

*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.*



**Ronshine China Holdings Limited**

**融信中國控股有限公司**

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

**(Stock Code: 3301)**

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

**2024 FINANCIAL HIGHLIGHTS**

- Contracted sales amounted to approximately RMB7,702.48 million, representing a decrease of approximately 52.99% as compared with the previous year.
- Revenue amounted to approximately RMB29,781.89 million, representing a decrease of approximately 32.75% as compared with the previous year.
- Gross profit amounted to approximately RMB334.37 million as compared with the gross profit of approximately RMB1,587.42 million in the previous year.
- Loss for the year amounted to approximately RMB11,558.04 million, representing an increase in loss of approximately 68.80% as compared with the loss for the year of approximately RMB6,847.25 million in the previous year.
- Loss attributable to owners of the Company amounted to approximately RMB12,002.31 million, representing an increase of approximately 102.75% as compared with the loss attributable to owners of the Company of approximately RMB5,919.67 million in the previous year.
- Gearing ratio increased from 1.52 as at 31 December 2023 to 5.11 as at 31 December 2024.

## ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Ronshine China Holdings Limited (the “**Company**” or “**Ronshine**”) hereby announces the consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”, “**we**” or “**our**”) for the year ended 31 December 2024 with comparative figures for the year ended 31 December 2023 as follows:

### CONSOLIDATED INCOME STATEMENT

		<b>Year ended 31 December</b>	
	<i>Notes</i>	<b>2024</b>	<b>2023</b>
		<b>RMB'000</b>	<b>RMB'000</b>
Revenue	3	<b>29,781,887</b>	44,285,273
Cost of sales		<b>(29,447,513)</b>	(42,697,850)
<b>Gross profit</b>		<b>334,374</b>	1,587,423
Selling and marketing costs		<b>(307,783)</b>	(577,150)
Administrative expenses		<b>(606,884)</b>	(670,051)
Net impairment losses on financial assets		<b>(3,808,945)</b>	(2,629,907)
Fair value (losses)/gains on investment properties		<b>(532,504)</b>	96,657
Other income		<b>51,429</b>	143,944
Other losses, net		<b>(2,404,587)</b>	(964,233)
<b>Operating loss</b>		<b>(7,274,900)</b>	(3,013,317)
Finance income	4	<b>45,790</b>	76,480
Finance costs	4	<b>(2,683,407)</b>	(2,761,620)
Finance costs – net	4	<b>(2,637,617)</b>	(2,685,140)
Share of net profit of investments accounted for using the equity method		<b>146,562</b>	625,820
<b>Loss before income tax</b>		<b>(9,765,955)</b>	(5,072,637)
Income tax expense	5	<b>(1,792,084)</b>	(1,774,611)
<b>Loss for the year</b>		<b>(11,558,039)</b>	(6,847,248)
<b>Loss for the year attributable to:</b>			
– Owners of the Company		<b>(12,002,306)</b>	(5,919,667)
– Non-controlling interests		<b>444,267</b>	(927,581)
		<b>(11,558,039)</b>	(6,847,248)
<b>Loss per share for loss attributable to owners of the Company (expressed in RMB per share)</b>			
– Basic loss per share	6	<b>(7.13)</b>	(3.52)
– Diluted loss per share	6	<b>(7.13)</b>	(3.52)

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Loss for the year	(11,558,039)	(6,847,248)
Other comprehensive income	<u>—</u>	<u>—</u>
Total comprehensive loss for the year	<u>(11,558,039)</u>	<u>(6,847,248)</u>
Total comprehensive loss for the year attributable to:		
– Owners of the Company	(12,002,306)	(5,919,667)
– Non-controlling interests	<u>444,267</u>	<u>(927,581)</u>
	<u>(11,558,039)</u>	<u>(6,847,248)</u>

## CONSOLIDATED BALANCE SHEET

		As at 31 December	
	Note	2024	2023
		RMB'000	RMB'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		993,045	1,068,809
Investment properties		11,243,202	12,298,500
Right-of-use assets		362,157	386,083
Intangible assets		1,606	1,521
Investments accounted for using the equity method		6,789,039	7,246,602
Financial assets at fair value through profit or loss		419,331	421,241
Deferred tax assets		–	699,050
<b>Total non-current assets</b>		<b>19,808,380</b>	<b>22,121,806</b>
<b>Current assets</b>			
Properties under development		27,342,143	48,795,300
Completed properties held for sale		20,078,309	31,372,319
Contract assets		593,580	1,184,926
Trade and other receivables and prepayments	8	20,908,900	27,521,862
Amounts due from related parties		3,232,508	5,031,805
Prepaid taxation		4,112,505	4,780,513
Financial assets at fair value through profit or loss		107,404	285,414
Term deposits		130,603	152,700
Restricted cash		2,018,250	2,672,612
Cash and cash equivalents		1,253,421	3,392,420
<b>Total current assets</b>		<b>79,777,623</b>	<b>125,189,871</b>
<b>Total assets</b>		<b>99,586,003</b>	<b>147,311,677</b>
<b>EQUITY</b>			
Share capital		15	15
Share premium		3,082,681	3,082,681
Other reserves		(14,836,468)	(2,834,162)
<b>Equity attributable to owners of the Company</b>		<b>(11,753,772)</b>	<b>248,534</b>
Non-controlling interests		18,628,080	22,539,493
<b>Total equity</b>		<b>6,874,308</b>	<b>22,788,027</b>

		<b>As at 31 December</b>	
	<i>Note</i>	<b>2024</b>	<b>2023</b>
		<b>RMB'000</b>	<b>RMB'000</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings		<b>7,988,991</b>	12,376,157
Lease liabilities		–	4,233
Deferred tax liabilities		<b>1,300,653</b>	1,292,097
<b>Total non-current liabilities</b>		<b>9,289,644</b>	13,672,487
<b>Current liabilities</b>			
Borrowings		<b>30,551,151</b>	28,452,800
Lease liabilities		–	10,283
Contract liabilities		<b>15,403,501</b>	48,589,873
Trade and other payables	9	<b>25,155,253</b>	21,109,920
Amounts due to related parties		<b>5,784,740</b>	5,626,049
Current tax liabilities		<b>6,527,406</b>	7,062,238
<b>Total current liabilities</b>		<b>83,422,051</b>	110,851,163
<b>Total liabilities</b>		<b>92,711,695</b>	124,523,650
<b>Total equity and liabilities</b>		<b>99,586,003</b>	147,311,677

## 1 BASIS OF PREPARATION

(a) **Compliance with Hong Kong Financial Reporting Standards (“HKFRSs”) and Hong Kong Companies Ordinance (Cap. 622 of the Laws of Hong Kong) (“HKCO”)**

The consolidated financial statements of the Group have been prepared in accordance with HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and disclosure requirements of the HKCO.

(b) **Historical cost convention**

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss and investment properties, which are measured at fair value.

(c) **Going concern basis**

For the year ended 31 December 2024, the Group incurred a loss for the year of approximately RMB11,558,039,000. As at 31 December 2024, the Group recorded net current liabilities of RMB3,644,428,000, and the Group’s current portion of borrowings amounted to RMB30,551,151,000, while its cash and cash equivalents (excluding restricted cash) amounted to RMB1,384,024,000.

Since the second half of 2021, the business environment of China’s real estate industry has undergone major changes, with increased difficulties in financing confronted by real estate companies. Under such circumstances, a number of real estate companies have successively encountered debt repayment issues, indicating accelerated deterioration of the industry’s business environment, which has brought enormous pressure on the Group’s operations. As a result of the impact brought by the above factors, the Group takes longer time than expected to realise cash from its properties and/or to obtain cash from external financing to meet its loan repayment obligations. Although the Company has endeavoured to mitigate the impact of various unfavourable factors on its operations, due to the prolonged duration of this situation, the Group’s operation and cash position have been significantly affected, and its ability to perform future obligations is subject to uncertainty.

As at 31 December 2024, the Company had not paid the principal amounts and interests of the senior notes due 25 October 2022 (ISIN: XS1976760782 and Common Code: 197676078) (the “**October 2022 Notes**”), due 22 January 2023 (ISIN: XS2031469732 and Common Code: 203146973) (the “**January 2023 Notes**”), due 9 June 2023 (ISIN: XS2090949160 and Common Code: 209094916) (the “**June 2023 Notes**”), due 25 December 2023 (ISIN: XS2189303873 and Common Code: 218930387) (the “**December 2023 Notes**”), due 5 August 2024 (ISIN: XS2211514885 and Common Code: 221151488) (the “**August 2024 Notes**”) and due 25 January 2025 (ISIN: XS2290308845 and Common Code: 229030884) (the “**January 2025 Notes**”). The total outstanding principal amount of these senior notes is approximately RMB15,017,933,000.

