# GREENLAND HONG KONG HOLDINGS LIMITED
# 綠地香港控股有限公司

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 337)**

## 2024 ANNUAL RESULTS ANNOUNCEMENT

The board of directors of Greenland Hong Kong Holdings Limited (the "**Company**" or "**Greenland HK**") is pleased to announce the audited consolidated results and financial position of the Company and its subsidiaries (collectively the "**Group**") for the year ended 31 December 2024 (the "**FY2024**"), together with the comparative figures for the corresponding period in 2023 as follows:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
*FOR THE YEAR ENDED 31 DECEMBER 2024*

| | | **2024** | 2023 |
|---|---|---|---|
| | *NOTES* | ***RMB'000*** | *RMB'000* |
| Revenue | *5* | **15,275,935** | 24,932,665 |
| Cost of sales | | **(14,479,636)** | (22,362,599) |
| Gross profit | | **796,299** | 2,570,066 |
| Other income | *6* | **50,130** | 22,063 |
| Other gains and losses | *7* | **(16,636)** | (66,190) |
| Selling and marketing costs | | **(435,894)** | (659,854) |
| Administrative expenses | | **(434,232)** | (497,769) |
| Other operating expenses | | **(207,858)** | (116,667) |
| Impairment gain (loss) under expected credit loss model, net of reversal | | **10,467** | (189,437) |
| Loss on changes in fair value of investment properties | | **(841,237)** | (1,015,105) |
| Loss on disposal of interest in subsidiaries | | **–** | (73,025) |
| Loss on disposal of interest in an associate | | **(195)** | – |
| Loss on disposal of interest in a joint venture | | **(1,844)** | (114,999) |
| Finance income | *8* | **19,810** | 19,399 |
| Finance costs | *9* | **(358,677)** | (100,044) |
| Share of results of associates | | **(81,898)** | 9,255 |
| Share of results of joint ventures | | **(97,239)** | (388,104) |
| Loss before tax | | **(1,599,004)** | (600,411) |
| Income tax expenses | *10* | **(686,615)** | (1,168,765) |
| **Loss for the year** | *11* | **(2,285,619)** | (1,769,176) |

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
*FOR THE YEAR ENDED 31 DECEMBER 2024*

| | *NOTE* | **2024** **RMB'000** | 2023 *RMB'000* |
|---|---|---|---|
| **Other comprehensive expense** | | | |
| *Item that will not be reclassified to profit or loss:* | | | |
| Fair value loss on investments in equity instruments at fair value through other comprehensive expense | | **(2,942)** | (6,282) |
| Other comprehensive expense for the year, net of income tax | | **(2,207)** | (4,711) |
| Total comprehensive expense for the year | | **(2,287,826)** | (1,773,887) |
| (Loss) profit for the year attributable to: | | | |
| Owners of the Company | | **(2,093,503)** | (1,751,863) |
| Non-controlling interests | | **(282,165)** | (103,649) |
| Owners of perpetual securities | | **90,049** | 86,336 |
| | | **(2,285,619)** | (1,769,176) |
| Total comprehensive (expense) income attributable to: | | | |
| Owners of the Company | | **(2,095,710)** | (1,756,574) |
| Non-controlling interests | | **(282,165)** | (103,649) |
| Owners of perpetual securities | | **90,049** | 86,336 |
| | | **(2,287,826)** | (1,773,887) |

| | | **2024** ***RMB*** | 2023 *RMB* |
|---|---|---|---|
| **Loss per share** | | | |
| Basic | *13* | **(0.76)** | (0.63) |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*AS AT 31 DECEMBER 2024*

| | NOTE | 2024 RMB'000 | 2023 RMB'000 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| Investment properties | | **7,896,000** | 9,554,000 |
| Property, plant and equipment | | **2,433,140** | 2,170,283 |
| Intangible assets | | **981** | 1,026 |
| Right-of-use assets | | **208,477** | 226,673 |
| Equity instruments at fair value through other comprehensive income ("FVTOCI") | | **462,501** | 465,443 |
| Interests in associates | | **1,670,307** | 1,753,932 |
| Interests in joint ventures | | **3,458,544** | 3,557,627 |
| Deferred tax assets | | **1,995,395** | 1,886,578 |
| **Total non-current assets** | | **18,125,345** | 19,615,562 |
| **Current Assets** | | | |
| Properties under development | | **50,582,706** | 63,188,264 |
| Completed properties held for sale | | **21,550,570** | 17,788,248 |
| Trade and other receivables, deposits and prepayments | *14* | **20,617,923** | 22,400,328 |
| Prepaid taxation | | **1,778,999** | 1,881,451 |
| Contract assets | | **213,592** | 276,083 |
| Contract costs | | **228,128** | 246,983 |
| Restricted bank deposits | | **677,663** | 1,121,610 |
| Bank balances and cash | | **695,112** | 1,717,941 |
| **Total current assets** | | **96,344,693** | 108,620,908 |
| **Total assets** | | **114,470,038** | 128,236,470 |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
*AS AT 31 DECEMBER 2024*

| | NOTES | 2024 RMB'000 | 2023 RMB'000 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Capital And Reserves** | | | |
| Share capital | | **1,132,097** | 1,132,097 |
| Reserves | | **9,209,928** | 11,164,811 |
| Equity attributable to owners of the Company | | **10,342,025** | 12,296,908 |
| Perpetual securities | *16* | **852,767** | 806,239 |
| Non-controlling interests | | **5,956,713** | 6,955,226 |
| **Total equity** | | **17,151,505** | 20,058,373 |
| **LIABILITIES** | | | |
| **Non-Current Liabilities** | | | |
| Deferred tax liabilities | | **1,086,172** | 1,359,740 |
| Interest-bearing loans | | **5,843,446** | 6,900,840 |
| Lease liabilities | | **310,948** | 370,826 |
| **Total non-current liabilities** | | **7,240,566** | 8,631,406 |
| **Current Liabilities** | | | |
| Trade and other payables | *15* | **50,844,451** | 54,402,412 |
| Tax payable | | **8,889,855** | 8,067,277 |
| Interest-bearing loans | | **8,477,272** | 7,500,466 |
| Lease liabilities | | **52,122** | 52,849 |
| Contract liabilities | | **21,814,267** | 29,523,687 |
| **Total current liabilities** | | **90,077,967** | 99,546,691 |
| **Total liabilities** | | **97,318,533** | 108,178,097 |
| **Total equity and liabilities** | | **114,470,038** | 128,236,470 |
| **Net current assets** | | **6,266,726** | 9,074,217 |
| **Total assets less current liabilities** | | **24,392,071** | 28,689,779 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 DECEMBER 2024*

## 1. GENERAL INFORMATION

Greenland Hong Kong Holdings Limited (the "Company") was incorporated in the Cayman Islands on 13 April 2006 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 2007, as consolidated and revised) of the Cayman Islands and its share are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange").

The ultimate controlling shareholder of the Company is Greenland Holdings Corporation Limited ("Greenland Holdings") and the parent company is Gluon Xima International Limited. The address of the Company's registered office is Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, George Town, Grand Cayman, British West Indies, and principal place of business of the Company is No 193 Xiehe Road, Shanghai, China.

The Company is an investment holding company. The principal activities of its subsidiaries (together with the Company referred to as the "Group") are the development for sale and rental of properties and related services and the operation of hotels 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 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 annual period beginning on or after 1 January 2024 for the preparation of the consolidated financial statements:

| | |
|---|---|
| Amendments to IFRS 16 | Lease Liability in a Sale and Leaseback |
| Amendments to IAS 1 | Classification of Liabilities as Current or Non-current |
| Amendments to IAS 1 | Non-current Liabilities with Covenants |
| Amendments to IAS 7 and IFRS 7 | Supplier Finance Arrangements |

Except as described below, the application of the amendments to IFRS Accounting Standards in the current year 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 IAS 1 Classification of Liabilities as Current or Non-current and Amendments to IAS 1 Non-current Liabilities with Covenants***

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

Amendments to IAS 1 *Classification of Liabilities as Current or Non-current* 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 IAS 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, Amendments to IAS 1 *Non-current Liabilities with Covenants* 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. Amendments to IAS 1 *Non-current Liabilities with Covenants* 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.

