted projects was 125.6 million square meters, representing a growth of 5.0% over the corresponding period last year. The area under construction was 53.96 million square meters, an increase of 2.9% over the corresponding period last year.

With nationwide presence, major economic regions (including: Bohai Rim Economic Zone, Beijing-Tianjin-Hebei urban agglomeration, Yangtze River Delta Economic Zone, Pearl River Delta Economic Zone and Chengdu-Chongqing urban agglomeration) continued to dominate a large portion in its portfolio: the estimated total saleable value of these contracted projects reached RMB720.1 billion, accounting for 77.3% of the total saleable value, which was basically the same as the corresponding period last year. In addition, the GFA in first- and second-tier cities reached 55.3 million square meters, accounting for 44.0% of the total GFA, representing an increase of 7.6% over the corresponding period last year. The Company has optimized its order structure year-on-year through differentiated expansion strategies.

The scale of new contracts continued to be no. 1 in the industry, with the total GFA of the newly contracted projects reaching 36.5 million square meters in 2024, representing an increase of approximately 3.4% over the corresponding period last year. The estimated project management fee of the newly contracted projects was RMB9.32 billion; it was approximately 10.1% lower than the corresponding period last year, but the quality of overall projects was higher, and the portfolio structure was improving. The price of the newly contracted projects has gradually stabilized from RMB240 per square meter in the first half of 2024 to RMB255 per square meter for the whole year of 2024; the proportion of first- and second-tier cities has further risen to 58%, representing an increase of 6 percentage points over the corresponding period last year.

2. *Improving comprehensive capabilities and achieving win-win results for all parties*

In the face of industry fluctuations and adjustments, Greentown Management is committed to leading its business partners through the cycle with its own growth in the business and realizing a win-win situation for all parties.

In terms of products, Greentown Management practiced the “good house” standard, continued product innovation and iteration of product series, optimized the supply chain to achieve cost reduction and efficiency improvement, and strengthened lean management to accelerate the construction cycle. In 2024, flagship product emerged, winning industry’s acclaim, and garnering the top 1 spot in product competitiveness among Chinese project management companies, 154 product-related awards and 23 international product awards. A total of 118 projects with a total GFA of 16.56 million square meters were delivered throughout the year, accounting for 52% of the total completed projects by Top 10 companies in the industry, ranking first in the list of the area delivered by the project management companies. The delivery satisfaction rates on the business-end and customer-end were 95% and 89%, respectively, leading the industry in both delivery volume and customer satisfaction.

In terms of marketing, Greentown Management fully implemented digital marketing tools, significantly enhanced the efficiency of customer solicitation and conversion, refined the control of expenses, innovated marketing promotions, and flexibly adjusted the sales strategy. It also strengthened the team’s ability to focus on key and difficult projects and delivered the operating value for the B-end project owners. The Company achieved total sales of RMB105 billion in 2024, continuing to maintain the leading position in the industry.

In terms of relieving measures under the “ensure the delivery of properties (保交樓)” policy, Greentown Management actively responded to the call from the government and ensured the delivery of properties, and “injected vitality” into the bail-out projects with its professional ability, and became “a person who helps solve social problems”. The total contracted GFA under the “ensure the delivery of properties (保交樓)” policy exceeded 10 million square meters, and the total GFA of government project management reached approximately 63.9 million square meters. Together with renowned AMCs such as Great Wall, China Orient, Cinda and other financial institutions such as China Life, AVIC Trust and Everbright Trust, the Company provided comprehensive professional support and created hot-selling bail-out projects. By resolving historical issues, outputting management standards, and controlling progress and quality, the Company has achieved the delivery of flagship projects in provinces such as Zhejiang, Guangdong, Jiangsu and Guizhou, and has won wide recognition from owners and communities.

3. *Reforming to boost operation abilities and improving overall quality and efficiency*

In 2024, Greentown Management continued to “reform, change and improve” to comprehensively enhance operational efficiency.