If such non-payment continues, holders of at least 25% of the aggregate principal amount of the relevant outstanding senior notes at that time may, by written notice to the Company or the trustee, require the Company to pay the principal and accrued interest of the relevant outstanding senior notes immediately. As at the date of approval of these consolidated financial statements, the Company has not received any notice regarding accelerated repayment from the relevant trustee or holders of the January 2023 Notes, the June 2023 Notes and the December 2023 Notes, respectively.

In addition, as at 31 December 2024, the Group did not repay certain borrowings of RMB28,475,238,000 according to their scheduled repayment dates. As a result, as at 31 December 2024, borrowings with the aggregate principal amount of RMB25,650,503,000 had become default. Subsequent to 31 December 2024, the Group did not repay certain other bank borrowings or other borrowings according to the scheduled repayment dates.

If the Company fails to perform the obligations of repaying the debts due and cannot agree on a consensual solution to the corresponding indebtedness with creditors in a timely manner, it may cause the relevant creditors to demand accelerated repayment of the obligations of the relevant debts or take enforcement actions.

The above events or conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

In view of the aforesaid, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. The following plans and measures are formulated with the objective to mitigate the liquidity pressure and to improve the financial position of the Group:

- (i) the Group is actively negotiating with several existing financial institutions on the renewal of certain borrowings, and has been negotiating with various banks and financial institutions to secure new sources of financing;
- (ii) the Group will continue to implement measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables;
- (iii) the Group will continue to take active measures to control administrative costs and maintain containment of capital expenditures; and
- (iv) the Group has engaged Haitong International Capital Limited as its financial advisor for overseas debt management to initiate relevant preliminary work, and intends to explore various feasible solutions with overseas creditors so as to seek a holistic solution to the relevant debts.

The Directors have reviewed the Group's cash flow projections prepared by the management of the Company, which cover a period of not less than twelve months from 31 December 2024. They are of the opinion that, taking into account the above mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2024. Accordingly, the directors are satisfied that it is appropriate to continue to adopt the going concern basis of accounting in preparing these consolidated financial statements.

Notwithstanding the above, given the volatility of the property sector in China and the uncertainties to obtain continuous support by the banks and the Group's creditors, material uncertainties exist as to whether the management of the Company will be able to achieve its plans and measures as described above.

Should the going concern assumption be inappropriate, adjustments may have to be made to write down the values of assets to their recoverable amounts, to provide for any further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

**(d) Principal accounting policies**

The condensed consolidated financial statements have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss, derivative financial instruments and investment properties, which are measured at fair value.

The accounting policies and the methods of computation used in the Group's annual financial statements for the year ended 31 December 2024 are the same as those presented in the condensed consolidated financial statements for the six months ended 30 June 2024.

In accordance with the guidance set out in the amendments, accounting policy information that is standardised information, or information that only duplicates or summarises the requirements of the HKFRSs, is considered immaterial accounting policy information and is no longer disclosed in the notes to the consolidated financial statements so as not to obscure the material accounting policy information disclosed in the notes to the consolidated financial statements.

**(e) Issued but not yet effective HKFRSs**

At the date of authorisation of the consolidated financial statements, the following amended standards have been published but are not yet effective, and have not been adopted early by the Group:

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

The Directors anticipate that all of the applicable pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. The amended HKFRSs and interpretation are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.



## 2 SEGMENT INFORMATION

The executive Directors have been identified as the chief operating decision-maker. Management has determined the operating segments based on the reports reviewed by the executive Directors, which are used to allocate resources and assess performance.

The Group is principally engaged in property development in the People's Republic of China (the "PRC"). Management reviews the operating results of the business as one segment to make decisions about resources to be allocated. Therefore, the executive Directors regard that there is only one segment which is used to make strategic decisions. Revenue and profit after income tax are the measures reported to the executive Directors for the purpose of resources allocation and performance assessment.

The major operating entities of the Group are domiciled in the PRC. All of the Group's revenue are derived in the PRC for the year ended 31 December 2024 (2023: same).

- (a) As at 31 December 2024, except for parts of term deposits and financial assets at fair value through profit or loss, other assets of the Group were located in the PRC (2023: same).
- (b) There was no revenue derived from a single external customer accounting for 10% or more of the Group's revenue for the year ended 31 December 2024 (2023: same).

## 3 REVENUE

	<b>Year ended 31 December</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Revenue from contracts with customers:		
Revenue from sales of properties		
– Recognised at point in time	<b>29,322,249</b>	42,695,264
Revenue from construction services, hotel operations and others:		
– Recognised at a point in time	<b>254,027</b>	336,764
– Recognised over time	–	1,074,244
Revenue from other sources – rental income	<b>205,611</b>	179,001
	<b>29,781,887</b>	44,285,273

## 4 FINANCE (COSTS)/INCOME – NET

	<b>Year ended 31 December</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Finance income		
– Interest income from bank deposits	<b>45,790</b>	76,480
	<b>45,790</b>	76,480
Finance costs		
– Interest expenses of borrowings	<b>(2,805,259)</b>	(2,949,077)
– Less: capitalised interest	<b>368,343</b>	512,330
– Net foreign exchange loss	<b>(246,491)</b>	(324,873)
	<b>(2,683,407)</b>	(2,761,620)
Finance costs – net	<b>(2,637,617)</b>	(2,685,140)

## 5 INCOME TAX EXPENSE

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Current income tax:		
PRC corporate income tax ("CIT")	980,821	1,368,275
PRC land appreciation tax ("LAT")	128,090	378,606
	<u>1,108,911</u>	<u>1,746,881</u>
Deferred income tax:		
CIT	<u>683,173</u>	<u>27,730</u>
Income tax expenses	<u>1,792,084</u>	<u>1,774,611</u>

### CIT

The income tax provision of the Group in respect of operations in Mainland China has been calculated at the applicable tax rate on the estimated assessable profits for the years ended 31 December 2024 and 2023, based on the existing legislation, interpretations and practices in respect thereof.

The corporate income tax rate applicable to the Group entities located in Mainland China is 25% according to the Corporate Income Tax Law of the PRC (the "CIT Law") effective on 1 January 2008.

### LAT

Pursuant to the requirements of the Provisional Regulations of the PRC on LAT effective on 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT effective on 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 sales of ordinary residential properties if their appreciation values do not exceed 20% of the sum of the total deductible items.

The Group has made provision of LAT for sales of properties according to the aforementioned progressive rates.

### PRC dividend withholding income tax

Pursuant to the Detailed Implementation Regulations for Implementation of the CIT Law issued on 6 December 2007, dividends distributed from the profits generated by the PRC companies after 1 January 2008 to their foreign investors shall be subject to this withholding income tax of 10%, a lower 5% withholding income tax rate may be applied when the immediate holding companies of the PRC subsidiaries are incorporated in Hong Kong and fulfil the requirements to the tax treaty arrangements between the PRC and Hong Kong. The Group has not accrued any withholding income tax for these undistributed earnings of its PRC subsidiaries as the Group does not have a plan to distribute these earnings from its PRC subsidiaries.

### Hong Kong profits tax

The applicable Hong Kong profits tax rate was 16.5% for the year ended 31 December 2024 (2023: 16.5%). Hong Kong profits tax has not been provided as the Group did not have any assessable profit subject to Hong Kong profits tax for the year ended 31 December 2024 (2023: nil).

## Overseas income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act, Cap. 22 of the Cayman Islands and is exempted from Cayman Islands income tax. The Company's direct subsidiary in the British Virgin Islands was incorporated under the Business Companies Act of the British Virgin Islands and is exempted from British Virgin Islands income tax.

## 6 LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	<b>Year ended 31 December</b>	
	<b>2024</b>	<b>2023</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
Loss attributable to owners of the Company (RMB'000)	<u><b>(12,002,306)</b></u>	<u>(5,919,667)</u>
Weighted average number of ordinary shares in issue	<u><b>1,683,431,417</b></u>	<u>1,683,431,417</u>
Basic loss per share (RMB per share)	<u><b>(7.13)</b></u>	<u>(3.52)</u>

For the year ended 31 December 2023, the computation of diluted loss per share does not assume the exercise of the Company's share option because their assumed exercise would decrease loss per share. For the year ended 31 December 2024, there is no potential ordinary share issued. Accordingly, diluted loss per share for the year ended 31 December 2024 and 2023 are the same as the basic loss per share.