The application of the amendments in the current year had no material impact on the consolidated 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:

| | |
|---|---|
| Amendments to IFRS 9 and IFRS 7 | Amendments to the Classification and Measurement of Financial Instruments[3] |
| Amendments to IFRS 9 and IFRS 7 | Contracts Referencing Nature-dependent Electricity[3] |
| Amendments to IFRS 10 and IAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1] |
| Amendments to IFRS Accounting Standards | Annual Improvements to IFRS Accounting Standards – Volume 11[3] |
| Amendments to IAS 21 | Lack of Exchangeability[2] |
| IFRS 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 as described below, the directors of the Company anticipate that the application of all other amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

**IFRS 18 *Presentation and Disclosure in Financial Statements***

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

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements.

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

**Basis of preparation of consolidated financial statements**

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by IASB. 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 include 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.

***Going concern assessment***

As at 31 December 2024, the Group incurred total interest-bearing borrowings amounting to RMB14,321 million, of which RMB8,477 million was due for repayment within one year from the end of the reporting period. These borrowings were secured through the pledge of equity interests in certain subsidiaries of the Company, as well as the Group's assets. As of the same date, the Group's cash and cash equivalents stood at RMB695 million.

As at 31 December 2024, the Group had not repaid certain interest-bearing loans of RMB2,317 million according to their original repayment schedules, and these overdue loans were collateralised by inventory properties with a total carrying amount of RMB10,510 million. Subsequent to the end of the reporting period and up to the date of this report, an additional RMB1,292 million in interest-bearing loans became overdue. This amount included a syndicated offshore loan consisting of USD80 million and HKD415 million (equivalent to RMB958 million), which was due in January 2025. As of the date of this report, the total amount of overdue loans ("Overdue Loans") stood at RMB3,609 million.

The above conditions indicate the existence of material uncertainties that raise significant doubt about the Group's ability to continue as a going concern. It is possible that the Group may not have sufficient working capital to operate if measures are not taken to improve the Group's cash position. In light of such circumstances, management has carefully considered the Group's future liquidity and performance and its available sources of financing in assessing whether the Group will have adequate financial resources to continue as a going concern. Certain plans and actions have been or will be taken by management to mitigate the Group's liquidity pressures and improve its cash flows, including, but not limited to, the following:

(i) The Group is actively negotiating with several existing lenders to extend the repayment schedule of the interest-bearing loans, and has been negotiating with various banks to secure new sources of financing;

(ii) The Group is actively negotiating with the lenders of Overdue Loans to restructure the overdue loans and to convince them not to take any action against the Group for the immediate payment of the principal and interest of these borrowings. The Group may be required to provide additional assets as collateral as a condition of the loan restructuring;

(iii) If the Group is unable to persuade the lenders of Overdue Loans to extend or restructure repayment, the Group will seek alternative plans to settle the loans. These plans include the possibility of forfeiting the collateralised inventory properties and commercial properties to the lenders and selling some of the Group's commercial properties to generate liquidity to repay the loans;

(iv) The Group will continue to adapt its sales and pre-sale strategies to align more closely with market demands, striving to achieve the latest budgeted sales and pre-sales targets. The Group will maintain continuous communication with key contractors and suppliers for payment arrangements and to fulfil all necessary conditions for the commencement of pre-sales;

(v) As at 31 December 2024, the Group held restricted pre-sale proceeds amounting to RMB58 million in designated bank accounts. These funds may be utilized to settle specific construction liabilities or project loans, subject to approval by the PRC State-Owned Land and Resource Bureau. The Group will closely monitor the progress of its property development projects to ensure timely completion and delivery of properties sold under pre-sale agreements, thereby enabling the release of restricted cash to meet other financial obligations; and

(vi) As at 31 December 2024, the Group also held restricted bank deposits of RMB591 million in designated bank accounts linked to construction liabilities claims amounting to RMB506 million. Continuous negotiations with contractors and suppliers are underway to resolve these liabilities and release the restricted funds.

The directors of the Company have reviewed the cash flow projections of the Group prepared by the management of the Company covering a period of not less than twelve months from the end of the reporting period. They believe that, taking into account the plans and measures described above, the Group will have sufficient working capital to fund its operations and to meet its financial obligations as and when they fall due within twelve months from the end of the reporting period. Accordingly, the directors are satisfied that it is appropriate to prepare these consolidated financial statements on a going concern basis.

Nevertheless, considering the volatility of the real estate sector in the PRC, there remains a material uncertainty as to whether the Group's management will be able to achieve these plans and measures as described above. Whether the Group will be able to continue as a going concern would depend on:

(a) Successfully extending the repayment schedules of existing interest-bearing borrowings and securing new financing from financial institutions, as well as reaching agreements with the lenders of the Overdue Loans to restructure these borrowings and the Group's ability to continue to comply with the restructured terms and conditions; and

(b) Successfully and timely implementation of plans to adjust sales and pre-sale activities and to fulfil all necessary conditions for the commencement to commence pre-sales, as well as agreeing payment arrangements with key contractors and suppliers.

If the Group fails to achieve the above-mentioned plans and measures, it may not be able to continue as a going concern and adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amount, to provide for further liabilities that may arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments are not reflected in these consolidated financial statements.

## 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revisions affects both current and future periods.

**Critical judgements in applying accounting policies**

The followings are the critical judgements, apart from those involving estimations (see below), that the directors of the Company has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

***Deferred taxation on investment properties***

The Group recognises deferred tax in respect of the changes in fair value of the investment properties based on directors' best estimate assuming future tax consequences through usage of such properties for rental purpose, rather than through sale. The final tax outcome could be different from the deferred tax liabilities recognised in the consolidated financial statements should the investment properties are subsequently disposed by the Group, rather than consumed substantially all of the economic benefits embodied in the investment properties by leasing over time. In the event the investment properties are being disposed, the Group may be liable to higher tax upon disposal considering the impact of land appreciation tax ("LAT").

**Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

***Valuation of investment properties***

Investment properties in the consolidated statement of financial position at 31 December 2024 are carried at their fair values of approximately RMB7,896,000,000 (2023: RMB9,554,000,000). The valuations are dependent on certain key inputs that require significant management estimation, including capitalisation rates, average unit market rent and average unit market price. The fair values of the investment properties are determined by reference to valuations conducted on these properties by an independent firm of property valuer using property valuation techniques which involve certain assumptions of prevailing market conditions. Favourable or unfavorable changes to these assumptions may result in changes in the fair values of the Group's investment properties and corresponding adjustments to the changes in fair values reported in the consolidated statement of profit or loss and other comprehensive income and the carrying amounts of these properties included in the consolidated statement of financial position.

***PRC land appreciation taxes***

The Group is subject to LAT in the PRC. The implementation and settlement of these taxes varies among various tax jurisdictions in cities of the PRC, and the Group has not finalised its PRC LAT calculation and payments with most of local tax authorities in the PRC. The calculation of PRC LAT is highly dependent on the appropriateness of the rates used, which are determined by the appreciation of land value. The appreciation of land value is determined with reference to proceeds of the properties less the estimated deductible expenditures, including the cost of land use rights and all property development expenditures. The Group estimated the deductible expenditures according to the understanding of the relevant PRC tax laws and regulations. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the income tax expense and the related income tax provisions in the periods in which such tax is finalised with local tax authorities.