The Group implemented organizational reform, integrated the development of government and commercial project management, gave full play to the resource advantages, set up Zhejiang region and directly managed city companies in key provinces, and strengthened deep cultivation capabilities. It also implemented regional lump-sum operation, stimulated the regional companies’ awareness of independent operation, increased regional management authorization, strengthened regional risk and responsibility sharing, and realized income sharing and self-sustainability between the region and the Group. It implemented remuneration incentive reforms, adjusted the fixed-to-floating ratio of remuneration, linked the completion rate of fee collection for all employees, strengthened the link between performance and remuneration, enhanced the sense of ownership, undertook quarterly instant rewards and penalties for core business indicators, and strengthened cadre assessment. Continuous management enhancements were made, including ongoing improvement to risk control mechanisms, upgrades to digital systems, and iterative refinements to authorization processes, all of which reduced inefficiencies, increased productivity and stimulated development momentum. As a result, the per capita revenue contribution rose from RMB780,000 at the end of 2023 to RMB840,000 at the end of 2024, representing a year-on-year increase of 7.7%. Marketing and administrative expenses decreased from RMB619 million in 2023 to RMB572 million in 2024, a decrease of 7.6% over the corresponding period last year.

4. *Leading the industry development and taking social responsibilities*

As a leading enterprise in the industry, the Company endeavours to advance the collective growth of the project management sector, explore new pathways for real estate development models alongside peers, and make greater efforts to build good houses.

In 2024, the Company actively participated in project management summits, where participants analyzed industry trends, shared experiences in benchmark projects, and promoted self-regulation and orderly development within the industry. Leveraging its long-term leadership position in the industry, the Company persistently contributed standardized practices and knowledge systems, took the lead in drafting the industry’s first standard, which entered the consultation phase. Additionally, the Company hosted the High-Quality Housing Construction and Innovative Operation Services Experience Exchange Conference (Affordable Housing Construction, Anji) (高品質住房建設與創新運維服務現場經驗交流會(保障性住房建設安吉站)), where it showcased the achievements of the Anji Rongyuan project. This initiative established a model for affordable housing under the “good house” standard, advancing the construction of high-quality residences.

Looking forward, the Company will continue relying on industry associations to actively communicate with governments at all levels and real estate authorities to promote the project management business model. The Company will also connect more peers in the project management industry and upstream and downstream enterprises in the industry chain through opening source knowledge systems, building ecological platforms, etc., to promote the healthy and high-quality development of the project management industry.

BUSINESS OUTLOOK

The Company is prudent in its judgment that the penetration rate of the residential project management in China is only 6.28%, which is far lower than the international level. In the medium and long term, there is ample room for growth in the industry. With the continued policy efforts and structural recovery of the market, opportunities in existing projects will emerge, and project management demand is expected to be unleashed continuously.

In 2025, Greentown Management will forge ahead in the market environment with both challenges and opportunities and continue to strengthen its core competitiveness. The Company will focus on capacity enhancement, strengthen system and mechanism construction, and establish a business philosophy driven by both quality and efficiency through in-depth benchmarking learning, so as to comprehensively enhance its business management, market expansion, product innovation and marketing capabilities, and satisfy customers' needs with more accurate services. At the same time, the Company will actively explore the application of AI big model to solve difficult problems in project management, accelerate digital transformation, optimize management processes, and refine the management and control on collection and cost to ensure efficient and stable operation. With reform and innovation as the driving forces, we will promote the comprehensive upgrade of our business models and capabilities to consolidate our leading position in the industry.

Looking to the future, at the critical stage when the economy is moving towards high-quality development, Greentown Management will give full play to the leading role of the industry's new-quality productivity, and will remain committed to becoming a benchmark enterprise in China's project management industry and a pioneer in the light-asset development model, earning market trust with excellent quality and delivering long-term value with professional ability. The Company will join hands with all parties to build and share together, fully demonstrating the unique advantages of the project management model in the new development era, and leading the industry towards a new stage of high-quality development.

FINANCIAL ANALYSIS

As at 31 December 2024, the Group has achieved:

Revenue

Revenue of RMB3,441.2 million, representing a year-on-year increase of 4.2% compared with RMB3,302.4 million in 2023. Revenue is derived from three types of businesses: (i) commercial project management; (ii) government project management; and (iii) other services, which are listed by business segment as follows:

	As at 31 December				% Change increase/ (decrease)
	2024		2023		
	RMB'000	% of total	RMB'000	% of total	
	(Audited)	revenue	(Audited)	revenue	
From commercial project management					
	2,752,490	80.0	2,346,326	71.0	17.3
(1) Self-operated	2,168,870	63.0	1,432,277	43.3	51.4
(2) Cooperation with business partners	583,620	17.0	914,049	27.7	(36.2)
From government project management	625,846	18.2	788,480	23.9	(20.6)
Other services	62,898	1.8	167,616	5.1	(62.5)
Total	3,441,234	100.0	3,302,422	100.0	4.2

During the Reporting Period:

- (i) commercial project management was still the largest source of revenue and profit for the Group, with revenue of RMB2,752.5 million during the year, accounting for 80.0% of the total revenue, increased by 17.3% compared with RMB2,346.3 million in 2023. The increase was mainly due to the fact that the Group continued to promote its strategy of deepening its local presence and actively explored new business types and collaboration models, resulting in steady growth in business scale.
- (ii) revenue from government project management reached RMB625.8 million, accounting for 18.2% of the total revenue, decreased by 20.6% compared with RMB788.5 million in 2023. In 2024, the revenue decreased due to the structural contraction of demand for governmental project management affected by the policies.
- (iii) revenue from other services was RMB62.9 million, accounting for 1.8% of the total revenue, mainly due to the revenue of RMB21.9 million derived from a project during the Reporting Period which was tendered by Greentown Real Estate Group Co., Ltd. (“**Greentown Real Estate Group**”) and managed by Greentown Project Management Group Co., Ltd. (“**Greentown Project Management Group**”), and the project was winding down in a progressive manner as the Company did not obtain the grade 1 qualification for real estate development prior to listing, as well as an income of RMB33.9 million derived from supply chain services.

Cost of Services

During the Reporting Period, cost of services was RMB1,735.7 million, representing an increase of 9.8% from RMB1,580.1 million in 2023. The main reasons for the increase were the increase in the scale of revenue of commercial project management from self-operation as well as the increase in project service costs.

Gross Profit

During the Reporting Period, the gross profit was RMB1,705.6 million, representing a decrease of 1% from RMB1,722.3 million in 2023. The gross profit margin was 49.6%, representing a decrease of 2.6 percentage points compared to 52.2% for 2023.

- The gross profit margins of the three business segments were: 51.2% for commercial project management, 40.1% for government project management and 72.9% for other services, compared to 52.3%, 45.2% and 82.2%, respectively, for 2023.
- The gross profit margin of commercial project management was 51.2%, decreased by 1.1 percentage points as compared to 52.3% in 2023, mainly due to the slight decrease in the gross margin of commercial project management as a result of the reasons such as increased competition in the market.
- The gross profit margin of government project management was 40.1%, representing a decrease of 5.1 percentage points compared to 45.2% in 2023, mainly due to a further decline in gross margin of governmental project management as a result of the structural contraction of demand for government project management affected by the policies.
- The gross profit margin of other services was 72.9%. The higher gross profit margin was mainly due to the revenue of RMB21.9 million derived from a project during the Period which was tendered by Greentown Real Estate Group and managed by Greentown Project Management Group as the Company did not obtain the grade 1 qualification for real estate development prior to listing on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”); the service cost of the project was recorded at Greentown Real Estate Group, and the Company recognized the revenue based on the net gain of the project settled with Greentown Real Estate Group while the income from industrial chain service projects was mainly derived from consultation projects.

Other Income

During the Reporting Period, other income of the Group was RMB111.6 million, a decrease of 28.4% from RMB155.8 million in 2023. The decrease in other income was mainly due to the reasons such as the decrease in dividends from equity investment.

Other Gains/Losses

During the Period, the other losses of the Group was RMB130.7 million, the losses were mainly due to: (1) the increase in the fair value of the contingent consideration for the equity acquisition of Greentown Shangli of RMB28.8 million; (2) the impairment loss of non-current assets of RMB69.8 million; and (3) the exchange loss incurred by foreign currency assets and foreign currency liabilities of RMB24.4 million.

Selling and Marketing Expenses

Selling and marketing expenses were RMB91.4 million, representing a decrease of 12.5% from RMB104.5 million in 2023. The decrease was mainly due to the “Inclusive Recruitment Program” launched by the Company during the Period to reduce marketing expenses by undertaking projects on the ecological platform.

