CEC 中国电子 | OVU 中电光谷 产业资源共享平台

中電光谷聯合控股有限公司

China Electronics Optics Valley Union Holding Company Limited

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 798

2024
ANNUAL REPORT


CEC 中国电子
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CHINA ELECTRONICS

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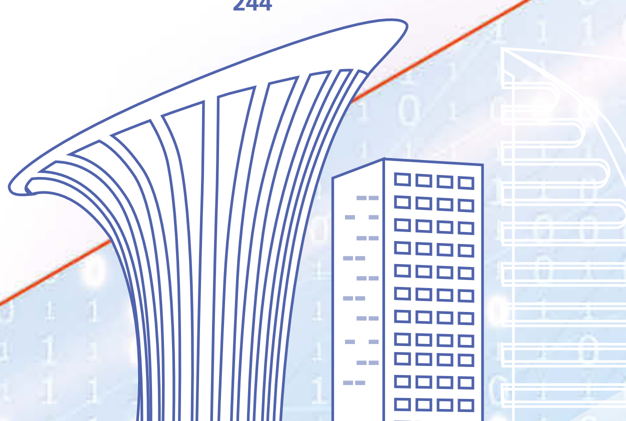

Corporate Information

COMPANY NAME

China Electronics Optics Valley Union Holding Company Limited

PLACE OF LISTING OF SHARES

The Stock Exchange of Hong Kong Limited

STOCK CODE

798

STOCK NAME

CEOVU

BOARD OF DIRECTORS

Non-executive Directors

Ms. Liu Bo *(Chairman) (appointed as a non-executive director and chairman on 4 July 2024)*
Mr. Liu Guilin *(Chairman) (resigned as a non-executive director and chairman on 4 July 2024)*
Mr. Zhang Jie
Mr. Hu Bin
Ms. Zeng Yumei *(appointed as a non-executive director on 26 March 2024)*
Ms. Sun Ying *(resigned as a non-executive director on 26 March 2024)*
Mr. Zang Saijun *(appointed as a non-executive director on 30 October 2024)*
Mr. Xiang Qunxiong *(resigned as a non-executive director on 30 October 2024)*

Independent Non-executive Directors

Mr. Qi Min
Mr. Qiu Hongsheng
Mr. Qi Liang

Executive Director

Mr. Huang Liping *(President)*

AUTHORIZED REPRESENTATIVES

Ms. Liu Bo *(appointed on 4 July 2024)*
Mr. Liu Guilin *(resigned on 4 July 2024)*
Ms. Zhang Xuelian

AUDIT COMMITTEE

Mr. Qiu Hongsheng *(Chairman)*
Mr. Qi Min
Mr. Qi Liang *(appointed on 30 October 2024)*
Mr. Xiang Qunxiong *(resigned on 30 October 2024)*

REMUNERATION COMMITTEE

Mr. Qi Liang *(Chairman)*
Mr. Qi Min
Mr. Zang Saijun *(appointed on 30 October 2024)*
Mr. Xiang Qunxiong *(resigned on 30 October 2024)*

NOMINATION COMMITTEE

Ms. Liu Bo *(Chairman) (appointed on 4 July 2024)*
Mr. Liu Guilin *(Chairman) (resigned on 4 July 2024)*
Mr. Qi Min
Mr. Qiu Hongsheng

COMPANY SECRETARY

Ms. Zhang Xuelian

REGISTERED OFFICE

Windward 3
Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Sheung Wan, Hong Kong

LEGAL ADVISORS

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18 Westlands Road
Quarry Bay
Hong Kong

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42/F, One Island East
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Quarry Bay
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Chaoyang District
Beijing, China

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited
Windward 3
Regatta Office Park
P. O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17/F, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

PRINCIPAL BANKS

Industrial and Commercial Bank of China
Bank of Communications
Industrial Bank

COMPANY WEBSITE

http://www.ceovu.com/

Financial Summary

A summary of the audited results and the assets and liabilities of the Group for the last five financial years is set out below:

	Year ended 31 December				
	2024	2023	2022	2021	2020
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Results					
Revenue from continuing operations	**3,588,531**	5,220,556	5,523,204	4,530,568	3,048,618
Gross profit	**1,097,111**	1,557,386	1,559,759	1,297,965	937,810
Profit before income tax	**239,586**	981,874	990,938	1,084,883	816,913
Profit attributable to owners of the Company	**95,748**	506,710	536,091	640,203	464,340
Profit attributable to non-controlling interests	**10,583**	20,125	(13,707)	(27,593)	76,128
Profit for the year	**106,331**	526,835	522,384	612,610	540,468

	As at 31 December				
	2024	2023	2022	2021	2020
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Assets and liabilities					
Non-current assets	**10,701,911**	10,932,991	10,015,308	8,986,847	8,356,649
Current assets	**12,640,016**	12,538,977	12,364,224	12,320,873	11,069,388
Current liabilities	**9,885,835**	8,931,590	8,680,753	9,128,049	8,728,185
Net current assets	**2,754,181**	3,607,387	3,683,471	3,192,824	2,341,203
Total assets less current liabilities	**13,456,092**	14,540,378	13,698,779	12,179,671	10,697,852
Total equity	**8,871,725**	8,896,756	8,876,764	8,505,323	7,999,796
Non-current liabilities	**4,584,367**	5,643,622	4,822,015	3,674,348	2,698,056
Total equity and non-current liabilities	**13,456,092**	14,540,378	13,698,779	12,179,671	10,697,852

Chairman's Statement

Dear Shareholders,

2024 was a critical year for the implementation of the "14th Five-Year Plan" and a year of endeavor to fix our focus on the 2035 vision. Under the temporary distress over the deep adjustment of the industry and the cyclical downward pressure in the market, CEOVU, guided by the strategic planning of the Board, strived to break our dependence on traditional business and transform the operating pressure into transition opportunity during the period. In the turbulent market environment, we strengthened the construction of the "industrial ecological moat" to safeguard the sustainable development of the Company.

Maintaining the sound operation of the Company by emphasizing the control on cash flow. During the Reporting Period, CEOVU felt several impacts such as insufficient demand for industrial park development business and debt level control for industrial park operation business by local governments. Despite the decline of varying degrees compared with the same period last year in certain indicators, including new contracted amount, repayment amount, operating income, and net profit, the Company adjusted its operating focus in a timely manner and prioritized the control on cash flow to safeguard the overall sound operation of the Company amid the serious challenges of the market. In 2024, CEOVU recorded a total revenue of RMB3,588.5 million and a net profit of RMB106.3 million, with a positive cash flow from operating activities for six consecutive years. At the same time, CEOVU continued to reform itself and strived to break through our reliance on business performance. In 2024, in respect of industrial landmark, the Group had 5 new projects of high-quality industrial park, including OVU Changjiang Zhigu* (OVU長江智谷), OVU Heyuan Zhigu* (OVU河源智谷) and Yentai CEC Zhigu* (煙台中電智谷). The contracted area of responsive customization exceeded 100,000 sq.m., and the contracted amount exceeded RMB400 million, showing high potential in development.

Striving to develop a four-dimensional barrier for risk control and achieving a comprehensive improvement on governance level. During the Reporting Period, leveraging four major projects, namely arranging the general control model, developing the talent echelon, innovating the incentive model, and reshaping the systemic process, which connected the key process nodes of the Company's various business lines, the Company activated the talent pool, specified the reward and punishment mechanism, developed a hierarchical and categorical comprehensive risk management system based on the foundation of the system, strengthened the transmission of responsibilities, and formed a benign circle of risk prevention and control and efficiency improvement, in order to enhance the level of corporate governance.

Accelerating the promotion of transformation by digital intelligence and constructing a new paradigm of industrial interconnection. During the Reporting Period, the Company promoted the "three whole" goals of digital construction-visual supervision of the whole process, online operation of the whole business, and interconnected sharing of whole data, and upgraded the digital sharing platform with the characteristics of CEOVU. Moreover, the Company focused on developing two clouds, deeply integrated intelligent technology into the operation of industrial park, and built a data asset management system to enable the Company to go against the trend and consolidate the "third curve" for development. In 2024, Wuhan Easylinkin Technology Co., Ltd.* (武漢慧聯無限科技有限公司) was fitted into the CEOVU industrial ecosystem. Sales of industrial cloud software made a breakthrough, with the contracted amount reaching RMB39.7 million. CEC Energy Conservation integrated energy and new energy businesses, made great efforts and created strong momentum for growth. In 2024, the annual contracted amount was RMB277.1 million, representing a year-on-year increase of 40%. The contracted installed capacity of the distributed photovoltaic business was approximately 23.22MW.

Looking back at 2024, in spite of the impact of multiple factors such as global economic turmoil and deep adjustment in domestic real estate industry, CEOVU strived to tackle the problems of market supply saturation and rising vacancy rates in industrial parks, re-gain insight into the business nature through practice, re-discover the laws of the industry, redefine the transaction structure, reshape the ability to integrate resources, in order to achieve resilient growth.

On behalf of the Board, I would like to express my heartfelt gratitude to our business partners for their support and Shareholders and all our employees for their devotion and effort.

Moving forward, we will deepen the collaborative development with the main electronics industry in China, improve our political position, and achieve breakthrough as the "ecological leader of the intelligent industrial park". In addition, we will strengthen strategic guidance, innovate the organizational structure, and consolidate the foundation of operations. Through the dual-track development of forward-looking industrial layout and overall control and management, we will continue to enhance our core competitiveness and compose a new chapter for the sustainable development of the Company.

China Electronics Optics Valley Union Holding Company Limited
Liu Bo
Chairman

Hong Kong, the People's Republic of China
31 March 2025

OVERALL PERFORMANCE

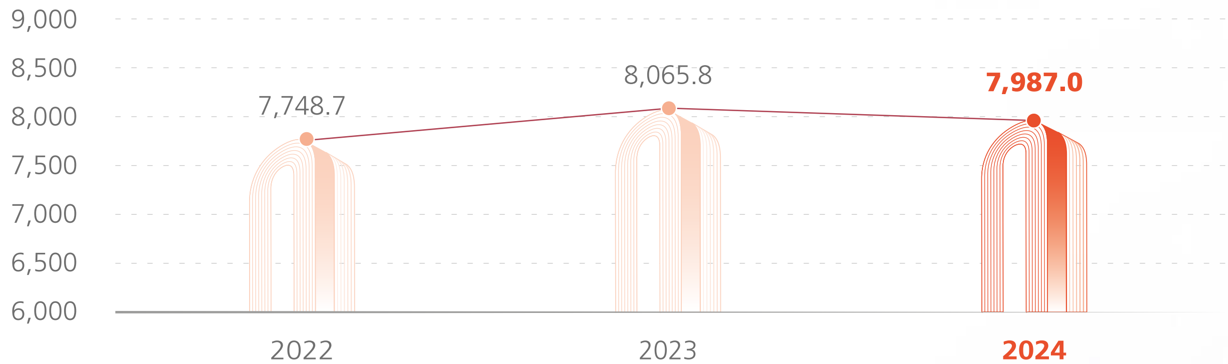
In 2024, the Group achieved a total revenue of RMB3,588.5 million, representing a decrease of 31.3% as compared to that of last year; of which, revenue from the operation of industrial parks amounted to RMB2,215.8 million, accounting for 62% of the total revenue; recorded a net profit of RMB106.3 million, representing a decrease of RMB420.5 million as compared to that of last year; and recorded a net cash inflow from operating activities of RMB29.4 million, with a positive cash flow from operating activities for six consecutive years.

In 2024, in respect of industrial landmark, the Group had 5 new projects of high-quality industrial park, including OVU Changjiang Zhigu* (OVU長江智谷), OVU Heyuan Zhigu* (OVU河源智谷) and Yentai CEC Zhigu* (煙台中電智谷). As of 31 December 2024, the Group had high-quality land bank of approximately 4,914,000 sq.m. in various cities, including Chengdu, Changsha, Shanghai, Wuhan and Qingdao.

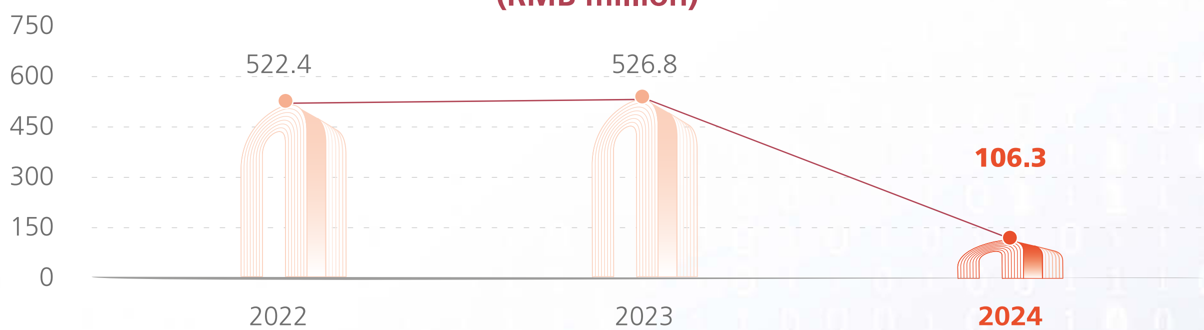
Under the continuous innovation in industrial park development model, the Group leveraged on its responsive customization strategy to promote a complete transformation of the industrial park development model. Being the main direction of CEOVU's transformation, responsive customization has become the main path for innovation in the business model of industrial real estate. In 2024, the contracted area of responsive customization exceeded 100,000 sq.m., and the contracted amount exceeded RMB400 million, showing high potential in development.

The Group has always been committed to a prudent business strategy. As at 31 December 2024, the debt to asset ratio was 62.0%, and the debt to asset ratio net of contract liabilities was 60.0%, representing a slight decrease compared with the beginning of the period.

Growth in total equity attributable to owners of the Company (RMB million)



Growth in profit for the year of the Company (RMB million)



BUSINESS REVIEW

In 2024, under the influence of multiple factors such as global economic turmoil and deep adjustment of domestic real estate, the industrial park in the PRC faces problems such as supply saturation and rising vacancy rates.

The Group's park development business also faces similar difficulties and is under pressure from insufficient demand, and on the other hand, the operations of industrial park are affected by local government debt level controls. Under dual pressure, certain of the Group's indicators, including new contracted amount, repayment amount, operating income, and net profit, have decreased to varying degrees compared with the same period last year. The operating performance was still significantly dependent on the sales of properties. The overall strategic capabilities of the park operation business are still unable to meet the complex needs of various types of customers, indicating that the Group's operational transformation has a long way to go. Facing the severe challenges in the market, the Group promptly adjusted its business focus, making cash flow management the top priority to achieve an overall healthy operations.

Striving to improve the capability of industrial park consulting business based on theoretical innovation strategy

In recent years, CEOVU has always regarded theoretical innovation and basic research as the key mission of our transformation. In 2024, "Lectures on Park Methodology* (園區方法論講演錄)", the first specialized book on methodology in the field of industrial park, was published and received public acclaim. At the same time, the Group actively organized and promoted the publication of books such as "Large Model for Industrial Parks* (園區大模型)", " Science and Technology Innovation in the New Era* (新時代科創空間)" and "Creative Capital (2014-2024)* (創意天地(2014-2024))", which enhanced the professional image of CEOVU and solidified our steps in transformation.

In 2024, the industrial park consulting business characterized by knowledge services made progress, with contract number exceeding 60 and contract amount exceeding RMB100 million, establishing the foundation for a new breakthrough in the integrated park operation business in 2025.

Promoting complete transformation in park development based on responsive customization

Responsive customization was the main direction of transformation of CEOVU and made certain practical progress in 2024. A number of model projects were completed while corresponding business management systems and technical guidelines were prepared. Responsive customization is becoming the main path for innovation in the business model of industrial real estate. In 2024, the contracted area of responsive customization exceeded 100,000 sq.m., and the contracted amount exceeded RMB400 million, showing high potential in development.

Striving to develop "Two Clouds" and forming the third curve gradually

In 2024, Wuhan Easylinkin Technology Co., Ltd.* (武漢慧聯無限科技有限公司) was fitted in the CEOVU industrial ecosystem. Sales of industrial cloud software made a breakthrough, with the contracted amount reaching RMB39.7 million.

Wuhan China Electronics Energy Conservation Co., Ltd.* (武漢中電節能有限公司) integrated energy and new energy businesses, made great efforts and created strong momentum for growth. In 2024, the annual contracted amount was RMB277.1 million, representing a year-on-year increase of 40%. The contracted installed capacity of the distributed photovoltaic business was approximately 23.22MW.

Boosting the development of equity investment fund and enhancing the capability of integrating industrial resources

Wuhan Lingdu Capital Investment Co., Ltd* (武漢零度資本投資管理有限公司), the industrial investment entities of CEOVU, established 3 equity funds and 1 real estate fund in 2024. The investment project promoted the synergy of the 18,000 sq.m. park space business. One of the investees was successfully listed. In 2024, Lingdu Capital completed the business model of cooperating with local funds to establish funds and invest in local projects, optimized our asset structure, and invested more resources in quality enterprises related to the development of the park.

In 2024, investments of CEC & CICC (Xiamen) Electronic Industry Equity Investment Management Co., Ltd.* (中電中金(廈門)電子產業股權投資管理有限公司) focused on upstream and downstream companies in the electronic information technology industry chain. Seizing the opportunities under the mid-to-long-term changes in the electronics industry and industry development trends, CEC & CICC invested in technologically innovative companies with high competitiveness and innovative companies with sustainable business models. In 2024, the investees recorded a fair value of RMB2,679 million.

OPERATING RESULTS

In 2024, the Group achieved a total revenue of RMB3,588.5 million, representing a decrease of 31.3% as compared to that of 2023, a profit before tax of RMB239.6 million, representing a decrease of 75.6% as compared to that of the same period in 2023, achieved a net profit for the year of RMB106.3 million, representing a decrease of 79.8% as compared to that of the same period in 2023. Profit attributable to owners of the Company was RMB95.7 million, representing a decrease of 81.1% as compared to that of the same period in 2023. The Group has upheld the concept of maintaining positive cash flow from operating activities and there was a net inflow of RMB29.4 million in 2024. The cash flow from operating activities maintained positive.

BUSINESS SEGMENT ANALYSIS

In 2024, the Group has established a strategic landscape of "One Body, Two Wings (一體兩翼)", with park operation services as the main body, park development as the backbone and industrial investment as the driving force. The Group has the following three segments: (i) industrial park operation services (including design and construction services, property management services, property leasing services, energy services, digital park services, incubator and office sharing services, group catering and hotel services, digital apartment services); (ii) industrial park development services (including sales of industrial park space and self-owned park property leasing services); and (iii) industrial investment services (equity investment business related to industrial theme parks business). In recent years, the income structure and composition of profit reflected the effectiveness of the Group's strategic transformation and reform to a certain extent.

REVENUE BY BUSINESS SEGMENTS

	Year ended 31 December			
	2024		2023	
	Revenue (RMB'000)	**% of total**	Revenue (RMB'000)	% of total
Industrial park operation services	**2,215,804**	**62%**	2,831,658	54%
Design and construction services	**780,711**	**22%**	1,245,032	23%
Property management services	**793,253**	**22%**	925,128	18%
Energy services	**198,015**	**6%**	196,489	4%
Group catering and hotel services	**150,837**	**4%**	160,176	3%
Property leasing services	**111,244**	**3%**	97,270	2%
Others	**181,744**	**5%**	207,563	4%
Industrial park development services	**1,372,727**	**38%**	2,388,898	46%
Sales of industrial park space	**1,109,433**	**31%**	2,159,882	41%
Self-owned park property leasing services	**263,294**	**7%**	229,016	5%
Total	**3,588,531**	**100%**	5,220,556	100%

I. INDUSTRIAL PARK OPERATION SERVICES

The Group has established a full life-cycle industrial park operation service system through digitization. Based on the digital park system, the Group has integrated 15 types of functions, including project planning, space planning, architectural design, general contracting, decoration, real estate agency, regional energy services, property management, co-working offices, long-term rental apartments, catering and hotels, to form a full life-cycle "P+EPC+O" service model that is led by consulting services, supported by intelligent technologies and digital solutions, and backed by an integrated operation system, so as to provide diversified services to customers.

Backed by the digital assets built up by CEOVU through industrial park operation in over a decade, OVU Industrial Cloud serves three major fields, namely the development, construction and operation of industrial parks, delivers two core functions, namely, the full life-cycle digital management and cross-regional digital platform investment promotion, focuses on four major systems, namely "digital development", "digital construction", "digital facilities" and "digital investment promotion and operation", and offers ten types of applications, including "investment oversight", "construction oversight", "digital design", "construction management", "intelligent networking", "investment promotion", "assets supervision", "industrial park operation", "industrial services" and "taxation oversight", facilitating full-process monitoring, full-service online and full data access, and redefining digital industrialization from the perspective of industrial organization.

As to OVU Low-carbon Cloud, in line with the Group's active support for the national goal to achieve "peak carbon dioxide emissions by 2030 and carbon neutrality by 2060" and backed by its integrated energy service company, namely CEC Energy Conservation, the Company develops low-carbon parks with the concepts of low-carbon planning, low-carbon construction and low-carbon operation, and provides integrated energy services and full industry chain services including investment, construction and operation of low-carbon smart parks. Leveraging on CEOVU's advantages in the industrial chain, the Company has spared no effort in building the OVU Low-carbon Cloud, which integrates IT, OT, heating and ventilation, power distribution, equipment, operation and other professional services, and adopts the big data + cloud computing + Internet of Things technology and cloud-based distributed micro-service framework to provide digital solutions for integrated energy and the "carbon goals (雙碳路徑)". The system is the first integrated energy low-carbon digital system based on the PKS (Process Knowledge System) system in China with dual functions of experimentation and production. In line with the concept of integrated energy service, it integrates the "1+N" industrial ecological business system focusing on low-carbon smart park services.

EPC integrated operation service is an industrial park integrated operation model which the Group has focused on in recent years. It takes planning (P-Planning) as the starting point, with an integrated delivery of engineering, procurement and construction (EPC-Engineering Procurement Construction) as the foothold, and with professional operations (O-Operations) to cooperate with investment entities to jointly complete the work of industrial services, forming a "three-in-one (三位一體)" responsibility structure.

In 2024, the turnover of the industrial park operation services of the Group amounted to RMB2,215.8 million, representing a decrease of 21.7% as compared to that of the same period in 2023. Among which, revenue from design and construction services reached RMB780.7 million, revenue from property management services reached RMB793.3 million, revenue from regional energy services reached RMB198.0 million, revenue from group catering and hotel services reached RMB150.8 million, revenue from property leasing services reached RMB111.2 million, and revenue from other services reached RMB181.7 million. In terms of composition, the revenue from design and construction services, property management services and energy services accounted for 80% of the revenue from industrial parks operation services, and is currently the major source of revenue of the Group's industrial parks operation services.

Design and Construction Services

"P+OEPC" integrated operational services

In recent years, CEOVU has been making vigorous efforts in the promotion of P+OEPC innovative integrated operation business model, based on the needs of investment and operation, to provide whole-process integrated services. In particular, "P" stands for industrial park consulting, "OEPC" stands for full-process project management in relation to promotion of investment and operation of industrial parks, which are generally welcomed by the local government.

Under the instruction of "Theory of One Platform Two Methods"(一平台兩方法論), CEOVU gave full play to the leading and strategic outpost functions of consulting and planning business to provide all-round consulting services, including strategic planning, industrial planning, spatial planning, operational planning, throughout the business process and full life cycle of projects, which further developed the sustainable model of "consulting +", explored more industrial resources, and diversified the platform for sharing industrial resources of CEOVU.

CEOVU has accumulated rich strategic emerging industry resources by virtue of its systematic operation capability, and has played the role of cross-regional collaborative investment promotion platform, with the unique "OEPC" model, to provide local governments and large enterprises with whole-process project management service in relation to promotion of investment and operation of industrial parks.

In 2024, CEOVU entered into strategic cooperation agreements with a number of local governments and signed integrated operation service contracts amounting to RMB677.1 million, facilitating regional economic transformation and upgrading. In particular, CEOVU made a breakthrough by adopting the innovative model of "O+EPC", and won the bidding of general contracting project for operation, design, procurement and construction of Baoding Network Information Valley* (保定網信谷) in the capacity as the leading party, with the project amount of RMB242.4 million, contributing to the creation of the "park and city integration" model project in Baoding. Meanwhile, other key EPC projects, including Zigui Zone A Plant* (秭歸A區廠房) with a contract amount of RMB162.2 million, and Auto Valley Intelligent Network Manufacturing Park* (車谷智能網聯智造園) with a contract amount of RMB272.5 million, were also contracted and commenced construction in 2024.

Through optimizing and integrating the resources of its architectural design institutes, construction subsidiaries (Jitian Construction, Lidao Technology and Qianbao Design) and other industry chain resources, CEOVU provides engineering-tender-procurement-construction and full process EPC integrated design and construction services to the government, organisations and related enterprises. During the Reporting Period, the Group's revenue from design and construction services amounted to RMB780.7 million, representing a decrease of 37.3% as compared to that of the same period in 2023.

Property Management Services

In 2024, on the basis of the established "five-heart" service, Wuhan Lidao Property Management Co., Ltd.* (武漢麗島物業管理有限公司) ("**Lidao Property**") has devoted active efforts to transform, upgrade and promote the development of information technology. At present, an ecological system comprising intelligent communities and intelligent industrial parks has been built, and a three-in-one management system comprising "i-Lidao" APP (i麗島APP), OVU Park Pass (OVU園區通) and EMS Integrated Operation Platform has been established, providing households and enterprises in the industrial parks with real estate services, infrastructure services, financial services, big data services and living facility services.

Lidao Property actively integrated resources, deeply developed property services, the "Whole Industry Chain" with industry chain enterprises such as Domainblue Smart, ChuWei Defense, Quanpai Catering, Operations, Lidao Human Resources and Lixiang Life, to provide consulting and pre-intervention services for development and construction unit, and to provide intelligent operation, asset management services for industrial parks, to provide professional support services for the property sector counterparts, so as to provide all-round, one-stop property management services for the general property owners.

In 2024, Lidao Property, relying on its intelligent service system, successfully tendered for a number of projects outside the Group, including government, schools, art galleries, large scale corporate office buildings, rail transport and multi-city mobile business offices, etc. During the Reporting Period, the Group signed new contracts for the Three Gorges Base Hangzhou and Changlongshan area projects, Hubei Provincial Public Security Bureau, Chengdu Huawei High-end Integrated Circuit Industrial Park, Wuhan Railway Transportation, etc., amounting to RMB61.2 million; the revenue from property management services for the year amounted to RMB793.3 million, representing a decrease of 14.3% as compared to that of the same period in 2023.

At the end of 2024, Lidao Property managed an area of 29,350,000 sq.m., of which 73% is provided to enterprise customers. In the future, Lidao Property will continue to promote the "Product Power + Organisational Power + Digital Power" trinity of service power pattern, continuously improve and enrich the connotation of comprehensive services for urban operations, and promote the Lidao Property brand into various services, by which time the operating income from property management services is expected to enter a high-speed upward channel.

Property leasing services

Established in August 2015, OVU Maker Star is a professional operator of technology business incubators and co-working spaces under the umbrella of CEOVU. Closely following the national development strategy, OVU Maker Star positioned itself to introduce and nurture strategic emerging industry clusters in various regions and industries, and empowered enterprises to innovate in science and technology and create value by taking science and innovation services as its core competitiveness. Adhering to the principle of "linking all resources for entrepreneurs", the Company has built a technological innovation service system with "1+2+3+4+5+N" as the core framework, which covers the creation of a two-innovation ecosystem, a multi-level incubation system, acceleration, and integrated operation and management, and effectively promotes the innovation of large, medium and small enterprises in a synergistic way.

OVU Maker Star is operating 37 sites with a total area of 400,000 sq.m. for innovation and entrepreneurship in 24 innovative cities across the country including Shanghai, Shenzhen, Wuhan, Chengdu, Xi'an, Changsha, etc. It has supported over 2,000 innovation teams and gathered over 80,000 innovative businessmen and entrepreneurs.

In 2024, there were 2 new incubation demonstration bases and 1 new co-working space that are up to provincial standard. Further, as of 31 December 2024, OVU Maker Star has received over 50 qualifications for its site operations including 2 demonstration bases, 7 technology business incubators, 9 co-working spaces, 2 innovation and entrepreneurship demonstration bases for small and micro enterprises and 1 advertising incubating platform that are up to national standard; 11 incubators and 11 co-working spaces that are up to provincial standard; as well as 2 incubators and 6 co-working spaces that are up to municipal standard. It was awarded over 80 awards from institutions including the National Development and Reform Commission, Torch High Technology Industry Development Center of the Ministry of Science and Technology, China Innovation and Entrepreneurship Trading Office and China Association for Science and Technology Enterprise Service Center.