As at 31 December 2024, the LAT payable recognised in tax payable amounted to approximately RMB5,258,866,000 (2023: RMB4,929,714,000) and the LAT recognised in the consolidated statement of profit or loss and other comprehensive income statement amounted to approximately RMB492,798,000 for the year then ended (2023: RMB572,209,000).

***Write-down of properties under development and completed properties held for sale***

Management performs a regular review on the carrying amounts of properties under development and completed properties held for sale. Based on management's review, write-down of properties under development and completed properties held for sale will be made when the estimated net realisable value has declined below the carrying amount.

In determining the net realisable value of completed properties held for sale, management refers to prevailing market data such as recent sales transactions and the selling price based on prevailing market conditions.

In respect of properties under development, the net realisable value is the estimated selling price of the completed units (based on the current prevailing market conditions) less estimated selling expenses and estimated cost of completion (if any). These estimates require judgement as to the anticipated sale prices by reference to recent sales transactions and the selling price based on prevailing market conditions, marketing costs (including price discounts required to stimulate sales) and the estimated costs to completion of properties, the legal and regulatory framework and general market conditions.

As of 31 December 2024, the amount of the write-down of completed properties held for sale and properties under development was RMB2,732,807,000 (2023: RMB2,316,039,000).

***ECL allowance***

The Group recognises a loss allowance for ECL on financial assets including trade receivables, other receivables and other items such as contract assets and financial guarantee which are subject to impairment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition. Significant judgements and estimations are required in determining the impairment assessment including the judgements on grouping basis for the provision matrix or individual assessment and the estimations on the expected loss rates used to calculate the ECL allowance. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered. The provision of ECL is sensitive to changes in estimates.

## 5. REVENUE

### (i) Disaggregation of revenue from contracts with customers

| | For the year ended 31 December 2024 | | |
|---|---|---|---|
| | **Revenue recognised at a point in time** *RMB'000* | **Revenue recognised over time** *RMB'000* | **Total** *RMB'000* |
| **Types of goods or services** | | | |
| Sales of properties | **14,104,591** | **–** | **14,104,591** |
| Hotel and related services | **–** | **76,459** | **76,459** |
| Property management and other services | **–** | **826,965** | **826,965** |
| **Revenue from contracts with customers** | **14,104,591** | **903,424** | **15,008,015** |
| Leases – rental income | | | **267,920** |
| **Total revenue** | | | **15,275,935** |

| | For the year ended 31 December 2023 | | |
|---|---|---|---|
| | Revenue recognised at a point in time *RMB'000* | Revenue recognised over time *RMB'000* | Total *RMB'000* |
| **Types of goods or services** | | | |
| Sales of properties | 23,800,179 | – | 23,800,179 |
| Hotel and related services | – | 61,102 | 61,102 |
| Property management and other services | – | 800,428 | 800,428 |
| **Revenue from contracts with customers** | 23,800,179 | 861,530 | 24,661,709 |
| Leases – rental income | | | 270,956 |
| **Total revenue** | | | 24,932,665 |

**(ii) Performance obligations for contracts with customers and revenue recognition policies**

***Sales of properties***

For contracts entered into with customers on sales of properties, the relevant properties specified in the contracts are based on customer's specifications with no alternative use. Taking into consideration of the relevant contract terms, the legal environment and relevant legal precedent, the Group concluded that the Group does not have an enforceable right to payment prior to transfer of the relevant properties to customers. Revenue from sales of residential properties is therefore recognised at a point in time when the completed property is transferred to customers, being at the point that the customer obtains the control of the completed property and the Group has present right to payment and collection of the consideration is probable.

The Group receives 15% to 70% of the contract value as advance payment from customers when they sign the sale and purchase agreement, and the residual portion of the contract value is expected to be received with one to three months from the agreement signing date. Such advance payment schemes result in contract liabilities being recognised throughout the property construction period.

The Group considers the advance payment schemes contain significant financing component and accordingly the amount of consideration is adjusted for the effects of the time value of money taking into consideration the credit characteristics of the Group. As this accrual increases the amount of the contract liability during the period of construction, it increases the amount of revenue recognised when control of the completed property is transferred to the customer.

***Hotel and related service***

The Group's performance obligation from hotel and related services is mainly to provide accommodation services to guests. Revenue from accommodation service is recognised overtime and the progress measured using the output method during the period when the rooms for accommodation are occupied. The hotel and related services fees are billed to the customers after the services provided.

*Property management and other services*

Revenue from property management and other services is recognised over time. The property management service fees are billed to the clients periodically (either monthly or quarterly billing period).

**(iii) Transaction price allocated to the remaining performance obligation for contracts with customers**

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) at the end of the reporting period, and the expected timing of recognising revenue are as follows:

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| **Sales of properties** | | |
| Within one year | **17,111,145** | 22,499,633 |
| More than one year but not more than two years | **14,708,206** | 24,381,150 |
| More than two years | **3,256,435** | 3,962,344 |
| | **35,075,786** | 50,843,127 |

All hotel and other related service and property management and other services are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

**(iv) Leases**

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| For operating leases: | | |
| Fixed lease payments | **267,920** | 270,956 |

## 6. OTHER INCOME

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Forfeited deposits | **44,235** | 4,200 |
| Government grants (note) | **2,615** | 10,440 |
| Others | **3,280** | 7,423 |
| | **50,130** | 22,063 |

Note: The amount of government grants represents the incentive subsidies received from the PRC local district authorities for the business activities carried out by the Group in the district.

## 7. OTHER GAINS AND LOSSES

| | 2024 | 2023 |
|---|---|---|
| | *RMB'000* | *RMB'000* |
| Net foreign exchange loss | **(16,635)** | (66,401) |
| Net (loss) gain on disposal of property, plant and equipment | **(1)** | 211 |
| | **(16,636)** | (66,190) |

## 8. FINANCE INCOME

| | 2024 | 2023 |
|---|---|---|
| | *RMB'000* | *RMB'000* |
| Interest income on bank deposits | **19,810** | 19,399 |

## 9. FINANCE COSTS

| | 2024 | 2023 |
|---|---|---|
| | *RMB'000* | *RMB'000* |
| Interest expenses on interest-bearing loans | **1,002,603** | 809,789 |
| Interest expenses on lease liabilities | **21,020** | 26,502 |
| Interest expenses on contract liabilities | **125,750** | 196,722 |
| Less: interest of interest-bearing loans capitalised | **(664,946)** | (736,247) |
| interest of contract liabilities capitalised | **(125,750)** | (196,722) |
| | **358,677** | 100,044 |

Interest expenses capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 4.66% (2023: 5.11%) per annum to expenditure on qualifying assets.

## 10. INCOME TAX EXPENSES

| | 2024 | 2023 |
|---|---|---|
| | *RMB'000* | *RMB'000* |
| Current tax | | |
| – PRC Enterprise Income Tax ("EIT") | **582,263** | 848,795 |
| – PRC LAT | **492,798** | 572,209 |
| | **1,075,061** | 1,421,004 |
| Over provision in prior years | | |
| – PRC EIT | **(6,796)** | (5,381) |
| Deferred tax | **(381,650)** | (246,858) |
| | **686,615** | 1,168,765 |

**Hong Kong Profits Tax**

No provision for Hong Kong Profits Tax has been made as the Group's income neither arises in, nor is derived from Hong Kong.

**Enterprise Income Tax**

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 Group's PRC subsidiaries is 25% for both years.

In addition, the EIT Law provides that qualified dividend income between two "resident enterprises" that have a direct investment relationship is exempted from income tax. Otherwise, such dividends will be subject to a 5% or 10% withholding tax under the EIT Law. A 10% withholding tax rate is applicable to the Group.

**Land Appreciation Tax**

According to the requirements of the Provisional Regulations of the PRC on LAT effective from 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT effective from 27 January 1995, all income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, with an exemption provided for property sales of ordinary residential properties if their appreciation values do not exceed 20% of the sum of the total deductible items.