The Company has not repurchased and cancelled its own ordinary shares during the year ended 31 December 2024 (2023: nil).

## 7 DIVIDEND

The Board resolved not to recommend the payment of a final dividend for the year ended 31 December 2024 (2023: nil).

## 8 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Trade receivables ( <i>Note (a)</i> )	<u>36,378</u>	<u>70,338</u>
Other receivables:		
– Amounts due from non-controlling interests	10,987,458	14,457,242
– Deposits for acquisition of land use rights and property development projects	6,521,243	8,053,768
– Other amounts due from third parties	2,111,283	1,761,061
– Deposits for construction contracts	183,229	186,169
– Others	30,443	75,331
Less: loss allowance	<u>(3,985,816)</u>	<u>(3,342,643)</u>
	<u>15,847,840</u>	<u>21,190,928</u>
Prepayments:		
– Prepaid value added tax, business taxes and other taxes	4,734,463	5,964,736
– Others	<u>290,219</u>	<u>295,860</u>
	<u>5,024,682</u>	<u>6,260,596</u>
	<u>20,908,900</u>	<u>27,521,862</u>

- (a) Trade receivables mainly arose from sales of properties. Proceeds in respect of sale of properties is settled in accordance with the terms stipulated in the sale and purchase agreements.

Ageing analysis of the trade receivables is as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Within one year	8,017	31,448
Over one year	<u>28,361</u>	<u>38,890</u>
	<u>36,378</u>	<u>70,338</u>

## 9 TRADE AND OTHER PAYABLES

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Trade payables ( <i>Note (a)</i> )	8,857,175	6,277,650
Notes payable	207,226	271,153
Other payable:		
– Amounts due to non-controlling interests	4,462,336	2,266,686
– Deposits received for sales of properties	490,033	527,424
– Other taxes payable	3,136,920	6,324,816
– Interests payable	6,685,686	4,470,355
– Deposits from contractors and suppliers	1,024,197	740,077
– Accrued payroll	91,035	116,136
– Dividend payable	5,281	5,243
– Provisions ( <i>note (b)</i> )	134,485	74,608
– Others	60,879	35,772
	<b>25,155,253</b>	<b>21,109,920</b>

(a) The ageing analysis of the trade payables is as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Within one year	2,620,210	3,021,008
Over one year	6,236,965	3,256,642
	<b>8,857,175</b>	<b>6,277,650</b>

(b) During the year ended 31 December 2024, the Group received several court orders which were filed by its suppliers for failure to perform the obligation under the suppliers' contracts. Based on the Company's assessment, the Group may be liable for payables, interest and default of approximately RMB134,485,000 (2023: RMB74,608,000).

## CHAIRMAN’S STATEMENT

**Dear Shareholders,**

On behalf of the board (the “**Board**”) of directors (the “**Director(s)**”) of Ronshine China Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”), I am pleased to present the annual results of the Group for the year ended 31 December 2024 (the “**Year**”).

### **Market Review**

2024 was a year of economic stabilization as China implemented targeted stimulus measures to address structural challenges in its real estate sector. Amid a complex global environment, policymakers strengthened macroeconomic controls, expanded domestic demand through consumption incentives, and injected over RMB4 trillion in project financing support. China’s GDP grew by 5% year-on-year, with Q4 growth accelerating to 5.4% as property market interventions gained traction.

During the Year, the real estate industry transitioned from contraction to stabilization through unprecedented policy support. Major cities like Beijing, Shanghai, Guangzhou, and Shenzhen had been taking substantial steps to relax home purchase restrictions policies. By year-end, all cities except Beijing, Shanghai, Shenzhen, and some areas in Hainan had fully removed their home purchase restrictions. The government also strategically implemented comprehensive financial support with the “white list” financing program being approved for RMB2.23 trillion for viable projects by mid-October of 2024, later expanding to RMB4 trillion to ensure completion of stalled developments.

During the Year, the minimum down payment ratio for first-home purchases and second-home purchases was lowered to 15%. This represented the lowest down payment requirement in history, significantly boosting market accessibility. The Ministry of Finance, the State Tax Administration, and the Ministry of Housing and Urban-Rural Development jointly introduced new tax optimization policies, including an extension of the 1% deed tax rate to properties under 140 square meters and a nationwide exemption from value-added tax for residential properties held for two years or more.

According to the news published by the State Tax Administration, the decline in commodity residential home prices in 70 large and medium-sized cities had narrowed year-on-year by November 2024. In October 2024, new home transactions rose 0.9% year-on-year, reversing a 15-month decline. Total transactions of both new and second-hand homes grew by 3.9%, the first increase after eight months of drops. These developments signaled a restoration of market confidence and suggested a more sustained recovery trajectory for China’s real estate sector heading into 2025.

## Business Review

The Group maintained its focus on the Yangtze River Delta and the West Coast of the Taiwan Strait so as to consolidate the advantages of its strategic regional layout, while striving to strengthen its operations and management to ensure successful project development and delivery in all aspects. During the Year, the Group's contracted sales amounted to approximately RMB7.7 billion, with contracted total gross floor area ("GFA") of approximately 0.62 million sq.m. and average contracted selling price of approximately RMB12,478 per sq.m. During the Year, a number of the Group's projects earned themselves a good reputation in the market for their outstanding products and services.

In respect of land reserves, the Group adhered to the development principle of steady development, mainly focusing on first- and second-tier cities. As at 31 December 2024, the Group had a total of 206 projects nationwide with a total land reserve of approximately 16.7772 million sq.m.. Among them, the land reserves of the first- and second-tier cities accounted for approximately 79.82%. The Group will continue to deepen the cultivation of high-quality projects in the existing core cities and commit to improving operational efficiency, so as to enhance its brand influence continuously.

During the Year, despite the positive effects of supportive policies from multiple aspects, the real estate market was still in the process of bottoming out. The effects of the policy in 2024 had not yet been manifested and housing buyers' confidence and expectations remained at a low level. In the future, efforts should be concentrated on the effective implementation and clear enforcement of the introduced policies, in order to continuously drive the real estate market to stabilize and recover from its downturn. The current predicament of declining sales in the real estate market and funding pressures on real estate enterprises is yet to be fundamentally alleviated. In such a challenging situation, the Group continued to adhere to its prudent development strategy and properly managed its cash flow. As at 31 December 2024, the Group's interest-bearing liabilities amounted to RMB38.540 billion. The Group took proactive steps in debt management, focused on transparency management and actively maintained communication with the market through voluntary announcements, investor relations activities, etc. Up to now, the Group has completed its onshore corporate bond restructuring, and has appointed Haitong International Capital Limited as its financial advisor for overseas debt management to initiate relevant preliminary work. In addition, the Group adopted a number of measures to ensure stable operation and enhance liquidity, including but not limited to enhancing its sales and cash collection efforts, diversifying financing channels, reasonably reducing operating costs, negotiating for the extensions of some existing debts, and disposing of certain assets, etc.

In spite of facing all the challenges, the Group strove to maintain the quality of its products and services. Under the call of "Guaranteeing Delivery of Real Estate Development Projects and Ensuring People's Livelihood", the Group has always stayed true to its mission and endeavored to achieve its commitment of quality delivery to the homebuyers. During the Year, delivery of a number of projects, including Zhengzhou City of Times (鄭州時光之城), Shanghai Baoshan Yunshang Xuguang (上海寶山雲上潯光), Fuzhou Ronshine Haina Fashion (福州海納新潮) and Taiyuan City of Times (太原時光之城) etc., were grandly completed. In addition, the Group is committed to all-around development in environmental, social and governance (ESG) areas, to actively fulfill its social responsibility.

## Prospects

Looking ahead to 2025, the supportive role of government policies is becoming increasingly evident, and the decline in new home sales may gradually narrow. However, the pressure of market adjustments remains. From a policy perspective, the regulatory environment for China's real estate market will be further optimised in 2025, aimed at a more sustained recovery trajectory. Local governments are expected to stimulate housing demand through measures such as lowering mortgage rates and reducing transaction taxes, while also advancing supportive policies for the construction of "quality homes" to release demand for better housing. In terms of market expectations, although forecasts for residents' income and anticipated declines in property prices have not shown significant improvement, the gradual implementation of policies and the diminishing effects of a high base are likely to result in a narrowing decline in new home sales in the second half of the year. Overall, while market pressures for adjustment will persist in the short term, the market is expected to stabilise gradually in the second half of the year with the ongoing implementation of policies. This is particularly true for first-tier and core second-tier cities such as Shanghai, Shenzhen and Hangzhou, where the effects of policy optimisation are becoming increasingly apparent, and market activity is expected to rise further.