In 2024, more than 882 visits were received by OVU Maker Star from over 102 groups of government bodies, institutions and social organizations, which further demonstrated the value as regional benchmarks for technology innovation and incubation; nearly 38 events were individually or jointly organized, such as industry contests, industry salons, corporate training and resource connection, covering more than 100 innovative and entrepreneurial enterprises, and connecting resources and effectively enhancing the vitality of innovation and entrepreneurship in enterprises; standards for service were developed and classified into 5 categories with 36 rules and more than 70 standard documents, which effectively improved the operational efficiency and provided guidelines for asset-light operation and output.

During the Reporting Period, benefiting from the Group's well-established industrial park integrated operation service system, the industrial park leasing business achieved a steady upward trend, with revenue of RMB111.2 million, representing an increase of 14.4% as compared with the corresponding period in 2023. It formed a synergy with the industrial park development business to achieve a better industry clustering effect.

Energy Services

CEC Energy Conservation, relying on China's regional energy resources and based on the integrated energy comprehensive full life-cycle operation service, adheres to the concept of "Green Constructs Multi-Win", actively responds to the national strategies of "Green Low Carbon Cities, Digital Cities, and Transformation of Energy Structures". Focusing on the concept of "Digital Energy", the company creates a digital platform for industrial information, fully supports the industrial ecology of China's information and innovation industry and the construction strategy of Digital China, and insists on promoting the development of clean energy industrial system construction at the urban and regional levels, and devotes itself to the goal of carbon peaking and carbon neutrality. At present, the total service area exceeds 20,000,000 sq.m., and the service customers exceed 6,000.

Based on years of deep research on integrated energy, the company has created OVU Low Carbon Cloud, a low-carbon industrial park operating system with a unified architecture and intelligent management with full-link synergy. Taking this as a link, it has completed the low-carbon industrial park application scenario with full coverage of source network, load and storage.

CEC Energy Conservation always adheres to the starting and ending point of serving users, society and government, and continues to promote energy-saving technology innovation. CEC Energy Conservation is the Wuhan Regional Energy Research and Application Centre, Wuhan Enterprise Research and Development Centre, the System Control Centre of China Building Energy Conservation Association, and the Vice-President Unit of the Regional Energy Association, and it has obtained more than 53 intellectual property rights in the key areas of low-carbon smart industrial parks.

During the Reporting Period, CEC Energy Conservation had new contracts amounting to RMB277.1 million. In 2024, the income from energy services was RMB198.0 million, representing an increase of 0.8% as compared to that of 2023.

Group Catering and Hotel Services

Established in 2011, Quanpai Catering is experienced in group catering management. It offers catering services that cover three major service models, namely contractual operation, technical support and operation, and entrusted management, to serve various large-scale industrial parks, higher education institutions, enterprises and public institutions, and hospitals etc. At the current stage, its annual catering capacity has reached 10 million person-times. Based in the industrial parks, Quanpai Catering not only provides services for the Group, but also promotes the business atmosphere in the park as a business incubator at the same time, attracting various businesses into the park and improving its comprehensive service capabilities.

Wuhan Ziyuan Hotel, with high-end hotel industry chain service capabilities, provides hotel project consulting, hotel design, hotel construction, and hotel operation services. Wuhan Ziyuan Hotel is the first hotel invested in and constructed by CEOVU. It is a modern art boutique hotel located in the park of Wuhan Creative Capital. The hotel has 54 suites and boutique rooms with modern art as the theme, including Yaxu Western dining room, Heyuanyan Chinese dining room, wine bar, cigar bar, outdoor infinity pool, high-end SPA, indoor golf, gym, multi-functional high-end banquet hall, conference room, and other supporting facilities.

The OVU apartment brand created by CEOVU, through the smart transformation of traditional apartments, establishes a software and hardware integrated smart platform, uses a smart apartment management system of a full-process unmanned management, and provides high-quality apartment housekeeper service through smart equipment terminals, including unmanned services from renting to check-in, from payment to contract signing, from access control and notification and repair request, so as to ensure the safety of accommodation, improve the efficiency of apartment property services, and enhance the user experience. At present, OVU apartment has formed a number of integrated operation service capabilities such as apartment brand positioning and design, apartment planning and design, assembly and operation and maintenance of apartment smart equipment, and apartment smart software system authorization and customized development. It has established presence in many parts of the country, such as Wuhan, Ezhou and Hefei.

In 2024, CEOVU adjusted the business strategies of group catering and hotel services and built and operated 4 hotels and 16 apartments for 16 projects in 13 cities across the country, the overall operation of which were satisfactory. The occupancy rate of the 654 suites of Changsha OVU Apartment reached 93%. Nearly 1,000 suites of Wang'an Apartment operated by Wuhan Ziyuan Hotel were all put into operation.

During the Reporting Period, revenue from group catering and hotel services amounted to RMB150.8 million, which decreased by 5.8% as compared to the same period of 2023.

II. INDUSTRIAL PARK DEVELOPMENT SERVICES

In recent years, with the strategic goal of building a leading industrial resource sharing platform in China, through the digital platform Park Pass (園區通), the Group has built a systematic and structured cross-regional coordination mechanism, which gives full play to the radial and leading influence of three window cities, namely Wuhan, Shanghai and Shenzhen, and further promotes cross-regional industrial cooperation and resource sharing in terms of space, market, capital and talents, etc.

During the Reporting Period, revenue from the property development in the industrial parks amounted to RMB1,372.7 million, representing a decrease of 42.5% as compared to that of the same period in 2023.

1 *Sales of Industrial Park Space*

During the Reporting Period, sales of industrial park space of the Group has added new contracted area of 282,000 sq.m., with contracted value of RMB1,541.6 million and annual collection of RMB1,494.0 million. Revenue amounted to RMB1,109.4 million, representing a decrease of 48.6% compared with the same period of 2023, which was mainly due to the adjustment of corporate strategy and affected by the macro business environment in China.

During the Reporting Period, the income from the sales of space of self-owned industrial parks of the Group was mainly contributed by three cities, namely Nantong, Qingdao and Shanghai. Among which, Nantong Company has implemented refined management, strengthening process control and fully motivating employees. At the same time, it has focused on industrial positioning and accurately targeted its customers, signing contracts with major customers such as Nantong Huiheng Electrical Equipment Co., Ltd.* (南通輝恆電氣設備有限公司) and Nantong Junzhirun Clothing Co., Ltd.* (南通君之潤服飾有限公司), with a turnover of RMB182.4 million for 2024, accounting for 16.4% of the sales from the sale of space in the self-owned industrial park; Qingdao Optics Valley Union Development Co., Ltd.,* (青島光谷聯合發展有限公司) capitalized on its advantages of excellent industrial park ecology, comprehensive supporting facilities, high-quality construction, made making careful planning and precise plans targeting at large and medium-sized customers, attracted companies such as Xinlan Electronic (Qingdao) Co., Ltd.* (新藍電子(青島)有限公司) and Qingdao Yijia Cultural Media Co., Ltd.* (青島溢嘉文化傳媒有限公司) to settle in its industrial parks, with a turnover of RMB154.6 million for 2024, accounting for 13.9% of the turnover from sales of self-owned industrial parks; Shanghai Company seeks venture capital to support the Company. Focusing on the goal of attracting major customers, it signed contracts with major customers such as Shanghai Yijian Medical Laboratory Co., Ltd.* (上海奕檢醫學檢驗實驗室有限公司) and Zenguang Bioengineering (Shanghai) Co., Ltd.* (增廣生物工程(上海)有限公司), with a turnover of RMB97.0 million for 2024, accounting for 8.7% of the sales from the sale of space in the self-owned industrial park.

In 2024, there were 31 projects in 23 cities where space of self-owned industrial parks were sold. This demonstrated that the layout of the Group's industrial parks business in major cities across the country has been widely recognized by the market and our clients, and the multi-zone park layout is conducive to lowering the systematic risk and ensuring the annual target of the revenue from sales of industrial parks can be achieved.

2 Development and Completion of Industrial Parks

In order to further focus on distinctive industries and construct manufacturing-themed parks, the Group has adopted the strategic direction of serving the manufacturing power through "Responsive Customization (敏捷定制)", which has facilitated the transformation and upgrade of local industries. During the Reporting Period, the total area of construction commenced amounted to 414,000 sq.m., and completed construction area amounted to 429,000 sq.m. As at the end of the Reporting Period, the total area under construction was 678,000 sq.m.

Completed Area in Major Cities throughout the Country

City	Project Name	Completed area in 2024 ('000 sq.m.)
Xi'an	Xi'an CEC Information Port	9.2
Xianyang	China Electronics Western Zhigu	17.1
Luoyang	Luoyang OVU CEOVU Industrial Park	7.5
Wuhan	CEOVU Intelligent Manufacturing Center	49.7
Nantong	China Electronic Eastern Zhigu	47.2
Changsha	Changsha China Electronics Smart Creation Park	30.9
Chongqing	Chongqing CEOVU Technology City	11.7
Chongqing	China Electronics Western Smart Creation Park	13.9
Wuhan	Wuhan CEC Information Harbour	57.6
Ezhou	Ezhou OVU Science and Technology City	7.1
Shanghai	Shanghai CEC Information Harbour	88.4
Changsha	China (Changsha) Information Security Industrial Park	88.4
Total		428.7

3 Land Bank of the Industrial Parks

As at the end of the Reporting Period, the Group owned approximately 4,914,000 sq.m of high-quality land bank for the industrial parks in various cities, including Wuhan, Shanghai, Qingdao, Changsha, Chengdu, Tianjin, Hefei, Chongqing, Shenyang, Luoyang, Xi'an, Wenzhou, Ezhou, Nantong, Heyuan and Yantai, etc.

Table of Land bank of Industrial Parks

No.	Project	City	Location	Usage	Interest Attributed to the Group	Land Bank (sq.m.)
1	Optics Valley Software Park (光谷軟件園)	Wuhan	1 Guanshan Avenue, Wuhan, Hubei Province	Industrial	100%	39,741
2	Financial Harbor (Phase I) (金融港一期)	Wuhan	77 Guanggu Avenue, Wuhan, Hubei Province	Industrial	100%	27,215
3	Financial Harbor (Phase II) (金融港二期)	Wuhan	77 Guanggu Avenue, Wuhan, Hubei Province	Industrial	100%	25,009
4	Creative Capital (創意天地)	Wuhan	16 Yezhihu West Road, Hongshan District, Wuhan, Hubei Province	Commercial	100%	131,650
5	Wuhan Innocenter (武漢研創中心)	Wuhan	Intersection of Guanggu Avenue and Yangqiaohu Avenue, Wuhan, Hubei Province	Industrial	100%	40,244
6	Wuhan CEC Information Harbour (武漢中電信息港)	Wuhan	Intersection of Guanggu Avenue and Yangqiaohu Avenue, Wuhan, Hubei Province	Industrial	100%	71,262
7	Qingdao Optics Valley Software Park (青島光谷軟件園)	Qingdao	396 Emeishan Road, Qingdao, Shandong Province	Industrial	100%	94,850
8	Qingdao CEC Information Harbour (青島中電信息港)	Qingdao	396 Emeishan Road, Qingdao, Shandong Province	Industrial	100%	106,708
9	Qingdao Innocenter (青島研創中心)	Qingdao	East of Emeishan Road, West of Jiangshan Road, South of Yi Zhong Development Zone, Qingdao, Shandong Province	Residential/ Industrial	100%	66,531
10	Qingdao Marine & Science Park (青島海洋科技園)	Qingdao	South of Changjiang West Road, West of Jiangshan South Road, North of Binhai Avenue, Qingdao Economic & Technical Development Zone, Qingdao, Shandong Province	Industrial	100%	175,978
11	Huanggang OVU Science and Technology City (黃岡光谷聯合科技城)	Huanggang	Junction of Zhonghuan Road and Xingang North Road, Huangzhou District, Huanggang, Hubei Province	Industrial	70%	85,779
12	Shenyang OVU Science and Technology City (瀋陽光谷聯合科技城)	Shenyang	Intersection of Shengjing Avenue and Fourth Ring Road, Shenbei New District, Shenyang, Liaoning Province	Industrial	100%	4,375

No.	Project	City	Location	Usage	Interest Attributed to the Group	Land Bank (sq.m.)
13	Shenyang CEOVU Information Harbour (瀋陽中電光谷信息港)	Shenyang	Intersection of Qixing Street and Fourth Ring Road, Shenbei New District, Shenyang, Liaoning Province	Industrial	100%	38,412
14	Shenyang Maker Corporation (瀋陽創客公社)	Shenyang	Intersection of Qixing Street and Shenbei Road, Shenbei New District, Shenyang, Liaoning Province	Commercial	100%	30,432
15	Shenyang CEOVU Technology City (瀋陽中電光谷科技城)	Shenyang	77 Qixing Street, Shenbei New Area, Shenyang, Liaoning Province	Industrial	100%	64,089
16	Ezhou OVU Science and Technology City (鄂州光谷聯合科技城)	Ezhou	Gaoxin Third Road, Gedian Development Zone, Ezhou, Hubei Province	Industrial	80%	197,921
17	Huangshi OVU Science and Technology City (黃石聯合科技城)	Huangshi	Intersection of Baoshan Road and Jinshan Boulevard, Golden Hill New Industrial Zone, Huangshi, Hubei Province	Industrial	100%	177,243
18	Lidao Top View (麗島半山華府)	Huangshi	76 Hangzhou West Road, Huangshi Development Zone, Hubei Province	Residential	100%	16,504
19	Hefei Financial Harbor (合肥金融港)	Hefei	Intersection of Huizhou Avenue and Yangzijiang Road, Hefei, Anhui Province	Commercial	100%	155,050
20	Xi'an CEC Information Port (西安CEC信息港)	Xi'an	West of Caotan Tenth Road, North of Shangji Road, Xi'an, Shaanxi Province	Industrial	73.91%	89,903
21	CEC (Wenzhou) Information Port (中國電子(溫州) 信息港)	Wenzhou	Jinhai Park, Wenzhou Economic and Technological Development Zone, Wenzhou, Zhejiang Province	Industrial	95%	118,170
22	Shanghai CEC Information Harbour (上海中電信息港)	Shanghai	Lot 114/1, 101 Street, Songjiang Industrial Park, Songjiang District, Shanghai	Scientific research	100%	185,477
23	Chengdu Chip Valley (成都芯谷)	Chengdu	No.1 Fengle District, Dongsheng street, No. 7 Guangrong District, Pengzhen, Chengdu City, Sichuan Province	Scientific research/ Commercial	80%	540,104

No.	Project	City	Location	Usage	Interest Attributed to the Group	Land Bank (sq.m.)
24	Luoyang OVU CEOVU Industrial Park (洛陽OVU中電光谷產業園)	Luoyang	Intersection of Guanlin Road and Longshan Line, Luolong District, Luoyang, Henan Province	Industrial	70%	38,803
25	China (Changsha) Information Security Industrial Park (中國(長沙)信息安全產業園)	Changsha	Yuelu Avenue, High-tech Industrial Development Zone, Changsha City, Hubei Province	Industrial	100%	322,854
26	China Electronics Western Zhigu (中國電子西部智谷)	Xianyang	No. 3, Xinghuo Avenue, Hightech Industrial Development Zone, Qindu District, Xianyang City, Shaanxi Province	Industrial	50%	177,818
27	Tianjin China Electronics Technology Innovation Park (天津中電科創園)	Tianjin	Tianjin High-tech Zone Huayuan Technology Park	Commercial	80%	132,944
28	CEOVU Intelligent Manufacturing Center (中電光谷智造中心)	Wuhan	About 100 meters northwest of the intersection of Jingdong Avenue and Wuyi South Road, Xinzhou District, Wuhan City, Hubei Province	Industrial	100%	104,876
29	CEOVU Digital Industrial Park (中電光谷數字產業園)	Wuhan	Changfu Industrial Park, Caidian District, Wuhan City, Hubei Province	Industrial	100%	52,119
30	Chongqing CEOVU Technology City (重慶中電光谷科技城)	Chongqing	Phase I of Qingfeng High-tech Industrial Park, Shapingba, Chongqing	Industrial	100%	35,942
31	China Electronics Western Smart Creation Park (中電西部智造園)	Chongqing	Caijiagang, Beibei, Chongqing	Industrial	100%	85,919
32	Changsha China Electronics Smart Creation Park (長沙中電智造園)	Changsha	South of Luoluotang Road, East of Huangxing Road, Economic and Technological Development Zone, Changsha City, Hunan Province	Industrial	60%	67,415
33	CEOVU Mianyang Science Park (中電光谷綿陽科技園)	Mianyang	37 Xinping Avenue, Yongxing Town, High-tech Zone, Mianyang City, Sichuan Province	Industrial	100%	326,150
34	China Electronic Eastern Zhigu (中國電子東部智谷)	Nantong	123 Shilun Road, Chongchuan District, Nantong City, Jiangsu Province	Industrial	70%	234,721

No.	Project	City	Location	Usage	Interest Attributed to the Group	Land Bank (sq.m.)
35	Yichang Network Information Industrial Park (宜昌網信園)	Yichang	Intersection of Tuanjie Road and Tiantai Road, Dianjun District Electronic Information Industrial Park, Yichang City, Hubei Province	Industrial	100%	62,670
36	CEOVU Handan Smart Creation Center (中電光谷邯鄲智造中心)	Handan	East of Matoujing 4th Street, south of Chunhe Road, west of Matoujing 5th Street, South Hebei New District, Handan City, Hebei Province	Industrial	80%	96,971
37	CEOVU Digital Intelligence Industrial Park (中電光谷數智產業園)	Wuhan	Hongyan Village, Qiulin Village, Xingguang Village, Shishan Street, Caidian District, Wuhan City, Hubei Province	Industrial	100%	116,683
38	Xianyang Biolake (咸陽生物城)	Xianyang	North of Xinghuo Avenue, west of Weiqing Road, east of Hanwu Avenue, and south of Wei Er Road, Xianyang City	Industrial	60%	202,684
39	Hongze Ecological Economy Demonstration Park (Phase 2) (洪澤生態經濟示範園二期)	Huaian	South of Yanma Road, east of Kaituo Road, Hongze Economic Development Zone, Huaian City	Industrial	100%	83,343
40	Yentai CEC Zhigu (煙台中電智谷)	Yentai	East of Huagong Road, west of Dianchang East Road, and north of Zhuji North Road, Zhifu District, Yantai City, Shandong Province	Industrial	51%	108,195
41	OVU Heyuan Zhigu (OVU河源智谷)	Heyuan	North of Guihua Heng Er Road and on the four sides of Guihua Jing Ba Road, Startup Area of Heyuan Jiangdong New District Industrial Park	Industrial	70%	181,730
	Total					4,914,485

INTRODUCTION OF MAJOR INDUSTRIAL PARK PROJECTS

Briefings on development progress of industrial park projects in 2024

Hefei Financial Harbour

The Group intends to develop it into a park for financial middle and back offices and innovative financial business.

Location:	Intersection of Huizhou Avenue and Nanjing Road in Binhu New District, Hefei.
Scale:	The project has a planned gross floor area ("GFA") of 640,000 sq.m.
Project positioning:	Specialised financial services district, regional headquarters, etc.
Details of the project:	Including high-rise commercial office buildings, separate multi-storey office buildings, OVU international service apartments, Hilton Garden Hotel, specialised commercial streets, etc.
Target of the project:	Based on the characteristics of regional industry and relying on the background of industrial upgrade and transformation, the project will focus on the introduction of regional headquarters and back offices of financial institutions, such as banks, insurance, and securities, and the upstream and downstream of the industry chain, such as finance leases, internet finance, fintech, and financial services outsourcing, which will attract industrial enterprises to establish in the park and create the Hefei Binhu financial industrial ecosystem.
Progress of the project:	The project was completed and delivered in December 2019, and park investment was completed at the end of 2023. Hefei Financial Port has already attracted over 830 financial and commercial enterprises, created employments of over 10,000 and realized annual tax of over RMB0.882 billion in 2024, creating an industrial ecosystem which gathers wide variety of enterprises with unimpeded development elements and comprehensive functionalities. It has also become a new landmark among industrial parks in Hefei.

Qingdao Innocenter

The Group intends to develop it into a demonstration project of innovation business for small and medium-sized technology companies in Qingdao.

Location:	Jiangshan South Road in West Coast New District in Qingdao, which is a national new district.
Scale:	The project has a planned site area and a planned GFA of approximately 62,000 sq.m. and 128,000 sq.m. respectively.
Project positioning:	With high-end research and development and creative industries as the focus, such as artificial intelligence, IC design, research and development of smart manufacturing, and industrial internet, accompanied by human resources, education and training, fintech, new digital services and more, the project will build a new generation city-industry integration and street district with characteristics integrating various space formats, including research and development, creativity, new types of headquarters, shared offices, lohas commercial streets, and service apartments, and other services and functions. It targets to create a demonstration zone for high-end research and development and creative industries among the best in the country, and promote the transformation and upgrading of traditional manufacturing industry and the real economy.
Details of the project:	Research and development, creativity, new types of headquarters, shared offices, lohas commercial streets and service apartments.

Target of the project:	Led by leading enterprises in the industry and new types of headquarters, and relying on sharing and co-creation platform for specialized industrial resources, it will form a new generation city-industry integration that integrates multiple functions, such as research and development, creativity, new types of headquarters, shared offices, and service apartments at a fast pace, and create the core carrier and demonstration park for promoting the transformation and upgrading of traditional manufacturing industry in the Qingdao West Coast New District and the real economy. After the maturity period, it will be able to gather over 200 enterprises and institutions of various research and development, creative and ancillary services, with an annual output of RMB3 billion to RMB5 billion, gathering approximately 10,000 talented people.
Progress of the project:	All constructions have been completed and put into operation.

Qingdao Optical Valley Software Park

Location:	396 Emeishan Road, West Coast New District, Qingdao, Shandong Province.
Scale:	The project has a planned site area of 259 mu (approximately 173,000 sq.m), a planned gross floor area of approximately 310,000 sq.m. and a delivered operating area of 310,000 sq.m..
Project positioning:	Integrated digital economic industrial park, demonstration base of national-level marine technological innovations, and demonstration base of new-generation information technology industry.
Details of the project:	Research and development office buildings, headquarters of technology enterprises, industrial development platform, auxiliary business facilities, etc.
Targets of the project:	Through construction of the national leading industrial resource sharing platform, the project has targeted to drive the transformation and upgrade of the urban industries and the industrial growth in a benchmarking clustering manner, to create a center for high and new technology enterprises in West Coast, to enhance regional economic dynamic and competitiveness, and to accelerate the transformation and upgrade of industrial structure in West Coast. Upon maturity stage, it can attract over 1,500 enterprises engaging in emerging industries such as marine-oriented blue industry, high digital economy, high intelligence manufacturing, medical healthy, human resources, etc., generating annual production value of RMB30 billion.
Progress of the project:	All constructions have been completed and put into operation.

Qingdao CEC Information Harbour

Location:	396 Emeishan Road, West Coast New Area, Qingdao.
Scale:	The project has a planned site area of 60 mu, a planned gross floor area of 179,000 sq.m., of which overground and underground gross floor areas are 125,000 sq.m. and 54,000 sq.m., respectively.
Project positioning:	The project strives to become a demonstration base of national information innovation industry, a demonstration base of national high-end digital economic transformation and upgrade and a core leading development area of new economic industries. Led by the development direction which bases on information innovation and high-end digital economy, the project has focused on the benchmark items introduction of information security, artificial intelligence, cloud computing, 5G, industrial internet, digital manufacturing, etc.
Details of the project:	The project has planned to create a digital technology application center, information security research center, headquarters for technology research and development, demonstration base of high-end digital economic transformation and upgrade, specialised commercial and trendy street, etc.
Targets of the project:	Upon completion and full operation, it is expected that the project can attract over 300 enterprises engaging in a wide variety of information innovation industry and new economic benchmark projects, gathering a pool of talents in high-end industries of over 5,000, and realizing an annual production value of RMB5 to 10 billion and an annual tax of RMB0.3 billion to 0.5 billion.
Progress of the project:	All constructions have been completed and put into operation.

Qingdao Marine & Science Park

Location: 1699 Zhujiang Road/77 Jinshajiang Road, West Coast New Area, Qingdao, Shandong Province.

Scale: The project has a planned site area of 208 mu (approximately 139,000 sq.m), a planned gross floor area of 230,000 sq.m., of which Phase I has a gross floor area of approximately 78,000 sq.m. (overground and underground areas are 61,000 sq.m. and 17,000 sq.m. respectively) and Phase II has a gross floor area of approximately 150,000 sq.m.(overground and underground areas are 117,000 sq.m. and 33,000 sq.m. respectively).

Project positioning: The project strives to become a demonstration base of national-leading, international renowned marine technology innovations, a demonstration base of applied marine technology transformation, headquarters for high-end marine services enterprise and scientific research and development center, and a platform gathering innovative elements such as demonstrative transactions of modern marine industries, etc. Oriented in the research and development of high-end applied marine technologies, the project has focused on the research and development of artificial intelligence, industrial internet, IC design, advanced manufacturing and high-end devices, etc.

Details of the project: Innovative center for marine technology, marine technology transformation and acceleration center, headquarters for high-end marine-related service enterprise and research and development centers, research and development headquarters for advanced manufacturing, equipped with relevant auxiliary business facilities.

Targets of the project: Upon completion and full operation, it is expected that the project can attract over 300 enterprises engaging in a wide variety of marine-related blue industry and high and new technology, gathering a pool of talents in mid to high-end industries of over 10,000, and realizing an annual direct production value of RMB5 billion and an annual production value of related industries of over RMB20 billion (profit tax of approximately RMB2 billion).

Progress of the project: Phase I has been completed and put into operation, while Phase II is under construction.

China (Changsha) Information Security Industrial Park

Location:	At the intersection of Yuelu Avenue and Jianshan Road in Changsha High-tech Industrial Development Zone.
Scale:	The project has a total planned site area of 254 mu and a GFA of approximately 610,000 sq.m. The start-up area occupies 194 mu and a GFA of 467,000 sq.m. (including underground area, with an expansion area of 60 mu and a GFA of 143,000 sq.m.).
Targets of the project:	Leading the way to build a concentration of information security industry, shaping a new business card of Hunan's special industry.
Project positioning:	The project is an industrial park aiming at deepening strategic cooperation between the Hunan Provincial Government and CEC. Adhering to the concepts of civil-military dual-use, city-industry integration as well as integration of science, technology and art, the project focuses on information security, civil-military dual-use, Beidou navigation application, smart manufacturing and other development directions, to create the 4.0 version of digital park.
Details of the project:	Separate R&D office buildings, high-rise R&D office buildings, multi-storey R&D office buildings, staff apartments, incubators, staff canteens, centralized energy management system (DHC), etc.
Project status:	486,000 sq.m. have been completed and 124,000 sq.m. are to be developed in Phase II and Extension Phase II.

Shenyang Maker Corporation

Location: Located at 12 Qixing Street, Shenbei New District, which is in the core area of Shenbei University City and at the northwest of intersection of Shenbei Road and Qixing Street, the project enjoys distinctive advantages in transportation. The project is adjacent to undergraduate institutions such as Shenyang Institute of Engineering, Liaoning Communication University, Shenyang Aerospace University and Shenyang Normal University.

Scale: The total site area is 15,422 sq.m., and a staff apartment building, a building for innovation and entrepreneurship co-working spaces, and a building for innovation and entrepreneurship incubator will be constructed. The total GFA is approximately 48,000 sq.m..

Project positioning: As the earliest innovation and entrepreneurship service platform city station launched by CEOVU Group in Northeast China, it will integrate the strength and resources of the government, parks, enterprises, universities, and social institutions to create a multi-scenario interactive entrepreneurship MALL covering "headquarters office, incubation office, maker market, maker apartment, entrepreneurship coffee, financial services, professional training, entrepreneurship counseling, crowdfunding and crowdsourcing" etc., to build the largest public innovation and entrepreneurship service platform in Shenyang.

Details of the project: A staff apartment building, a building for innovation and entrepreneurship co-working spaces, and a building for innovation and entrepreneurship incubator. Including: presentation centers, office for small and micro enterprises, office for headquarters, serviced apartments, service centers and relevant auxiliary business facilities.

Project status: Development phase was completed and operation phase has commenced.