The income tax expenses for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income accounting as follows:

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Loss before tax | **(1,599,004)** | (600,411) |
| Tax at the applicable PRC EIT rate of 25% | **(399,751)** | (150,103) |
| Tax effect of income not taxable for tax purposes | **–** | (2,407) |
| Tax effect of expenses not deductible for tax purposes | **103,931** | 235,441 |
| Tax effect of share of results of associates | **20,475** | (2,314) |
| Tax effect of share of results of joint ventures | **24,310** | 97,026 |
| Over provision in respect of prior years | **(6,796)** | (5,381) |
| Tax effect of tax losses not recognised | **416,698** | 464,698 |
| Utilisation of tax losses previously not recognised | **(12,714)** | (14,589) |
| Tax effect of deductible temporary differences not recognised | **170,864** | 117,237 |
| PRC LAT provision for the year | **492,798** | 572,209 |
| Tax effect of PRC LAT deductible for PRC EIT | **(123,200)** | (143,052) |
| Income tax expenses for the year | **686,615** | 1,168,765 |

## 11. LOSS FOR THE YEAR

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Loss for the year has been arrived at after charging (crediting): | | |
| Cost of properties sold | **13,531,146** | 21,326,885 |
| Staff costs (including directors' emoluments) | **445,383** | 457,618 |
| Less: capitalised in properties under development | **(135,491)** | (111,467) |
| | **309,892** | 346,151 |
| Auditors' remuneration | | |
| – audit services | **4,000** | 5,500 |
| – non-audit services | **1,120** | 98 |
| | **5,120** | 5,598 |
| Depreciation of property, plant and equipment | **35,876** | 44,560 |
| Amortisation of intangible assets | **45** | 45 |
| Depreciation of right-of-use assets | **26,050** | 25,830 |
| Amortisation of contract costs | **96,301** | 222,826 |
| | **158,272** | 293,261 |
| Write-down of properties under development and completed properties held for sale | **760,066** | 468,948 |
| Gross rental income from investment properties | **267,920** | 270,956 |
| Less: Direct operating expenses incurred for investment properties that generated rental income during the year | **(53,265)** | (48,474) |
| Direct operating expenses incurred for investment properties that did not generate rental income during the year | **(7,263)** | (6,610) |
| | **207,392** | 215,872 |

## 12. DIVIDENDS

No dividend was proposed for ordinary shareholders of the Company during 2024, nor has any dividend been proposed since the end of the reporting period (2023: Nil).

## 13. LOSS PER SHARE

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

**Loss**

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Loss for the purpose of basic earnings per share (loss for the year attributable to owners of the Company) | **(2,093,503)** | (1,751,863) |

| | **2024** | 2023 |
|---|---|---|
| **Number of shares** | ***'000*** | *'000* |
| Weighted average number of ordinary shares for the purpose of basic earnings per share | **2,769,188** | 2,769,188 |

No diluted earnings per share for both years were presented as there were no potential ordinary shares in issue for both years.

## 14. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Trade receivables in respect of contracts with customers | | |
| – due from related parties | **47,582** | 52,369 |
| – due from independent third parties | **158,045** | 190,701 |
| | **205,627** | 243,070 |
| Less: Allowance for credit losses | **(37,784)** | (16,596) |
| Trade receivables, net of allowance for credit losses | **167,843** | 226,474 |
| Other receivables | | |
| – due from related parties (note i) | **7,281,829** | 7,539,024 |
| – due from non-controlling shareholders | **4,859,284** | 5,018,956 |
| – due from independent third parties | **5,526,972** | 6,273,646 |
| – consideration receivable due from a related party | **44,536** | 202,365 |
| – consideration receivable due from an independent third party | **285,049** | 285,049 |
| | **17,997,670** | 19,319,040 |
| Less: Allowance for credit losses | **(934,268)** | (963,494) |
| Other receivables, net of allowance for credit losses | **17,063,402** | 18,355,546 |
| Advance payments to | | |
| – independent third parties contractors | **1,200,576** | 1,578,840 |
| – related parties | **150,522** | 229,983 |
| | **1,351,098** | 1,808,823 |
| Deposits paid for acquisitions of land parcels for development | **465,120** | 465,120 |
| Other tax prepayments (note ii) | **1,570,460** | 1,544,365 |
| Total | **20,617,923** | 22,400,328 |

As at 1 January 2023, trade receivables from contracts with customers amounted to RMB401,785,000.

Notes:

(i) Other receivables due from related parties are unsecured and repayable on demand.

(ii) Other tax prepayments mainly represent prepayment of value-added tax, tax surcharge during the pre-sale stage of certain properties.

In general, the Group provides no credit term to its customers for property sales, but the Group provides credit terms to its major customers with specific approval. As at 31 December 2024, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB63,740,000 (2023: RMB46,783,000) which are past due as at the reporting date. Out of the past due balances, RMB53,573,000 (2023: RMB38,954,000) has been past due 90 days or more and is not considered as in default since the directors of the Group considered such balances could be recovered based on repayment history, the financial conditions and the current credit worthiness of each customer.

The following is an aged analysis of trade receivables, net of allowance for credit losses, presented based on the invoice dates:

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| 0–90 days | **65,851** | 25,401 |
| 91–180 days | **3,117** | 6,391 |
| 181–365 days | **12,190** | 6,830 |
| Over 365 days | **86,685** | 187,852 |
| | **167,843** | 226,474 |

## 15. TRADE AND OTHER PAYABLES

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Trade payables | | |
| – due to related parties | **1,153,384** | 1,382,551 |
| – due to non-controlling shareholders | **161** | 990 |
| – due to independent third parties | **22,936,991** | 25,869,047 |
| | **24,090,536** | 27,252,588 |
| Non-trade payables due to related parties | **7,320,514** | 7,527,942 |
| Other taxes payable | **2,066,138** | 1,565,673 |
| Interest payable | **750,237** | 316,198 |
| Consideration payable due to Greenland Holdings | **953,759** | 953,759 |
| Amount due to non-controlling shareholders | **4,293,344** | 5,055,767 |
| Staff salaries and welfare payables | **155,713** | 142,128 |
| Other payables and accrued expenses | **11,214,210** | 11,588,357 |
| | **26,753,915** | 27,149,824 |
| | **50,844,451** | 54,402,412 |

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

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| 0-90 days | **11,016,069** | 19,424,554 |
| 91-180 days | **3,119,131** | 346,095 |
| 181-365 days | **2,514,468** | 1,636,312 |
| Over 365 days | **7,440,868** | 5,845,627 |
| | **24,090,536** | 27,252,588 |

Trade and other payables are mainly unsecured and repayable on demand.

## 16. PERPETUAL SECURITIES

On 27 July 2016 (the "Issue Date"), the Group issued USD denominated senior perpetual capital securities ("Perpetual Securities") with an aggregate principal amount of USD120,000,000. The Perpetual Securities confer the holders a right to receive distributions at the applicable distribution rate from the Issue Date payable semi-annually in arrears in USD.

The Perpetual Securities only impose contractual obligations on the Group to repay principal or to pay any distributions under certain circumstances which are at the Group's discretion, they have in substance confer the Group an unconditional right to avoid delivering cash or other financial asset to settle contractual obligations. As a result, the whole instrument is classified as equity, and distributions if and when declared are treated as equity dividends.

As disclosed in the annual report for the year ended 31 December 2016, the rate of distribution applicable to the Perpetual Securities shall be:

- in respect of the period from, and including, the Issue Date to, but excluding the 5th anniversary from the Issue Date (the "First Call Date"), 5.625% per annum; and

- in respect of the periods (a) from, and including, the First Call Date to, but excluding, the immediately following reset date and (b) from, and including, each reset date falling after the First Call Date to, but excluding, the immediately following reset date, a rate of interest expressed as a percentage per annum equal to the sum of (1) 4.50 per cent, (2) treasury rate; and (3) 5.00 per cent. A reset date is defined as the First Call Date and each day falling on the expiry of every five calendar years after the First Call Date. The treasury rate refers to the prevailing rate that represents the average for the week immediately prior to the date on which the reset is calculated as published by the Board of Governors of the U.S. Federal Reserve.