Looking forward, the Group will continue to deepen its layout in the Yangtze River Delta, the West Coast of the Taiwan Strait and other regions, strengthen its advantages in in-depth layout, actively respond to market opportunities and challenges with its persistence in high quality of products and services, make determined efforts to ensure property delivery and unremitting efforts to improve people's living environment and create happy lives.

## Acknowledgement

On behalf of the Board, I would like to express my sincere gratitude to the shareholders of the Company (the "**Shareholders**"), as well as our customers and partners for their long-term support to and trust in Ronshine. I would also like to express my heartfelt gratitude to the Directors, management team and all employees for their hard work and dedication over the past year. In 2025, the Group will continue to adhere to its vision of "becoming a leading, high-quality property developer and service provider offering an ideal lifestyle", and meanwhile, with dedication and innovation, construct the framework for the future city and create greater value for our Shareholders and investors.

**Ou Zonghong**  
*Chairman*

Hong Kong, 31 March 2025



## MANAGEMENT DISCUSSION AND ANALYSIS

### Summary of operating results

	For the year ended 31 December		Change in percentage
	2024	2023	
<b>Contracted sales</b>			
Contracted sales amount ( <i>RMB'000</i> ) <sup>(1)</sup>	<b>7,702,479</b>	16,385,503	-52.99%
Contracted gross floor area ( <i>sq.m.</i> )	<b>617,264</b>	1,080,846	-42.89%
Average unit price of contracted sales ( <i>RMB/sq.m.</i> )	<b>12,478</b>	15,160	-17.69%
<b>Property delivered</b>			
Revenue from delivery of properties ( <i>RMB'000</i> )	<b>29,322,249</b>	42,695,264	-31.32%
Delivered gross floor area ( <i>sq.m.</i> )	<b>1,334,918</b>	2,840,529	-53.00%
Recognised average selling price of properties delivered ( <i>RMB/sq.m.</i> )	<b>21,966</b>	15,030	46.15%
Revenue ( <i>RMB'000</i> )	<b>29,781,887</b>	44,285,273	-32.75%
Cost of Sales ( <i>RMB'000</i> )	<b>29,447,513</b>	42,697,850	-31.03%
Gross profit/(loss) ( <i>RMB'000</i> )	<b>334,374</b>	1,587,423	-78.94%
Other income and other loss – net ( <i>RMB'000</i> )	<b>(2,353,158)</b>	(820,289)	186.87%
Loss before income tax ( <i>RMB'000</i> )	<b>(9,765,955)</b>	(5,072,637)	92.52%
Profit/(Loss) for the year ( <i>RMB'000</i> )	<b>(11,558,039)</b>	(6,847,248)	68.80%
– attributable to owners of the Company ( <i>RMB'000</i> )	<b>(12,002,306)</b>	(5,919,667)	102.75%
– attributable to non-controlling interests ( <i>RMB'000</i> )	<b>444,267</b>	(927,581)	-147.90%
– attributable to holders of Perpetual Capital Instruments ( <i>RMB'000</i> )	<b>–</b>	<b>–</b>	<b>–</b>
Gross profit/(loss) margin <sup>(2)</sup>	<b>1.12%</b>	3.58%	-68.72%
Net loss margin <sup>(3)</sup>	<b>(38.81)%</b>	(15.46)%	151.00%
Total assets ( <i>RMB'000</i> )	<b>99,586,003</b>	147,311,677	-32.40%
Total liabilities ( <i>RMB'000</i> )	<b>92,711,695</b>	124,523,650	-25.55%
Total equity ( <i>RMB'000</i> )	<b>6,874,308</b>	22,788,027	-69.83%
Capital and reserve attributable to owners of the Company ( <i>RMB'000</i> )	<b>(11,753,772)</b>	248,534	-4,829.23%
Current ratio <sup>(4)</sup>	<b>0.96 times</b>	1.13 times	-15.04%
Gearing ratio <sup>(5)</sup>	<b>5.11</b>	1.52	236.18%

#### Notes:

- (1) The amounts include the contracted sales from subsidiaries, associates and joint ventures of the Company.
- (2) The calculation of gross loss margin is based on gross loss divided by revenue and multiplied by 100%; and the calculation of gross profit margin is based on gross profit divided by revenue and multiplied by 100%.
- (3) The calculation of net loss margin is based on net loss divided by revenue and multiplied by 100%.
- (4) The calculation of current ratio is based on current assets divided by current liabilities.
- (5) The calculation of gearing ratio is based on total borrowings less cash and bank balances and divided by total equity.

## Property Development

### Contracted Sales

For the year ended 31 December 2024, the Group achieved contracted sales of approximately RMB7,702.48 million, representing a decrease of approximately 52.99% compared with approximately RMB16,385.50 million for the year ended 31 December 2023. This was mainly attributable to the decrease in the total GFA of the Group's contracted sales by approximately 42.89% from approximately 1,080,846 sq.m. for the year ended 31 December 2023 to approximately 617,264 sq.m. for the year ended 31 December 2024.

The amount of the Group's contracted sales in Suzhou, Fuzhou, Hangzhou, Chengdu, Nantong, Qingdao, Zhoushan, Shanghai and Fuyang accounted for (i) approximately 73.92% of the Group's total contracted sales for the year ended 31 December 2024, and (ii) approximately 60.33% of the Group's total GFA of contracted sales for the year ended 31 December 2024. The following table sets forth details of the contracted sales of the Group for the year ended 31 December 2024:

	Amount (RMB million)	Percentage (%)	Total GFA (sq.m.)	Percentage (%)	Average selling price (RMB/sq.m.)
Suzhou	1,625.00	21.10	92,079.41	14.92	17,648
Fuzhou	956.97	12.42	15,969.91	2.59	59,923
Hangzhou	620.19	8.05	55,513.28	8.99	11,172
Chengdu	519.94	6.75	53,390.13	8.65	9,739
Nantong	487.67	6.33	37,002.41	5.99	13,179
Qingdao	439.30	5.70	30,843.25	5.00	14,243
Zhoushan	417.29	5.42	36,655.49	5.94	11,384
Shanghai	373.47	4.85	22,693.92	3.68	16,457
Fuyang	254.04	3.30	28,262.65	4.58	8,989
Others	2,008.62	26.08	244,853.55	39.67	8,203
<b>Total</b>	<b>7,702.49</b>	<b>100.00</b>	<b>617,264.00</b>	<b>100.00</b>	<b>170,937</b>

### Projects completed

For the year ended 31 December 2024, the Group and its joint ventures and associates had completed a total of 163 projects or phases of projects, with a total GFA of 33,429,819.11 sq.m. (including 19,208,678.39 sq.m. by taking into account the interests of the owners of the Company in the relevant projects).

## Projects under construction

As at 31 December 2024, the Group and its associates and joint ventures had a total of 41 projects or phases of projects under construction, with a total planned GFA of 14,550,717.87 sq.m. (including 8,899,793.89 sq.m. by taking into account the interests of the owners of the Company in the relevant projects).

## Land reserve

During the Year, the Group did not acquire any land parcels.

As at 31 December 2024, the total GFA of the Group's land reserve was approximately 16.78 million sq.m. among which, approximately 7.32 million sq.m. were completed properties held for sale, approximately 8.34 million sq.m. were under construction, and approximately 1.07 million sq.m. were held for future development.

As at 31 December 2024, the average cost per sq.m. of the Group's land reserve decreased from RMB7,930 for the year ended 31 December 2023 to RMB7,916 for the year ended 31 December 2024.