Shenyang CEOVU Information Harbour

Location:	80 Qixing Street, Shenbei New Area (intersection of Qixing Street and Shenbei Road, Shenbei New District, Shenyang, Liaoning Province).
Scale:	The project has a site area of 335 mu, and the development is divided into two phases, with total GFA of 193,000 sq.m. (including 27,000 sq.m. to be developed).
Project positioning:	The five core industries are "smart manufacturing, advanced technology integration, biomedicine and third-party testing, agricultural farming, new materials and new energy".
Details of the project:	Intelligent manufacturing industry houses, standard factories and customized factories, R&D centers, small and medium-sized enterprises incubators, single headquarters offices, staff centers and other industrial forms and supporting facilities of the park.
Project status:	166,000 sq.m. have been completed put into operation.

Shenyang CEOVU Technology City

Location:	77 Qixing Street, Shenbei New Area (450 metres north of the intersection of Qixing Street and Fourth Ring Road, Shenbei New District, Shenyang, Liaoning Province).
Scale:	The project has a site area of 126 mu, and the development is divided into three phases.
Project positioning:	The "3+N" industrial positioning model is based on the three core industries of "smart manufacturing, biomedicine and third-party testing, and agricultural farming".
Details of the project:	"Responsive Customization (敏捷定制)" factories, single-storey steel structure factories, multi-storey frame factories, technological innovative pilot scale trial, headquarters research and development and catering center.
Project status:	Phase I.I has been fully completed and put into operation, and Phase I.II is under construction.

Chengdu Chip Valley

Location:	It is located in Yicheng Avenue and the planning area of Yinhe Road, Shuangliu District, Chengdu.
Scale:	Chengdu Chip Valley Industrial Function Zone has a planned area of 36.7 sq.km. The Chengdu Chip Valley Research and Innovation City currently under construction is the core and start-up zone of Chengdu Chip Valley, covering a planned area of 1 sq.km. and being listed as a demonstration zone of the million sq.m. high-quality space in Chengdu.
Project positioning:	Chengdu Chip Valley, being the integrated circuit industry cluster and innovation area jointly built by China Electronics and the Chengdu Municipal Government, is the main hub for the development of electronic information industry as well as the source of innovation and cluster area for integrated circuit industry in Chengdu. Focusing on high-tech industry fields such as integrated circuit, network security, artificial intelligence, 5G and Internet of Things, it will build a 100-billion-level electronic information industry ecosystem, to become a new pole of electronic information in China, the first choice for international science and innovation talents, and a new model of Chengdu's future park city.
Details of the project:	Construction of high-quality science and innovation space, customization of space carrier, R&D and office properties, corporate headquarters, open labs, public technical service platform, scientific incubators, accelerators, practical training base, international innovation centers, international headquarter centers and urban functional supporting facilities, etc.
Project status:	The construction area of high-quality science and innovation space in Chengdu Chip Valley has reached 607,000 sq.m. Among which, 272,000 sq.m. has been completed, 37,000 sq.m. was under accelerated construction, and 298,000 sq.m. were to be built as of December 2024.

CEOVU Mianyang Science Park

Location:	37 Xinping Avenue, Yongxing Town, High-tech Zone, Mianyang.
Scale:	The net site area of the project is 472 mu, with a planned total GFA of approximately 330,000 sq.m..
Project positioning:	Backed by leading enterprises such as CEC, Changhong, BOE, and Giastar Magnet, it will introduce and cultivate enterprises of supporting industrial chain, such as electronic information, magnetic materials and components, high-end equipment, and biotechnology.
Details of the project:	With the design concept of "multi functions, expansion and compatibility", it will provide spaces for purposes such as smart manufacturing, R&D and testing, headquarters office and living facilities in the industrial park in an orderly manner, providing a one-stop solution to the production, R&D, management, and life needs of enterprises in the park.
Project status:	Phase I of the project has a total GFA of 130,000 sq.m and is being constructed in batches. Among which, 19 buildings in Phase I.I have been completed, and pile foundation construction has begun for 8 factories in Phase I.II. In December 2023, 263 mu of land was acquired for Phase II.

Shanghai CEC Information Harbour

Location: The project is located at the economy and technology development zone in Songjiang District, Shanghai City, extending to Wensong Road in the north, No. 3 River of Xiaokunshan near Wenji Road in the west, Mianzhang Harbour in the south, and adjacent land in the east. It has dual national- level enterprise status, i.e., national economy and technology development zone and national comprehensive bonded zone.

Scale: It is the first C65 land in Songjiang. Compared to industrial land, C65 land has higher land value. Shanghai CEC Information Harbour has a site area of 125 mu, a gross floor area of approximately 275,000 sq.m., of which Phase I covers 186,200 sq.m. and Phase II covers 88,500 sq.m..

Project positioning: Building on the industrial resource advantages of CEC, the Harbour bases on the comprehensive life cycle operation, aligns with the 6+X industrial planning of Songjiang, Shanghai, and focuses on electronic information industry, covering leading smart industry fields in the 5G era, such as integrated circuits, biomedicine, and artificial intelligence.

Details of the project: Presentation center, research and development center, office headquarters, smart apartment, service center and the relevant auxiliary business facilities.

Progress of the project: Construction and filing of Phase I was completed in September 2022. Construction and filing of Phase II were completed in April 2024.

Chongqing CEOVU Technology City

Location:	Qingfeng Scientific Innovation City, Shapingba District, Chongqing City.
Scale:	The project has a total planned gross floor area of approximately 400,000 sq.m., of which Phase I has a planned gross floor area of approximately 96,000 sq.m..
Project positioning:	Based on advanced intelligent manufacturing industry, the City focuses on intelligent network, new-generation information technology and high-end devices. It integrates various functionalities such as intelligent manufacturing, technological innovative pilot scale trial, headquarters research and development, etc. It has built a resource sharing platform with comprehensive life cycle to help business incubation, acceleration and development of enterprises.
Details of the project:	The first phase of the project will be constructed in five batches, with planning for agile customization, single-story factory buildings, detached factory buildings, duplex factory buildings, multi-story factory buildings, high-level research offices, industrial service centers, as well as supporting facilities such as canteens and convenience stores.
Targets of the project:	To actively integrate into the construction of Chengdu-Chongqing twin-city economic circle, to promote the joint construction of "one belt and one road" advanced manufacturing base, and to endeavor to build the Western (Chongqing) Science City advanced manufacturing base. After the completion of the project, about 60 high-quality enterprises will be attracted, and the total output value of the park is expected to reach RMB2 billion.
Awards:	"2024 Industrial Service Benchmark" Included in the "2023 List of Major Municipal Projects in Chongqing" Listed on "2023 List of Significant Projects in Chengdu-Chongqing Economic Circle" Shortlisted in key projects of new infrastructure construction under the "14th Five-Year Plan (2021-2025) of digital economy of Chongqing City".
Progress of the project:	As of the end of 2024, construction and filing of 72,000 sq.m. of the project were completed. Currently, 24,000 sq.m. is under construction. The main construction is underway in an orderly manner and planned to be completed and delivered in October 2025. Up to now, the park has introduced 30 high-quality enterprises, 20 of which have been put into production, including 1 enterprise under the Fortune Global 500, 1 enterprise under the Fortune China 500, 1 wildebeest enterprise, 11 specialized and innovative enterprises, and 13 high-tech enterprises.

China Electronics Western Smart Creation Park

Location: Located at Beibei Caijia Groups, Xiema Group, Liangjiang New Area, Chongqing, adjacent to Jiayun Avenue, Xiangjiagang station in Subway Line 6.

Scale: A site area of 1,000 mu and a starting area of 202 mu.

Project positioning: Four positionings

Beibei region – 1. "demonstrative pioneer area" of Chongqing industrial internet; 2. demonstration base of national new industrialised industry for industrial internet.

Chongqing City – 1. Industrial internet of Chengdu-Chongqing region – demonstration base of integrated development; 2. Innovative development land for national industrial internet.

Details of the project: Phase I (approximately 200 mu) includes high-rise research and development office buildings, multi-storey research and development office buildings, separate research and development office buildings, high-rise factories, separate factories, canteen, etc.

Targets of the project: Based on the theme of industrial internet and vertically focusing on intelligent sensors, information technology services, to build industrial internet which integrates three elements "Hardware, Software, Security". Under the cooperative structure, led by direction of industrial internet enabling, the Park targets to facilitate optimization and cooperation among supply chain, C2M manufacturing and soft production by focusing on two strategic emerging industry, ie, new intelligent terminals, intelligent network connected vehicles.

It will become new application center of the national industrial internet, demonstrative benchmark park of traditional industrial digitalization of the western district, gathering zone of Chongqing intelligent ecological integration, and a demonstration of high quality development of manufacturing industry in Sichuan and Chongqing and the central-western district.

Awards: Listed on "2023 List of Significant Projects in Chengdu-Chongqing Economic Circle"

Progress of the project: 33,000 sq.m. has been completed and 16,000 sq.m. are under construction.

Xi'an CEC Information Harbour

Location:	No. 1288, Caotan 10th Road, Economic and Technological Development Zone, Xi'an, Shaanxi Province.
Scale:	Industrial park occupies a total site area of approximately 120,000 sq.m., and approximately 200,000 sq.m. has been completed.
Project positioning:	It focuses on the development of high intelligent manufacturing, software and service outsourcing, civil-military use, healthcare, inspection and testing, and financial services industries, and develops a system for the construction and management of smart industrial park.
Details of the project:	Products such as separate buildings for enterprises, customized plants, production acceleration products, integrated office buildings, apartments with ancillary facilities.
Progress of the project:	The CEC Xi'an Industrial Park (中國電子西安產業園) has a built-up area of 198,000 sq.m., including an underground garage of 31,900 sq.m.. The project has attracted 119 enterprises to reside, including 25 high-tech enterprises, 1 national "specialized and innovative little giant" enterprise, 5 provincial "specialized and innovative" enterprises, 1 gazelle company, 2 small and medium-sized enterprises listed on GEM and the Main Board of the Stock Exchange, respectively.

Tianjin China Electronics Technological Innovation City

Demonstration Area of Cooperation and Innovation in Beijing-Tianjin-Hebei

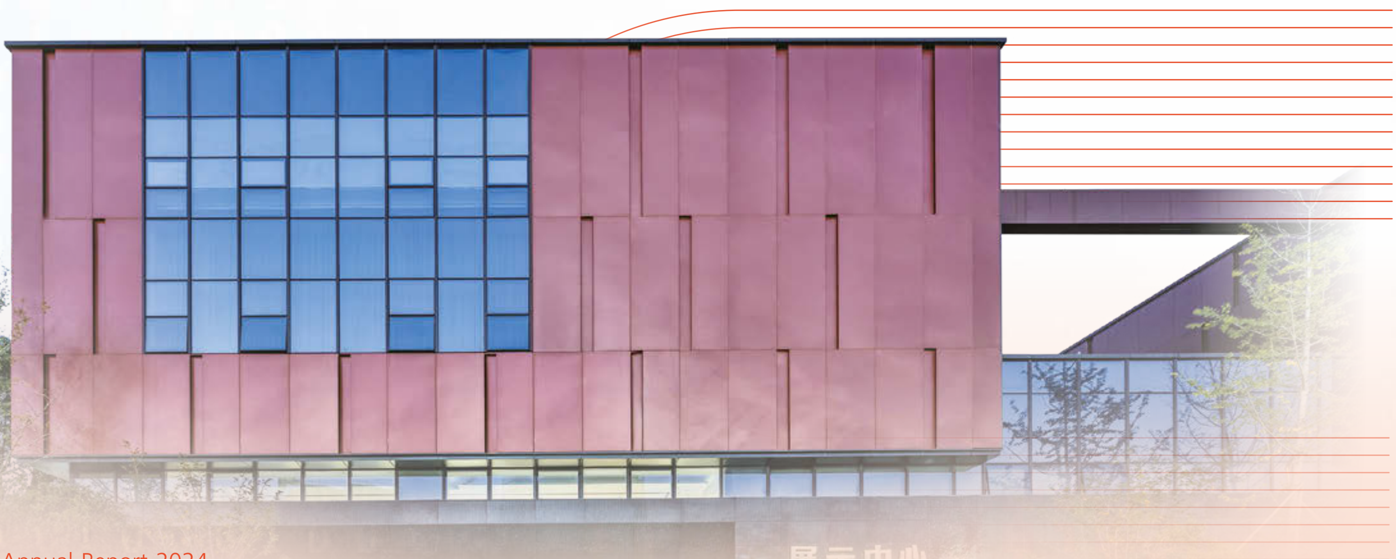
Location:	Located at the interjunction of Ying Shui Dao and Jianyang Road, Huayuan Industrial Park, Nankai District, Tianjin
Scale:	A site area of approximately 45,000 sq.m., a gross floor area of approximately 160,000 sq.m., of which overground capacity building area is approximately 112,000 sq.m.
Project positioning:	The project is positioning at new generation information technology and digital economy and focuses in digital content, network security, smart city, intelligent manufacturing technologies, etc.. It strives to form a comprehensive ecological system of self innovation and to become a demonstration zone of cooperative development in Beijing-Tianjin-Hebei and a national- leading digital industrial innovation center.
Details of the project:	Consisting of 7 multi-storey, high-rise office building and some auxiliary business facilities.
Progress of the project:	All constructions have been completed and put into operation.
Targets of the project:	Upon completion, the project will provide new trainings and introduce over 120 quality enterprises, realizing sales revenue from enterprises entering the park of approximately RMB3 billion.

Luoyang CEOVU Information Harbour

Location:	The intersection of Guanlin Road and Longshan Avenue, High-tech Industrial Development Zone, Luoyang, Henan Province.
Scale:	The project has a planned site area of 152 mu and a total GFA of approximately 100,000 sq.m.
Project positioning:	Manufacturing of aerospace equipment, manufacturing of advanced equipment, new materials and new energy, electronic information industry, information innovation industry, Internet big data, microelectronics software development, security consulting, system integration, security operation and maintenance, network information security and other leading industries.
Details of the project:	Single-storey plants, two-storey plants, multi-storey plants and high-rise research and development office buildings, an incubation and innovation working spaces for small and micro enterprises, headquarters economy, is a comprehensive showcase zone which integrates production, office, residential, life and entertainment.
Progress of the project:	Phase I includes presentation center, manufacturing factories, auxiliary factories, with completed area of 70,000 sq.m. There have been 22 enterprise residents, such as Dingyang Photoelectric, Jingqin Industrial, Micron Optoelectronics, Hopu Optical, Shuolixin New Energy and Guluo Optoelectronics, with annual output value of around RMB160 million and tax of over RMB1 billion. Phase II plans to build seven new factory buildings, which is currently under planning.

China Electronics (Wenzhou) Information Harbour

Location:	No.355, Binhai 12th Branch Road, Wenzhou Economic and Technology Development Zone.
Scale:	A gross floor area of approximately 275,000 sq.m., which have been completed and put into operation.
Project positioning:	As an integrated digital park jointly built by China Electronics Corporation and the Wenzhou Municipal Government, China Electronics (Wenzhou) Information Harbour actively promotes the construction of an integrated platform for industry clustering, resource introduction and central-local docking, by capitalizing on the brand influence of China Electronics. It will empower industrial development with the digital economy and promote digital transformation and upgrading of the industry. Through application in the industrial transformation and upgrading, it will create a development path for digital economy, promote industrial digitization and digital industrialization, influence Zhejiang and Eastern China region, and promote the rapid development of the digital economy in Wenzhou and Zhejiang.
Details of the project:	It includes single-storey, three-storey and four-storey standard factory buildings, project supporting canteen, dormitory, R&D building and office building
Targets of the project:	Wenzhou Industrial Park would become a demonstration area for the transformation and upgrading of traditional manufacturing industry in Zhejiang, and a national demonstration base for the integration of industrial digitalization, and become a leading industrial new city operator in China.
Progress of the project:	Construction of the project was completed. Currently, there are more than 40 enterprises in the park and the park's ancillary services have been highly developed.



China Electronics Western Zhigu Park

Location:	3 Xinghuo Avenue in the National Xianyang Hi-Tech Zone (國家級咸陽高新區星火大道).
Scale:	Total planned site area of 3,200 mu, of which, the CEC Xianyang Generation 8.6 LCD panel production line project in pilot zone occupies a total site area of 1,200 mu and has been completed and put into operation, the development zone occupies 1,000 mu, and the reserved control zone occupies 1,000 mu. In respect of the Western Zhigu Park (西部智谷), Phase I occupies a total site area of approximately 173,100 sq.m. and a total GFA of approximately 188,000 sq.m. and Phase III occupies a total site area of approximately 173,300 sq.m. and a total GFA of approximately 182,000 sq.m.
Project positioning:	A concentration of national-level display device industry players. Strategic emerging industries such as electronic information and intelligent manufacturing are the leading industries.
Details of the project:	Exhibition centers, double innovation centers, star hotels, intelligent manufacturing plants, customized plants, research and development office buildings, smart apartments, service centers and relevant commercial facilities.
Project status:	As of December 2024, the construction of China Electronics Western Zhigu Park with a GFA of 265,000 sq.m. was fully completed and put into operation. The enterprises entering the park are expected to contribute approximately RMB2 billion for Xianyang.

China Electronics Eastern Zhigu Park

A project jointly invested by CEOVU, a listed company under CEC, and IRICO Group Company Limited* (彩虹集團有限公司), with a commitment to smart manufacturing and a focus on the introduction of strategic emerging industries such as new-generation electronic information technology, high-end equipment manufacturing and medical equipment, aiming to build a tax-generating cluster that facilitates intensive land use and concentration of industries, so as to promote high-end talent development and ecological civilization, and build a domestic top-grade and internationally renowned urban industrial complex.

Location:	Located at the southern part of Zhongxiu Middle Road, the eastern part of Shilun Road, northern part of Xinsheng Road, western part of Planned Panxiang Road, Chongchuan Economic Development Zone, Nantong City, Jiangsu Province, having a site area of 259 mu and in ladder shape, with a length of approximately 341 meters in east and west side, while south and north side having a length of approximately 560 meters.
Scale:	A planned gross floor area of approximately 310,000 sq.m.
Target of the project:	Capitalizing the resource advantages of three parties, i.e. Chongchuan Economic Development Zone, Nantong City, CEOVU and Rainbow Group, the project targets to build a demonstration zone based on intelligent manufacturing and focusing on major enterprises in new generation information technology industry and high-end device manufacturing industry.
Details of the project:	Mainly adjacent to lands for industrial use with various industrial parks built thereon, the location of the project enjoys geographic edge and it is for industrial use, covering 172,000 sq.m. of the planned site area of the urban complex project of Nantong City. It has a total gross floor area of 310,000 sq.m., of which the aboveground and underground gross floor areas are 296,000 sq.m. and 10,700 sq.m., respectively, and capacity building area is 349,000 sq.m. It has plot ratio of 2.0, green space rate of 15%, parking lots of motor vehicles of 1,839.
Progress of the project:	The first phase of 76,000 sq.m. and the second phase of 47,000 sq.m. have been delivered. The third phase of 68,000 sq.m. is under construction, and the fourth phase of 115,000 sq.m. is in the planning stage. It is expected that the entire park will be completed by 30 September 2026.

CEOVU Digital Industrial Park

Location:	No. 88 Xingguang Avenue, Caidian District, Wuhan City.
Scale:	The project is developed in two phases. Phase I occupies a site area of approximately 220 mu and a total GFA of approximately 158,000 sq.m. Phase II has a planned site area of 209 mu and planned total GFA of approximately 115,000 sq.m.
Project positioning:	Intelligent manufacturing, electronic information, new energy and intelligent connected automobiles as the leading industries.
Details of the project:	Intelligent manufacturing industry houses, high-rise research and development office buildings, industrial empowerment centers, exhibition halls, as well as relevant commercial facilities.
Progress of the project:	The first phase of the project has completed 131,000 sq.m., the project development is in reasonable progress, and the first phase of the project park is currently in operation. The exhibition halls, science and innovation centers, canteens, apartments and other industrial support facilities are complete, and relevant enterprises have already moved into the delivered industrial manufacturing rooms. The second phase of the project is under construction, with a construction area of 61,600 sq.m..

Wuhan CEC Information Harbour

The first Informatization + intellectualization industrial building project in Wuhan

Location:	Intersection of Wuhan Guanggu Avenue and Yangqiaohu Avenue.
Scale:	Overall planned area of 40 mu, gross floor area of approximately 100,000 sq.m., divided into two land parcels, namely, Huisheng and Minghong.
Project positioning:	To build an innovative base for network information industrial ecology of Wuhan. It is planned that, by 2030, the Wuhan CEC Information Harbour will attract 50 enterprises, generating production value of RMB2 billion, tax of RMB0.1 billion and employment of 5,000. The building of Wuhan CEC Information Harbour will become a cradle for the development of emerging industries and a driving force for regional economic growth.
Details of the project:	Research and development, light asset production, incubators, offices, facilities for industrial park and relevant auxiliary facilities.
Progress of the project:	The construction of two eight-storey research and development buildings in Minghong land commenced on 1 August 2021 and was completed and accepted on 7 March 2023. The construction of three research and development buildings in Huisheng Land commenced on August 2022. At present, the construction has been completed, and the filing of Minghong land was completed in July 2024.

China Electronics Smart Creation Center

Location	Jingdong Avenue, Yanglou Development Zone.
Scale	The total planning site is 1,000 mu, of which the pilot area of China Electronics Smart Creation Center project occupies 300 mu and the reserved control area is 700 mu. The premiere area occupies an area of 197,900 sq.m. The total gross floor area is about 193,000 sq.m..
Project positioning:	Relying on China Electronics' industrial resources and core information technology, the park will build industrial ecology with space as the carrier, focusing on strategic emerging industries such as network information industry, emerging information industry, energy- saving and environmental protection, medical equipment, new materials and high-end equipment manufacturing, combining personalized service solutions of big data technology, artificial intelligence technology and cloud service, and turning the park into a platform for digital manufacturing and industrial interconnection domestically and internationally with intelligent manufacturing as the core, thus promoting industrial gathering and industrial ecology construction and realizing deep integration of industry and city.
Details of the project:	Presentation center, intelligent manufacturing factory, custom-made factory, research and development office buildings, smart apartments, service center and related commercial facilities.
Progress of the project	As of 31 December 2024, Phase I.I of China Electronics Smart Creation Center with a gross floor area of 54,000 sq.m., Phase I.II with 41,000 sq.m. and Phase II.I with a gross floor area of 49,700 sq.m. of the China Electronics Smart Creation Center have been delivered for operation and the construction project planning permit, building construction permit and completion and acceptance certificate have been obtained. Phase II.II with a gross floor area of 4,500 sq.m. is in the process of reporting for construction.

Wuhan Creative Capital

Location:	Located at No.16, Yezhihu West Road, Hongshan District, Wuhan (between Wuhan Second Ring Road and Third Ring Road).
Scale:	Capital occupies a total site area of 291 mu, with a gross floor area of 380,000 sq.m..
Project positioning:	A digital creative industrial clustering demonstration zone.
Details of the project:	It includes functional blocks, such as high-rise office buildings, creative workshops, incubators, accelerators, creative streets and artists' studios, as well as supporting facilities scattered throughout the park, such as art galleries, boutique hotels, theaters, cinemas, and fitness centers, with a view to providing artists, industry workers, commercial operators and consumers with a multi-dimensional cultural and creative space integrating creation, work, life and consumption.
Latest status:	There are more than 2,000 registered enterprises in the park, including more than 10 listed companies, 10 specialized and new enterprises, 50 enterprises above designated size, 120 high-tech enterprises, and more than 15,000 employees. The capital has gathered a comprehensive cultural creative industrial chain which includes original arts, industrial designs, fashion designs, engineering designs, garden designs, space designs, advertisement designs, digital media, cultural publishing, games, animations, live broadcasts, film and television, photography, etc., and has become the Wuhan game industry base, Wuhan live broadcast industry base, university live broadcast base, national dual-innovation demonstration base and university education practice base.

Ezhou Optics Valley Science and Technology Union City

Being a demonstration zone for integration and technological result transformation of emerging industries jointly built by three parties, namely Hubei Science and Technology Department, National-level Gedian Development Zone of Ezhou City and CEOVU.

Location:	Junction of Fazhan Avenue and Gaoxinsan No. 3 Road, National-level Gedian Development Zone.
Scale:	A planned site area of 1,827.5 mu and current site area of 620 mu.
Details of the project:	Including separate/semi-detached R&D and production center, high-rise R&D and production/office buildings, small-sized enterprise headquarters, and auxiliary facilities such as canteens, hotels, conference centers, properties and apartments
Target of the project:	Capitalizing the resource advantages of three parties, ie. Wubei Science and Technology Department, National-level Gedian Development Zone of Ezhou City and CEOVU, the project targets to build a scientific park focusing on industries such as optoelectronic information, new materials, smart manufacturing and biopharmaceuticals, and gathering mid to small scale enterprise with high growth potentials, so as to form a city-industry integrated demonstration base of national technology enterprise accelerator.
Progress of the project:	As of the end of December 2024, 408,000 sq.m. has been constructed on the site area of 620 mu, with more than 90 enterprise residents, which has preliminarily formed a comprehensive park integrating new industries such as optoelectronic information represented by Aroptics-tech, smart manufacturing represented by Focunergy Laser, new materials represented by Tuocai Technology, and biopharmaceuticals represented by Taike Biotechnology.

4 *Self-owned Industrial Park Property Leasing*

During the Reporting Period, the Group owned 893,000 sq.m. of leasable area of self- owned properties, which increased by 74,000 sq.m. as compared to last year. As at the end of the year, leased area amounted to 647,000 sq.m., with an occupancy rate of 72%. The Group recorded a rental collection of RMB283.7 million. High-quality self-owned properties enriched the ecological system of industrial parks, enhanced the dynamic of the parks, helped attract investment and improved the brand power of the Group. During the Reporting Period, an operating revenue of RMB263.3 million was recorded, representing an increase of 15.0% as compared to the same period of 2023.

III. INDUSTRIAL INVESTMENT

CEC & CICC (Xiamen) Electronic Industry Equity Investment Management Co., Ltd.* (中電中金(廈門)電子產業股權投資管理有限公司) ("**CEC & CICC**") and Lingdu Capital under CEOVU have established a number of industrial investment funds. An industrial ecology featuring IT application innovation and network security, integrated circuits, digital cities, smart manufacturing, cultural, creative and entertainment industry has initially taken shape.

During the "14th Five-Year Plan" period, CEOVU's industrial investment business will take the discovery of unicorn companies and gazelle companies as the main goal, strengthen collaboration with park businesses, and drive high-quality development of park businesses through industrial investment.

Under CEOVU's Park + Fund model, Lingdu Capital continued to expand the fund business in various cities in 2024 to empower the industrial park business. The funds in Bazhou, Caidian, Baoding, Handan and Guiyang were contracted and set up. It has supported industrial park development business through real estate fund business, and set up Changsha Real Estate Fund* (長沙不動產基金) during the year. In terms of equity investment, during the year, it made additional investments in Join Yuan Technology (俱源科技), Migelab (聚睿衆邦) for new materials, and made new investments in strong polarization vision, Chuangrong Additive (創融增材), and Dashang Coffee (大賞咖啡) for high-end manufacturing; meanwhile, Shanxi Kelong New Materials Technology Co., Ltd. was successfully listed on the Beijing Stock Exchange. At the same time, Shaanxi Kelong New Material Technology Co., Ltd* (陝西科隆新材料科技股份有限公司) was successfully listed on the Beijing Stock Exchange. In addition, the invested projects of Lingdu Capital have brought 18,000 sq.m. of occupancy of industrial park to existing parks.

In 2024, Lingdu Capital established a total of three equity investment funds, namely the Handan Fund, Bazhou Fund and Guiyang Fund, with a total subscription scale of RMB1,800 million; established the Changsha Real Estate Fund with RMB430 million; established the Shanghai Yida Fund with RMB781 million, which is mainly invested in related high-quality targets such as artificial intelligence laboratories.

CEC & CICC fully grasps the trend of transformation in the emerging electronics industry, and leverages CEC's business advantages as a top electronic information technology company and the investment experience of CICC's professional investment team to make medium- and long-term investments in upstream and downstream related companies in the industry. It also promotes the Company's sustainable development through multiple business cooperation with CEC.

As of 31 December 2024, CEC & CICC raised RMB2,821.0 million and its total cumulative investment amount was RMB2,346.1 million. Some invested projects made significant progress in 2024: Hunan Changbudao Optoelectronics Technology Co., Ltd.* (湖南長步道光電科技股份有限公司) was listed on the National Equities Exchange and Quotations; Yihua Technology (Beijing) Co., Ltd.* (翼華科技(北京)有限公司) completed its Series B financing.