The Group applied a 10.21% rate of distribution applicable to the Perpetual Securities from the First Call Date to the 31 December 2024.

Distribution of USD6,126,000 (equivalent to RMB43,521,000) (2023: USD12,252,000 (equivalent to RMB85,187,000)) has been paid by the Company during the year.

## I. INDUSTRY REVIEW

In 2024, the global economic situation remained complex and volatile. Under the influence of factors such as protectionism and intensified geopolitical tensions, the global economy remained sluggish and was subject to many uncertainties. 2024 was a critical year for China to realize the objectives and tasks of the 14th Five-Year Plan, and the Chinese economy as a whole showed a warming and improving trend, with the overall operation being stable and progressing amidst stability.

China's real estate market experienced a deep adjustment in 2024, with double-digit declines in sales and investment growth, which was a major factor in the lack of domestic demand. The central government of China adopted a series of policies from both the supply and demand sides to stabilize the real estate market. The Politburo meeting in September 2024 proposed for the first time to "promote the property market to stop further decline and to stabilize", which demonstrated the determination of the central government of China to stabilize the real estate market and signified a more proactive policy tone.

In terms of the sales market, the year-on-year decline in sales volume of new houses narrowed, and transactions in core cities heated up, especially in October and November, when the online sales area of new commodity housing increased both year-on-year and quarter-on-quarter for two consecutive months. In terms of the investment market, there was an accelerated year-on-year decline in real estate investment, but the decrease in supply was conducive to the formation of a new supply-demand balance. In terms of the land market, the overall transaction scale contracted, but the land market in first-tier cities heated up, contributing a rising proportion of land grant revenue in China. In terms of risks of real estate enterprises, sales performance dropped significantly and financing was difficult, and credit risks have not yet been effectively resolved.

With the accumulation of positive factors, the real estate industry is expected to bottom out, yet the recovery of the overall economy does not rely solely on the real estate industry. Further loosening of monetary policy, such as the "moderately loose monetary policy" as emphasized at the Central Economic Work Conference in 2024, as well as various factors such as fiscal policy, boosting of consumption, stock market, exchange rate, etc., will collectively affect the trend of the real estate industry.

## II. BUSINESS REVIEW

### Results

In 2024, under the guidance of the Group's strategic policy, we effectively responded to industry challenges through the flexible application of innovative mechanisms. We not only deepened the all-round layout in the core business areas, but also demonstrated excellent execution ability and the spirit of overcoming difficulties in a number of key projects. Under the guidance of diversified breakthrough and innovation for change, the Company has continuously broadened its business boundaries, explored new sources of value, and achieved remarkable results in deepening internal reform, strengthening operation management and actively embracing changes.

Leveraging the brand and resource advantages of Greenland, we have empowered the business of the new arenas and incubated the "Greenland's smart manufacturing" light-asset agent construction platform. From the perspectives of product strength, brand strength, project management, resource integration, and development of a full set of business formats, the platform focused on cooperation with local urban investment and state-owned platforms to provide customers with management services covering the entire industrial chain and full life cycle, creating a number of benchmark projects of agent construction and leading the industry's new development.

During the year under review, Greenland HK won a total of 10 industry awards, including 2 international awards and 8 domestic awards. In the field of residential leasing, Elite Home won the Guangsha Prize, also known as the "Oscar" of the residential leasing industry, as well as a number of important industry awards, such as the "National Centralized Branded Apartments top10" and the "Leading Brand of Mode Innovation" by virtue of its excellent operation and brand influence. Regarding agent construction business, Greenland's smart manufacturing won the "China Real Estate Government-led Agent Construction Leading Brand". Regarding design innovation, the sales office of Sandalwood Mansion Project in Wuxi won the Platinum Award of the French Design Awards, and Greenland City of Elite of Greenland HK won the Gold Award in Residential category of the MUSE Design Awards. Greenland HK adhered to the quality of fine craftsmanship, constantly upgrading technology and construction control, so that the products continued to maintain variable and long-lasting vitality, thereby practising the "sustainable development" of quality and beauty with actual deeds and helping the enterprise to continuously improve its brand reputation.

For the twelve months ended 31 December 2024 (the "**Year under Review**"), the total contracted sales of the Group amounted to approximately RMB9,208 million, and the total contracted gross floor area (the "**GFA**") sold amounted to approximately 998,633 square meters ("**sq.m.**"). The total revenue was approximately RMB15,276 million, representing a decrease of approximately 38.7% from the same for last year. Total cash and cash equivalents (including restricted cash) was approximately RMB1,373 million. The net loss attributable to the owners of the Group amounted to approximately RMB2,094 million, representing an increase of approximately 20%. The basic loss per share attributable to the owners of the Group was RMB0.76. The Board does not recommend payment of final dividend for the twelve months ended 31 December 2024.

During the Year under Review, the total GFA of the sold and delivered projects was 1,164,560 sq.m., representing a decrease of approximately 36% from the same for last year. Average selling price was approximately RMB11,529 per sq.m.. The revenue from property sales was approximately RMB14,105 million, representing a decrease of approximately 41% from the same for last year. The main projects completed and delivered in 2024 are as follows:

| **Item** | **City** | **Approximate GFA sold and delivered in 2024** | **Approximate sales recognized in 2024** | **Average selling price** |
|---|---|---|---|---|
| | | *sq.m.* | *RMB'000* | *RMB/sq.m.* |
| Property | Wuxi | 155,241 | 2,927,552 | 18,858 |
| | Yancheng | 186,880 | 1,948,318 | 10,425 |
| | Hangzhou | 77,930 | 1,891,758 | 24,275 |
| | Kunming | 118,818 | 1,519,848 | 12,791 |
| | Jiaxing | 109,995 | 1,045,508 | 9,505 |
| | Suzhou | 55,788 | 898,551 | 16,107 |
| | Nanning | 138,899 | 611,854 | 4,405 |
| | Changshu | 51,441 | 549,334 | 10,679 |
| | Guangzhou | 16,045 | 384,282 | 23,950 |
| | Foshan | 29,837 | 228,878 | 7,671 |
| | Guangde | 31,031 | 223,059 | 7,188 |
| | Shenzhen | 24,629 | 176,517 | 7,167 |
| | Yangjiang | 27,793 | 143,718 | 5,171 |
| | Zhanjiang | 19,570 | 130,941 | 6,691 |
| | Jieyang | 30,065 | 116,642 | 3,880 |
| | Qingyuan | 16,955 | 108,119 | 6,377 |
| | Jiangmen | 14,829 | 104,541 | 7,050 |
| | Shaoxing | 10,522 | 77,494 | 7,365 |
| | Haikou | 6,309 | 73,314 | 11,620 |
| | Shantou | 7,390 | 65,890 | 8,916 |
| | Qinzhou | 10,586 | 63,241 | 5,974 |
| | Maoming | 14,538 | 53,705 | 3,694 |
| | Others | 9,469 | 82,606 | 8,724 |
| | **Sub-total** | **1,164,560** | **13,425,670** | **11,529** |

| Item | City | Approximate sales recognized in 2024<br>*RMB'000* |
|---|---|---|
| Carparking lot | Guangzhou | 215,953 |
| | Wuxi | 169,946 |
| | Jiaxing | 86,835 |
| | Hangzhou | 79,390 |
| | Foshan | 65,798 |
| | Nanning | 5,211 |
| | Kunming | 23,478 |
| | Shaoxing | 20,844 |
| | Others | 11,466 |
| | **Sub-total** | **678,921** |
| | **Total** | **14,104,591** |

**Innovative Marketing to Promote Contracted Sales**

In 2024, the real estate market experienced the dual impact of policy fine-tuning and demand release, prompting real estate enterprises to optimize products and services, and win the market with innovation and quality. The Group has always adhered to the original aspiration and mission of "creating a better lifestyle". With a leading business model, the Group has continued to grow and expand, and has continued to innovate and make breakthroughs to create a series of high-quality products and services. Guided by the core strategy of "1+2+3+X", the Group has been committed to building a diversified and integrated industrial group by not only developing its traditional real estate business, but also expanding its business in various fields such as commercial operation, property services, long-term leasing apartments, agent construction management, property improvement and decoration, cultural tourism management and recreational and healthcare services. The Group took innovative marketing strategies as the core, integrated policies and festival economy, and improved conversion rate. We activated the market through tenant sourcing for commercial office buildings, and achieved excellent performance in terms of big-order sales, with both the sales volume and average price of the Qinzhou project increasing. We introduced ESG concepts and created intelligent houses, making success in the debut of Wingceltis Palace. The operation efficiency of the Yiwu project and Zhoupu project was optimized, and the sales performance increased steadily.