The following table sets forth details of the land reserve attributable to the owners of the Company as at 31 December 2024:

Region	Project Name	Total land value (RMB million)	Total GFA of reserve (10,000 sq.m.)	Average cost per sq.m. (RMB/sq.m.)
Zhengzhou	Zhengzhou Jiangwancheng-Supai (鄭州江灣城－蘇派)	225	95.11	470
Zhengzhou	Zhengzhou Jiangwancheng-Delan (鄭州江灣城－德藍)	230	90.74	520
Zhengzhou	Zhengzhou City of Times (鄭州時光之城)	826	76.74	3,167
Zhengzhou	Zhengzhou Olympic Century (鄭州奧體世紀)	212	57.19	2,264
Taiyuan	Taiyuan City of Times (太原時光之城)	328	41.02	1,355
Fuzhou	Fuzhou Gushan Bridge Project (福州鼓山大橋項目)	3,595	29.79	13,521
Zhengzhou	Zhengzhou Jiangwancheng-Zhongqiao (鄭州江灣城－中喬)	147	27.72	722
Hangzhou	Hangzhou Xianghu Yuezhong (杭州湘湖悅章)	3,213	24.82	17,134
Fuzhou	Fuzhou Ronghui Hot Spring City (福州融匯溫泉城)	471	20.93	1,610
Zhengzhou	Zhengzhou Cheng Shi Zhi Chuang (鄭州城市之窗)	142	15.39	912
Xuzhou	Xuzhou Xinyi Project (徐州新沂項目)	372	12.44	3,360

Region	Project Name	Total land value (RMB million)	Total GFA of reserve (10,000 sq.m.)	Average cost per sq.m. (RMB/sq.m.)
Tianjin	Tianjin West Coast (天津西海岸)	1,049	12.21	8,238
Huzhou	Anji Yuejiang (安吉悅江府)	236	10.73	2,986
Mianyang	Wanwei Mianyang Economic Development Zone 105 mu (萬為綿陽經開區105畝)	256	10.45	2,932
Huzhou	Huzhou Xifengyang 2# Lot (湖州市西鳳漾2#地塊)	612	10.02	6,475
Fuzhou	Fuzhou Heshang Project (福州鶴上項目)	452	9.84	5,121
Lianyungang	Lianyungang Urban Park West District (連雲港海納春江西區)	597	9.27	6,518
Qingdao	The Ocean Coastal (青島海月星灣)	256	9.25	3,504
Jiangmen	Jiangmen Mansion (江門學院府)	332	9.07	4,800
Putian	Putian Junlong Yuhu Project (莆田駿隆玉湖項目)	148	8.72	3,903
Chongqing	Chongqing Lan Bay (重慶瀾灣)	364	8.20	6,189
Nantong	Nantong Chongchuan Times Yuechengnan Lot (南通崇川時代悅城南地塊)	937	8.14	14,197
Wenzhou	East Wenzhou Pingyang New District B009, 11 Lot (溫州平陽城東新區B009、11地塊)	478	8.10	7,607
Chengdu	Chengdu Qingbaijiang Project (成都青白江項目)	116	8.01	2,048
Hangzhou	Hangzhou Century (杭州世紀)	1,748	7.65	30,816
Lianyungang	Lianyungang Urban Park East District (連雲港海納春江東區)	623	7.37	8,856
Hangzhou	Hangzhou Canal New City Project (杭州運河新城項目)	1,768	7.23	23,558
Nantong	Nantong Chongchuan Yuanlin Road Plot (南通崇川園林路地塊)	667	6.67	13,340
Hangzhou	Hangzhou Science City 11 Lot (杭州科技城11號地塊)	1,017	6.40	19,474
Suzhou	Suzhou Wuzhong Mudu Project (蘇州吳中區木瀆鎮項目)	941	6.38	16,811
Fuzhou	Pingtian Lanchen (平潭瀾宸)	333	6.34	5,549
Hangzhou	Baolong Lin'an Project (寶龍臨安項目)	280	6.17	6,128
Suzhou	Suzhou Huangqiao Project (蘇州黃橋項目)	784	5.83	14,784
Fuzhou	Fuzhou Difeng River Project (福州帝封江項目)	368	5.82	7,932
Suzhou	Changshu Project (常熟項目)	275	5.74	6,662
Fuzhou	Changle Lanshan (長樂瀾山)	262	5.66	5,005
Zhoushan	Zhoushan Chuang Shi Ji (舟山創世紀)	306	5.61	4,324
Lanzhou	Lanzhou Lelan • Shiguangyin (蘭州樂瀾 • 時光印)	50	5.50	709

Region	Project Name	Total land value (RMB million)	Total GFA of reserve (10,000 sq.m.)	Average cost per sq.m. (RMB/sq.m.)
Weinan	Weinan Wenquetai (渭南文闕台)	78	5.44	2,393
Baoding	Baoding Jinyue City (保定金悅城)	131	5.09	3,979
Lanzhou	Lanzhou Park Academy (蘭州公園學府)	45	5.06	897
Hangzhou	Mei Hao Bao Long Lan Sky (美好寶龍瀾天)	255	4.88	5,546
Xi'an	Xi'an Sandi 86 mu Project (西安三迪86畝項目)	301	4.73	7,653
Nanjing	Nanjing Bo'an Center (南京鉅岸中心)	134	4.73	2,515
Xi'an	Xi'an Sandi 115 mu Project (西安三迪115畝項目)	378	4.65	7,397
Hangzhou	Hangzhou Aoshi Mansion (杭州傲世邸)	1,482	4.36	27,253
Fuzhou	Fuzhou CBD 49 Lot (福州CBD49地塊)	482	4.12	14,497
Hangzhou	Hangzhou Sandun North Project (杭州三墩北項目)	665	3.96	16,088
Chongqing	Chongqing Haiyue Pinghu (重慶海月平湖)	259	3.84	11,149
Ningbo	Ningbo Country Garden Siji Longyue (寧波碧桂園四季隴玥華府)	186	3.83	5,599
Fuyang	Fuyang Yingzhou Project (阜陽穎州項目)	103	3.78	2,961
Shanghai	Shanghai Parallel Impression (上海海納印象)	1,120	3.77	38,763
Qingdao	Qingdao Science and Technology Innovation Center Project (青島科創中心項目)	110	3.68	3,578
Suzhou	Kunshan Yulan Residence (昆山玉蘭公館)	365	3.60	13,576
Tianjin	Tianjin Jinnan (天津津南府)	450	3.57	12,959
Hangzhou	Hangzhou Vanke Zhong Cheng Hui (杭州萬科中城匯)	642	3.56	24,704
Hangzhou	Hangzhou Gu Cui Yin Xiu (杭州古翠隱秀)	1,056	3.50	40,542
Jinhua	Tianyang River Mansion (天陽雲棲江境)	275	3.45	10,562
Zhangzhou	Changtai Luxi County (長泰鷺西郡)	35	3.45	1,127
Suzhou	Kunshan Bacheng Lot (昆山巴城地塊)	168	3.34	5,582
Wenzhou	Wenzhou Ou Hai Xi Yue Li (溫州甌海熙悅里)	300	3.34	13,004
Shanghai	Shanghai Baoshan Luodian Project (上海寶山羅店項目)	551	3.33	22,340
Putian	Xianyou Construction and Development Cooperation Project (仙遊建發合作項目)	42	3.33	2,784
Shanghai	Shanghai Zhongxing Road (上海中興路)	2,863	3.28	100,091
Suzhou	Suzhou Science City Project (蘇州科技城項目)	416	3.03	15,647

Region	Project Name	Total land value (RMB million)	Total GFA of reserve (10,000 sq.m.)	Average cost per sq.m. (RMB/sq.m.)
Jiangmen	Jiangmen Guoyue House (江門國樾府)	146	2.98	5,847
Qingdao	Qingdao Manshan Lanting (青島縵山蘭亭)	75	2.98	2,386
Fuzhou	Fuzhou Vanke Zhen Lu Yuan (福州萬科臻麓園)	198	2.95	7,340
Fuyang	Xingfu Li • East County (幸福里 • 東郡)	51	2.93	2,235
Nanjing	Nanjing Vanke Du Hui Tian Di (南京萬科都薈天地)	351	2.92	12,130
Nanjing	Nanjing Zhong Jun Yong Jing Tai (南京中駿雍景台)	309	2.90	12,842
Tianjin	Tianjin Lanyue 4 (天津瀾悅4號)	300	2.89	11,742
Putian	Putian Ronshine Yuezhu (莆田融信悅著)	97	2.70	4,796
Quzhou	Quzhou Tianyang Yunqi Longting (衢州天陽雲棲隴庭)	149	2.61	8,281
Zhenjiang	Jurong Tianyuefu (句容天悅府)	94	2.58	4,837
Jiaxing	Haining Lanting (海寧瀾庭)	137	2.55	7,200
Hangzhou	Hangzhou Bao Li He Guang Chen Yue (杭州保利和光塵樾)	273	2.48	16,005
Hangzhou	Hangzhou Qinlan (杭州沁瀾)	340	2.42	21,211
Fuzhou	Fuzhou Yongtai Project (福州永泰項目)	55	2.32	2,811
Chengdu	Chengdu Traffic Lane 9.5 mu (成都交通巷9.5畝)	357	2.28	18,699
Hangzhou	Hangzhou Pengbu Commercial Lot (杭州彭埠商業地塊)	160	2.26	12,278
Shaoxing	South Shaoxing Dongguang Lot (紹興城南東光地塊)	467	2.21	12,263
Lishui	Lishui Tianyang Country Garden City Innovation (麗水天陽碧桂園都會之光)	202	1.99	13,169
Xi'an	Chang'an XiYue (長安熙悅)	8	1.97	446
Haining	Haining Lanting Qihang (海寧瀾庭啟杭)	62	1.90	3,939
Hangzhou	Yue Zhen Mansion (樾臻府)	62	1.78	4,375
Hangzhou	Hangzhou Liwang NEO1 (杭州厘望NEO1)	408	1.69	31,551
Chengdu	Chengdu Jinniu 16 mu (成都金牛16畝)	183	1.65	14,200
Chengdu	Chengdu Ruilian (成都瑞聯)	185	1.55	14,300
Shanghai	Shanghai Yangpu Pingliang Lot (上海楊浦平涼地塊)	413	1.46	25,397
Hangzhou	Hangzhou Zhanwang (杭州展望)	272	1.38	25,116
Guangzhou	Guangzhou Tianyue (廣州天樾府)	341	1.38	14,999
Hangzhou	Yunhe Commercial 43 Lot (漣河商業43號地塊)	154	1.37	14,075
Chongqing	Chongqing Hai Yue Yu Zhou (重慶海月渝州)	94	1.36	9,600
Hangzhou	Hangzhou Lan Sky (Konggang) (杭州瀾天(空港))	94	1.17	5,101