Full Name of Invested Companies	Intended total investment amount (RMB0'000)	Accumulated investment amount (RMB0'000)	Shareholdings
Wuhan Easylinkin Technology Co., Ltd.	117	117	1.09%
Changsha Embedded Electronic Technology Co., Ltd.	990	990	15.23%
Pearl Jiu Information Technology Limited	1,985	1,985	28.15%
Hunan Coollu Network Technology Co., Ltd.	896	896	20.06%
Shanghai Jiayun Information Technology Co., Ltd.	446	446	9.19%
Shenzhen Pude Technology Co., Ltd.	200	200	2.59%
Wuhan Lihuicheng Robot Technology Co., Ltd.	825	825	24.75%
Nantong Xingrui Pulian Technology Co., Ltd.	746	746	29.85%
Wuhan Yiliang Technology Co., Ltd.	600	600	3.16%
Wuhan Shifei Technology Co., Ltd.	678	678	14.36%
Wuhan Xinzheku Electronic Commerce Co., Ltd.	796	796	15.85%
Beijing Wanyi Technology Co., Ltd.	572	572	20.79%
Wuhan Qingchun Rancheng Cultural Development Co., Ltd.	198	198	39.61%
Wuhan Shiyipingmi Investment Company Limited	11	11	50.00%
Shanghai Yijian Healthcare Technology Co., Ltd.	1,500	1,500	3.41%
Shaanxi Lingdu Equity Investment Partnership (Limited Partnership)	1,800	1,800	20.22%
Handan Lingdu Enterprise Management Consulting Partnership (Limited Partnership)	4,800	4,800	48.05%
Wuhan Hanxi Technology Co., Ltd.	500	500	7.91%
Shenzhen Haiyong High-tech Materials Technology Co., Ltd.	485	485	3.59%
Wuhan Juyuan Technology Co., Ltd.	700	700	6.30%
Wuhan Linptech Co., Ltd.	1,038	1,038	8.48%
Wuhan Ball Way Co., Ltd	485	485	8.90%
Wuhan Forworld Technology Limited	227	227	30.00%
Wuhan Beisi Kai'er Information Technology Co., Ltd.	297	297	14.85%
Hangzhou Samdi Science & Technology Co., Ltd.	594	594	19.80%
Wuhan Yiyantang Cultural Communication and Development Co., Ltd.	297	297	15.68%
Shanghai Xiaozhuo Robot Co., Ltd.	396	396	9.28%
Wuhan Heanzhike Network Technology Co., Ltd.	582	582	7.70%
Total	22,761	22,761	

Note: Only refers to the industrial funds managed by Lingdu Capital and the investment of Yudatong Fund

OUTLOOK OF 2025

In 2025, the Company will adhere to the development of new productivity forces and the construction of a modern industrial system in accordance with actual circumstances as its fundamental strategic goal, re-examine the new challenges and opportunities faced by the industrial park business in 2025, seize structural opportunities, uphold the value concept of "openness, foresight and cooperation", focus on the construction of systematic management capabilities, strive to achieve greater growth in the scale of integrated operation business, significantly improve the operating quality of the industrial park development business, enhance the strategic synergy value of equity investment, effectively resolve the remaining management problems of joint ventures, strive to achieve steady progress in the operating goals for 2025, and achieve growth in the new contract amount, collection amount, and operating revenue.

Revitalizing stock to take effective measures to reduce inventory according to local conditions

The revitalization of stock assets is taken as the main strategic line to implement the principle of "park-specific approach" for stock assets, and take effective measures according to local conditions. We give play to the leading influence of "anchor (壓艙石)" companies, on the basis principle of early grasp and solid grasp, to ensure that the sell-through rate of projects completed more than one year ago and within one year reaches 80% and 50%, respectively; and also to ensure that the occupancy rate of investment properties completed more than one year ago and within one year exceeds 70% and 50%, respectively.

Constructing the new layout of quality development through incremental innovation

We will make quality plans for new projects according to new business models or new operating methods and highlight the demonstration impact and exploratory effect of development projects. Stressing on the new trends of demand for integrated development of technological innovation and industrial innovation, we will actively promote effective means such as crowdfunding development and cluster design and implement responsive customization development models in all areas. In addition, we will strictly control general development projects to ensure the compliance of new park development investment projects with high-quality development requirements.

Targeting the growth of industrial park operation business, deepening government-enterprise cooperation and promoting economic development in the industry

We will steadily advance the industrial park integrated operation business and utilize the growth of the industrial park integrated operation business as a strategic tool for transformation. Under the new market environment, we will further deepen the mutually beneficial cooperation between local governments and state-owned enterprises and transform the vision of contributing to the development of local industrial economy into the practice in reality of promoting the construction of a modern industrial system and improving the efficiency of resource allocation.

Refining the focus on the full-cycle management of equity funds to empower industrial park investment promotion and sustainable development

We will further improve the management of equity investment funds throughout their full life-cycle, deepen our cooperation with local governments and state-owned enterprises, completely utilize the fundamental role of equity investment funds regarding industrial park investment promotion and sustainable development, and accelerate the implementation of a number of industrial park integrated operation projects by carrying out high-quality equity investment projects. At the same time, we will reasonably arrange orderly withdrawal to make equity investment our important source of profit for the year's operating performance.

FINANCIAL REVIEW

Revenue

The revenue of the Group is generated from the income from industrial park development services and industrial park operation services. During 2024, the revenue of the Group for the year was RMB3,588.5 million, which decreased by 31.3% as compared to RMB5,220.6 million for the same period of 2023.

The following table sets forth the revenue of the Group by business segment:

	Year ended 31 December			
	2024		2023	
	Revenue (RMB'000)	**% of total**	Revenue (RMB'000)	% of total
Industrial park operation services	**2,215,804**	**62%**	2,831,658	54%
Design and construction services	**780,711**	**22%**	1,245,032	23%
Property management services	**793,253**	**22%**	925,128	18%
Energy services	**198,015**	**6%**	196,489	4%
Group catering and hotel services	**150,837**	**4%**	160,176	3%
Property leasing services	**111,244**	**3%**	97,270	2%
Others	**181,744**	**5%**	207,563	4%
Industrial park development services	**1,372,727**	**38%**	2,388,898	46%
Sales of industrial park space	**1,109,433**	**31%**	2,159,882	41%
Self-owned industrial park property leasing	**263,294**	**7%**	229,016	5%
Total	**3,588,531**	**100%**	5,220,556	100%

In 2024, the revenue from industrial park development services was RMB1,372.7 million, accounting for 38% of the total revenue, which decreased by 42.5% as compared to the same period of 2023.

Industrial Park Operation Services

In 2024, the Group provided integrated operation services, such as design and construction services, property management services, property leasing services, energy services, and other services, for key projects of local government platform companies and large enterprises, and offered a variety of one-stop industrial park operation services to enterprises stationed in our industrial parks. The revenue of the industrial park operation services of the Group reached RMB2,215.8 million, representing a decrease of 21.7% as compared to the same period of 2023, among which, revenue from design and construction services reached RMB780.7 million, revenue from property management services reached RMB793.3 million, revenue from property leasing services reached RMB111.2 million and revenue from regional energy services reached RMB198.0 million, revenue from group catering and hotel services reached RMB150.8 million, and revenue from other services reached RMB181.7 million.

In terms of business type of operation services, the income from design and construction services, property management services and energy services accounted for 80% of the income from industrial park operation services, and is the major source of income of industrial park operation services currently.

COST OF SALES

Overview

Cost of sales primarily consisted of (i) cost of properties sold in respect of the Group's sales of industrial parks (mainly including land acquisition costs, construction costs, capitalized interest and other costs for fair value adjustment in relation to acquisition of project companies), (ii) cost of construction services and (iii) cost of industrial park operation services.

During 2024, the cost of sales of the Group was RMB2,491.4 million, which decreased by 32.0% as compared to the same period of 2023. For the years ended 31 December 2024 and 2023, the cost of sales of the Group accounted for approximately 69.4% and 70.2% of the Group's revenue, respectively.

Cost of Sales of Industrial Parks

Cost of sales of industrial parks consisted primarily of costs incurred directly from the Group's property development activities, including land acquisition costs, construction costs, capitalized interest and other costs for fair value adjustment in relation to acquisition of project companies.

During 2024, the cost of properties sold by the Group was RMB716.5 million, which decreased by 43.9% as compared to the same period of 2023. For the year ended 31 December 2024, the cost of properties sold of the Group accounted for 28.8% of its total cost of sales.

Gross Profit and Gross Profit Margin

As a result of the foregoing, during 2024, overall gross profit of the Group was RMB1,097.1 million, which decreased by 29.6% as compared to the same period of 2023. The overall gross profit margin for 2024 was 30.6%, which increased by 0.8% as compared to last year.

Other Income and Gains/(Losses) – Net

During 2024, other income and gains, net of the Group were RMB103.4 million, which decreased by 65.7% as compared to the same period of 2023, primarily due to a gain of RMB100.0 million on disposal of the digital park business during the previous period.

Selling and Distribution Expenses

Selling and distribution expenses primarily consisted of advertising and promotional expenses, sales and marketing staff cost, travel and communication expenses, office administration expenses, depreciation expenses and others.

During 2024, selling and distribution expenses of the Group were RMB144.8 million, which decreased by 15.3% as compared to the same period of 2023. For the year ended 31 December 2024, selling and distribution expenses of the Group accounted for 4.0% of the Group's revenue, which increased by 0.8% as compared to the same period of last year.

Administrative Expenses

Administrative expenses primarily consisted of administrative staff costs, office administration expenses, travelling expenses, meeting and communication expenses, other indirect taxes, depreciation and amortization expenses, professional fees, and others.

During 2024, administrative expenses of the Group were RMB378.1 million, which decreased by 14.5% as compared to the same period of 2023. For the year ended 31 December 2024, the administrative expenses of the Group accounted for 10.5% of the Group's revenue, representing an increase of 2.1% as compared to the same period of last year.

Fair Value Gains on Investment Properties

During 2024, gains from changes in fair value on the Group's investment properties were RMB4.5 million, which decreased by 97.2% as compared to the same period of 2023, mainly due to the fact that, there were more new areas of investment properties in 2023 as compared to 2024; in 2024, some projects fluctuated in line with market conditions, resulting in a decrease in valuation due to slight fluctuations and a downturn in rent.

Finance Income

During 2024, finance income of the Group was RMB60.3 million, which increased by 20.0% as compared to the same period of 2023.

Finance Costs

During 2024, finance costs of the Group were RMB350.6 million, which increased by 10.9% as compared to the same period of 2023, primarily due to the decrease in capitalized interest and the year-on-year increase of expensed interest following the completion of certain projects of the Group during the current period.

Share of Profit/Losses of Associates and Joint Ventures

In 2024, the Group had a share of profits of associates and joint ventures of RMB0.9 million, compared to losses of RMB6.0 million for the same period of 2023, which increased by RMB6.9 million as compared to the same period of last year, mainly due to the increase in profit of associates accounted for using the equity method.

Income Tax Expense

During 2024, the Group's income tax expense was RMB133.3 million, representing a decrease of 70.7% over the same period of 2023. The effective tax rates of the Group were 55.6% and 46.3% in 2024 and 2023, respectively.

Profit Attributable to Owners of the Company and Core Net Profit

As a result of the foregoing, the profit attributable to owners of the Company for the year was RMB95.7 million, representing a decrease of RMB411.0 million over the same period of 2023. After deducting the after-tax fair value changes from the investment properties of RMB3.4 million, the core net profit attributable to the owners of the Company was RMB92.3 million, representing a decrease of RMB293.3 million over the same period of last year.

Basic Earnings Per Share

The basic earnings per share were RMB1.30 cents in 2024 and RMB6.70 cents in 2023.

FINANCIAL POSITION

Properties under Development

As at 31 December 2024, the carrying amount of the Group's properties under development was RMB1,948.2 million, which increased by RMB300.5 million as compared to that as at 31 December 2023.

Completed Properties Held for Sale

As at 31 December 2024, the carrying amount of completed properties held for sale of the Group was RMB4,844.6 million, which increased by RMB500.0 million as compared to that as at 31 December 2023, mainly due to the fact that the completed property area was larger than the property area carried forward for sale in the current year.

Trade and Other Receivables and Prepayments

As at 31 December 2024, the Group's trade and other receivables and prepayments were RMB3,583.9 million, which decreased by RMB204.5 million as compared to that as at 31 December 2023 and accounted for 15.4% of the total assets, representing a decrease of 0.8% as compared to that of last year.

Trade and other Payables

As at 31 December 2024, the Group's trade and other payables were RMB3,681.6 million, which decreased by RMB498.7 million as compared to that as at 31 December 2023.

Liquidity, Financial Resources and Capital Resources

The Group primarily uses cash to pay for construction costs, land costs, infrastructure costs and finance costs incurred in connection with its industrial park developments, to service its indebtedness, and to fund its working capital and general recurring expenses. The Group primarily has cash generated through pre-sale and sale of its properties and proceeds from bank loans and other borrowings.

In 2024, the Group's net cash outflow from financing activities was RMB316.1 million. The cash inflow from financing activities in 2024 was mainly from the bank loans, of which the cash outflow comprises the repayment of bank borrowings, other borrowings, as well as the payment of interests and dividends. Details of the borrowings of the Company are set out in the note 27 to the consolidated financial statements of the Group.

As at 31 December 2024, the authorized capital of the Company was HK$1,000.0 million divided into 10,000,000,000 shares of HK$0.10 each. Movements of the Company's ordinary shares are set out in the note 30 to the consolidated financial statements of the Group.

KEY FINANCIAL RATIOS

Current Ratio

The current ratio of the Group (being total current assets divided by total current liabilities) decreased from 1.40 as at 31 December 2023 to 1.28 as at 31 December 2024, which was primarily due to the increase in the current liabilities of the Group as compared to the previous year.

Net Gearing Ratio

The net gearing ratio of the Group (being the rate of interest-bearing debt less total cash to the sum of total equity and net interest-bearing debt, and multiplied by 100%) increased from 39.5% as at 31 December 2023 to 42.9% as at 31 December 2024. The ratio is still within the range of controllable risk.

Indebtedness

As at 31 December 2024, the Group's total outstanding indebtedness was RMB7,498.0 million. As at 31 December 2024, the Group's unutilized banking facilities amounted to RMB3,352.2 million.

Contingent Liabilities

The Group provides guarantees for its customers' mortgage loans with PRC banks to facilitate their purchases of the Group's pre-sold properties. As at 31 December 2024 and 31 December 2023, the outstanding guarantees for mortgage loans granted to customers of its pre-sold properties were approximately RMB1,150.9 million and RMB1,136.1 million, respectively. The Group is comprehensively sorting out its contingent liabilities and urging customers in an orderly manner to apply for property certificates, in order to release its mortgage guarantee risks in time.

Net Current Assets

Current assets of the Group consist primarily of properties under development, completed properties held for sale, trade and other receivables, inventories and contracted work-in progress, short-term deposits with original maturities over three months, restricted assets and cash and cash equivalents. Total current assets of the Group were RMB12,640.0 million as at 31 December 2024, as compared to RMB12,539.0 million as at 31 December 2023. Our current assets remain stable. As at 31 December 2024 and 31 December 2023, aggregate cash and cash equivalents of the Group amounted to RMB1,619.6 million and RMB1,889.2 million, respectively, representing a decrease of RMB269.6 million as compared to that of last year, mainly due to the increase of net cash outflow in the financing activities of the Group.

Current liabilities of the Group consist primarily of trade and other payables, loans and borrowings, the current portion of deferred income and current tax liabilities. Trade and other payables mainly represent costs related to its development activities. Total current liabilities of the Group were RMB9,885.8 million as at 31 December 2024, as compared to RMB8,931.6 million as at 31 December 2023.

As at 31 December 2024, the Group had net current assets of RMB2,754.2 million as compared to RMB3,607.4 million as at 31 December 2023.

Total equity

Total equity of the Group was RMB8,871.7 million on 31 December 2024 and RMB8,896.8 million on 31 December 2023, representing a decrease of RMB25 million.

Capital Expenditures

Capital expenditure of the Group decreased by RMB15.5 million from RMB56.2 million in 2023 to RMB40.7 million in 2024. Capital expenditures of the Group were primarily related to expenditure for purchases of property, plant and equipment and purchases of intangible assets. The Group primarily financed its expenditures through internally generated cash flows, being primarily cash generated through pre-sale and sale of its properties and cash from bank loans and other borrowings.

Major investments in financial assets at fair value through profit or loss

The Group invests in certain financial instruments (including short-term and long-term investments). As at 31 December 2024, the total financial assets at fair value through profit and loss were approximately RMB844.2 million (31 December 2023: approximately RMB817.4 million). As at 31 December 2024, the Group did not have any individual major investments with fair value accounting for 5% or more of the Group's total assets.

Material Acquisitions

For the year ended 31 December 2024, the Group did not have any material acquisition of subsidiaries, associates and joint ventures.

Material Disposals

For the year ended 31 December 2024, the Group did not have any material disposals of subsidiaries, associates and joint ventures.

Significant Events After the End of the Year

There are no significant subsequent events occurred that materially affect the Group's financial condition or operation following the Reporting Period and up to the date of this report.

Employees

As at 31 December 2024, the Group had 7,857 full-time employees. The employment cost of the Group was approximately RMB881.6 million for the year ended 31 December 2024. The Group entered into employment contracts with its employees to cover matters such as position, terms of employment, wages, employee benefits and liabilities for breach and grounds for termination. The remuneration package of the employees includes basic salaries, allowances, bonuses and other employee benefits. The Group has implemented measures for assessing employees' performance and promotion and a system of employee compensation and benefits.

The remuneration packages of employees include salaries and bonuses. In general, the Group determines employee salaries based on each employee's qualifications, position and seniority.

Pursuant to the relevant labor rules and regulations in the PRC, the Group participates in statutory contribution pension schemes which are administered and operated by the relevant local government authorities. The Group is required to make contributions to such schemes from 16% to 20% of the average salary announced annually by the local municipal government. The local government authorities are responsible for the entire pension payable to retired employees. The Group's contributions to the statutory contribution pension schemes are not reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in such contributions.

Pledged Assets

As at 31 December 2024, the Group had pledged certain of its assets with a total net book value of RMB6,147.7 million for the purpose of securing outstanding bank borrowings, such assets included investment properties, properties under development for sale, completed properties held for sale and property, plant and equipment and restricted cash.

Market Risks

The Group, in the normal course of business, is exposed to market risks, primarily credit, liquidity, interest rate and currency risks.

Liquidity Risk

The Group reviews its liquidity position on an ongoing basis, including expected cash flow, sale/pre-sale results of its respective property projects, maturity of loans and the progress of planned property development projects.

Interest Rate Risk

The Group is exposed to interest rate risks, primarily relating to its bank loans and other borrowings, which had an outstanding amount of RMB7,498.0 million as at 31 December 2024. The Group undertakes debt obligations to support its property development and general working capital needs. The interest rate of interest-bearing liabilities dropped from 5.13% in 2023 to 4.95% in 2024, and the cost of interest rates has been further effectively controlled.

Foreign Exchange Risk

The Group's functional currency is Renminbi and mostly all of the Group's revenue, expenses, cash, deposits and borrowings are denominated in Renminbi. The Group's exposure to currency exchange risks arises from certain of its cash and bank balances which are denominated in Hong Kong dollar. In the event of a depreciation of the Hong Kong dollar against Renminbi, the value of its cash and bank balances in Hong Kong dollar will decline. In addition, if the Group maintains any foreign currency denominated assets or liabilities, including raising any foreign currency-denominated debts, fluctuations in Renminbi exchange rates will have an impact on the value of such assets and liabilities, thus affecting its financial condition and operation performance result. The Group does not use derivative financial instruments to hedge its foreign currency risk. The Group reviews its foreign currency exposure regularly and considers that the Group's exposure to its foreign exchange risk is not significant.

Credit Risk

The Group is exposed to credit risk, primarily attributable to trade and other receivables. With respect to leasing income from its investment properties, the Group believes the deposits held by the Group is sufficient to cover its exposure to potential credit risk. An aging analysis of receivables is performed on a regular basis, which the Group monitors closely to minimise any credit risk associated with these receivables. The Group has no concentration of credit risk in view of its large number of customers. The Group did not record significant bad debt losses during the year.

EVENT AFTER BALANCE SHEET DATE

For the major events that occurred after the balance sheet date, please refer to note 38 to the Consolidated Financial Statements on page 221.

Investor Relations

The Group maintained effective communication with Shareholders and investors as well as information transparency. To enhance communication between investors, following its listing, the Group set up a special institution dedicated to establishing effective communication channels for Shareholders and investors. The Group also set up an information disclosure group that consists of responsible persons from the relevant departments of the Group, with an aim to better strengthen the leadership in information disclosure and improve the transparency and standardization of information disclosure of the Group.

In addition to the publication of interim and annual results, the Group also makes use of other means, such as e-mails, telephone meetings, investor meetings and project on-site visits, to ensure that Shareholders and investors have access to the Group's latest information. In the meantime, we seek to obtain market feedbacks on the Group through communications with investors, which will enhance the Group's managerial decision-making process and allow us to provide better information services to investors.

As at the Latest Practicable Date, the Board consists of nine Directors, including five non–executive Directors, three independent non-executive Directors and one executive Director.

The following sets forth the profile of the Directors and senior management of the Company as at the Latest Practicable Date:

NON-EXECUTIVE DIRECTORS

Ms. Liu Bo (劉波), aged 53, was appointed as a non-executive Director, the chairman of the Company, the chairman of the Nomination Committee and an authorized representative of the Company on 4 July 2024. Currently, Ms. Liu is the deputy general manager of China Electronics International Information Service Co., Ltd.* (中國中電國際信息服務有限公司), as well as the chairman of the board of directors of Shenzhen China Electronics Electric Power Technology Co., Ltd.* (深圳市中電電力技術股份有限公司). Ms. Liu previously served as the vice general manager, the general manager and the chairman of board of directors of China Electronics Materials Northeast Co., Ltd* (中國電子物資東北有限公司), the chief economist, deputy secretary of the party committee and general manager of China Electronics Materials Co., Ltd* (中國電子物資有限公司), as well as the assistant to the general manager and the vice general manager of China Ruida Investment Development Group Co., Ltd* (中國瑞達投資發展集團有限公司).

Ms. Liu Bo graduated from Liaoning University (遼寧大學) with a Bachelor's degree in Economics (經濟學) in July 1994. She has been accredited as a senior accountant (高級會計師).

Mr. Zhang Jie (張傑), aged 55, was appointed as a non-executive Director on 12 June 2014. Mr. Zhang has over 30 years of experience in real estate management. Mr. Zhang is currently the vice general manager of the pension and property centre of Sunshine Insurance Group Corporation Limited* (陽光保險集團股份有限公司), which is a shareholder of the Company, and the chairman of Beijing Sunshine Ronghe Property Company Limited* (北京陽光融和置業有限公司), the chairman of the board of directors of Hainan Sunshine Yihe Development Company Limited* (海南陽光頤和發展有限公司) and the chairman and general manager of Hainan Sunshine Xinhai Development Company Limited* (海南陽光鑫海發展有限公司), all being subsidiaries of Sunshine Insurance Group Corporation Limited. Mr. Zhang worked for COFCO Corporation (中糧集團有限公司) from August 1993 to November 2011, during which he served as the project manager of COFCO Industrial Development Corporation (中糧實業發展公司), the deputy general manager of the third project management department of COFCO, the manager of COFCO Property Development Company Limited* (中糧置業發展有限公司), and the director of engineering, assistant to the president and subsequently vice president of Sanya Yalong Development Company Limited* (三亞亞龍灣開發股份有限公司). Since November 2011, Mr. Zhang has worked for Sunshine Insurance Group Corporation Limited* (陽光保險集團股份有限公司) and previously served as the general manager of the property construction and operation centre. Mr. Zhang was a committee member of the Sanya Municipal Committee of the Fifth Chinese People's Political Consultative Conference from January 2007 to January 2012, a member of the Standing Committee of the Sanya Municipal Committee of the Sixth Chinese People's Political Consultative Conference from January 2012 to January 2017, and a committee member of the Sanya Municipal Committee of the Seventh Chinese People's Political Consultative Conference from January 2017 to January 2022. Mr. Zhang has also been the vice president of the Sanya Real Estate Association since 2002.

Mr. Zhang graduated from Tsinghua University with a bachelor's degree in engineering in June 1993, and obtained a master's degree in engineering majoring in real estate management from Tsinghua University in May 2004. Mr. Zhang obtained a certificate of national registered real estate appraiser issued by the Ministry of Housing and Urban-Rural Development of the People's Republic of China in May 1998, and a certificate of supervising engineer issued by the Beijing Municipal Commission of Housing and Urban-Rural Development in December 1998.

Mr. Hu Bin (胡斌), aged 56, was re-designated as from an executive Director to a non-executive Director and ceased to act as the executive president with effect from 8 September 2021. Mr. Hu joined the Company in 1997 and was appointed as a Director on 6 March 2014. He has been a vice general manager of OVU since 1997 and a director of Wuhan OVU since July 2005 (including serving as a vice chairman since May 2011). Mr. Hu has 25 years of experience in business management. Mr. Hu graduated from Hubei University of Economics (湖北經濟學院) (formerly known as Hubei Planning and Management Cadres College (湖北省計劃管理幹部學院)) in the bachelor's program of national economic management and from South-Central University for Nationalities (中南民族大學) in the master's program of China's ethnic economy in June 2003. He obtained the qualification as a senior economist in real estate. Mr. Hu was awarded One of the China Real Estate Top 100* (中國房地產百傑) in 2006 and Medal of May Day Honorable Workers in Wuhan* (武漢五一勞動獎章) in April 2012.

Ms. Zeng Yumei (曾玉梅), aged 45, is a non-executive Director appointed on 26 March 2024. Currently, Ms. Zeng is the general manager, vice chairman of the board and deputy secretary of the Party Committee of Hubei Science & Technology Investment Group Co., Ltd* (湖北省科技投資集團有限公司). Ms. Zeng is also a director of Wuhan Optics Valley Financial Holding Group Co., Ltd* (武漢光谷金融控股集團有限公司) and the chairman of the board of Hubei Science & Technology Investment Group (Hong Kong) Company Limited (湖北省科技投資集團(香港)有限公司). She also serves as a supervisor of Yangtze Memory Technologies Holdings Co., Ltd.* (長江存儲科技控股有限責任公司), Yangtze Memory Technologies Co., Ltd.* (長江存儲科技有限責任公司) and Wuhan Xinxin Semiconductor Manufacturing Co., Ltd.* (武漢新芯集成電路製造有限公司).

Between 2010 to 2019, Ms. Zeng held various positions in Wuhan East Lake New Technology Development Zone* (武漢東湖新技術開發區), including the deputy director of the Office of the Management Committee* (管委會辦公室), deputy director of the Development and Reform Bureau (發展改革局) and director of the Talent Office* (人才辦) of Wuhan East Lake New Technology Development Zone. From 2019 to 2022, Ms. Zeng served as the deputy secretary and member of the Party Committee and the vice general manager of Wuhan Hi-Tech Holding Group Co., Ltd.* (武漢高科國有控股集團有限公司). During 2024, she served as a director of Tianma Microelectronics Co., Ltd. (a company listed on the Shenzhen Stock Exchange, Shenzhen stock code: 000050).

Ms. Zeng graduated from Wuhan University (武漢大學) with a Bachelor's degree in Radio and Television Journalism (廣播電視新聞學) in 2002, a Master's degree in Communications (傳播學) in 2006 and a Doctorate's degree in Communications (傳播學) in 2010. Ms. Zeng has been accredited as a senior economist (正高級經濟師). Ms. Zeng previously attended and obtained a certificate in respect of a management course offered by Tsinghua University PBC School of Finance (清華大學五道口金融學院).

Mr. Zang Saijun (臧塞軍), aged 54, was appointed as a non-executive Director and a member of the Remuneration Committee of the Company on 30 October 2024. Currently, Mr. Zang is the deputy chief engineer of China Electronics International Information Service Co., Ltd.* (中國中電國際信息服務有限公司) and the chairman of the board of directors of China Electronics Dongguan Industrial Park Co., Ltd.* (中國電子東莞產業園有限公司). Previously, Mr. Zang served as the deputy general manager of business development and the general manager of the operational planning department of Aerospace Times Real Estate Co., Ltd. * (航天時代置業發展有限公司), the general manager of Aerospace Times Real Estate (Wuhan) Co., Ltd.* (航天時代置業發展（武漢）有限公司), a member of the science and technology committee and the general manager of the international engineering department of China Great Wall Industry Corporation* (中國長城工業集團有限公司).

Mr. Zang graduated from Tianjin University (天津大學) with a dual bachelor's degree, majoring in civil and structural engineering and technology economics in 1992. He has been accredited as a senior engineer (高級工程師).