During the Year under Review, the contracted sales of the Group amounted to approximately RMB9,208 million, with the contracted GFA sold amounting to 998,633 sq.m., living up to expectation in the overall sales performance. The contracted sales of the Group were mainly derived from projects located in key regions such as Jiangsu, Guangdong, Zhejiang and Guangxi. Contracted average selling price for the period was approximately RMB9,221/sq.m..

**Making More Effort to Complete Delivery**

During the Year under Review, the real estate market was still in the process of adjustment. Under the dual pressure of market and policy, and intensified challenges in project delivery, Greenland HK has actively responded by striving for financial relief, optimizing supply chain collaboration, and focusing on key projects to enhance market confidence. By means of a series of solid and effective measures, we ensured the construction progress and fulfilled the promise of high-quality delivery. The Group focused on and tackled key problems of projects. In 2024, we implemented policies in a precise manner, and achieved remarkable results in terms of delivery.

In 2024, Greenland HK realized delivery of various projects across the country and the delivered area throughout the year reached 1.63 million sq.m., including key projects such as Greenland HK Yancheng New Zone, Fuyang Greenland · TOD Town, Jiaxing Yunman, Zhanjiang Greenland · Xinli Haiyue Mansion and Yunnan Wujiaba 428 Mansion.

During the Year under Review, the Group focused on solidifying the integration and promotion of new media platforms, uplifting online advertising, reshaping its innovative business model, and creating value for customers. By means of the online interactions and functionalities to improve customer cohesion, the Group in turn channeled customers to our offline platforms to drive its property sales.

The Group also focused on the comprehensive analysis of its inventories to foster the marketability adjustment of a batch of projects. That included the market launches of products packaged in the form of discounted offerings, as well as implementation of product positioning for a batch of existing projects. In addition, the Group attached importance to promoting product quality, with the further optimization and enhancement of display areas so that the quality of delivery can be showcased to customers well beforehand to boost customers' confidence in their purchases.

Regarding cost reduction and efficiency enhancement, the Group strove to take care of a number of factors in the construction, technology development and materials costs of its projects under construction. Construction practices and node formation had been streamlined. Catering to the acceptance criteria in different regions, the Group further optimized the costs incurred in different projects by means of optimization of drawing, materials and craftsmanship and so forth, which effectively contributed to cost reduction and efficiency enhancement.

In terms of operations, Greenland HK has been actively exploring and focusing on product and customer connectivity to quickly realize product upgrades, and the Group has taken a number of measures to ensure high quality delivery and operational efficiency.

In addition, Greenland HK also optimized its management structure to enhance the internal dynamics, vitality and competitiveness of the organization, and actively promoted the transformation of the enterprise from pursuing scale development to focusing on the efficiency model and returning to the nature of the industry. On the financial front, Greenland HK maintained sound financial fundamentals and continued to reduce its interest-bearing liabilities, with the net interest-bearing gearing ratio remaining at a relatively low level and the effective interest cost remaining at a low level in the industry.

**Long-term Leasing Business**

Greenland HK grasped the development opportunities of the times and focused on the national development strategies to serve the needs of urban development and people's livelihood, adhering to the vision of creating a better lifestyle and deepening the development strategy of "1+2+3+X". The Group focused on the Yangtze River Delta region and innovatively launched a mixed operation model of "long-term leasing + short-term leasing", which significantly enhanced asset operation efficiency and profitability. At the same time, through active revitalization of assets within the Group, we accelerated the collection of funds, and constantly sought to expand the development boundary of the long-term leasing business.

"Elite Home", as a residential leasing brand for carrying out residential leasing business under Greenland HK, is dedicated to providing high-quality, cozy and trendy living space for urban elites, and is a leading and innovative apartment leasing management platform in China. Adhering to the national policy of "affordable houses for all people", Greenland's Elite Home closely follows the development strategy of "cultivating the first-tier cities of Beijing, Shanghai, Guangzhou and Shenzhen, and focusing on regional core cities". The management scale in Shanghai, Nanjing, Hangzhou and other cities has reached nearly 10,000 units, and the occupancy rate has remained above 93% for years. Relying on the unique advantages of "state-owned system + market mechanism" and the development model of "heavy + light", we will constantly explore a new ecology for the development of the residential leasing industry. In August 2024, Greenland HK Elite Home won the Guangsha Prize, also known as the "Oscar" of the residential leasing industry by virtue of its leading operational level and outstanding brand influence.

Vigorously developing professional long-term leasing organizations is an important means to accelerate the establishment of a housing system with both leased and purchased residences and the formation of a new mode of real estate development. The Group has integrated the development of its long and short-term leasing business in line with the national policy direction to vigorously develop the holiday economy. Focus shall be put on first-tier and regional core cities to accelerate the pace of expansion and rapidly expand the scale of business. Currently, we are focusing on the light-asset entrusted management mode. In the future, we will explore the establishment of a long-term leasing business development fund, R4 leasing land investment and acquisition of non-converted properties to form a business closed loop of "financing, investment, management and exit". We will establish a comprehensive product line to create three core products, namely standardized youth communities, quality white-collar apartments, and light luxury serviced apartments, to address the residential needs of different customers. We will continue to innovate our business model to create a value-added service system with the support of our private traffic to form new growth points in our performance and profitability.

**Commercial Operation**

Greenland HK has always adhered to the strategy of dual driving force of "real estate + commerce", focusing on unlocking the commercial value of youth, fashion, trendiness and humanity, creating a number of benchmark commercial projects such as Yiwu Greenland Epoch Gate, Nanning 289· Shanghai Tiandi and Guangzhou Greenland Binfen City. Greenland HK solidified the refined management of commercial planning and positioning, tenant sourcing operation, marketing and property management. With the notion of product lines as the starting point for regulated, standardized and professional development, we created innovative product lines with a consumer-oriented approach, and developed our business in adherence to the "products + services + operation" concept.

The Group endeavored to step up product research and seek breakthroughs. The Group has been promoting sales destocking through the conversion of self-owned properties into properties available for retail sale, conversion of use of commercial offices and planning adjustments. The product research and development line has been actively reaching out to study and learn from marketable products, and accelerating the introduction of upgraded and modified new products.

**Strategic Cooperation**

During the period under review, Greenland HK was committed to building an integrated service platform for urban construction and operation, fully empowering the upgrading of the latest outcome of its agent construction business, proactively responding to market changes, deepening business transformation and strengthening the business ecosystem. On 24 July 2024, Greenland HK and Qifeng Zijing (旗峰紫荊) signed a strategic cooperation agreement, under which both parties will focus on close cooperation in areas such as real estate agent construction, urban renewal and project management. During the period under review, Under the guidance of the Group's "second entrepreneurship" strategy, Greenland HK has been optimizing its traditional businesses and actively expanding into new areas to achieve a comprehensive transformation and upgrading of the Company. As part of its response to the "Healthy China (健康中國)" national strategy, Greenland HK is accelerating its business development in healthcare. On 1 August 2024, Greenland HK and Jiangsu Yunlin Group (江蘇耘林集團) signed a strategic cooperation agreement, under which both parties will focus on close cooperation in areas such as new models of apartments dedicated to senior citizens and development of the healthcare industry.