Region	Project Name	Total land value (RMB million)	Total GFA of reserve (10,000 sq.m.)	Average cost per sq.m. (RMB/sq.m.)
Shanghai	Shanghai Jing'an Zhongxing Community (上海靜安中興社區)	567	1.16	72,000
Fuyang	Linqan Junyue Mansion (臨泉君樾府)	22	1.02	2,592
Fuzhou	Fuzhou Nice Villa (福州有墅)	7	0.99	486
Changzhou	Changzhou Lanyue (常州瀾悅)	75	0.97	9,313
Chengdu	Chengdu Lan Sky (成都瀾天)	31	0.96	4,200
Jinhua	Jinhua Yuejiang (金華悅江府)	60	0.93	8,467
Wenzhou	Wenzhou Rongwang (溫州榮望)	48	0.85	7,203
Shanghai	Shanghai Four Seasons (上海海月四季)	138	0.83	22,578
Nanjing	Nanjing Xu Hui Shi Dai Tian Yue (南京旭輝時代天樾)	170	0.83	9,464
Quzhou	Quzhou Zhongliang Shiguangli (衢州中梁拾光里)	32	0.83	5,383
Fuzhou	Fuzhou Park Left Bank (福州公園左岸)	143	0.79	21,731
Hangzhou	Hangzhou Xingyao Beixi Project (杭州興耀市北西項目)	148	0.79	25,962
Shanghai	Shanghai Platinum (上海鉑爵)	80	0.72	15,409
Tongling	Tongling Lanshan Fu (銅陵瀾山府)	4	0.68	714
Hangzhou	Hangzhou Sibao Qibao 16 Lot (杭州四堡七堡16地塊)	242	0.67	44,364
Suzhou	Suzhou Wuzhong Linhu County Lot (蘇州吳中臨湖鎮地塊)	37	0.58	6,843
Hangzhou	Yunhe Commercial 44 Lot (運河商業44號地塊)	56	0.56	12,859
Chongqing	Tan Zi Kou (灘子口)	29	0.43	9,255
Fuzhou	Fuzhou Country Garden Yuelinglong (福州碧桂園悅玲瓏)	22	0.23	7,687
		<u>45,855</u>	<u>889</u>	<u>7,916</u>

## Financial review

### Revenue

The Group's revenue decreased by approximately 32.75% from approximately RMB44,285.27 million for the year ended 31 December 2023 to approximately RMB29,781.89 million for the year ended 31 December 2024. The Group derived its revenue primarily from (i) the sales of properties in the PRC; (ii) certain construction services with local PRC governments with respect to the construction of resettlement housing; and (iii) the rental income generated from the leasing of investment properties, hotel operations and others.

The following table sets forth details of the Group's revenue recognised from such sources for the periods indicated:

	For the year ended 31 December		Change in percentage
	2024 RMB'000	2023 RMB'000	
<b>Revenue</b>			
Sales of properties	<b>29,322,249</b>	42,695,264	-31.32%
Construction services	–	1,074,244	-100%
Rental income, hotel operations and others	<b>459,638</b>	515,765	-10.88%
<b>Total</b>	<b>29,781,887</b>	44,285,273	-32.75%

The decrease in the Group's revenue was mainly attributable to:

- (i) the decrease in the recognised GFA of properties delivered by the Group by approximately 53.00% from 2,840,529 sq.m. for the year ended 31 December 2023 to 1,334,918 sq.m. for the year ended 31 December 2024; and
- (ii) the decrease in revenue generated from construction services from approximately RMB1,074.24 million for the year ended 31 December 2023 to nil for the year ended 31 December 2024, which was mainly due to no provision of construction service by the Group to customers during the period.



Revenue generated from the sales of properties amounted to approximately RMB29,322 million for the year ended 31 December 2024. The following table sets forth details of revenue generated from the sales of properties of the Group by geographical location for the year ended 31 December 2024:

	For the year ended 31 December					
	2024			2023		
	Revenue (RMB million)	GFA delivered by the Group (sq.m.)	Average selling price (RMB/ sq.m.)	Revenue (RMB million)	GFA delivered by the Group (sq.m.)	Average selling price (RMB/ sq.m.)
Shanghai	15,195	208,064	73,031	8,613	191,039	45,084
Hangzhou	3,588	133,272	26,919	6,917	203,344	34,018
Wenzhou	2,691	188,926	14,245	2,462	170,404	14,448
Shanxi	1,686	239,121	7,050	–	–	–
Fuzhou	1,320	70,361	18,755	4,535	508,492	8,918
Others	4,843	495,172	9,780	20,168	1,767,250	11,412
Total	<u>29,323</u>	<u>1,334,916</u>	<u>21,966</u>	<u>42,695</u>	<u>2,840,529</u>	<u>15,031</u>

#### *Cost of sales*

The Group's cost of sales mainly refers to the costs incurred directly from its property development activities, including cost of construction, land use rights, interest capitalized and tax surcharge. The Group's cost of sales decreased by approximately 31.03% from approximately RMB42,697.85 million for the year ended 31 December 2023 to approximately RMB29,447.51 million for the year ended 31 December 2024.

#### *Gross profit margin*

Gross profit represents revenue less cost of sales. The Group recorded gross profit of approximately RMB1,587.42 million for the year ended 31 December 2023 and gross profit of approximately RMB334.37 million for the year ended 31 December 2024.

The Group recorded a gross profit margin of approximately 3.58% for the year ended 31 December 2023 and a gross profit margin of approximately 1.12% for the year ended 31 December 2024. The decrease in gross profit and gross profit margin was primarily because the Group delivered different portfolios of properties and the provision for impairment of inventories increased significantly in 2024 as compared with 2023.

### *Selling and marketing costs*

The Group's selling and marketing costs include (i) staff costs for sales personnel; (ii) advertisement expenses; (iii) property management service fees; and (iv) other costs including rental expenses and office expenses.

The Group's selling and marketing costs decreased by approximately 46.67% from approximately RMB577.15 million for the year ended 31 December 2023 to approximately RMB307.78 million for the year ended 31 December 2024, primarily due to the decrease in advertisement expenses and property management service fees.

### *Administrative expenses*

The Group's administrative expenses include (i) staff costs for administrative personnel; (ii) consulting fees; (iii) office and travel expenses; (iv) entertainment expenses; (v) other taxes; (vi) office lease expenses; and (vii) others.

The Group's administrative expenses decreased by approximately 9.43% from approximately RMB670.05 million for the year ended 31 December 2023 to approximately RMB606.88 million for the year ended 31 December 2024, mainly attributable to the decrease in staff costs for administrative personnel and entertainment expenses.

### *Fair value losses on investment properties*

The Group recorded fair value gains of approximately RMB96.66 million for the year ended 31 December 2023 and fair value losses of approximately RMB532.50 million for the year ended 31 December 2024. The turnaround was due to the decline in market price of the Group's investment properties.

### *Other income*

The Group's other income primarily includes (i) interest income; and (ii) deposits forfeited from some of the Group's prospective customers who breached the property purchase agreements. The Group's other income decreased by approximately 64.27% from approximately RMB143.94 million for the year ended 31 December 2023 to approximately RMB51.43 million for the year ended 31 December 2024, which was mainly due to the decrease of interest income and forfeited deposits from prospective customers included in the other income for the current period.