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Qi Min (齊民), aged 74, is an independent non-executive Director appointed on 28 March 2014. Mr. Qi is currently a member of the Remuneration Committee, the Audit Committee and the Nomination Committee. Mr. Qi previously worked in Hubei Provincial Bureau of Statistics, general office, research office of Hubei Provincial Government, and served as a director of fiscal office of CPC Hubei Province. He served as a director and a vice general manager of Hubei Qingjiang Hydroelectric Development Co., Ltd.* (湖北清江水電開發有限責任公司), a director and the vice general manager of Wuhan Hi-Tech Holding Group Co., Ltd.* (武漢高科國有控股集團有限公司), the chairman of board of directors of Wuhan Sante Cableway Group Co., Ltd.* (武漢三特索道集團股份有限公司), a company listed on the Shenzhen Stock Exchange (Shenzhen stock code: 002159) and a director of Hubei Taizi Mountain Hunting Culture Co., Ltd* (湖北太子山狩獵文化股份有限公司) (NEEQ: 870746). He was formerly a part-time professor of Huazhong University of Science and Technology* (華中科技大學) (formerly known as Huazhong Univesity of Science* (華中理工大學)). Mr. Qi is also the vice president of Hubei Association of Economics, and a supervisor of Humanwell Healthcare Group Co., Ltd., a company listed on the Shanghai Stock Exchange (Stock code: 600079). Mr. Qi obtained his bachelor's degree in economics from Wuhan University (武漢大學) in August 1982 and obtained his doctor's degree in economics from Huazhong University of Science and Technology (華中科技大學) in June 2002. He was granted the qualification as a senior economist. Mr. Qi was granted the award China's Outstanding Entrepreneur in Technology Companies in November 2002.

Mr. Qiu Hongsheng (邱洪生) (former name: Qiu Hongbin (邱洪賓)), aged 60, is an independent non-executive Director appointed on 10 March 2020. Mr. Qiu is currently the chairman of the Audit Committee and a member of the Nomination Committee. Mr. Qiu is an executive director and the general manager of China Consultants of Advisory and Finance Management Co., Ltd (中華財務諮詢有限公司) and a visiting professor of Tianjin University of Finance and Economics (天津財經大學). Mr. Qiu worked in 710 Research Institute of the Ministry of Aerospace Industry of China as an economic analyst for a number of years. Mr. Qiu joined China Consultants of Advisory and Finance Management Co., Ltd, a company directly managed by the Ministry of Finance of the PRC, in 1994 and focuses on management consulting and corporation restructuring transactions. Mr. Qiu possesses a wealth of professional knowledge and practical experiences in corporate finance, mergers and acquisitions, pricing, strategic integration, meticulous management, etc. Mr. Qiu is currently an independent non-executive director of CE Huada Technology (a company listed on the Stock Exchange with stock code: 00085), an independent director of Valiant Co., Ltd. (中節能萬潤股份有限公司) (a company listed on the Shenzhen Stock Exchange with stock code 002643), China Greatwall Technology Group CO.,LTD. (a company listed on the Shenzhen Stock Exchange with stock code 000066) and an independent director of GRINM Semiconductor Materials Co., Ltd.* (有研半導體矽材料股份公司) (a company listed on the STAR Market of the Shanghai Stock Exchange with stock code 688432). Mr. Qiu graduated from the Harbin Institute of Technology (哈爾濱工業大學) with a bachelor's degree in automation control and a master's degree in systems analysis. He is a Certified Public Valuer in the PRC, an International Certified Senior Corporate Risk Manager, a Certified M&A Dealmaker in China, a senior economist and a fund management intermediary.

Mr. Qi Liang (齊良), aged 63, was appointed as an independent non-executive Director and the chairman of the Remuneration Committee on 1 August 2022. Mr. Qi was appointed as a member of audit committee of the Company on 30 October 2024. Mr. Qi was appointed as a member of the Audit Committee on 30 October 2024. Mr. Qi had previously held various positions in China Merchants Bank Beijing Branch, including the Office Deputy Director and the Branch President. He had been the Assistant to the President, and the General Manager of the Finance Department of China Aerospace International Holdings Limited (中國航天國際控股有限公司). He was the Deputy Chief Accountant and the Deputy Officer of Science Committee of China Satellite Communications Company Limited (中國衛通集團股份有限公司), and was a director of APT Satellite Communications (Shenzhen) Company Limited (亞太衛星寬帶通信 (深圳)有限公司). Mr. Qi was an executive director and the Vice President of APT Satellite Holdings Limited, the shares of which are listed on The Stock Exchange of Hong Kong Limited (stock code: 1045), from June 2008 to March 2022. Mr. Qi obtained a Bachelor of Economics from the Capital University of Economics and Business (首都經貿大學) in 1986, and further graduated from the Graduate School of the Chinese Academy of Social Sciences (中國社會科學院研究生院) in 1998. He has been accredited as a senior economist (高級經濟師).

EXECUTIVE DIRECTOR

Mr. Huang Liping (黃立平), aged 63, is an executive Director and the president of the Company. Mr. Huang founded Wuhan Optics Valley Union Group Company Limited* (武漢光谷聯合集團有限公司) in 2005 with its principal activities of industrial park development and operation. As the chairman and the president, he has changed the name of the listed company to "CEOVU" after leading the listing of Wuhan Optics Valley Union Group Company Limited on the Stock Exchange and introducing China Electronics Corporation Limited* (中國電子信息產業集團有限公司) as the largest shareholder of the listed company. In 2018, Mr. Huang proposed a development strategy of "Industrial Resource Sharing Platform" so as to promote the upgrade of industrial park digitalization by fully implementing the "System Planning Methodology", the "Comprehensive Operation Methodology" and the "Responsive Customization Methodology" for the industrial parks, thereby constructing a business system with industrial park operation as the main body and industrial park development and industrial investment as "One Body, Two Wings (一體兩翼)".

Mr. Huang has over 29 years of experience in business management. He was one of the founders of Hongtao K Group Company Limited* (紅桃開集團股份有限公司) and served as the vice chairman and an executive director. He also served as the chairman of Wuhan East Lake High Technology Co., Ltd.* (武漢東湖高新集團有限公司), a public company listed on the Shanghai Stock Exchange (Shanghai Stock Code: 600133), and successively founded high-tech enterprises such as "Kenuo Biotechnology" and "Chopper Biology". Mr. Huang established the first nationally recognized enterprise technology centers; led the development of the earliest themed industrial park which is International Enterprise Center in China; founded Wuhan CEC Energy Conservation Co., Ltd.* (武漢中電節能有限公司) to create a commercial model of regional cooling and heating supply; founded a joint art museum to build a cultural and creative industry service platform integrated with art and design as well as culture and technology.

Mr. Huang obtained his bachelor's degree in vessels and ports electrification from Wuhan University of Technology (武漢理工大學) (formerly known as Wuhan Institute of Water Transportation Engineering (武漢水運工程學院)) in July 1983 and his double bachelor's degree in law from Central China Normal University (華中師範大學) in June 1986. He is qualified as a professor in economics management and a real estate appraiser. Mr. Huang was recognized as a professor by Wuhan University in 1996 and has received various honors, awards and recognitions including Wuhan Top 10 Scientific and Technological Innovation Achievement Award* (武漢市十佳科技創新成果獎), Award for Wuhan's Outstanding Entrepreneurial Youth in Technology* (武漢傑出科技青年創業獎), Medal of May First Honorable Workers in Hubei Province* (湖北五一勞動獎章), Hubei Outstanding Entrepreneurs for Year 2002 (Golden Bull Award)* (2002年度湖北省優秀企業家(金牛獎)), Star of Wuhan Charity and Public Interest Affairs* (武漢慈善公益之星), and expert with special allowance of the State Council.

SENIOR MANAGEMENT

Mr. Wang Yuancheng (王元成), aged 60, is the vice president of the Company. Mr. Wang joined the Company in 1996 and serves as the president of Wuhan OVU, the director of Qingdao OVU. He is in charge of the Group Office, Project Management Center, Audit and Supervision Office and Hefei OVU and responsible for the Group's work on safety and production. He served as the manager of comprehensive technique department of OVU from 1996 to 2000, the general manager of Wuhan Lidao Technology from 2000 to 2010 and has been the director of Wuhan Lidao Technology from 2000 to 2024. Mr. Wang received his college diploma in municipal construction engineering from Jianghan University (江漢大學) in August 1986 and obtained his master's degree in business administration from the University of Northern Virginia in July 2008. He is qualified as an engineer. Mr. Wang was awarded the Excellent Enterprise Manager in Wuhan district.

Mr. Chen Tongju (陳同舉), aged 58, is the vice president of the Company and the general manager of human resources centre, office director of the performance and remuneration committee of the Company. He is also the chairman of Wuhan Lidao Property Management, China Electronics (Wuhan) Network Security Base Operation Co., Ltd.,* (中電(武漢)網安基地運營有限公司), Shenzhen Lanyu Intelligent Technology Company Limited* (深圳藍域智能科技有限公司), and Wuhan Chuwei Defense Security Service Co., Ltd.* (武漢楚衛防線保安服務有限公司). He is responsible for the management of Industrial Ecology Research Institute,, Yiling Branch and Baoding Branch of Wuhan Optics Valley Union Group Company Limited* (武漢光谷聯合集團有限公司夷陵分公司), China Electronics (Wuhan) Internet Security Education Technology Co., Ltd.* (中電(武漢)網安教育科技有限公司), Hubei Changjiang Radio and Television Industry Operation Service Co., Ltd., and Ziyuan Chuangyi Tiandi Hotel Branch of Wuhan Optics Valley Union Group Company Co., Ltd.* (武漢光谷聯合集團有限公司紫緣創意天地酒店分公司). Mr. Chen joined the Company in 1996. He served as a director and supervisor of OVU from 1996 to 2011 and has been an executive director of Wuhan Lidao Property Management and Wuhan Quanpai Catering Management Limited* (武漢全派餐飲管理有限公司), and an executive director and a general manager of Wuhan Ziyuan Hotel Management. Mr. Chen received his bachelor's degree in law from Zhongnan University of Economics and Law (中南財經政法大學) (formerly known as Zhongnan University of Economics (中南財經大學)) in July 1987 and his master's degree in western philosophy from Wuhan University (武漢大學) in July 1993. Mr. Chen was elected as the chairman of Hongshan Area Property Management Association and the vice chairman of Wuhan City Property Management Association in February 2006. Mr. Chen is qualified as a lecturer of Wuhan University and was awarded the Top Ten Talents in Brand Building* (創名牌十大優秀人物) in Wuhan, the Best Leader* (最佳領導人) in property management in Wuhan and the honour of China Property Management Outstanding Contribution Entrepreneurs* (中國物業管理傑出貢獻企業家).

Mr. Yu Xuewen (余學文), aged 55, is the vice president of the Company and the president of the Northern region. Mr. Yu also serves as an executive director and the chairman of Xianyang China Electronics Western Zhigu Industrial Co., Ltd.* (咸陽中電西部智谷實業有限公司), Xianyang Optics Valley Future Bio-industry Development Co., Ltd.* (咸陽光谷未來生物產業發展有限公司), Nantong Optics Valley Intelligent Manufacturing Co., Ltd.* (南通光谷智能制造有限公司), Shenyang Optics Valley Union Development Co., Ltd.* (沈陽光谷聯合發展有限公司), Tianjin Optics Valley Union Development CO., Ltd.* (天津中電光谷發展有限公司), Wuhan China Electronics Optics Valley Industrial Development Co., Ltd.* (武漢中電光谷產業發展有限公司), Luoyang CEOVU Information Harbour Industry Co., Ltd.* (洛陽中電光谷信息港實業有限公司), Handan China Electronics Optics Valley Smart Creation Park Development Co., Ltd.* (邯鄲中電光谷智造園發展有限公司), China Electronics Optical Valley (Huaian) Industrial Park Development Co., Ltd.* (中電光谷(淮安)產業園開發有限公司), Wuhan Yangtze River New Area Optics Valley United Science and Technology Industrial Development Co., Ltd (武漢長江新區光電聯合科技產業發展有限公司), Nanjing Optics Valley United Science and Technology Industrial Development Co., Ltd (南京光電聯合科技產業發展有限公司), Heilongjiang Optics Valley Industrial Park Development Co., Ltd (黑龍江光電產業園發展有限公司). He is responsible for the Institute of Industrial Economics and Dalian Branch; and guiding the work in Xixian District and Northeast District. Mr. Yu was the technology manager of Wuhan OVU from September 2010 to February 2012, the executive manager of the project department of Biolake from February 2012 to February 2013 and the executive general manager of projects of the Group from February 2013 to June 2014. Before joining the Group, Mr. Yu served as the deputy director of production division of Wuhan Mayinglong Pharmaceutical Co., Ltd.* (武漢馬應龍藥業股份有限公司), and the head of the Engineering Department of Wuhan Hongtaokai Pharmaceutical Co., Ltd.* (武漢紅桃開藥業股份有限公司). Mr. Yu obtained a bachelor's degree in mechanical manufacturing technology and equipment from Hubei Technology Institute (湖北工學院) in 1992.

Mr. Yin Bitao (尹碧濤), aged 44, is the vice president of the Company, general manager of the planning and development center, office director of project planning auditing committee. He is also the chairman and general manager of China Electronics Optics Valley Architecture Design Institute Co., Ltd.* (中電光谷建築設計院有限公司), the chairman of CEOVU Engineering Construction (Hubei) Co., Ltd.* (中電光谷工程建設(湖北)有限公司), Wuhan Digital Industrial Park Development Co. Ltd.* (武漢數字產業園發展有限公司), Wuhan Lidao Technology Company Limited* (武漢麗島科技有限責任公司), Hubei Qianbao Design Engineering Co., Ltd.* (湖北千寶設計工程有限公司) and Yichang CEOVU Industrial Park Development Co., Ltd. * (宜昌中電光谷產業園發展有限公司). He is also responsible for the digital center and the management of the park operation department, Guizhou Shuanglong Airport Optics Valley Industrial Operation Co., Ltd.* (貴州雙龍航空港光谷產業運營有限公司) and Bazhou China Electronics Optics Valley Technology Industry Co., Ltd.* (霸州中電光谷科技產業有限公司). Mr. Yin was the head of the Development Center of Wuhan OVU from May 2010 to August 2013. From September 2013 to February 2017, he served as the director of engineering and the director of operations of Hefei OVU; he has served as general manager of Planning and Development Center of Wuhan OVU, general manager of China Electronics Optics Valley Architecture Design Institute, and vice president of China Electronics Optics Valley Industry Research Institute since February 2017. Mr. Yin obtained his undergraduate diploma and bachelor's degree in engineering management from Huazhong University of Science and Technology in July 2004. In December 2006, he obtained a master's degree in technical economics and management from Huazhong University of Science and Technology.

Mr. Li Minghui (李明輝), aged 40, is the vice president of the Company, the president of the Southern region. Mr. Li also serves as the chairman and general manager of Changsha CEC and Changsha Lushan Innovation Industrial Park Development Co., Ltd.* (長沙麓山創新產業園發展有限公司); a director of Shanghai Huayue Investment Development Co., Ltd.* (上海華悅投資發展有限公司) and Chongqing China Electricity Optical Valley Technology City Development Co., Ltd.* (重慶中電光谷科技城開發有限公司); the chairman of Fujian CEOVU Technology and Innovation Industry Development Co., Ltd.* (福建中電光谷科創產業發展有限公司). He is also responsible for the management of Wuhan CEC Information Harbour, Changsha CEOVU Smart Industrial Park Development Co., Ltd.* (長沙中電光谷智慧產業園發展有限公司), Foshan Branch Company of Wuhan Optics Valley Union Group Company Limited* (武漢光谷聯合集團有限公司), Heng Qin Zhi Shu Cloud Computing Industry Research Institute Co., Ltd.* (橫琴智數雲計算產業研究院有限公司) and Shenzhen CEC i-Valley Operation Co., Ltd.* (深圳中電智谷運營有限公司); and guiding the work of the Southwest Region. Mr. Li joined the Company in 2012 and led the industry cooperation center to work in the development and operation of the themed business parks for a long time. He has extensive experience and resources in the fields of urban economic industry research, regional city-industry development planning, park development and operation, and served as Secretary General and Legal Representative of Chongqing College Town Industrial Technology Innovation Strategic Alliance. Mr. Li obtained his bachelor's degree in engineering from Huazhong University of Science and Technology in June 2008.

Ms. Huang Min (黃敏), aged 50, is the vice president of the Company, and the chairman and general manager of Heyuan Optical Valley Joint Industrial Park Development Co., Ltd.* (河源光谷聯合產業園區發展有限公司), the chairman of Chengdu Chip Valley Industrial Park Development Co., Ltd.* (成都芯谷產業園發展有限公司) and a director of Mianyang CEOVU Technology Development Co., Ltd.* (綿陽中電光谷科技發展有限公司). She is responsible for the work of Chengdu OVU Technology Development Co., Ltd.* (成都光谷聯合科技發展有限公司). Ms. Huang joined the Company in 2002 and served as the general manager of the finance center and the project management center and the chief financial officer and other roles of the Company. Before joining the Group, Ms. Huang served as the accountant and chief accountant of Wuhan East Lake High Technology. Ms. Huang received her college diploma in auditing from Hubei College of Finance and Economics (湖北財經高等專科學校) in June 1996 and graduated from Zhongnan University of Economics and Law (中南財經政法大學) in the bachelor's program of accounting (a self-learning course) in June 2001. She received her master's degree in business administration from Wuhan University (武漢大學) in June 2006. Ms. Huang is a member of Hubei Institute of Certified Public Accountants and was qualified as a senior accountant in December 2006 and a first-class constructor (一級建造師) in 2021 and obtained the advanced technical qualification for information system project manager (信息系統項目管理師高級技術資格) in 2022. Ms. Huang was awarded the first prize of Wuhan Professional Skills Competition* (武漢市技能選拔賽一等獎) and Medal of May 1st Honorable Workers in Wuhan* (武漢五一勞動獎章) and the third prize of The Second "Jindie Cup" National Accounting Knowledge Competition* ("金蝶杯"第二屆全國會計知識大賽三等獎).

Ms. Zhang Xuelian (張雪蓮), aged 49, is the secretary to the Board and chief of the legal and compliance department of the Company, and is responsible for the work of Hong Kong office, and serves as a supervisor of Wuhan OVU. Ms. Zhang had been a joint company secretary of the Company since 6 March 2014 and became the sole company secretary and authorized representative of the Company on 12 December 2019. Ms. Zhang joined the Group in 2008 and is responsible for the secretariat of the Board and the legal and compliance department of the Company, as well as the work of Hong Kong office. She held various positions within the Company, including the supervisor of Wuhan Financial Harbour Development Co., Ltd. (武漢金融港開發有限公司), the head of the administration center, secretary to the Board and chief of the legal and compliance department of the Company. Ms. Zhang has extensive professional knowledge and over 25 years of practical experience in stock and securities management, mergers and acquisitions, and risk management. Before joining the Group, Ms. Zhang served as the secretary, representative of securities matters, general manager of the business solicitation department, chief of the audit and legal compliance department, deputy general economist and supervisor of Wuhan East Lake High Technology. Ms. Zhang received her bachelor's degree in economics law from Zhongnan University of Economics and Law (中南財經政法大學) (formerly known as Zhongnan College of Politics and Law (中南政法學院)) in July 1998. She is qualified as a senior operation specialist, a senior human resources management specialist, and a senior economist. Ms. Zhang attended training programs for company secretary to board, senior management and independent non-executive director of listed companies and received the relevant qualifications from the Shanghai Stock Exchange in June 2001, May 2007 and April 2008, respectively. She also has qualifications of securities practitioners, fund practitioner and level I risk manager.

Ms. Liu Yuanyuan (劉元元), aged 43, serves as the Chief Financial Officer of the company, Director of the Project Investment Review Special Committee Office, and is in charge of the Financial Management Center. Ms Liu graduated from the Changsha University of Science and Technology* (長沙理工大學) with a bachelor's degree in economics majoring in finance. Ms. Liu is a certified management accountant with qualification as a senior accountant. Ms. Liu has over 19 years of experience in accounting and financial management. Ms. Liu previously served consecutively as the professional manager and the senior professional manager in financial reporting and management of the financial management department, the senior manager in financial operation management, and the deputy general manager of the financial management department of China Electronics International Information Service Co., Ltd.* (中國中電國際信息服務有限公司). She also previously served as the finance executive of the finance department of Shenzhen SED Electronics Group Co., Ltd.* (深圳桑達電子集團有限公司), the senior management auditor of Guangdong Strong Group Co., Ltd.* (廣東喜之郎集團有限公司), the project manager of Zhongshen International Certified Public Accountants* (中審國際會計師事務所) and the project manager of Shenzhen Nanfang Minhe Certified Public Accountants* (深圳南方民和會計師事務所).

COMPANY SECRETARY

Ms. Zhang Xuelian (張雪蓮), aged 49, is the secretary to the Board and chief of the legal and compliance department of the Company. Ms. Zhang had been a joint company secretary of the Company since 6 March 2014 and became the sole company secretary and authorized representative of the Company on 12 December 2019. Please see the subsection headed "Senior Management" in this section for details of her biography.

CHANGE IN DIRECTOR'S INFORMATION

From 1 January 2024 to the Latest Practicable Date, the changes in the information of the Directors of the Company are as follows:

Ms. Zeng Yumei resigned as a director of Tianma Microelectronics Co., Ltd. (a company listed on the Shenzhen Stock Exchange, Shenzhen stock code: 000050) on 31 December 2024.

The Directors are pleased to present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2024.

CORPORATE INFORMATION AND GLOBAL OFFERING

The Company was incorporated in the Cayman Islands on 15 July 2013 as an exempted company with limited liability. The Company's shares were listed on the Main Board of the Stock Exchange on 28 March 2014.

PRINCIPAL ACTIVITIES

The Group has established a strategic landscape of "One Body, Two Wings (一體兩翼)", with "park operation as the main body, park development as the backbone and industrial investment as the driving force". The Group has the following three segments: (i) industrial park operation services (including design and construction services, property management services, property leasing services, energy services, digital park services, incubator and office sharing services, group catering and hotel services and digital apartment services); (ii) industrial park development services (including sales of industrial park space and self-owned park property leasing services); and (iii) industrial investment services (equity investment business relevant to industrial theme parks business).

The income structure and profit composition in 2024 reflect the outcome of the transformation and reform strategy well. As of 31 December 2024, the Group developed or operated various industrial parks in more than 50 cities, including Wuhan, Yichang, Xiangyang, Huanggang, Changsha, Luoyang, Shanghai, Qingdao, Yantai, Hefei, Nantong, Chengdu, Mianyang, Chongqing, Xianyang, Xi'an, Shenzhen, Tianjin, Handan, Shenyang and Harbin.

BUSINESS REVIEW

Details of the business review of the Company are set out on pages 8 to 49 of this annual report and form part of the Directors' Report. As far as the Company is aware, it has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Company and its subsidiaries.

PRINCIPAL RISKS

Details of the principal risks and uncertainties faced by the Company are set out on pages 58 to 59 of this annual report and form part of this Director's Report.

FUTURE DEVELOPMENT

Details of the Company's future business development are set out on pages 50 of this annual report and form part of this Director's Report.

RESULTS AND FINAL DIVIDENDS

The results of the Group for the year ended 31 December 2024 are set out in the consolidated statement of profit or loss on page 140 of this annual report.

Taking into account the current operating and cash flow situation of the Company, as well as its future development and operating needs, the Board does not recommend the payment of a final dividend for the year ended 31 December 2024 (final dividend for 2023: HK$2.50 cents per share).

DIVIDEND POLICY

The Company has adopted a dividend policy on 13 December 2018. The Company shall maintain sufficient cash reserves to meet its funding needs, future growth and the value of its equity when it proposes or declares dividends. The Company has no pre-determined dividend payout ratio. The Board has the right to declare and distribute dividends to shareholders of the Company in accordance with the Articles of Association, all applicable regulations and various factors.

The Board should also consider the following factors related to the Group when considering the declaration of dividends, including financial results, cash flow positions, business positions and strategies, future operation and revenue, capital requirements and plans for expenses, Shareholders' interests, any restrictions on the declaration of dividends and any other factors that the Board may consider relevant. Depending on the financial positions of the Group and the aforementioned conditions and factors, dividends may be proposed and/or declared by the Board for a financial year or period, and any final dividend will be subject to Shareholders' approval. The Board will review the dividend policy when necessary.

FINANCIAL SUMMARY AND FINANCIAL KEY PERFORMANCE INDICATORS

A summary of the Group's results, assets and liabilities for the last five financial years is set out in page 4 of this annual report. That summary does not form part of the audited consolidated financial statements.

Details of the financial key performance indicators of the Company are set out on pages 51 to 59 of this annual report and form part of the Directors' report.

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

During the year ended 31 December 2024, the Company repurchased a total of 4,508,000 shares on the Stock Exchange at an aggregate consideration (excluding handling fees and stamp duty etc.) of HK$1,691,760. All the repurchased shares were cancelled on 2 February 2024. The purpose of the repurchase is to enhance the net asset value per Share and/or earnings per Share depending on the market conditions and funding arrangements at the time.

Particulars of the repurchases are as follows:

Month	Number of Shares repurchased	Purchase price per Share Highest (HK$)	Purchase price per Share Lowest (HK$)	Aggregate consideration (HK$)
January 2024	4,508,000	0.38	0.345	1,691,760
Total	4,508,000	0.38	0.345	1,691,760

Save as disclosed above, during the year ended 31 December 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the securities of the Company. As of 31 December 2024, the Company did not hold any treasury shares. Please refer to the section headed "Share Capital and Share Award Scheme" below for details of the Shares of the Company purchased by the trustee who was appointed by the Company for the purpose of implementing the share award scheme.

PRINCIPAL SUBSIDIARIES OF THE COMPANY

Particulars of principal subsidiaries of the Company are set out in note 11(A) to the consolidated financial statements on page 181 of this annual report.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands which would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders.

PROPERTY, PLANT AND EQUIPMENT

Details of changes in the Group's property, plant and equipment during the year ended 31 December 2024 are set out in note 14 to the consolidated financial statements on pages 186 to 188 of this annual report.

SHARE CAPITAL AND SHARE AWARD SCHEME

Details of changes in the Company's share capital during the year ended 31 December 2024 are set out in note 30 to the consolidated financial statements on pages 212 to 213 of this annual report and form part of the Directors' Report.

On 22 December 2016, the Company adopted a share award scheme, pursuant to which the Company may grant existing Shares to selected participants (namely directors, senior officers and/or employees, whether full-time or part-time, of any member of the Group). The reason for adopting the share award scheme is to recognise the contributions by certain directors, senior officers and/or employees and to incentivise them in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group. No new Shares will be granted under the share award scheme.

On 14 December 2021, the Board resolved to extend the share award scheme for 5 years such that the share award scheme will expire on 21 December 2026. Details of the share award scheme are set out in the Company's announcements dated 22 December 2016 and 14 December 2021.

During 2016, the trustee appointed by the Company for the purpose of the share award scheme purchased a total of 152,998,000 Shares at a total consideration of HK$122,928,380 (equivalent to RMB110,105,000) according to the share award scheme. As of 31 December 2024, none of the 152,998,000 Shares (representing approximately 2% of the issued Shares of the Company) has been granted. The total number of Shares available for issue under the share award scheme is 152,998,000, representing approximately 2% of the issued Shares of the Company as at the date of this annual report. The maximum number of Shares which may be awarded each year to a selected participant under the share award scheme shall not exceed two per cent. (2%) of the issued share capital of the Company from time to time (excluding Shares which have been vested in the relevant selected participant). The Remuneration Committee is entitled to impose any conditions (including without limitation, a vesting period and/or performance targets, payment of a certain purchase price to the Company and other criteria, if any, to be satisfied by the selected participant) as it deems appropriate in its sole and absolute discretion before the awarded Shares can vest. Since no awards have been made since 22 December 2016 until 31 December 2024, no related vesting periods, purchase price (and its payment period and basis of determination) have been fixed.

RESERVES

Details of movements in the reserves of the Company and the Group during the Reporting Period are set out in note 31 to the consolidated financial statements on pages 214 to 215 of this annual report.

DISTRIBUTABLE RESERVES

The Company's reserves available for distribution, calculated in accordance with Cayman Islands law, amounted to approximately RMB1,208 million as of 31 December 2024.

BANK LOANS AND OTHER BORROWINGS

Particulars of movements of the bank loans and other borrowings of the Group as of 31 December 2024 are set out in note 27 to the consolidated financial statements on pages 204 to 207 of this annual report.

MAJOR CUSTOMERS AND SUPPLIERS

During the Reporting Period, the percentage of turnover attributable to the Group's five largest customers from the sales of properties in their projects was approximately 16.2% and the percentage of turnover attributable to its largest customer from the sales of properties in its projects was approximately 7.5%. The Group's five largest supplier accounted for less than 24.7% of the Group's total purchases for the year; and the percentage of purchases attributable to the Group's largest supplier from the total purchases was 10.3%. None of the Directors, their close associates or any Shareholder (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had any interest in any of the Group's five largest customers and suppliers.