## Property Services

In 2024, the Group's core business demonstrated high-quality development: revenue achieved steady growth, expansion of the scope of projects under management accelerated, and the number of service touchpoints continued to rise, ensuring high-quality delivery of more than ten batches of projects. By deepening the construction of the customer service system, innovatively creating its own digital platform, fully launching the private domain traffic matrix performance and putting in place multi-format business model innovation, the operating efficiency has been significantly released, our comprehensive service capabilities have jumped to a new level, and our benchmark position in the industry has continued to be consolidated.

## Land Bank

In 2024, Greenland HK continued to deepen its development in the Yangtze River Delta and the Greater Bay Area, focusing on first-tier cities to enhance its regional operational capabilities, and also adopted a prudent investment strategy. As at 31 December 2024, the Group held an abundant high-quality land bank of approximately 17.7 million sq.m., mainly located in core cities, which is sufficient to support our development in the next few years.

## Outlook

In the face of the current economic situation, the Central Economic Work Conference emphasized that one of the key tasks in 2025 is to "sustain efforts to promote the property market to stop further decline and to stabilize (持續用力推動房地產市場止跌回穩)". The Central Economic Conference clearly pointed out that in 2025, the property market should be pushed forward with sustained efforts to stop further decline and to stabilize. Efforts will be stepped up to implement the renovation of urban villages and dilapidated housing, and to fully unleash the potential of rigid and upgraders' housing demand; to reasonably control the supply of new real estate land, revitalize the stock of land and commercial premises, and foster the disposal of the stock of commodity housing; to promote the formation of a new model for real estate development and set up a relevant basic system in an orderly manner. Utilizing both the aggregate and structural functions of monetary policy tools, we will lower the reserve requirement ratio and the interest rate in a timely manner to maintain abundant liquidity. The central government's consistent emphasis has pointed out the direction for the development of the real estate market in 2025. "The property market to stop further decline and to stabilize (房地產市場止跌回穩)" will be the focus of the policy and the test of the policy's effectiveness. It is expected that the more proactive fiscal policy and moderately loose monetary policy will stabilize the economy and preserve employment, which will have a more positive impact on the real estate industry and provide strong support for the market to stop further decline and to stabilize in the short term.

In 2025, it is clear and firm that the economy and the real estate industry of China will be on an upward trend, and a stable and healthy real estate market is an unshakeable cornerstone for economic development. Whether it is from the perspectives of "stabilize the property market and the stock market (穩住樓市股市)" or from the perspectives of "sustain efforts to promote the property market to stop further decline and to stabilize (持續用力推動房地產市場止跌回穩)", the main tone of the real estate industry's loose policy environment will remain unchanged in the next year, and will continue to stabilize the market players, the demand and the expectations. Therefore, under the unified deployment of the holding group, Greenland HK will continue to deepen its reforms and holistically promote business transformation and upgrading. In accordance with the development strategy of "1+2+3+X" for the next five years, Greenland HK will precisely implement measures in four aspects, namely, "optimizing the structure, excelling in its core business, strengthening coordination and diversifying development": the real estate business will focus on the "3+3" work tasks, focus on efforts in specific areas, make every effort to reverse the situation, and reshape its development momentum; the two businesses of smart manufacturing (agent construction) and property improvement services will develop in a coordinated manner; the three businesses of commerce, property and long-term leasing will develop rapidly; and other businesses such as cultural tourism will start to develop, thereby seizing market opportunities, proactively fostering market-oriented expansion, improving the refinement of management and pushing forward the continuous enhancement of business scale and operating efficiency. We will further improve our management level and efficiency and constantly gather strengths to become a vanguard of Greenland's high-quality development and a pioneer of its innovative transformation.

In the future, Greenland HK will closely focus on the Group's main line of work of "stabilizing operation, promoting transformation and preventing risks", implement the basic strategy of "revitalizing stock, increasing flow, making good use of variables, improving quality and stabilizing total volume" with greater efforts. The focus of work is to continue to upgrade the old arenas and open up new arenas to provide diversified and strong support for high-quality development.

In addition, Greenland HK has always been committed to sound financial management. The Group will continue to strengthen cash flow management and closely monitor the financial returns and cash collection of property projects to ensure adequate cash reserves. At the same time, the debt structure will be optimized to maintain a sound financial position. Greenland HK will continue to enhance the level of refined management, enhance the competitiveness and market influence of the entire Group, and lay a solid foundation for the long-term development of its business.

With the arrival of 2025, Greenland HK will actively embrace industry changes, and explore new opportunities for diversified development. By deepening internal and external cooperation, broadening the resource network, and building a more stable ecosystem, we are committed to creating greater value for shareholders, customers and society, promoting the deep integration of urban renewal and regional development, and contributing to the urbanization process.

## FINANCIAL PERFORMANCE

### Revenue

The total revenue of the Group for year 2024 was approximately RMB15,276 million, representing a decrease of approximately 38.7% from approximately RMB24,933 million for the year of 2023, mainly due to the decrease in the recognised GFA of properties delivered by the Group.

Sales of properties, as the core business activity of the Group, generated revenue of approximately RMB14,105 million in 2024 (2023: approximately RMB23,800 million), accounting for approximately 92% of the total revenue and representing a decrease of approximately 41% from the same for last year. The revenue of the Group from other segments included income from hotel operation, income from property management and other services, and rental income from rental properties.

| | **2024** | 2023 | Change |
|---|---|---|---|
| | ***RMB' 000*** | *RMB' 000* | *RMB' 000* |
| Sales of properties and construction management services | **14,104,591** | 23,800,179 | (9,695,588) |
| Property management and other services | **826,965** | 800,428 | 26,537 |
| Hotel and related services | **76,459** | 61,102 | 15,357 |
| Rental Income | **267,920** | 270,956 | (3,036) |
| Total | **15,275,935** | 24,932,665 | (9,656,730) |

### Cost of Sales

Cost of sales amounted to approximately RMB14,480 million, a decrease of approximately 35% from approximately RMB22,363 million for the year of 2023. The cost of sales mainly comprised land costs, construction costs, capitalized finance costs and sales tax.

### Gross Profit and Gross Profit Margin

Gross profit decreased from approximately RMB2,570 million for the year of 2023 to approximately RMB796 million for this year, mainly due to the continued downturn of the real estate market. The gross profit margin decreased from 10% to 5% for this year.

### Other Income, Other Gains and Losses, and Other Operating Expenses

Other income, other gains and losses, and other operating expenses increased to approximately RMB174 million for the year of 2024 from a loss of approximately RMB161 million for the year of 2023, mainly due to the foreign exchange loss during the Year under Review.

**Operating Expenses**

Due to the efficient management over expenditure control of the Group, administrative expenses and selling and marketing costs decreased to approximately RMB434 million and approximately RMB436 million respectively, representing a decrease of approximately 13% and 34% from the same for the previous year respectively. In 2023, they were approximately RMB498 million and approximately RMB660 million respectively.

**Finance Costs**

Finance costs increased from approximately RMB100 million for the year of 2023 to approximately RMB359 million for the year of 2024.

**Fair Value Change of Investment Properties**

The Group recorded fair value loss on investment properties of approximately RMB841 million, compared to a loss of approximately RMB1,015 million for the same period in 2023. The fair value loss was mainly due to decrease of value of the projects in Yiwu, Foshan, Shanghai, Suzhou and Haikou.