### *Other losses, net*

The Group's other losses, net primarily include (i) loss from financial assets at fair value through profit or loss; and (ii) loss from disposal of subsidiaries and an associate. The Group recorded other losses, net of approximately RMB964.23 million for the year ended 31 December 2023 and other losses, net of approximately RMB2,404.59 million for the year ended 31 December 2024. The increase in other losses was primarily due to a disposal loss on disposal of certain projects by the Group.

### *Operating loss*

The Group recorded operating loss of approximately RMB3,013.32 million for the year ended 31 December 2023 as compared to operating loss of approximately RMB7,274.90 million for the year ended 31 December 2024. The increase in operating loss was primarily due to (i) the decrease in revenue recognised from sales of properties as a result of the decline in property delivery; (ii) the increase in loss of impairment provision for properties under development and completed properties held for sale; and (iii) the increase in loss of impairment provision for trade and other receivables.

### *Finance costs – net*

Finance income primarily consists of foreign exchange gain and interest income from bank deposits. Finance cost primarily consists of interest expenses of borrowings and net foreign exchange losses. The Group recorded net finance costs of approximately RMB2,685.14 million for the year ended 31 December 2023 and net finance cost of approximately RMB2,637.62 million for the year ended 31 December 2024. The decrease in finance costs was primarily due to the decrease in net foreign exchange losses of approximately RMB78.38 million but at the same time was offset by the decrease in interest income from bank deposits of approximately RMB30.69 million.

### *Loss before income tax*

As a result of the aforementioned changes of the Group's financials, the loss before income tax of approximately RMB5,072.64 million for the year ended 31 December 2023 increased to approximately RMB9,765.96 million for the year ended 31 December 2024.

### *Income tax expense*

The Group's income tax expense comprises provisions made for corporate income tax ("CIT") (including deferred income tax) and land appreciation tax ("LAT") in the PRC.

The Group recorded income tax expenses of approximately RMB1,774.61 million for the year ended 31 December 2023 and approximately RMB1,792.08 million for the year ended 31 December 2024. Specifically, the Group recorded CIT (including deferred income tax) expenses of approximately RMB1,396.01 million for the year ended 31 December 2023 as compared with CIT (including deferred income tax) expenses of approximately RMB1,663.99 million for the year ended 31 December 2024, while the Group's LAT expenses decreased by approximately 66.17% from approximately RMB378.61 million for the year ended 31 December 2023 to approximately RMB128.09 million for the year ended 31 December 2024.

### *Loss for the year attributable to owners of the Company*

As a result of the foregoing factors, the loss for the year attributable to owners of the Company of approximately RMB5,919.67 million for the year ended 31 December 2023 increased to approximately RMB12,002.31 million for the year ended 31 December 2024.

### *Profit/(Loss) for the year attributable to non-controlling interests*

The profit for the year attributable to non-controlling interests was approximately RMB444.27 million for the year ended 31 December 2024, representing a turnaround as compared to the loss for the year attributable to non-controlling interests of approximately RMB927.58 million for the year ended 31 December 2023. This turnaround was primarily attributable to the recognition of revenue from sales of properties during the year ended 31 December 2024 in the respective projects, which were jointly developed with non-controlling parties.

## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 31 December 2024, the Group's net current liabilities amounted to approximately RMB3,644.43 million (31 December 2023: net current assets of approximately RMB14,338.71 million). Specifically, the Group's total current assets decreased by approximately 36.27% from approximately RMB125,189.87 million as at 31 December 2023 to approximately RMB79,777.62 million as at 31 December 2024. The Group's total current liabilities decreased by approximately 24.74% from approximately RMB110,851.16 million as at 31 December 2023 to approximately RMB83,422.05 million as at 31 December 2024. The decrease in the Group's total current assets was primarily attributable to the decrease in properties under development by approximately 43.97% from approximately RMB48,795.30 million as at 31 December 2023 to approximately RMB27,342.14 million as at 31 December 2024.

As at 31 December 2024, the Group had cash and bank balances of approximately RMB3,402.27 million (31 December 2023: approximately RMB6,217.73 million), total borrowings of approximately RMB38,540.14 million (31 December 2023: approximately RMB40,828.96 million) and a weighted average effective interest rate for outstanding borrowings of approximately 6.70% (including bank borrowings, trust and other borrowings, domestic corporate bonds, senior notes and asset-backed securities) (31 December 2023: approximately 6.55%).

As at 31 December 2024, the aggregated issued amount of the domestic corporate bonds was approximately RMB8,514.00 million, representing approximately 22.09% of the total borrowings of the Group.

The 6.75% senior notes due 2024 (the “**August 2024 Notes**”) (ISIN: XS2211514885 and Common Code: 221151488) in the aggregate principal amount of US\$107,655,000 issued by the Company and listed on SGX-ST matured on 5 August 2024. As at 31 December 2024, the principal amount and the accrued and unpaid interest totalling US\$138,210,219 were due and payable.

The 7.1% senior notes due 2025 (the “**January 2025 Notes**”) (ISIN: XS2290308845 and Common Code: 229030884) in the aggregate principal amount of US\$205,200,000 issued by the Company and listed on SGX-ST matured on 25 January 2025. As at 31 December 2024, the principal amount and the accrued and unpaid interest totalling US\$255,936,269 were due and payable.

As at the date of this announcement, the Company has not made the above payments and has not received any notice regarding accelerated repayment from the relevant trustee or holders of the August 2024 Notes and January 2025 Notes, respectively.

Since the second half of 2021, the business environment of China's real estate industry has undergone major changes, with increased difficulties in financing confronted by real estate companies. Under such circumstances, a number of real estate companies have successively encountered debt repayment issues, indicating accelerated deterioration of the industry's business environment, which has brought enormous pressure on the Group's operations. As a result of the impact brought by the above factors, the Group takes longer time than expected to realise cash from its properties and/or have the cash from external financing to meet its loan repayment obligations.

Although the Company has endeavoured to mitigate the impact of various unfavourable factors on its operations, due to the prolonged duration of this situation, the Group's operation and cash position have been significantly affected, and its ability to perform future obligations is subject to uncertainty.

In light of the current liquidity position, the Group has undertaken a number of plans and measures to mitigate the liquidity pressure and to improve the financial position of the Group, details of which are set out in note 1(c) to the consolidated financial statements extracted in this announcement. The Group will closely monitor its liquidity position and issue further announcement regarding the progress of any capital structure solutions or significant business updates.

## **PLEDGE OF ASSETS**

As at 31 December 2024, the Group's borrowings were secured by the Group's assets of approximately RMB33,775.15 million (31 December 2023: approximately RMB36,222.63 million), which included (i) completed properties held for sale; (ii) properties under development; (iii) property, plant and equipment; (iv) land use rights; (v) restricted cash; and (vi) investment property. Certain borrowings from financial institutions were also secured by the equity interests of certain subsidiaries.

## **CONTINGENT LIABILITIES**

The Group's contingent liabilities primarily include guarantees that the Group has provided to PRC banks in respect of the mortgage loans granted by the banks to purchasers of the Group's properties. The purchaser mortgage guarantees are typically released when the title deeds of the respective properties are pledged to the banks as security to continue to support the mortgage loans, which generally takes place after the properties are delivered to the purchasers. The borrowing guarantees represent the maximum exposure of the guarantees provided for the borrowings of related parties and an independent third party at the respective balance sheet dates. The total outstanding guarantee amounts provided by the Group amounted to approximately RMB20,058.79 million as at 31 December 2024 (31 December 2023: approximately RMB20,806.15 million).

The Directors believe that, in case of a default by the Group's purchasers on their mortgage payments, the net realisable value of the relevant properties will be sufficient to repay the outstanding mortgage loans, together with any accrued interest and penalty. Therefore, the Group did not make any provision in connection with these guarantees. The Group also provides various quality warranties to purchasers of its properties, with a term ranging from one to five years, in accordance with the relevant PRC laws and regulations. Such warranties are covered by back-to-back warranties provided to the Group by the respective construction contractors. In addition, the Group has, from time to time, also been a party to lawsuits and other legal proceedings in the normal course of business.

### **Current ratio**

As at 31 December 2024, the current ratio of the Group was 0.96 times (31 December 2023: 1.13 times). The decrease in the Group's current ratio was mainly attributable to the decrease in properties under development included in current assets.