COMPLIANCE WITH LAWS AND REGULATIONS

During the Reporting Period, the Group has complied with relevant laws and regulations which have material influence on its operation.

MAJOR RELATIONSHIP BETWEEN THE GROUP AND ITS EMPLOYEES, CUSTOMERS, SUPPLIERS AND OTHER PARTIES

The Group recognises the importance of employees, customers, suppliers and other parties to its sustainable development.

The Group strives to maintain a close relationship with its employees and to provide quality services to its customers, while enhancing co-operation with suppliers and other parties. Details of the Group's employees are set out on page 58 of this annual report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

As detailed in the business review in this report, the Group has adopted measures to support the national goal of "achieving peak carbon by 2030 and carbon neutrality by 2060 (3060雙碳目標)". The report on environmental policies and performance independently prepared by the Group received a "Five-Star Excellent" rating from the "Rating Expert Committee of China Corporate Social Responsibility Report " and was honored as a model among corporate sustainable development reports. The report will be published separately.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision for the benefit of the Directors is currently in force and was in force throughout the year. According to Article 191 of the Articles of Association, each Director shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through their own fraud or dishonesty. The Company has taken out the appropriate directors' and senior officers' liability insurance policy for the directors and senior officers of the Group as a means of security.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors for the year ended 31 December 2024 and up to the Latest Practicable Date were:

Non-Executive Directors

Ms. Liu Bo *(Chairman) (appointed as Chairman and a non-executive Director on 4 July 2024)*
Mr. Liu Guilin *(Chairman) (resigned as Chairman and a non-executive Director on 4 July 2024)*
Mr. Zhang Jie
Mr. Hu Bin
Ms. Zeng Yumei *(appointed as a non-executive Director on 26 March 2024)*
Ms. Sun Ying *(resigned as a non-executive Director with effect from 26 March 2024)*
Mr. Zang Saijun *(appointed as a non-executive Director on 30 October 2024)*
Mr. Xiang Qunxiong *(resigned as a non-executive Director on 30 October 2024)*

Independent Non-Executive Directors

Mr. Qi Min
Mr. Qiu Hongsheng
Mr. Qi Liang

Executive Director

Mr. Huang Liping *(President)*

The biographical details of the Directors and senior management as at the Latest Practicable Date are set out under the section headed "Directors and Senior Management" of this annual report.

None of the Directors of the Company entered into any service contract with the Group which is not terminable by the Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN CONTRACTS

No transaction, arrangement, or contract of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the Reporting Period or at any time during the year.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended 31 December 2024.

NON-COMPETITION UNDERTAKINGS

Each of the Controlling Shareholders has confirmed with the Company that each of them has complied with the non–competition undertakings that were provided to the Company on 14 March 2014. Details of the deed of non-competition are disclosed in the section headed "Relationship with Controlling Shareholders" of the Prospectus. The independent non–executive Directors have reviewed the status of compliance and confirmed that all of these non-competition undertakings have been complied with by the Controlling Shareholders.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors and senior management and the five highest paid individuals are set out in notes 9, 37 and 40 to the consolidated financial statements on pages 179 to 180, 219 to 221 and 224 to 226 of this annual report, respectively.

The remuneration payable to the Directors (other than Ms. Liu Bo, Mr. Zhang Jie, Ms. Zeng Yumei and Mr. Zang Saijun, who did not receive any remuneration during the Reporting Period) and the members of senior management during the Reporting Period fell within the following bands.

Remuneration bands	Number of individuals
RMB3.0 million to 4.0 million	2
RMB2.0 million to 3.0 million	5
RMB1.0 million to 2.0 million	2
Below RMB1.0 million	6

Mr. He Haihua ceased to be a senior executive officer of the Company on 8 September 2024 and became a consultant of the Company while Mr. Tian Maoming resigned on 16 May 2024. The above two were included in the remuneration disclosure of directors and senior management members.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2024, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were (i) recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or (ii) otherwise notified to the Company and the Stock Exchange pursuant to the Model Code set out in Appendix C3 to the Listing Rules were as follows:

Name of Director	Nature of Interest	Number of Shares Held(1)	Approximate Percentage of Shareholding(2)
Mr. Huang Liping	Interest in controlled corporation	1,904,188,000(3)	25.35%
Mr. Hu Bin	Beneficial owner	70,320,000	0.94%

Notes:

(1) All the above Shares were held in long position (as defined under Part XV of the SFO).

(2) The percentages disclosed were calculated based on the total number of issued shares of the Company as at 31 December 2024, i.e. 7,512,324,000.

(3) Mr. Huang Liping held 100% equity interests in each of AAA Finance and Lidao BVI. Under the SFO, Mr. Huang Liping is deemed to be interested in 1,784,188,000 Shares held by AAA Finance and 120,000,000 Shares held by Lidao BVI.

Save as disclosed above, as at 31 December 2024, so far as is known to any Director or the chief executive of the Company, none of the Directors or the chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or associated corporations which were (i) recorded in the register required to be kept under section 352 of the SFO, or (ii) otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

No rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company were granted to any Director or their respective spouse or children under 18 years of age, nor were any such rights exercised by them, nor was the Company or any of its subsidiaries a party to any arrangement to enable the Directors, or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate throughout the period from the listing date to 31 December 2024.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the Reporting Period, none of the Directors had any interest in any businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group.

CONTRACTS WITH CONTROLLING SHAREHOLDERS

Other than the connected transactions conducted by the Group as set out in the section headed "CONNECTED TRANSACTIONS" below, (i) no contract of significance has been entered into among the Company or any of its subsidiaries and the Controlling Shareholders or any of its subsidiaries during the Reporting Period, and (ii) none of the Company or any of its subsidiaries has entered into any contract of significance for the provision of services by any controlling shareholders or any of its subsidiaries during the Reporting Period.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2024, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of Shareholder	Nature of Interest	Number of Shares Held(1)	Approximate Percentage of Shareholding(2)
CEIS	Beneficial owner	2,550,000,000	33.94%
CEC	Interest in controlled corporation	2,550,000,000(3)	33.94%
AAA Finance	Beneficial owner	1,784,188,000(4)	23.75%
Technology Investment HK	Beneficial owner	479,910,000	6.39%
Hubei Science & Technology Investment	Interest in controlled corporation	479,910,000(5)	6.39%

Notes:

(1) All the above Shares were held in long position (as defined under Part XV of the SFO).

(2) The percentages disclosed were calculated based on the total number of issued shares of the Company as at 31 December 2024, i.e., 7,512,324,000.

(3) These Shares were held by CEIS. As CEIS is a wholly-owned subsidiary of China Electronics Co. Ltd.* (中國電子有限公司) (which in turn is owned by CEC as to approximately 81.7%,), CEC was deemed to be interested in all the Shares held by CEIS under the SFO.

(4) AAA Finance was wholly owned by Mr. Huang Liping, executive Director. Mr. Huang Liping's interests therein are set out in the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" in this report.

(5) These Shares were held by Technology Investment HK. Hubei Science & Technology Investment held 100% equity interest in Technology Investment HK. Under the SFO, Hubei Science & Technology Investment was deemed to be interested in all the Shares held by Technology Investment HK.

Save as disclosed above, as at 31 December 2024, the Company has not been notified by any person (not being the Directors or chief executive of the Company) who had interests or short positions of 5% or more in the Shares or underlying Shares of the Company as recorded in the register required to be kept pursuant to Section 336 of the SFO.

MATERIAL ACQUISITIONS

The Group does not have any material acquisitions of subsidiaries, associates and joint ventures for the year ended 31 December 2024.

MATERIAL DISPOSALS

The Group does not have any material disposals of subsidiaries, associates and joint ventures for the year ended 31 December 2024.

CONNECTED TRANSACTIONS

The details of the connected transactions conducted by the Group for the year ended 31 December 2024 are as follows:

CONTINUING CONNECTED TRANSACTION SUBJECT TO THE REPORTING, ANNOUNCEMENT AND INDEPENDENT SHAREHOLDERS' APPROVAL REQUIREMENTS

1. Since the deposit services under the financial services agreement (as supplemented by the supplemental financial services agreement dated 13 November 2019 and the second supplemental financial services agreement dated 19 May 2020) dated 27 September 2017 entered into between the Company and CEC Finance (collectively, the "**2020 Financial Services Agreement**") expired on 25 June 2023, and the Company intended to continue carrying out the relevant transactions (namely, provision by CEC Finance of, inter alia, certain deposit services to the Group in accordance with the terms and conditions) under the 2020 Financial Services Agreement, the Company has entered into a new financial services agreement (the "**2023 Financial Services Agreement**") with CEC Finance on 5 July 2023 to, inter alia, renew and set the annual caps for the deposit services for the three years ending 29 June 2026 at RMB600 million. The 2023 Financial Services Agreement, the transactions contemplated thereunder and the relevant annual caps were approved by the independent Shareholders on 24 August 2023. The highest daily balance of the funds settlement balance (deposit amount) during the year ended 31 December 2024 was RMB232,505,000.

   CEC Finance is a non-banking financial institution established with the approval of the China Banking Regulatory Commission, and a subsidiary of CEC, while CEC indirectly holds 2,550,000,000 Shares of the Company (representing approximately 33.67% of the issued share capital of the Company as at the date of the 2023 Financial Services Agreement). Therefore, CEC is a substantial shareholder of the Company and CEC Finance is a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Accordingly, the 2023 Financial Services Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio calculated in accordance with the Listing Rules in respect of the maximum daily balance of the funds settlement balance (deposit amount) under the 2023 Financial Services Agreement is more than 5% but less than 25%, the matters relating to the deposit services contemplated under the 2023 Financial Services Agreement and the relevant annual caps are subject to the reporting, announcement, annual review, and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

   For further details, please refer to the Company's announcement dated 5 July 2023 and circular dated 2 August 2023.

2. On 25 October 2023, Wuhan OVU (an indirect wholly-owned subsidiary of the Company) entered into a facility agreement (the "**2023 Facility Agreement**") with CEC Finance, pursuant to which CEC Finance has conditionally agreed to provide a revolving facility of up to RMB878,000,000 (the "**2023 Revolving Facility**") to Wuhan OVU for the period from 18 December 2023 to 17 December 2024.

In light of the expiry of the revolving facility under the 2022 facility agreement on 19 October 2023, and taking into consideration the constant need for financing of Wuhan OVU, on 25 October 2023, Wuhan OVU entered into the 2023 Facility Agreement with CEC Finance, pursuant to which CEC Finance has conditionally agreed to provide the revolving facility of up to RMB878,000,000 to Wuhan OVU for the period of one year from 18 December 2023 to 17 December 2024. The 2023 Facility Agreement, the 2023 Guarantee (as defined below), the 2023 Huangshi OVU Charge (as defined below), the 2023 Hefei OVU Charge (as defined below), the 2023 Xi'an Industrial Park Charge (as defined below), the transactions contemplated thereunder and the relevant annual caps were approved by the independent Shareholders on 14 December 2023. The interest rate of each drawdown shall be specified in the corresponding specific agreement. Such interest rate is determined, upon the entering into of the specific agreement, with reference to (i) the one-year loan prime rate (LPR) published by the National Interbank Funding Center (全國銀行間同業拆借中心) at the material time, which rate is currently 3.45% as at 25 October 2023; and (ii) the prevailing interest rates for loan facilities of the same tenure and types and offered by major commercial banks in the PRC.

Pursuant to the 2023 Facility Agreement, in order to secure Wuhan OVU's repayment obligations of the aggregate outstanding amount(s) owed by Wuhan OVU to CEC Finance contemplated under the 2023 Facility Agreement (and the specific agreements), on 25 October 2023, the following security documents have been entered into by the relevant parties:

(1) The Company (as guarantor) and CEC Finance (as beneficiary) entered into a guarantee (the "**2023 Guarantee**"), pursuant to which the Company shall, on a joint and several basis, guarantee the repayment obligations of Wuhan OVU under the 2023 Facility Agreement;

(2) Huangshi Optics Valley Union Development Co., Ltd.* (黃石光谷聯合發展有限公司) ("**Huangshi OVU**") (as chargor) and CEC Finance (as chargee) entered into a charge agreement (the "**2023 Huangshi OVU Charge**"), pursuant to which Huangshi OVU shall grant security in favour of CEC Finance by way of a charge over 52 units in the office buildings for research and development located in No.185 Jinshan Boulevard, Golden Hill Development Zone, Huangshi, Hubei, the PRC* (中國湖北黃石黃金山開發區金山大道185號) with an aggregated gross floor area of approximately 19,985.84 sq.m., as security for due performance of obligations of Wuhan OVU under the 2023 Facility Agreement;

(3) Wuhan Optics Valley Financial Harbour Development Co., Ltd.* (武漢光谷金融港發展有限公司) ("**OV Financial Harbour Development**") (as chargor) and CEC Finance (as chargee) entered into a charge agreement (the "**2023 OV Financial Harbour Development Charge**"), pursuant to which OV Financial Harbour Development shall grant security in favour of CEC Finance by way of a charge over the first floor and second floor of No. A5 Exhibition Centre, OVU Financial Harbour, 77 Guanggu Avenue, East Lake New Technology Development Zone, Wuhan, Hubei, the PRC* (中國湖北武漢東湖新技術開發區光谷大道77號光谷金融港A5號展覽中心一樓及二樓), with a gross floor area of approximately 2,414.06 sq.m, as security for due performance of obligations of Wuhan OVU under the 2023 Facility Agreement; and

(4) China Electronics Xi'an Industrial Park Development Co., Ltd.* (中國電子西安產業園發展有限公司) ("**Xi'an Industrial Park**") (as chargor) and CEC Finance (as chargee) entered into a charge agreement (the "**2023 Xi'an Industrial Park Charge**"), pursuant to which Xi'an Industrial Park shall grant security in favour of CEC Finance by way of a charge over 18 commercial units located in No. 1288 Caotan 10th Road, Xi'an Economic Development Zone, Xi'an, the PRC* (中國西安西安市經濟開發區草灘十路1288號), with an aggregated gross floor area of approximately 24,113.34 sq.m. as security for due performance of obligations of Wuhan OVU under the 2023 Facility Agreement.

In light of the expiry of the revolving facility under the 2023 Facility Agreement on 17 December 2024, and taking into consideration the constant need for financing of Wuhan OVU, on 17 December 2024, Wuhan OVU entered into another facility agreement (the "**2024 Facility Agreement**") with CEC Finance, pursuant to which CEC Finance has conditionally agreed to provide the revolving facility of up to RMB1,000,000,000 (the "**2024 Revolving Facility**") to Wuhan OVU for the period of one year from 10 February 2025 to 9 February 2026. The 2024 Facility Agreement, the 2024 Guarantee (as defined below), the 2024 Huangshi OVU Charge (as defined below), the 2024 Hefei OVU Charge (as defined below), the transactions contemplated thereunder and the relevant annual caps were approved by the independent Shareholders on 27 February 2025. The interest rate of each drawdown shall be specified in the corresponding specific agreement. Such interest rate is determined, upon the entering into of the specific agreement, with reference to (i) the one-year loan prime rate (LPR) published by the National Interbank Funding Center (全國銀行間同業拆借中心) at the material time, which rate is currently 3.10% as at 17 December 2024; and (ii) the prevailing interest rates for loan facilities of the same tenor and types and offered by major commercial banks in the PRC.

Pursuant to the 2024 Facility Agreement, in order to secure Wuhan OVU's repayment obligations of the aggregate outstanding amount(s) owed by Wuhan OVU to CEC Finance contemplated under the 2024 Facility Agreement (and the specific agreements), on 17 December 2024, the following security documents have been entered into by the relevant parties:

(1) The Company (as guarantor) and CEC Finance (as beneficiary) entered into a guarantee (the "**2024 Guarantee**"), pursuant to which the Company shall, on a joint and several basis, guarantee the repayment obligations of Wuhan OVU under the 2024 Facility Agreement;

(2) Huangshi OVU (as chargor) and CEC Finance (as chargee) entered into a charge agreement (the "**2024 Huangshi OVU Charge**"), pursuant to which Huangshi OVU shall grant security in favour of CEC Finance by way of a charge over three (3) units in Central Shopping Mall, No. 76, Hangzhou West Road, Xialu District, Huangshi, Hubei, the PRC* (中國湖北黃石市下陸區杭州西路76號中心商場) with an aggregated gross floor area of approximately 12,629.9 sq.m., as security for due performance of obligations of Wuhan OVU under the 2024 Facility Agreement;

(3) Hefei Optics Valley Union Development Co., Ltd.* (合肥光谷聯合發展有限公司) ("**Hefei OVU**") (as chargor) and CEC Finance (as chargee) entered into a charge agreement (the "**2024 Hefei OVU Charge**"), pursuant to which Hefei OVU shall grant security in favour of CEC Finance by way of a charge over the Block B6B7, Financial Harbour Centre, No. 4872, Huizhou Avenue, Binhu District, Hefei, Anhui, the PRC*(中國安徽合肥市濱湖區徽州大道4872號金融港中心B6B7幢), with an aggregated gross floor area of approximately 30,986.10 sq.m, as security for due performance of obligations of Wuhan OVU under the 2024 Facility Agreement.

Wuhan OVU is principally engaged in (i) development, sales and leasing services of industrial park properties; and (ii) industrial park operation services (including design and construction services, property management services and digital park services, etc.) in the PRC. Wuhan OVU requires efficient and reliable credit facilities for its daily business operations for the purposes of obtaining services with regards to acceptance and payment of commercial bills of exchange, issuance of letters of guarantee, discounting of commercial bills of exchange, and other international trade finance services. The Group has all along been obtaining both secured and unsecured loans from CEC Finance for the purpose of financing its operational needs.

The maximum daily amount of outstanding loans owed by Wuhan OVU to CEC Finance pursuant to the 2023 Facility Agreement, being the caps for the 2023 Revolving Facility for the period from 18 December 2023 to 31 December 2023 and the period from 1 January 2024 to 17 December 2024 are both RMB878,000,000. From 1 January 2024 to 17 December 2024, the maximum daily amount of outstanding loans owed by Wuhan OVU to CEC Finance was RMB800,000,000.

The maximum daily amounts of outstanding loans owed by Wuhan OVU to CEC Finance pursuant to the 2024 Facility Agreement, being the caps for the 2024 Revolving Facility, from 10 February 2025 to 9 February 2027 and from 10 February 2027 to 9 February 2028 are RMB1,000,000,000 and RMB300,000,000, respectively.

CEC is a substantial shareholder of the Company. CEC Finance, being a subsidiary of CEC, is therefore a connected person of the Company under the Rule 14A.07(4) of the Listing Rules. Accordingly, the transactions contemplated under the 2023 Facility Agreement and the 2024 Facility Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined in the Listing Rules) calculated in accordance with the Listing Rules in respect of the relevant annual caps is more than 5%, the entering into of the 2023 Facility Agreement (and the relevant security documents set out above) and the 2024 Facility Agreement (and the relevant security documents set out above) are subject to reporting, announcement, annual review and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

For further details, please refer to the Company's announcements dated 25 October 2023 and 17 December 2024 and circulars dated 20 November 2023 and 20 January 2025.

CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS SUBJECT TO THE REPORTING AND ANNOUNCEMENT REQUIREMENTS BUT EXEMPT FROM INDEPENDENT SHAREHOLDERS' APPROVAL REQUIREMENTS

1. On 8 January 2021, Wuhan OVU (an indirect wholly-owned subsidiary of the Company) (as lessee) entered into a lease agreement (the "**2021 Lease Agreement**") with Wuhan China Electronics Corporation Limited (武漢中原電子集團有限公司, "**Wuhan CEC**") (as lessor) in respect of the properties situated at Blocks 6#, 7#, 9# and 10#, Wuhan CEC Minpin Park Phase I, 10 Financial Harbour Road Four, East Lake High-Tech Development Zone, Wuhan City, the PRC (the "**Leased Properties**") for the period from 26 January 2021 to 25 January 2025 (the "**2021 Lease Term**"). The aggregate rental of the Leased Properties for the 2021 Lease Term shall be RMB13,754,162.88 (inclusive of value added tax but exclusive of management service fees and other outgoing charges and expenses).

   As the 2021 Lease Agreement has expired on 25 January 2025 and the Company intends to continue to lease the Leased Properties, on 18 February 2025, Wuhan OVU (as lessee) has entered into a new lease agreement (the "**2025 Lease Agreement**") with Wuhan CEC (as lessor) on 18 February 2025, pursuant to which the lease of the Leased Properties shall be for a term of three years (the "**2025 Lease Term**"), commencing on 26 January 2025 and ending on 25 January 2028, and the aggregate rental of the 2025 Leased Properties for the entire 2025 Lease Term shall be RMB14,703,806.52 (inclusive of value added tax but exclusive of management service fees and other outgoing charges and expenses).

   The Group intends to continue its business of renting out the Leased Properties to the existing or potential tenants/customers (which are generally incubator companies or corporations engaged in digital economy, information technology innovation or optoelectronics, etc.). This is in line with the Group's long-term root in the industrial park industry with a focus on local economic and industrial development.

   CEC (the Company's substantial shareholder) is indirectly interested in approximately 40.13% of the equity interest in Wuhan CEC as at 18 February 2025. Accordingly, Wuhan CEC is an associate of CEC and hence is a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Furthermore, the IFRS applicable to the Group include IFRS 16 "Leases", pursuant to which the Group (as lessee) shall recognise a lease as a right-of-use asset and a lease liability in the consolidated statement of the financial position of the Group. Under the application of IFRS 16, with respect to the leases under the 2021 Lease Agreement and the 2025 Lease Agreement, such transactions have been (or will be) recognised by the Group as an acquisition of right-of-use assets. Accordingly, the transactions contemplated under the 2021 Lease Agreement and the 2025 Lease Agreement respectively constituted connected transactions of the Company under Chapter 14A of the Listing Rules.

   Since the highest applicable percentage ratio stipulated under Rule 14.07 of the Listing Rules in respect of each of the 2021 Lease Agreement and the 2025 Lease Agreement on the basis of the estimated value of right-of-use assets exceeds 0.1% but does not exceed 5%, the transactions contemplated under the 2021 Lease Agreement and the 2025 Lease Agreement are subject to the reporting and announcement requirements, but exempt from the independent Shareholders' approval requirement under the Listing Rules.

   For further details, please refer to the Company's announcements dated 8 January 2021 and 18 February 2025.

2. On 24 February 2022, Wuhan OVU (an indirect wholly-owned subsidiary of the Company) entered into a framework agreement (the "**2022 Framework Agreement**") with CEC Caihong Intelligent Lighting Technology Co., Ltd.* (中電彩虹智慧照明科技有限公司, "**CEC Lighting**") in relation to the provision of the procurement of floodlighting equipment and related services by CEC Lighting and its subsidiaries (the "**CEC Lighting Group**") to the Group for the period from 1 January 2022 to 31 December 2024. Pursuant to the 2022 Framework Agreement, the Group shall, on a non-exclusive basis, engage the CEC Lighting Group as its contractor in procuring floodlighting equipment and providing related services (including designing of lighting effects, formulation of installation work plans, selection and installation of lights and relevant equipment, and provision of relevant technical services). During the term of the 2022 Framework Agreement, the Group may, from time to time, enter into specific agreements with the CEC Lighting Group which will set out the detailed terms of the scope of the procurement of lighting equipment and related services of individual projects of the Group. The fees payable by the Group to the CEC Lighting Group in respect of the procurement of floodlighting equipment and provision of related services comprises (a) the construction work fees, (b) the design fee and (c) if applicable, fee for civil engineering work (土建費用). The construction work fees and the design fee shall be payable by the relevant member of the Group to the relevant member of the CEC Lighting Group in tranches at different stages of the relevant installation work and in line with the usual industry practice. The payment terms of the fee for civil engineering work (if any), which will be set out in each specific agreement, shall be determined after arm's length negotiations between the relevant parties with reference to the usual industry practice.

   As the 2022 Framework Agreement has expired on 31 December 2024 and the Company intends to continue carrying out the relevant transactions under the 2022 Framework Agreement following its expiry, Wuhan OVU entered into a new framework agreement (the "**2024 Framework Agreement**") with CEC Caihong (Dalian) Construction Co., Ltd.* (中電彩虹(大連)建工有限公司) (a wholly-owned subsidiary of CEC Lighting) ("**CEC Dalian**") on 17 December 2024 to renew and set the annual caps for the provision of the procurement of floodlighting equipment and related services by CEC Dalian to the Group for the three years ending 31 December 2027 and on terms substantially the same as those of the 2022 Framework Agreement. Pursuant to the 2024 Framework Agreement, the Group shall, on a non-exclusive basis, engage CEC Dalian as its contractor in procuring floodlighting equipment and providing related services (including designing of lighting effects, formulation of installation work plans, selection and installation of lighting products and relevant equipment, and provision of relevant technical services). The fees payable by the Group to CEC Dalian in respect of the procurement of floodlighting equipment and related services comprises, on a tax inclusive basis, (a) the construction work fees, (b) the design fee and (c) if applicable, fee for civil engineering work. The construction work fee and the design fee shall be payable by the relevant member of the Group to CEC Dalian in tranches at different stages of the relevant installation work and in line with the usual industry practice. The payment terms of the fee for civil engineering work (if any), which will be set out in each specific agreement, shall be determined after arm's length negotiations between the relevant parties with reference to the usual industry practice.

   The Group is an industrial park integrated operation service provider in the PRC, and in particular, Wuhan OVU is principally engaged in (i) development, sales and leasing services of industrial park properties; and (ii) industrial park operation services (including design and construction services, property management services and digital park services etc.) in the PRC. In the course of the development of the Group's industrial park projects, the Group has demand for quality services in relation to the design, procurement and installation of floodlighting products and equipment.

Pursuant to the 2022 Framework Agreement, the relevant annual caps for the transactions contemplated under the 2022 Framework Agreement are RMB21,000,000 for the year ended 31 December 2022, RMB24,000,000 for the year ended 31 December 2023 and RMB28,000,000 for the year ended 31 December 2024, respectively. For the year ended 31 December 2024, the aggregate amount of the transactions under the 2022 Framework Agreement amounted to RMB5,734,000.

Pursuant to the 2024 Framework Agreement, the relevant annual caps for the transactions contemplated under the 2024 Framework Agreement are RMB11,100,000 for the year ending 31 December 2025, RMB12,765,000 for the year ending 31 December 2026 and RMB14,670,000 for the year ending 31 December 2027, respectively.

CEC is a substantial shareholder of the Company. CEC Lighting and CEC Dalian, both being subsidiaries of CEC, are therefore connected persons of the Company under the Rule 14A.07(4) of the Listing Rules. Accordingly, the transactions contemplated under the 2022 Framework Agreement and the 2024 Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since the highest applicable percentage ratio calculated in accordance with the Listing Rules in respect of each of the 2022 Framework Agreement and the 2024 Framework Agreement exceeds 0.1% but all of them are less than 5%, the 2022 Framework Agreement, the 2024 Framework Agreement and the transactions contemplated thereunder are subject to reporting, annual review and announcement requirements but are exempt from the independent shareholders' approval requirement under Rule 14A.76(2) of the Listing Rules.

For further details, please refer to the Company's announcements dated 24 February 2022 and 17 December 2024.

The independent non-executive Directors have reviewed the continuing connected transactions and connected transactions set out above and confirmed that the transactions have been entered into (i) in the ordinary and usual course of business of the Group, (ii) on normal commercial terms or better, and (iii) according to the agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised)"Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued its unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group in accordance with Rule 14A.56 of the Listing Rules. The auditor confirms and states in the letter that:

- they have not noticed anything that causes them to believe that the continuing connected transactions disclosed above have not been approved by the Board of Directors of the Company;

- they have not noticed anything that causes them to believe that the continuing connected transactions disclosed above were not conducted in accordance with the relevant agreements governing the transactions in all material aspects; and

- in respect of the aggregate transaction amount of the above continuing connected transactions, they have not noticed anything that causes them to believe that the continuing connected transactions disclosed exceeded the relevant annual caps as approved by the Company.

The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in respect of the aforesaid continuing connected transactions and connected transactions.

RELATED PARTY TRANSACTIONS

During the Reporting Period, the Group conducted certain transactions with parties deemed as "related parties" under the applicable accounting standard. The details of these transactions are set out in note 37 to the consolidated financial statements on pages 219 to 221 of this annual report. Apart from the connected transaction and the continuing connected transactions disclosed above, the related party transactions as disclosed in note 37 to the consolidated financial statements are either connected transactions under Chapter 14A of the Listing Rules that are exempt from reporting, annual review, announcement and independent shareholders' approval requirement or do not constitute connected transactions under Chapter 14A of the Listing Rules.