**Income Tax Expenses**

Income tax decreased by approximately 41% from approximately RMB1,169 million in 2023 to approximately RMB687 million in 2024, which was mainly due to the decrease in revenue.

**Profit for the Period and Attributable to Owners of the Company**

Loss for the year and loss attributable to owners of the Company amounted to approximately RMB2,286 million and RMB2,094 million respectively, representing an increase of approximately 29% and 20% from approximately RMB1,769 million and RMB1,752 million respectively in 2023. It was mainly due to the decrease in the properties delivered and the decrease in gross profit margin for the real estate business recognized.

**Financial Position**

As at 31 December 2024, the Group's total equity was approximately RMB17,152 million (31 December 2023: approximately RMB20,058 million), total assets amounted to approximately RMB114,470 million (31 December 2023: approximately RMB128,236 million) and total liabilities amounted to approximately RMB97,318 million (31 December 2023: approximately RMB108,178 million).

**Liquidity and Financial Resources**

The Group's business operations, bank borrowings and cash proceeds raised have been the primary source of liquidity of the Group, which have been utilized to fund its business operations and project investment and development.

As at 2024, net gearing ratio (total borrowings less cash and cash equivalents (including restricted cash) divided by total equity) was approximately 75% (31 December 2023: 58%). Total cash and cash equivalents (including restricted cash) amounted to approximately RMB1,373 million, with total borrowings of approximately RMB14,321 million and an equity base of approximately RMB17,152 million.

**Treasury Policy**

The business transactions of the Group were mainly denominated in RMB. Apart from fund raising transactions conducted in the capital market, there is limited exposure to foreign exchange risk.

The Group has borrowings denominated in United States dollars and Hong Kong dollars, while its operating income is mainly denominated in RMB. The Group will continue to monitor the trend of exchange rate of RMB to United States dollars, and adopt appropriate measures to hedge against the risk in foreign currency exchange as and when appropriate.

The Group has established a treasury policy with the objective of enhancing its control over treasury functions and lowering its capital costs. In providing funds to its operations, terms of funding have been centrally reviewed and monitored at the Group level.

In order to minimize its interest risk, the Group continued to closely monitor and manage its loan portfolio through interests stipulated in its existing agreements which varied according to market interest rates and offers from the banks.

**Credit Policy**

Trade receivables mainly arose from sales and lease of properties and were settled in accordance with the terms stipulated in the sale and purchase agreements and lease agreements.

**Pledge of Assets**

In 2024, the Group pledged its properties, land use rights and fixed deposit with carrying amount of approximately RMB30,528 million to secure bank facilities, and the outstanding balance of the secured loans amounted to approximately RMB14,286 million.

**Financial Guarantees**

As at 31 December 2024, the Group provided guarantees to banks for:

| | **31 December 2024** *RMB'000* | 31 December 2023 *RMB'000* |
|---|---|---|
| Mortgage | **17,864,327** | 18,546,610 |

**Capital Commitments**

| | **31 December 2024** *RMB'000* | 31 December 2023 *RMB'000* |
|---|---|---|
| Property development business: | | |
| – Contracted but not provided for | **12,444,597** | 12,888,702 |

**Human Resources**

In 2024, the Group employed a total of 2,364 employees (2023: 2,775 employees), among which 801 employees worked for the property development business. The Group has adopted a performance-based reward system to motivate its employees. In addition to basic salary, year-end bonuses are offered to employees with outstanding performance. The Group also provides various training programs to improve their skills and develop their respective expertise.

## FINAL DIVIDEND

The board (the "**Board**") of directors of the Company (the "**Directors**") has resolved not to recommend any dividends in respect of the year ended 31 December 2024.

## ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting (the "**AGM**") of the Company will be held on Friday, 27 June 2025. A notice convening the AGM will be published and despatched in due course to the Shareholders in the manner required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). The register of members of the Company will be closed from Tuesday, 24 June 2025 to Friday, 27 June 2025 (both days inclusive), during which period no transfer of shares will be effected. In order to determine the entitlement to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, 23 June 2025.

## CORPORATE GOVERNANCE

For the year ended 31 December 2024, the Company had complied with the code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Part 2 of Appendix C1 to the Listing Rules, except for code provisions C.2.1 and F.2.2 as described below. Code provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. From 17 May 2024 to 31 December 2024, Mr. Luo Weifeng had undertaken the role of both chairman of the Board and chief executive officer of the Company. The Board considers that the combination of the roles is conducive to the efficient formulation and implementation of the Group's strategies and policies and such combination has not impaired the corporate governance practices of the Group. The balance of power and authority is ensured by the management of the Company's affairs by the Board, which meets regularly to discuss and determine issues concerning the operations of the Group. Code provision F.2.2 stipulates that the chairman of the Board should attend the AGMs. The chairman of the Board did not attend the AGM held on 27 June 2024 due to other business commitments.

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

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

## SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this preliminary announcement, no important events affecting the Group have occurred since the end of the financial year ended 31 December 2024.

## REVIEW OF AUDITED ANNUAL RESULTS

The audit committee of the Company has reviewed the accounting principles and practices adopted by the Company and discussed matters with the external auditor and the management of the Company concerning the audit, internal control and risk management systems and financial reporting matters, including reviewing the Group's results for the year ended 31 December 2024.

## SCOPE OF WORK OF DELOITTE TOUCHE TOHMATSU

The financial figures in this preliminary announcement of the Group's results for the year ended 31 December 2024 have been agreed by the Group's auditor, Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year ended 31 December 2024. The work performed by Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no assurance has been expressed by Deloitte Touche Tohmatsu on this preliminary announcement.

## AUDIT OPINION

The consolidated financial statements have been audited by the Group's auditor, Deloitte Touche Tohmatsu. The independent auditor has issued an unmodified audit opinion with a Material Uncertainty Related to Going Concern section in the independent auditor's report on the Group's consolidated financial statements for the year ended 31 December 2024. An extract of the independent auditor's report is set out in the section headed "EXTRACT OF THE AUDITOR'S REPORT" below.

## EXTRACT OF THE AUDITOR'S REPORT

### Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### Material Uncertainty Related to Going Concern

We draw attention to Note 3 to the consolidated financial statements which indicates that as at 31 December 2024, the Group had interest-bearing loans of RMB8,477 million which were repayable within one year from the end of the reporting period, while its bank balances and cash amounted to RMB695 million. In addition, as at 31 December 2024, the Group had not repaid certain interest-bearing loans of RMB2,317 million according to their original repayment schedules. Subsequent to the end of the reporting period and up to the date of this report, an additional RMB1,292 million in interest-bearing loans became overdue. The above conditions indicate the existence of material uncertainties that raise significant doubt about the Group's ability to continue as a going concern. It is possible that the Group may not have sufficient working capital to operate if measures are not taken to improve the Group's cash position. As stated in Note 3, these conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The aforesaid "Note 3 to the Consolidated Financial Statements" in the extract from the independent auditor's report is disclosed as note 3 to this announcement.

## PUBLICATION OF THE ANNUAL RESULTS AND ANNUAL REPORT

This preliminary announcement is published on the HKEXnews website at www.hkexnews.hk and the Company's website at www.greenlandhk.com. The 2024 annual report will be published on the aforesaid websites, and be despatched to the Shareholders in April 2025.

By Order of the Board
**Greenland Hong Kong Holdings Limited**
**Luo Weifeng**
*Chairman and Chief Executive Officer*

Hong Kong, 28 March 2025

*As at the date of this announcement, the executive directors of the Company are Mr. Luo Weifeng, Mr. Wang Weixian, Mr. Wu Zhengkui, Ms. Wang Xuling, Dr. Li Wei and Mr. Li Yongqiang; and the independent non-executive directors of the Company are Mr. Kwan Kai Cheong, Mr. Fong Wo, Felix, JP and Mr. Kwok Tun Ho Chester.*