### **Gearing ratio**

As at 31 December 2024, the gearing ratio of the Group was 5.11 (31 December 2023: 1.52), mainly due to the decrease in total equity. This ratio is calculated as net borrowings divided by total equity as shown in the consolidated balance sheet. Net borrowings are calculated as total borrowings (including current and non-current borrowings as shown in the consolidated balance sheet) less total of cash and cash equivalents, restricted cash and term deposits.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS**

The Group will continue to focus on its existing property development business and acquiring high-quality land parcels in the first-tier cities in the PRC. However, in light of the current market sentiments, the Group will maintain a prudent approach in acquiring land parcels in the PRC. No concrete plan for future investments is in place for the Group as at the date of this announcement.



## **FOREIGN CURRENCY RISK**

The Group primarily operates its business in the PRC. The currency in which the Group denominates and settles substantially all of its transactions is Renminbi. As at 31 December 2024, the Group's financial assets and liabilities denominated in currencies other than Renminbi were mainly borrowings denominated in United States dollars and Hong Kong dollars, in the total amount of approximately RMB15,023.28 million. Any depreciation of Renminbi would adversely affect the value of any dividends the Group pays to the Shareholders outside of the PRC. The Group currently does not engage in hedging activities designed or intended to manage foreign exchange rate risk. The Group will continue to monitor foreign exchange changes to best preserve the Group's cash value.

## **SIGNIFICANT INVESTMENT HELD**

For the year ended 31 December 2024, the Group did not hold any significant investments.

## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

The Group did not conduct any material acquisition or disposal of subsidiaries, associates or joint ventures during the year ended 31 December 2024.

## **EMPLOYEE AND REMUNERATION POLICY**

As at 31 December 2024, the Group employed a total of 538 full-time employees (31 December 2023: 814 full-time employees). For the year ended 31 December 2024, the staff cost recognised by the Group amounted to approximately RMB139.66 million (31 December 2023: approximately RMB201.33 million).

The remuneration policy of the Group is to provide the employees with remuneration packages including salary, bonuses and various allowances, so as to attract and retain top quality staff. In general, the Group determines employees' salaries based on each employee's qualifications, position and seniority. The Group has designed a periodical review system to assess the performance of its employees, which forms the basis of the determination on salary rises, bonuses and promotions. As required by PRC regulations, the Group makes contributions to mandatory social security funds for the benefit of the Group's PRC employees that provide for pension insurance, medical insurance, unemployment insurance, personal injury insurance, maternity insurance and housing funds.

Furthermore, the Group has implemented systematic and specialty-focused vocational training programs for its employees at different levels on a regular basis to meet different requirements and emphasise individual initiative and responsibility. The Group believes that these initiatives have contributed to increased employee productivity.

The Group's employees do not negotiate their terms of employment through any labor union or by way of collective bargaining agreements. During the year ended 31 December 2024, no labor dispute had occurred which materially and adversely affected or was likely to have a material and adverse effect on the operations of the Group.

## **ANNUAL GENERAL MEETING**

The forthcoming annual general meeting of the Company (the “**AGM**”) will be convened and held on Tuesday, 10 June 2025, a notice of which will be published and despatched to the Shareholders in due course.

## **FINAL DIVIDEND**

The Board resolved not to recommend the payment of a final dividend for the year ended 31 December 2024 (31 December 2023: nil).

## **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining the Shareholders’ eligibility to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 5 June 2025 to Tuesday, 10 June 2025 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for attending and voting at the AGM, all transfer of share 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, no later than 4:30 p.m. on Wednesday, 4 June 2025. Shareholders whose names appear on the register of members of the Company on Tuesday, 10 June 2025 shall be entitled to attend and vote at the AGM.

## **PURCHASE, SALE AND REDEMPTION OF SECURITIES OF THE COMPANY**

During the Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company (including sale of treasury shares).

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

## **SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD**

As at the date of this announcement, the Group did not have any significant event subsequent to 31 December 2024.

## **CORPORATE GOVERNANCE**

The Group is committed to achieving high standards of corporate governance to safeguard the interests of the holders of the shares of the Company and to enhance corporate value and accountability.

The Company has adopted the corporate governance code (the “**Corporate Governance Code**”) contained in 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 corporate governance and, to the best knowledge of the Directors, the Company had complied with all applicable code provisions under the Part 2 of the Corporate Governance Code during the year ended 31 December 2024, save and except for the deviation from code provision C.2.1 of the Corporate Governance Code as disclosed below.



Code provision C.2.1 of the Corporate Governance Code provides that the roles of the chairman and the chief executive officer of the Company should be separate and should not be performed by the same individual. The roles of the chairman and chief executive officer of the Company are both performed by Mr. Ou Zonghong (“**Mr. Ou**”), an executive Director. The Board believes that vesting the roles of both chairman and chief executive officer in the same individual enables the Company to achieve higher responsiveness, efficiency and effectiveness when formulating business strategies and executing business plans. Furthermore, in view of Mr. Ou’s extensive industrial experience and significant role in the historical development of the Group, the Board believes that it is beneficial to the business prospects of the Group that Mr. Ou continues to act as the chairman and chief executive officer of the Group, and that the balance of power and authority is sufficiently maintained by the operation of the Board, comprising the executive Directors, non-executive Director and independent non-executive Directors.

## **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 as contained in Appendix C3 to the Listing Rules (the “**Model Code**”) as the guidelines for Directors’ dealings in the securities of the Company. Following specific enquiries to each of the Directors, the Directors have confirmed their compliance with the required standards set out in the Model Code throughout the year ended 31 December 2024.

## **AUDIT COMMITTEE**

The Board has established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The terms of reference of the Audit Committee has been uploaded to the respective websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.rongxingroup.com](http://www.rongxingroup.com)).

The primary duties of the Audit Committee are to review and supervise the financial reporting process, risk management and internal control system of the Group, oversee the audit process, provide advice and comments to the Board and perform other duties and responsibilities as may be assigned by the Board. The Audit Committee currently consists of three members, namely Mr. Feng Dongcheng, Mr. Ren Yunan and Mr. Ruan Weifeng, each of whom is an independent non-executive Director. The chairman of the Audit Committee is Mr. Feng Dongcheng who possesses appropriate professional qualifications and accounting and related financial management expertise as required under Rule 3.10(2) of the Listing Rules.

## **REVIEW OF ANNUAL RESULTS**

The Audit Committee has reviewed, and has agreed with the auditor of the Company on the annual results of the Group for the year ended 31 December 2024.

## **EXTRACT OF INDEPENDENT AUDITOR’S REPORT**

The following is the extract of the independent auditor’s report from the external auditor of the Company:

### **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 Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) 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 2.1 to the consolidated financial statements that the Group incurred a loss of approximately RMB11,558,039,000 for the year ended 31 December 2024 and as of that date, the Group had net current liabilities of approximately RMB3,644,428,000 and the Group’s current portion of borrowings amounted to approximately RMB30,551,151,000, while its current portion of cash and cash equivalents (excluding restricted cash) amounted to approximately RMB1,384,024,000. Further, as at 31 December 2024, the Group had not repaid certain borrowings of approximately RMB28,475,238,000 according to their scheduled repayment dates and borrowings of RMB25,650,503,000 as described in the note to consolidated financial statements. These conditions, along with the current situation as set forth in note 2.1, indicate the existence of a material uncertainty that may cast significant doubt about the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## **RETIREMENT AND RE-APPOINTMENT OF AUDITOR**

As disclosed in the announcements of the Company dated 2 September 2024, Elite Partners CPA Limited resigned as the auditor of the Company with effect from 2 September 2024. Subsequently, KTC Partners CPA Limited (“**KTC Partners**”) was appointed as the new auditor of the Company to fill the casual vacancy following the resignation of Elite Partners with effect from 19 December 2024.

KTC Partners shall retire and, being eligible, have offered themselves for re-appointment at the AGM. A resolution will be proposed by the Company at the AGM for the re-appointment of KTC Partners as the auditor of the Company.

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

This announcement is published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) as well as the website of the Company ([www.rongxinggroup.com](http://www.rongxinggroup.com)). The annual report of the Company for the year ended 31 December 2024 will be published in the aforementioned websites in due course.

By order of the Board  
**Ronshine China Holdings Limited**  
**Ou Zonghong**  
*Chairman*

Hong Kong, 31 March 2025

*As at the date of this announcement, Mr. Ou Zonghong, Ms. Yu Lijuan, Ms. Zeng Feiyan and Mr. Wu Jianxing are the executive Directors; Mr. Li Shupeí is the non-executive Director; Mr. Ren Yunan, Mr. Ruan Weifeng and Mr. Feng Dongcheng are the independent non-executive Directors.*