Administration Expenses

Administration expenses were RMB481.1 million, representing a decrease of 6.5% from RMB514.5 million in 2023. The decrease was mainly due to a comprehensive digital transformation implemented by the Group to improve operation efficiency by leveraging on system tools, thereby reducing labor and administrative expenses.

Profit for the Year

During the Reporting Period, the net profit of the Group was RMB790.5 million, representing a decrease of 19.4% from RMB980.7 million in 2023. The net profit during the Period attributable to the owners of the Company was RMB801.1 million, representing a decrease of 17.7% from RMB973.6 million in 2023.

Trade and Other Receivables

As at 31 December 2024, trade and other receivables reached RMB1,119.4 million, representing an increase of 35.9% from RMB823.9 million at the end of 2023. The increase was mainly due to a lag in sales turnover in some regions influenced by overall market trend of the real estate industry, which in turn affected the collection of project management fees. The turnover rate of trade receivables decreased from 15.1 times in 2023 to 9.7 times in 2024.

Contract Assets

As at 31 December 2024, the Group’s contract assets amounted to RMB1,344.7 million, representing an increase of 51.0% from RMB890.6 million at the end of 2023. The contract assets reflected the amounts related to certain projects where the Company have fulfilled its obligations but have not yet reached the management fee collection milestone as agreed in the contract. The increase was mainly due to the expansion of the Company’s operating scale, and such project will be transferred to cash inflows from the Company’s operating activities in the future.

Trade and Other Payables

As at 31 December 2024, trade and other payables amounted to RMB1,286.1 million, representing an increase of 2.3% from RMB1,257.2 million at the end of 2023. The increase was mainly attributable to the increase of collection payables of RMB46.3 million.

Capital Structure

As at 31 December 2024, the total equity of the Group reached approximately RMB3,941.6 million, representing a decrease of approximately RMB192.0 million from RMB4,133.6 million at the beginning of 2024. Specifically, equity attributable to shareholders was approximately RMB3,810.2 million, representing a decrease of approximately RMB185.5 million from RMB3,995.7 million at the beginning of 2024, mainly due to the facts that: (1) the Company achieved a net profit attributable to the Shareholders of RMB801.1 million in 2024, which led to the increase in equity attributable to Shareholders; (2) the recognition of equity-settled share-based payments of RMB7.9 million led to the increase in equity attributable to Shareholders; and (3) the distribution of cash dividends to Shareholders during the Period led to the decrease in the equity attributable to Shareholders by RMB988.0 million.

As at 31 December 2024, the Company had a total of 2,010,000,000 shares in issue, and had a total market capitalization of approximately HKD6,633.0 million (based on the closing price on 31 December 2024).

Liquidity and Capital Resources

As at 31 December 2024, the Group had bank deposits and cash (not including pledged bank deposits) of RMB1,518.3 million (31 December 2023: RMB2,044.4 million); and the current ratio was 1.68 times (31 December 2023: 1.83 times). Gearing ratio (interest-bearing debt divided by total equity at the end of the same period) was 0.9% (31 December 2023: 0.9%).

During the Reporting Period, our liquidity was mainly tailored to meet the working capital needs. Internally generated cash flow was the main source of funding for our working capital, capital expenditures and other funding needs.

Debt

During the Reporting Period, the Group had no significant borrowings.

Foreign Exchange Risk

The Group conducts substantially all of its business in Mainland China and in Renminbi. Therefore, the Group is exposed to low foreign exchange risks. However, the depreciation or appreciation of RMB and HKD against foreign currencies may have impact on the Group's financial performance. Currently, the Group does not hedge foreign exchange risks, but will continue to closely monitor its exposure to foreign exchange risks. The management will consider hedging foreign exchange risks when the Group becomes materially affected by such risks.

Contingent Liabilities

The Group did not have any significant contingent liabilities as at 31 December 2024.

Pledge of Assets

During the Reporting Period, the Group had no pledge of assets.

Asset Transactions and Significant Investments

During the Reporting Period, the Group had no asset transactions or significant investments.

Material Acquisitions and Disposals

During the Reporting Period, the Group had no material acquisition and disposal.

Treasury Management

Our treasury management function undertakes the responsibility of cash management, liquidity planning and control, provision of cost-efficient financing for the Group, liaison with banks and other related institutions, investment in financial products, as well as mitigation of financial risks such as interest and foreign exchanges risks. Our treasury function is designed to align with the long-term and short-term needs of the Group and comply with good corporate governance standard.