EMPLOYEE AND REMUNERATION POLICY

As at 31 December 2024, the Group had in total 7,857 employees. During the Reporting Period, the staff cost of the Group was approximately RMB881.6 million.

The employees' remuneration policy is determined by reference to factors such as remuneration information in respect of the local market, the overall remuneration standard in the industry, inflation level, corporate operating efficiency and each employee's qualifications, position, seniority and performance.

The remuneration package of the employees includes basic salaries, allowances, bonuses and other employee benefits. The Group has designed an annual review system to assess the performance of its employees, which forms the basis of determining salary increments, bonuses and promotion.

The Remuneration Committee was set up to develop the Group's emolument policy and remuneration structure of the Directors and senior management of the Group, having regard to the individual contribution and performance of the Directors and senior management of the Group and comparable market practices.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements that will or may result in the Company issuing shares nor require the Company to enter into agreement that will or may result in the Company issuing shares was entered into by the Company during the year or subsisted at the end of the year.

POST BALANCE SHEET EVENTS

Details of post balance sheet events after 31 December 2024 are set out in note 38 to the consolidated financial statements on page 221 of this annual report.

CORPORATE GOVERNANCE

During the Reporting Period, the Company has complied with all code provisions set forth in the Corporate Governance Code effective for the year ended 31 December 2024 as set out in Appendix C1 to the Listing Rules and Corporate Governance Report.

Information on the principal corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 91 to 115 of this annual report.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules from each of the independent non-executive Directors and the Company considers each of the existing independent non-executive Directors, namely, Mr. Qi Min, Mr. Qiu Hongsheng, and Mr. Qi Liang to be independent during the Reporting Period.

SUFFICIENCY OF PUBLIC FLOAT

Rule 8.08 of the Listing Rules requires there to be an open market in the securities for which listing is sought and a sufficient public float of an issuer's listed securities to be maintained. This normally means that at least 25% of the issuer's total issued share capital must at all times be held by the public.

Based on the information that is publicly available to the Company and to the knowledge of the Directors, as at the Latest Practicable Date prior to the issue of this annual report, the Directors confirm that the Company has maintained a sufficient public float as required under the Listing Rules since the listing date.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

The Group did not fulfill one of the financial covenants related to the requirement on the ratio of consolidated EBITDA to consolidated net interest expenses for the year ended 31 December 2024 with respect to two syndicated loans (the "**Syndicated Loans**") amounting to RMB1,013,574,000 as at 31 December 2024, which would cause the Syndicated Loans to become immediately repayable if requested by the banks. In addition, the Group had certain bank and other borrowings (the "**Borrowings with Cross Default Condition**") with a total amount of RMB1,345,475,000 as at 31 December 2024 that are subject to cross-default condition as a result of the non-compliance of the Syndicated Loans.

By 31 December 2024, being the balance sheet date of the consolidated financial statements of the Company for the year ended 31 December 2024, no wavier had been obtained from the lenders to waive the requirement from compliance of the relevant financial covenant or the cross-defaults. Consequently, the non-current portion of the Syndicated Loans amounting to RMB230,000,000 and the non-current portion of Borrowings with Cross Default Condition of RMB437,883,000 with the original contractual repayment dates beyond 31 December 2025 was classified as current liabilities.

In March 2025, the Group successfully obtained written waivers for the Syndicated Loans to waive the requirement from compliance of the relevant financial covenant for year ended 31 December 2024 and obtained written waiver from the lender to waive the requirement from compliance of the Cross-Default Conditions for Borrowings with Cross Default Conditions from a lender amounting to RMB507,845,000. Nonetheless, all of the above conditions indicated 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 such circumstances, 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. For details of the plans and measures that have been taken to mitigate the liquidity pressure and to improve the Group's financial position, please see Note 2 to the consolidated financial statements.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 31 December 2024. In the opinion of the Directors, in light of the above and taking into account the anticipated cash flows to be generated from the Group's operations as well as the abovementioned plans and measures, the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the coming twelve months from 31 December 2024. Accordingly, the Directors consider that it is appropriate to prepare the consolidated financial statements on a going concern basis.

The report of the independent auditor of the Company, PricewaterhouseCoopers, for the year ended 31 December 2024, as set out in the section headed "Independent Auditor's Report" on pages 132 to 139 of this annual report, is not modified in respect of this matter, meaning no disclaimer has been issued by the independent auditor in relation to the consolidated financial statements of the Group for the year ended 31 December 2024.

The Audit Committee had critically reviewed the disclosure by the independent auditor on the material uncertainty related to going concern, its potential impact on the Group's financial position, the management's position and the plans and measures implemented by the Group to address the issue. The Audit Committee is in agreement with the management of the Company with respect to the disclosure by the independent auditor and the Group's ability to continue as a going concern, and in particular the plans and measures implemented by the management of the Company.

AUDIT COMMITTEE

The Audit Committee has reviewed together with the management and the external auditor the accounting principles and policies adopted by the Group and the audited consolidated financial statements for the year ended 31 December 2024.

AUDITORS

The consolidated financial statements for the year ended 31 December 2024 have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment. There has been no change in the auditors of the Company in the preceding three years.

On behalf of the Board
China Electronics Optics Valley Union Holding Company Limited
Liu Bo
Chairman

Hong Kong, the People's Republic of China,
31 March 2025

The Company believes that maintaining high standards of corporate governance is the foundation for effective management and successful business growth. The Company is committed to developing and maintaining robust corporate governance practices to safeguard the interests of Shareholders and to enhance the corporate value, accountability and transparency of the Company.

The Company has adopted the principles and code provisions of the Corporate Governance Code and Corporate Governance Report (the "**CG Code**") as set out in Appendix C1 to the Listing Rules as the basis of the Company's corporate governance practices. During the Reporting Period, the Company has strictly complied with all code provisions of the CG Code set out in Appendix C1 to the Listing Rules. This report will also further clarify how the Company applies the principles of good corporate governance as set out in the CG Code, so as to enable shareholders evaluation of such application.

SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code of conduct regarding Directors' and relevant employees' dealings in the securities.

The Company, after making specific inquiries to all Directors and relevant employees, confirmed that all of them have complied with the required standards in the Model Code during the Reporting Period.

THE BOARD OF DIRECTORS

Board Responsibilities

The Board is at the core of the Company's corporate governance structure, and is responsible for the overall strategic leadership and planning of the Company. All important matters of the Company are reserved for the Board's decision and the Board retains the authority of deciding such matters, including formulating and monitoring the Company's long-term strategies and policy matters, reviewing financial results, approving annual budgets, monitoring and reviewing internal control and risk management systems, assuming responsibility for the corporate governance system of the Company, and upholding the core values of the Company. All Directors (including the non-executive Directors and independent non–executive Directors) possess extensive and valuable business experience, knowledge and high level of professionalism, which facilitate the effective and efficient operation of the Board.

All Directors have full and timely access to all the information of the Company as well as the services and advice from the company secretary and senior management. The Directors may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expense for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them and the Board regularly reviews the contribution required from each Director to perform his/her responsibilities to the Company.

Delegation by the Board

The Board relies on management for the day-to-day operation of the Company's business, and has delegated the authority and responsibility for the daily management, administration and operation of the Group as well as the implementation of the Board's policies and strategies to the senior management of the Group. The Board and senior management fully appreciate their respective responsibilities, and they complement each other in formulating and maintaining higher standards of corporate governance practices of the Company.

BOARD COMPOSITION

The Board is structured with a view to ensuring that it is of high caliber and has a balance of skills and experience which meets the needs of the Company's business. The Board, as at the Latest Practicable Date, consists of nine members, comprising five non-executive Directors, three independent non-executive Directors and one executive Director as set out below.

Non-Executive Directors

Ms. Liu Bo *(Chairman) (appointed on 4 July 2024)*
Mr. Liu Guilin *(Chairman) (resigned on 4 July 2024)*
Mr. Zhang Jie
Mr. Hu Bin
Ms. Zeng Yumei *(appointed on 26 March 2024)*
Ms. Sun Ying *(resigned on 26 March 2024)*
Mr. Zang Saijun *(appointed on 30 October 2024)*
Mr. Xiang Qunxiong *(resigned on 30 October 2024)*

Independent Non-Executive Directors

Mr. Qi Min
Mr. Qiu Hongsheng
Mr. Qi Liang

Executive Director

Mr. Huang Liping *(President)*

Further descriptions of the biography of the Board members are set out under the section headed "Directors and Senior Management" in this annual report. A list of the Directors is available on the designated website of the Stock Exchange and the website of the Company.

There is no financial, business, family or other material or relevant relationships among the Directors.

Non-executive Directors

Ms. Liu Bo has entered into a letter of appointment with the Company for a term of three years commencing from 4 July 2024, subject to re-election. On 18 June 2024, Ms. Liu Bo has obtained the legal advice referred to in Rule 3.09D of the Listing Rules, and she has confirmed she understood her obligation as a director of the Company.

Mr. Zhang Jie has entered into a letter of appointment with the Company for a term of three years commencing from 12 June 2023, subject to re-election.

Mr. Hu Bin has entered into a letter of appointment with the Company for a term of three years from 8 September 2024, subject to re-election.

Ms. Zeng Yumei has entered into a letter of appointment with the Company for a term of three years commencing from 26 March 2024, subject to re-election. On 27 February 2024, Ms. Zeng Yumei has obtained the legal advice referred to in Rule 3.09D of the Listing Rules, and she has confirmed she understood her obligations as a director of the Company.

Mr. Zang Saijun has entered into a letter of appointment with the Company for a term of three years commencing from 30 October 2024, subject to re-election. On 14 October 2024, Mr. Zang Saijun has obtained the legal advice referred to in Rule 3.09D of the Listing Rules, and he has confirmed he understood his obligations as a director of the Company.

Independent Non-executive Directors

Independent non-executive Directors play an important role in the Board by bringing independent judgment and advice and through scrutinising of the Company's course of performance. During the Reporting Period, the Company has been in compliance with Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one of them possessing the appropriate professional qualifications or accounting or related financial management expertise. The Company has also complied with Rule 3.10A of the Listing Rules which requires that independent non-executive Directors appointed must represent at least one-third of the Board.

Mr. Qi Min has entered into a letter of appointment with the Company as an independent non-executive Director for a term of three years commencing from 11 March 2023. Mr. Qiu Hongsheng has entered into a letter of appointment with the Company to serve as an independent non-executive Director for an initial term of three years commencing from 10 March 2023. Mr. Qi Liang has entered into a letter of appointment with the Company to serve as an independent non-executive Director for an initial term of three years commencing from 1 August 2022.

In respect of the re-election of an independent non-executive Director who has served on the Board for more than nine years, the Board and the Remuneration and Nomination Committees would take account of additional factors and reasons to justify why they consider the long serving directors are still independent so as to ensure independent views and comments are sought from long serving independent non-executive Directors. The implementation and effectiveness of such mechanism has been reviewed by the Board during the Reporting Period.

Each of the independent non-executive Directors has confirmed his or her independence pursuant to Rule 3.13 of the Listing Rules, and the Company considers each of them to be independent according to the criteria set out in Rule 3.13 of the Listing Rules. The Board will review and evaluate whether there are circumstances that are likely to affect the independence of the independent non-executive Directors on an ongoing basis.

Executive Director

Mr. Huang Liping is an executive Director.

Mr. Huang Liping has entered into a service contract with the Company for a term of three years commencing from 11 March 2023, subject to re-election.

BOARD INDEPENDENCE EVALUATION

The Company has established a Board Independence Evaluation Mechanism on 16 June 2022 which sets out the processes and procedures to ensure a strong independent element on the Board, which allows the Board effectively exercises independent judgment to better safeguard Shareholders' interests.

The objectives of the evaluation are to improve Board effectiveness, maximise strengths, and identify the areas that need improvement or further development. The evaluation process also clarifies what actions of the Company need to be taken to maintain and improve the Board performance, for instance, addressing individual training and development needs of each Director.

Pursuant to the Board Independence Evaluation Mechanism, the Board will conduct annual review on its independence. The Board Independence Evaluation Report will be presented to the Board which will collectively discuss the results and the action plan for improvement, if appropriate.

During the year ended 31 December 2024, all Directors has completed the independence evaluation in the form of a questionnaire individually. The Board Independence Evaluation Report was presented to the Board and the evaluation results were satisfactory.

During the year ended 31 December 2024, the Board reviewed the implementation and effectiveness of the Board Independence Evaluation Mechanism and the results were satisfactory.

CHAIRMAN AND CHIEF EXECUTIVE

The roles of chairman and president (equivalent to the chairman and chief executive as stated in the CG Code) of the Company are exercised by different individuals. The chairman of the Company is Ms. Liu Bo and the president of the Company is Mr. Huang Liping.

As the chairman of the Company, Ms. Liu Bo is responsible for ensuring that the Directors are properly briefed on issues arising at board meetings and receive adequate information in a timely manner, formulating and following good corporate governance practices, regulating and supervising in accordance with the Company's Articles of Association, advocating the Group to maintain the highest level of integrity, fairness and corporate governance, taking the lead to ensure that all Directors are dedicated to perform their duties and make full and active contribution to the Board's affairs, encouraging Directors with different views to voice their concerns, allowing sufficient time for discussion of issues and ensuring that the board decisions fairly reflect board consensus, formulating strategies and policies for the Group and assisting the Group in handling current challenges and opportunities. Ms. Liu Bo has also took the lead in ensuring that the Board acts in the best interests of the Company, ensuring the strategies and policies agreed by the Board are implemented effectively by the management of the Group, reviewing the performance of the Group according to established goals and objectives, strengthening the development and operation of the Group, and ensuring effective communication with the Shareholders and that their views are communicated to the Board. Ms. Liu Bo, as the chairman, also strives to facilitate effective contribution of non-executive Directors in particular and ensuring constructive relations between executive and non-executive Directors.

As the president of the Company, Mr. Huang Liping is responsible for the overall operation and management of the Company.

APPOINTMENT, RETIREMENT AND RE-ELECTION OF DIRECTORS

The Articles of Association provide that any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his/her appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Hence, according to Article 112 of the Articles of Association, Ms. Liu Bo, who was appointed as a Director on 4 July 2024, and Mr. Zang Saijun, who was appointed as a Director on 30 October 2024, will retire at the annual general meeting for the year ended 31 December 2024.

Every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election.

The Nomination Committee is responsible for reviewing the Board's structure, size and composition and making recommendations to the Board on the appointment and re-appointment of Directors and succession planning of Directors.

INDUCTION AND CONTINUOUS PROFESSIONAL DEVELOPMENT

The Directors have been provided with relevant training to ensure that they fully understand their responsibilities, duties and obligations as directors of a listed company. All Directors are encouraged to attend relevant training courses at the Company's expense.

Each newly appointed Director will receive a formal, comprehensive and customized induction package upon his or her initial appointment to ensure that he or she has a proper understanding of the business and operations of the Company and is fully informed of his or her duties and responsibilities under the Listing Rules.

The Company provided training through external expert lecturers in order to develop and update the Directors' knowledge and skills. The Company also provided all Directors with the latest information and relevant materials regarding the Listing Rules and other applicable regulatory requirements to ensure compliance with good corporate governance practices and enhance their awareness in this regard.

For the year ended 31 December 2024, all of the Directors have received relevant trainings on corporate governance and the relevant training records are as follows:

	Corporate Governance/Updates on Relevant Laws, Rules and Regulations		Accounting/Finance/Management or Other Professional Skills	
Name of Director	**Studied Materials**	**Attended Seminars/ Briefings**	**Studied Materials**	**Attended Seminars/ Briefings**
Non-executive Directors:				
Ms. Liu Bo *(appointed on 4 July 2024)*	✓	✓		
Mr. Zhang Jie	✓	✓		
Mr. Hu Bin	✓	✓		
Ms. Zeng Yumei *(appointed on 26 March 2024)*	✓	✓		
Mr. Zang Saijun *(appointed on 30 October 2024)*	✓	✓		
Ms. Sun Ying *(resigned on 26 March 2024)*	✓	✓		
Mr. Liu Guilin *(resigned on 4 July 2024)*	✓	✓		
Mr. Xiang Qunxiong *(resigned on 30 October 2024)*	✓	✓		
Independent non-executive Directors:				
Mr. Qi Min	✓	✓		
Mr. Qiu Hongsheng	✓	✓	✓	✓
Mr. Qi Liang	✓	✓		
Executive Director:				
Mr. Huang Liping	✓	✓		

The Directors will continue to be updated by the Company on any changes or developments affecting their obligations as directors of a listed company.

BOARD MEETINGS

Notice of regular Board meetings is given to each Director at least 14 days before the meeting. The agenda and the relevant board papers are circulated to each Director at least three days before regular Board meetings to enable them to make informed decisions at the meeting.

Code provision C.5.1 of the CG Code requires that at least four regular Board meetings be held each year at approximately quarterly intervals, with active participation of a majority of directors entitled to attend the meetings, either in person or through other electronic means of communication. The Board held four regular Board meetings at approximately quarterly intervals during the Reporting Period.

INSURANCE FOR DIRECTORS AND SENIOR MANAGEMENT

The Company has arranged appropriate insurance cover in respect of potential legal actions against its Directors and senior management.

BOARD COMMITTEES

The Board has established three Board committees to oversee particular aspects of the Company's affairs, namely the Audit Committee, the Remuneration Committee and the Nomination Committee. The Board has delegated to the Board committees responsibilities as set out in their respective terms of reference. The independent non-executive Directors, as members of the various Board committees, bring their range of experiences and expertise and provide objective perspectives to the Board committees. The Board has provided the Board committees with sufficient resources to discharge their duties, and the Board committees may seek independent professional advice as and when required at the Company's expense.

Audit Committee

As at the Latest Practicable Date, the Audit Committee comprised three members. It was chaired by Mr. Qiu Hongsheng (independent non-executive Director), and its other members were Mr. Qi Min (independent non-executive Director) and Mr. Qi Liang (independent non-executive Director). Independent non-executive directors account for all seats on the Audit Committee.

The primary functions of the Audit Committee include the following:

- making recommendations to the Board on the appointment, reappointment and removal of external auditors, and to approve remuneration and terms of engagement of external auditors;

- reviewing and monitoring the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;

- discussing with the external auditors the nature and scope of the audit and the relevant reporting obligations before the audit commences;

- developing and implementing policy on engaging external auditors to provide non-audit services, including conducting annual review of all non-audit services performed by the external auditors, the nature of the non-audit services, the related fee levels and the fee levels individually and in aggregate relative to the external auditors, the criteria which govern the compensation of the individuals performing the audit, the safeguards in place to ensure that there is no threat to the objectivity and independence of the audit because the external auditors provide non-audit services, and to ensure that such services do not impair the independence or objectivity of the external auditors;

- monitoring the integrity of the Company's financial statements and annual report and accounts and half-yearly reports, and reviewing significant financial reporting opinions contained in such statements and reports;

- reviewing the Company's financial controls, internal control and risk management systems and discussing the internal control system with management to ensure that management has performed its duty to establish an effective internal control system;

- considering major investigation findings on internal control matters on the Audit Committee's own initiative or as delegated by the Board, as well as management's response to these findings; and

- reviewing the Group's financial and accounting policies and practices.

The terms of reference of the Audit Committee are available on the website of the Company and the designated website of the Stock Exchange. The Audit Committee held four meetings during the Reporting Period to review the annual results and report for the year ended 31 December 2023 as well as the interim results and report for the six months ended 30 June 2024, and review the effectiveness of the financial control, internal control, risk management system and internal audit function of the Company, and discuss material risks under concern in the audit work and appointment of external auditors.

During the Reporting Period, the Audit Committee held two meetings with external auditors.

Remuneration Committee

As at the Latest Practicable Date, the Remuneration Committee comprised three members. It was chaired by Mr. Qi Liang (independent non-executive Director), and its other members were Mr. Qi Min (independent non-executive Director) and Mr. Zang Saijun (non-executive Director). The Remuneration Committee had an overall majority of independent non-executive Directors.

The primary functions of the Remuneration Committee include the following:

- assessing, reviewing and making recommendations to the Board in respect of the remuneration packages and overall benefits for the Directors and senior management of the Company;
- making recommendations to the Board on the remuneration policy and structure for all Directors and senior management and on the establishment of a formal and transparent procedure for formulating remuneration policy;
- reviewing and approving the management's remuneration proposals with reference to corporate goals and objectives set by the Board;
- determining, with the delegated responsibility, the remuneration packages of individual executive directors and senior management, or making recommendations to the Board on the remuneration packages of individual executive Directors and senior management;
- making recommendations to the Board on the remuneration of non-executive Directors;
- ensuring that no Director or any of his/her associates is involved in deciding his/her own remuneration; and
- reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules.

The Company has adopted the new terms of reference of the Remuneration Committee of the Company on 23 March 2023, a copy of which is available on the website of the Company and the designated website of the Stock Exchange. The Remuneration Committee held six meetings during the Reporting Period to review the remuneration policies and structures of the Company, the remuneration packages for executive Directors and senior management as well as other relevant matters, assessing the performance of executive Directors, approving the terms of executive Directors' service contracts and make recommendations to the Board in such regard.

Details of the remuneration of the senior management by band are set out in the section headed "Remuneration of Directors and senior management and five individuals with highest emoluments" in the Directors' report on page 76.

Nomination Committee

As at the Latest Practicable Date, the Nomination Committee comprised three members. It was chaired by Ms. Liu Bo (non-executive Director), and its other members were Mr. Qi Min (independent non-executive Director) and Mr. Qiu Hongsheng (independent non-executive Director). It had an overall majority of independent non-executive Directors.

The primary functions of the Nomination Committee include the following:

- reviewing the structure, size and composition of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

- identifying individuals suitably qualified to become members of the Board and selecting or making recommendations to the Board on the selection of individuals nominated for directorships; identifying suitably qualified senior management of the Company (Chief Executive Officer, Chief Financial Officer, Secretary to the Board of Directors) and selecting or advising the Board of Directors on the nomination of such individuals for appointment; advising the Board of Directors on the appointment and dismissal of senior management of the Company as determined by the Board of Directors; identifying suitably qualified individuals to serve as members of internal bodies of the Board of Directors and selecting or advising the Board of Directors on the nomination of such individuals for appointment to such bodies;

- assessing the independence of independent non-executive Directors;

- making recommendations to the Board on the appointment or re-appointment of Directors and succession plan for Directors; and

- reviewing the board diversity policy regularly.

The terms of reference of the Nomination Committee are available on the website of the Company and the designated website of the Stock Exchange. The Nomination Committee held five meetings during the Reporting Period to review the structure, size and composition of the Board, and provide opinions on the nomination of relevant persons to be Directors to the Board, and review the independence of independent non-executive Directors.

Nomination Policy

The Company has adopted a nomination policy on 13 December 2018. The content of the nomination policy includes selection criteria, nomination procedures, confidentiality clauses, monitoring and reporting as well as policy review sections.

The Nomination Committee shall nominate suitable candidate(s) to the Board for it to consider and make recommendations to Shareholders in respect of the candidates for election as Director(s) at general meetings or appointment as Director(s) to fill casual vacancies. The Nomination Committee would take into account the following factors when evaluating the candidates:

- reputation;

- relevant accomplishment and experience in the fields of rental and sales and operation of industrial thematic parks and industrial investment;

- the available time and interests of relevant sectors; and

- board diversity in various aspects including but not limited to gender, age (aged 18 or above), cultural and educational background, ethnicity, professional expertise, skills, knowledge and length of service.

The above factors are for reference only. They are not intended to cover all factors and are not decisive. The Nomination Committee may decide to nominate any person that it considers appropriate.

The summary of the Directors' nomination procedures is as follows:

- The secretary of the Nomination Committee shall call a meeting of the Nomination Committee, and invite nominations of candidates from Board members (if any) for consideration by the Nomination Committee prior to its meeting. The Nomination Committee may also nominate candidates who have not been nominated by Board members through various channels such as professional headhunting companies, Shareholders, management recommendation or internal promotion.

- For filling a casual vacancy, the Nomination Committee shall make recommendations for the Board's consideration and approval. For proposing candidates to stand for election at a general meeting, the Nomination Committee shall make nominations to the Board for its consideration and recommendation.

- Until the issue of the Shareholder circular, the nominated persons shall not assume that they have been proposed by the Board to stand for election at the general meeting.

- The names, brief biographies (including qualifications and relevant experience), independence, proposed remuneration and any other information, as required pursuant to the applicable laws, rules and regulations, of the proposed candidates will be included in the circular to Shareholders.

- A Shareholder can serve a notice to the Company Secretary within the lodgement period of its intention to propose a resolution to elect a certain person as a nominated director, without the Board's recommendation or the Nomination Committee's nomination, other than those candidates set out in the Shareholder circular. The particulars of the candidates so proposed will be sent to all Shareholders for information by a supplementary circular.

- Shareholders nominating candidates should take various factors into account such as Shareholders' shareholding ratio, history of the Company and the agreement related to bilateral or multilateral agreements, and there should be an employee representative candidate.

- A candidate is allowed to withdraw his candidature at any time before the general meeting by serving a notice in writing to the Company Secretary.

- The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at any general meeting.

Board Diversity Policy

The Company has adopted its board diversity policy on 6 March 2014, and amended it on 13 December 2018. The Company aims to maintain an appropriate balance of diversity perspectives of the Board that are relevant to the Company's business growth. In reviewing and assessing the composition of the Board and nominating Directors, it will consider various factors for the board diversity, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and industry and regional experience. The Nomination Committee will discuss and agree on other measurable objectives for achieving diversity of the Board and make relevant recommendations to the Board. Diversity factors and measurable objectives may be adopted and/or amended by the Board at any time necessary for the requirements of the business of the Company as well as the succession plan of the Board. The Nomination Committee reviews the structure, size and composition of the Board annually and make recommendations when appropriate on any proposed changes to the Board to complement the Company's corporate strategy. The Board will review the implementation and effectiveness of the board diversity policy on an annual basis.

An analysis of the Board's current composition based on the measurable objectives is set out below:

Name	Gender	Age	Educational background	Industry expert	Risk expert	Financial expert	Human resources expert
Liu Bo	Female	53	Economics	✓			
Zhang Jie	Male	55	Engineering	✓			
Hu Bin	Male	56	Economic management	✓			
Zeng Yumei	Female	45	Communication		✓	✓	
Zang Saijun	Male	54	Engineering	✓			
Qi Min	Male	74	Economics	✓			
Qiu Hongsheng	Male	60	Automation control and systems analysis		✓	✓	
Qi Liang	Male	63	Economics			✓	✓
Huang Liping	Male	63	Vessels and ports electrification and law	✓	✓		

The Nomination Committee has reviewed and targeted to maintain the current level for female representation of "not less than 11%" of the Board up to 2025. However, the Nomination Committee will continue reviewing the targeted female representation ratio over time as and whenever is appropriate.

The Nomination Committee and the Board considered that the current composition of Board is sufficiently diverse and the Board has not set any other measurable objectives. The Nomination Committee and the Board are of the view that the current composition of the Board has achieved the objectives set in the board diversity policy.

In considering the Board's succession, the Nomination Committee has already adopted a roadmap for the succession plan. The Nomination Committee would identify and select the potential candidates for Directors in accordance with the Company's Directors nomination policy and may engage independent professional search firm to identify potential candidates for independent non-executive Directors.

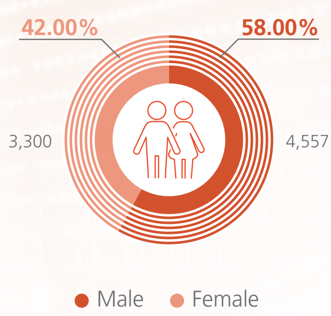
Compliance employment

The Group adheres to the principle of equal employment and implements the strategy of diversified development of talents, treats every employee with a sincere heart, respects and embraces the differences of employees in all aspects, providing equal opportunities for recruitment, benefits and promotion regardless of skin colour, nationality, gender, age, ethnicity, marital status, religious beliefs, household registration, etc., and provides a working environment of mutual respect, understanding and integration for employees with different cultural backgrounds. At the same time, the Group supports the employment of people with disabilities and veterans' career development, and provides them with suitable positions according to its employment needs. In addition, the Group requires local projects to implement employee localization policies, gives priority to local talents, and promotes the employment of local labour force as well as the training and development of local talents.