OTHER INFORMATION

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any) during the Reporting Period.

As at 31 December 2024, the Company did not hold any treasury shares.

EMPLOYEES AND REMUNERATION POLICIES

During the Reporting Period, the Group provided diversified training and personal development plans to its employees according to established human resources policies and systems. The remuneration package including basic salaries, allowances, bonuses, share award schemes and other employee benefits offered to the employees was determined by their duties and the prevailing market terms. Discretionary bonuses based on individual performance will be paid to employees as recognition of and reward for their contributions. Staff benefits, including pension, medical coverage and provident funds are also provided to employees of the Group.

As at 31 December 2024, the Group had 2,377 employees, of which the number of male and female employees were 1,826 and 551, respectively (accounted for 76.82% and 23.18% respectively), representing an increase of 15.61% from 31 December 2023, mainly due to the increase in project personnel required for the newly contracted projects and cadre in Baichuan for talent reserve upgrade.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the year ended 31 December 2024, we had no material acquisition or disposal of subsidiaries, associates and joint ventures.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its business and operations are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all Shareholders. During the year ended 31 December 2024, the Company has adopted the code provisions in the Corporate Governance Code (the "**CG Code**") as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as its own code on the corporate governance. To the best knowledge of the Directors, the Company has complied with all applicable code provisions under the CG Code throughout the year ended 31 December 2024.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) as set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors’ dealings in the securities of the Company during the Reporting Period. Having made specific enquiry of all the Directors, all the Directors confirmed that they have strictly complied with the required standards set out in the Model Code during the Reporting Period.

The Board has also adopted the Model Code to regulate all dealings in the securities of the Company by relevant employees who are likely to be in possession of unpublished inside information of the Company. Having made reasonable enquiry, no incident of non-compliance with the Model Code by the Company’s relevant employees has been noted during the Reporting Period.

CLOSURE OF REGISTER OF MEMBERS

(a) For determining the entitlement of the shareholders to attend and vote at the AGM

The register of members of the Company will be closed from Friday, 13 June 2025 to Wednesday, 18 June 2025 (both days inclusive), during which period no transfer of shares will be registered. In order to determine the identity of members who are entitled to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 12 June 2025.

(b) For determining the entitlement to the 2024 proposed final dividend

The register of members of the Company will be closed from Wednesday, 9 July 2025 to Monday, 14 July 2025 (both days inclusive), during which period no transfer of shares will be registered. In order to be eligible for the 2024 proposed final dividend, unregistered holders of shares of the Company should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 8 July 2025.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

We have established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The Audit Committee consists of three independent non-executive Directors, namely Mr. Chan Yan Kwan Andy, Mr. Lin Zhihong and Dr. Ding Zuyu. Mr. Chan Yan Kwan Andy is the chairman of the Audit Committee.

The Audit Committee has reviewed the Group's annual results for the year ended 31 December 2024, and confirms that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made. The Audit Committee has also discussed the auditing, internal control and financial reporting matters.

SCOPE OF WORK OF ERNST & YOUNG

The financial information set out in this announcement does not constitute the Group's audited accounts for the year ended 31 December 2024, but represents an extract from the consolidated financial statements for the year ended 31 December 2024 which have been audited by the auditor of the Company, Ernst & Young, in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, no significant events have taken place subsequent to 31 December 2024 and up to the date of this announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.lcgljt.com). The annual report of the Company for the year ended 31 December 2024 will be sent to the Shareholders and published on the websites of the Stock Exchange and the Company in due course.

APPRECIATION

The Board would like to take this opportunity to express gratitude to our Shareholders, customers, suppliers, correspondent banks, professional consultants and all the employees for their continuous patronage and support to the Group.

By order of the Board
Greentown Management Holdings Company Limited
Guo Jiafeng
Co-Chairman and Non-Executive Director

Hong Kong, PRC, 28 March 2025

As at the date of this announcement, the Board comprises Mr. Guo Jiafeng and Mr. Zhang Yadong as non-executive Directors, Mr. Wang Junfeng and Ms. Nie Huanxin as executive Directors, and Mr. Lin Zhihong, Dr. Ding Zuyu and Mr. Chan Yan Kwan Andy as independent non-executive Directors.