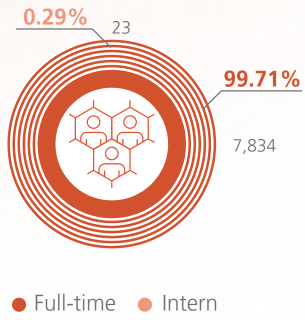
Every year, the Group selects and hires talents through campus recruitment, social recruitment and internal recommendation to bring in talents who meet the Group's business development needs and realize the mutual integration and growth of employees and the Group. Based on the talent strategy (which values various attributes of employees, not only gender) mentioned above and the Group's employee data below, the Group considers that the Group is sufficiently diverse and hence has not set any other measurable objectives regarding the overall female representation ratio across the whole workforce (including senior management).

As of 31 December 2024, the Group had a total of 7,857 employees, including 259 new recruits (including 23 fresh graduates). In addition, female employees accounted for 42%, and female senior managers accounted for 33%. Details of the Group's employee data for 2024 are as follows:

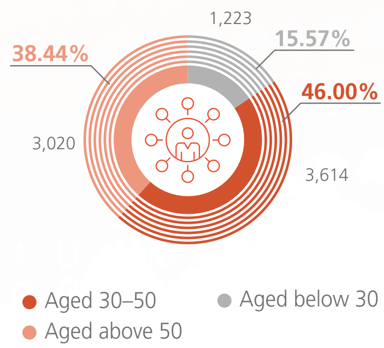
By gender (Unit: Person)



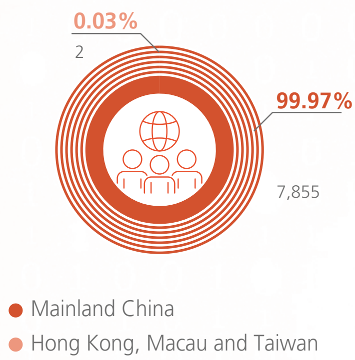
By employment type (Unit: Person)



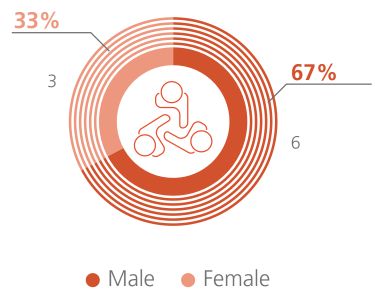
By age group (Unit: Person)



By geographical region (Unit: Person)



Number of senior management by gender (Unit: Person)



ATTENDANCE RECORD OF THE DIRECTORS AND COMMITTEE MEMBERS

The attendance record (based on the then compositions of the Board and the Board committees) of each Director at the Board and Board committee meetings of the Company as well as the annual general meeting of the Company held during the Reporting Period is as follows:

	Attendance/Number of Meetings				
Name of Director	**Board**	**Audit Committee**	**Remuneration Committee**	**Nomination Committee**	**Annual General Meeting[(1)]**
Non-executive Directors:					
Ms. Liu Bo	5/5			2/2 (C)	
Mr. Liu Guilin[(3)]	3/3			3/3	1/1
Mr. Zhang Jie	8/8				1/1
Mr. Hu Bin	8/8				1/1
Ms. Zeng Yumei	8/8				0/1
Ms. Sun Ying[(3)]	1/1				
Mr. Zang Saijun	2/2		(M)		
Mr. Xiang Qunxiong[(3)]	7/7	3/3			1/1
Independent non-executive Directors:					
Mr. Qi Min	8/8	4/4 (M)	6/6 (M)	5/5 (M)	1/1
Mr. Qiu Hongsheng	8/8	4/4 (C)		5/5 (M)	1/1
Mr. Qi Liang	8/8	1/1 (M)	6/6 (C)		1/1
Executive Director:					
Mr. Huang Liping	8/8				1/1

Notes:

(1) The annual general meeting of the Company was held on 13 June 2024.

(2) (C) – Chairman of the committee; (M) – Committee member.

(3) Mr. Liu Guilin resigned as a non-executive Director on 4 July 2024 due to change in his work arrangements. Mr. Xiang Qunxiong resigned as a non-executive Director on 30 October 2024 due to change in his work arrangements. Ms. Sun Ying resigned as a non-executive Director on 26 March 2024 due to change in her work arrangements.

During the Reporting Period, the chairman of the Board convened one meeting among independent non-executive Directors without the presence of other Directors.

CORPORATE GOVERNANCE FUNCTIONS

The corporate governance functions are performed by the Board. The primary governance functions include:

- developing and reviewing the Company's policies and practices on corporate governance;
- reviewing and monitoring training and continuous professional development of Directors and senior management;
- reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- developing, reviewing and monitoring the code of conduct and compliance manual applicable to Directors and employees of the Company; and
- reviewing the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board of the Company is continuously endeavoring to improve risk management and internal control systems to manage risks in order to safeguard the Shareholders' investment and the asset of the Group.

The Board is responsible for evaluating and determining the nature and extent of the risks that the Company is willing to take in achieving its objectives, and supervising the management in establishing and maintaining appropriate and effective risk management and internal control systems. The management is responsible for establishing and maintaining effective risk management and internal control systems, and reporting to the Board in respect of the effectiveness of relevant systems.

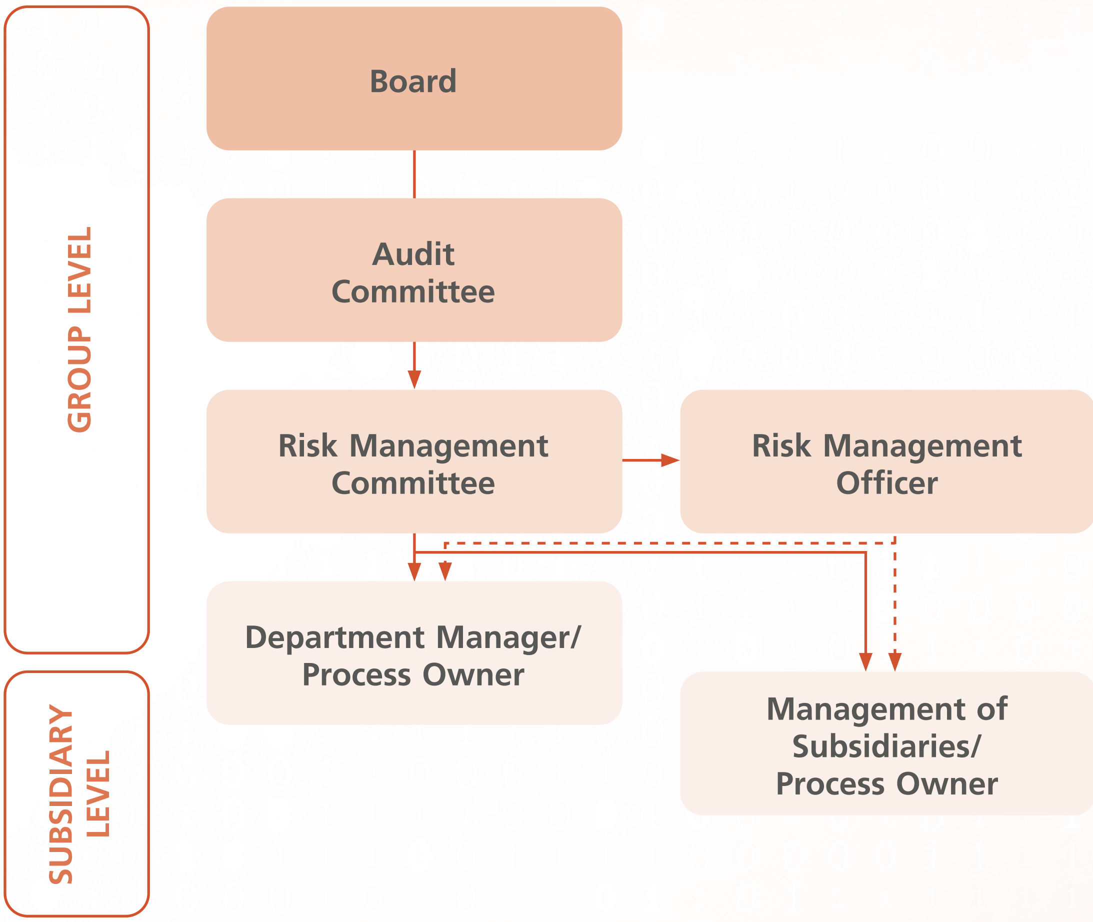
The related risk management system and internal control system are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

Risk Management

The risk management system of the Group consists of the following important elements: objectives and strategies of risk management, risk management system, risk management structure and duties of each level of management, risk management procedures, nurturing of risk management culture as well as the internal control procedures.

RISK MANAGEMENT STRUCTURE AND RESPONSIBILITIES OF EACH LEVEL OF MANAGEMENT

Risk Management Structure:



Duties of each level of management:

Roles	Main Duties
Board	• determines the general objectives of risk management, risk appetite and risk tolerance • approves the risk management policy • approves risk management recommendations and reports • carries out risk management of material decisions and approves risk management reports of material decisions • strengthens nurturing the culture of corporate risk management
Audit Committee	• reviews the establishment of risk management structure and its roles and responsibilities • authorized by the Board to supervise the implementation of risk management and internal control systems • reviews the effectiveness of the Company's risk management and internal control systems regularly
Risk Management Committee (President's Office)	• promotes the establishment of risk management system, establishes risk management system and defines its roles & responsibilities • reviews and supervises the implementation of relevant risk management policies and procedures of the Company regularly • provides comments from risk management perspective regarding material decisions, reviews and submits risk management reports on material decisions and provides recommendations on risk responses • monitors nurturing the culture of overall risk management • regularly reports to the Audit Committee on risk management works
Risk Management Officer (President, Division Heads/ Regional Heads, Risk Management Lead Department, Other Functional Departments)	• organizes and coordinates with various functional departments to carry out material risks identification and assessment works on business level, prepares management reports on material risks on business level and various risk management reports, and reports to the Risk Management Committee • organizes and coordinates with the Risk Management Committee and senior management to identify and assess risks on company level as well as formulates and submits relevant measures to manage material risks on company level • assists, reviews and supervises the risk management works and results carried out by risk management officers • provides relevant training and guidance on risk management
Department Manager/ Process owner/ Management of subsidiaries	• responsible for coordinating with the Risk Management Committee and the risk management officer to carry out specific risk management works • updates the list of risks and carries out risk management related works on a regular basis • assesses risks from the two dimensions: likelihood of occurrence and potential impact • prepares the relevant risk response for the business risks, implements the risk response, and be responsible to push forward specific risk management measures • monitors various risks and timely reports to the risk management officers on risk information

RISK MANAGEMENT PROCEDURE

Three Steps for Risk Management Procedure:

Step 1: Risk Identification:

- Identify the matrix for measuring risks (to be defined in accordance with different level of the impact and the possibility of occurrence);
- Conduct interviews with senior management and persons-in-charge of business procedures to identify the current risk exposure on company level and business level. Currently, the top five risks on which the Group is required to focus are the risk of decline in performance, the risk of suitability of strategies, the risk of incapability of comprehensive operation initiator, the risk of overall control and management and the risk of promotion and operation strategies.

Step 2: Risk Analysis and Countermeasure:

- Analyze risks and assess the level of risk based on two criteria, namely: the potential impact and the possibility of occurrence;
- Identify and assess the current risk responses and comment the current risk management measures;
- Analyze and determine if it is necessary to formulate additional risk management measures to manage risks at an acceptable level.

Step 3: Risk Report:

- Summarize the result of the risk management analysis, formulate a plan of action and report to the Risk Management Committee;
- Prepare a Risk Management Report, which should include a summary of the results of risk assessment, the highlights on significant risks, and the action plans, etc.;
- Submit the Risk Management Report to the Board for its approval.

INTERNAL CONTROL

The Group establishes the internal control system in referencing with the three lines of defense model.

STRUCTURE AND DUTIES OF THE THREE LINES OF DEFENSE

- First Defense Line: business units and functional departments formulate appropriate policies and procedures and internal control measures for daily business operation

- Second Defense Line: division heads, the President's Office and its authorized body monitor the first defense line on a daily basis, and conduct regular reviews on risk and compliance

- Third Defense Line: the Board and its authorized body carry out reviews and audits on internal risk control and compliance on a continuous basis

LISTING RULES COMPLIANCE

Reference is made to the Company's announcement dated 3 June 2024, pursuant to which it was disclosed that the Company had not timely published an announcement in respect of a loan agreement entered into by the Group in November 2022 pursuant to the applicable provisions of Chapter 14 of the Listing Rules. Other than taking steps to comply with the relevant disclosure requirements under the Listing Rules once the Listing Rules implications of the transaction were properly identified, the Company had also issued an internal notice to all management staff within its PRC subsidiaries clarifying the proper classification of the provision of financial assistance and stipulating stringent internal control procedures, and also adopted more stringent internal policy requiring all such transactions be run through and evaluated by the legal office and financial department of the Company before entering into such transactions.

INTERNAL AUDIT

In 2024, the Group continued to implement the existing "Three in One" (enhancing internal control, preventing risks and promoting compliance) internal control system and the internal control responsibility system of the Audit Committee under the leadership of the Board; continued to strengthen its audit supervision function and specifically implemented the Group's internal audit under the leadership of the Audit Committee.

The Audit and Supervision Office carries out continuous special internal audits in accordance with the annual audit plan approved by the Audit Committee every year. For the internal control deficiency identified, the Company will address it by communicating with management and ordering the remediation to be taken. Any material deficiency identified in controls or procedures will be directly reported to the Board for communication and discussion.

ANTI-CORRUPTION

In 2024, through setting up related policies under the guidance of the "three-in-one" work system, the Group established a channel for group staff and the external third parties to report any fraud or breach of ethical conduct, and established a separate mechanism for monitoring and reporting to make sure all the investigations and processing results are in strict confidentiality. On the other hand, the Group focused on the publicity and training for anti-corruption, integrity and ethical values and strictly required compliance with the discipline and laws by the Group's employees in order to create an atmosphere of integrity and self-discipline in the Group and reduce the risk of fraud.

MANAGEMENT OF INSIDE INFORMATION

The Group formulated information disclosure policies such as "Information Disclosure System" and "Measures for the Administration on Inside Information Disclosure", to provide general guidelines for Directors and senior management of the Group in handling the inside information disclosure, in accordance with the Listing Rules and the SFO. The Directors and senior management of the Group have been provided the brief introduction and information relevant to information disclosure system.

THE EFFECTIVENESS OF THE RISK MANAGEMENT AND THE INTERNAL CONTROL SYSTEMS FOR YEAR 2024

The Board acknowledges that it is responsible for the risk management and internal control systems, and also responsible for conducting an overall review annually on the effectiveness of the risk management and internal control systems of the Group.

In 2024, the Group continued to improve the risk management and internal control systems through performing annual risk assessment, reviewing the internal audit functions, and carrying out special internal audits in order to further enhance the company's risk management standards and risk defense capabilities.

With regard to corporate governance and risk management, the Board and the Audit Committee have reviewed compliance records such as the corporate governance report of the Company, the trainings received by the Directors and senior management, and equity trading records. Meanwhile, the Company has also engaged professional institutions to carry out risk assessment and internal control review works, and issued the "2024 Internal Control Review Report (《2024年度內控審閱報告》)" and "2024 Risk Assessment Report (《2024年度風險評估報告》)". During the assessment, the Board and the Audit Committee have reviewed the findings, exchanged opinions with professional institutions, and made relevant audit opinions on important matters. The review did not identify any significant areas of concern and there were no changes to the system that were implemented over the year. Through the review of the effectiveness of the risk management and the internal control systems in 2024, the Board is of the opinion that the risk management and internal control systems of the Group are basically effective and adequate for the year ended 31 December 2024. The Board and the Audit Committee also reviewed the resources for accounting, internal audit financial reporting functions and environmental, social and governance performance and reporting, the qualification and experience of the staff and the training courses that the staff takes and its related budgets, as well as the budget of the Company's accounting and the Company's ESG performance and reporting and they are of the opinion that the above functions are adequate.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

The Group did not fulfill one of the financial covenants related to the requirement on the ratio of consolidated EBITDA to consolidated net interest expenses for the year ended 31 December 2024 with respect to two syndicated loans (the "**Syndicated Loans**") amounting to RMB1,013,574,000 as at 31 December 2024, which would cause the Syndicated Loans to become immediately repayable if requested by the banks. In addition, the Group had certain bank and other borrowings (the "**Borrowings with Cross Default Condition**") with a total amount of RMB1,345,475,000 as at 31 December 2024 that are subject to cross-default condition as a result of the non-compliance of the Syndicated Loans.

By 31 December 2024, being the balance sheet date of the consolidated financial statements of the Company for the year ended 31 December 2024, no wavier had been obtained from the lenders to waive the requirement from compliance of the relevant financial covenant or the cross-defaults. Consequently, the non-current portion of the Syndicated Loans amounting to RMB230,000,000 and the non-current portion of Borrowings with Cross Default Condition of RMB437,883,000 with the original contractual repayment dates beyond 31 December 2025 was classified as current liabilities.

In March 2025, the Group successfully obtained written waivers for the Syndicated Loans to waive the requirement from compliance of the relevant financial covenant for year ended 31 December 2024 and obtained written waiver from the lender to waive the requirement from compliance of the Cross-Default Conditions for Borrowings with Cross Default Conditions from a lender amounting to RMB507,845,000. Nonetheless, all of the above conditions indicated 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 such circumstances, 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. For details of the plans and measures that have been taken to mitigate the liquidity pressure and to improve the Group's financial position, please see Note 2 to the consolidated financial statements.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 31 December 2024. In the opinion of the Directors, in light of the above and taking into account the anticipated cash flows to be generated from the Group's operations as well as the abovementioned plans and measures, the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the coming twelve months from 31 December 2024. Accordingly, the Directors consider that it is appropriate to prepare the consolidated financial statements on a going concern basis.

The report of the independent auditor of the Company, PricewaterhouseCoopers, for the year ended 31 December 2024, as set out in the section headed "Independent Auditor's Report" on pages 132 to 139 of this annual report, is not modified in respect of this matter, meaning no disclaimer has been issued by the independent auditor in relation to the consolidated financial statements of the Group for the year ended 31 December 2024.

The Audit Committee had critically reviewed the disclosure by the independent auditor on the material uncertainty related to going concern, its potential impact on the Group's financial position, the management's position and the plans and measures implemented by the Group to address the issue. The Audit Committee is in agreement with the management of the Company with respect to the disclosure by the independent auditor and the Group's ability to continue as a going concern, and in particular the plans and measures implemented by the management of the Company.

ACCOUNTABILITY AND AUDIT

Directors' Responsibilities for Financial Reporting in respect of Financial Statements

The Directors acknowledge their responsibility for preparing the financial statements for the Reporting Period, presenting a balanced, clear and comprehensible assessment of the Company's performance, position and prospects, and ensuring that the financial reports are prepared in accordance with applicable statutory requirements and accounting standards. To the best knowledge, information and belief of the Directors, save as disclosed above, the Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

The management of the Company has provided the Board with such explanation and information necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval.

Auditor's Statement

The statement of the Company's independent external auditor, PricewaterhouseCoopers, on its reporting responsibilities in respect of the consolidated financial statements of the Group during the Reporting Period is set out on pages 137 to 139 of this annual report.

Auditor's Remuneration

For the year ended 31 December 2024, the remuneration payable to PricewaterhouseCoopers by the Company (excluding tax) is set out below:

Services provided by the auditor	**Remuneration** (RMB'000)
Audit services	2,750
Non-audit services	
– Interim review	1,050
– Other	230
Total	4,030

COMPANY SECRETARY

Ms. Zhang Xuelian, the company secretary, is responsible for advising the Board on corporate governance matters and ensuring that the Board's policy and procedures and applicable laws, rules and regulations are followed.

The Company will provide funds for Ms. Zhang Xuelian for her to take not less than 15 hours of appropriate continuous professional training in each financial year as required under Rule 3.29 of the Listing Rules. During the financial year ended 31 December 2024, Ms. Zhang Xuelin has attended not less than 15 hours of appropriate continuous professional training.

SHAREHOLDERS' RIGHTS

Convening of extraordinary general meeting and putting forward proposals

Pursuant to Article 64 of the Articles of Association, one or more Shareholders holding not less than one tenth of the paid-up capital of the Company having the right of voting at general meetings may request the Board to convene an extraordinary general meeting. Such requisition shall be made in writing to the Board or the company secretary and the business to be dealt with shall be specified in such requisition.

Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board to convene extraordinary general meeting shall be reimbursed to the requisitionist(s) by the Company.

CONSTITUTIONAL DOCUMENTS

During the Reporting Period, no amendment was made to the constitutional documents of the Company.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Board recognizes that it is accountable to its Shareholders, and values the importance of communications with Shareholders. The Company is dedicated to maintaining an open dialogue with its Shareholders, and it will continually improve its communications with Shareholders to obtain their feedback.

The Company has established a shareholder communication policy to ensure effective communication with its Shareholders. The Company's corporate website also serves as a channel for Shareholders to access information about the Group. Shareholders can obtain access to the Group's key corporate governance policies and documents, including the terms of reference of the various Board committees, as well as all communications for Shareholders including the Group's financial reports and announcements on the website. The Board reviewed the shareholder communication policy on 26 March 2024 and considered that the policy has been properly implemented and is effective. The Company keeps on promoting investor relations and enhancing communication with the existing Shareholders and potential investors.

The Board and Senior Management recognise their responsibilities to represent the interests of all Shareholders and to maximise shareholder value. Active engagement with our shareholders and accountability to our Shareholders are of high priority of the Company. Our methods used to communicate with Shareholders include the following:

- one-on-one-meetings, conference calls, investor conferences, and non-deal roadshows

- the Company's corporate website. This includes electronic copies of financial reports and hyperlinking of sustainability reports, audio webcasts of analyst presentations given at the time of the interim and annual results announcements, presentation slides given at investor conferences, latest news, public announcements and general information about the Company's businesses

- publication and dissemination of interim and annual reports

- any shareholders meeting

- set up of dedicated Investor Relations' email address/hotline to receive enquiries from the shareholders and investing public

Shareholders are welcome to send their requests for convening extraordinary general meetings or putting forward proposed resolutions, or enquiries to the Board, to the primary contact person of the Company as follows:

China Electronics Optics Valley Union Holding Company Limited
Unit 3518, Level 35
Infinitus Plaza
199 Des Voeux Road Central
Sheung Wan, Hong Kong
Attention: Ms. Zhang Xuelian
Email: ovuIR@ovuni.com

The Company will not normally deal with verbal or anonymous enquiries.

No.	Project	Project Company	Location	Interest Attributed to the Group	A Total GFA[2] (sq.m.)	B GFA with Land Use Rights Obtained (sq.m.)	GFA Completed[3] (sq.m.)	C GFA Held for Group's Own Use (sq.m.)	D Non Saleable and Non Leasable GFA[4] (sq.m.)	G GFA Underground[8] (sq.m.)	E GFA Available for Sale[6] GFA Pre-sold (sq.m.)	 GFA Available for Sale[7] (sq.m.)	F Leasable GFA[6] (sq.m.)
I.	Completed Properties Industrial Parks												
1	Optics Valley Software Park (Phase I-V)	Wuhan OVU	1 Guanshan Avenue, Wuhan, Hubei Province	100%	743,482	637,129	743,482	–	2,605	106,354	629,218	–	5,306
2	Optics Valley Software Park (Phase VI)	Wuhan Optics Valley Software Park	1 Guanshan Avenue, Wuhan, Hubei Province	100%	101,543	86,060	101,543	–	5,461	15,483	80,598	–	–
3	Optics Valley Software Park Exhibition Center	Wuhan OVU	1 Guanshan Avenue, Wuhan, Hubei Province	100%	27,162	21,519	27,162	–	157	5,643	–	–	21,362
4	Financial Harbour (Phase I)	OV Financial Harbour Development	77 Guanggu Avenue, Wuhan, Hubei Province	100%	271,993	251,481	271,993	–	7,511	20,512	224,266	–	19,704
5	Financial Harbour (Phase II)	Wuhan OVU	77 Guanggu Avenue, Wuhan, Hubei Province	100%	512,367	397,557	512,367	58	12,061	114,810	380,924	715	3,800
6	Creative Capital	Wuhan OVU	16 Yezhihu West Road, Hongshan District, Wuhan, Hubei Province	100%	386,955	321,786	386,955	19,938	28,566	65,169	216,853	12,192	44,236
7	Wuhan Innocenter (Phase I) – Minghong	Wuhan Minghong	Intersection of Guanggu Avenue and Yangqiaohu Avenue, Wuhan, Hubei Province	100%	42,752	40,101	42,752	–	–	2,651	26,040	–	14,061
8	Wuhan Innocenter (Phase I) – Huisheng	Hubei Huisheng	Intersection of Guanggu Avenue and Yangqiaohu Avenue, Wuhan, Hubei Province	100%	17,543	17,133	17,543	–	–	410	15,613	1,519	–
9	Wuhan Innocenter (Phase II) – Huisheng	Hubei Huisheng	Intersection of Guanggu Avenue and Yangqiaohu Avenue, Wuhan, Hubei Province	100%	52,726	42,658	52,726	–	3,101	10,068	26,409	4,381	8,767

					A	B		C	D	G	E		F
											GFA Available for Sale[6]		
No.	Project	Project Company	Location	Interest Attributed to the Group	Total GFA[2] (sq.m.)	GFA with Land Use Rights Obtained (sq.m.)	GFA Completed[3] (sq.m.)	GFA Held for Group's Own Use (sq.m.)	Non Saleable and Non Leasable GFA[4] (sq.m.)	GFA Underground[8] (sq.m.)	GFA Pre-sold (sq.m.)	GFA Available for Sale[7] (sq.m.)	Leasable GFA[6] (sq.m.)
10	Qingdao OVU Software Park Area 1.1-1.7	Qingdao OVU	396 Emeishan Road, Qingdao, Shandong Province	100%	491,399	371,697	491,399	19,819	308	119,702	281,220	44,509	25,842
11	Qingdao Marine & Science Park (Phase I)	Qingdao OVU	East of Emeishan Road, West of Jiangshan Road, South of Yi Zhong Development Zone, Qingdao, Shandong Province	100%	78,481	60,960	78,481	–	122	17,521	52,900	7,938	–
12	Qingdao Innocenter (Phase III)	Qingdao OVU	East of Emeishan Road, West of Jiangshan Road, South of Yi Zhong Development Zone, Qingdao, Shandong Province	100%	129,264	109,280	129,264	–	726	19,984	62,733	–	45,821
13	Shenyang OVU Science and Technology City	Shenyang OVU	Intersection of Shengjing Avenue and Fourth Ring Road, Shenbei New District, Shenyang, Liaoning Province	100%	80,753	80,753	80,753	1,715	2,660	–	76,378	–	–
14	Shenyang CEOVU Information Harbour	Shenyang OVU	Intersection of Qixing Street and Fourth Ring Road, Shenbei New District, Shenyang, Liaoning Province	100%	165,954	164,935	165,954	–	1,384	1,019	154,509	9,043	–
15	Shenyang CEOVU Technology City	Shenyang OVU	77 Qixing Street, Shenbei New Area, Shenyang, Liaoning Province	100%	31,277	31,277	31,277	–	209	–	16,224	14,844	–
16	Shenyang Maker Corporation	Shenyang OVU	Intersection of Qixing Street and Shenbei Road, Shenbei New District, Shenyang, Liaoning Province	100%	47,566	36,828	47,566	97	185	10,738	17,133	599	18,813

No.	Project	Project Company	Location	Interest Attributed to the Group	A Total GFA[2] (sq.m.)	B GFA with Land Use Rights Obtained (sq.m.)	GFA Completed[3] (sq.m.)	C GFA Held for Group's Own Use (sq.m.)	D Non Saleable and Non Leasable GFA[4] (sq.m.)	G GFA Underground[8] (sq.m.)	E GFA Available for Sale[5] GFA Pre-sold (sq.m.)	 GFA Available for Sale[7] (sq.m.)	F Leasable GFA[6] (sq.m.)
17	Ezhou OVU Science and Technology City Phase I.I/I.II/I.III/II.I/II.II/II.III	Hubei Technology Accelerator	Gaoxin Third Road, Gedian Development Zone, Ezhou, Hubei Province	80%	405,254	404,434	405,254	7,183	413	821	316,978	73,375	6,485
18	Hefei Financial Harbour	Hefei OVU	Intersection of Huizhou Avenue and Yangzijiang Road, Hefei, Anhui Province	100%	645,631	473,169	645,631	17,111	4,263	172,462	411,669	–	40,127
19	Huangshi OVU Science and Technology City Phase I.I/I.II	Huangshi OVU	Intersection of Baoshan Road and Jinshan Boulevard, Golden Hill New Industrial Zone, Huangshi, Hubei Province	100%	95,049	91,457	95,049	2,076	451	3,591	28,059	53,319	7,553
20	Huanggang OVU Science and Technology City	Huanggang OVU	Junction of Zhonghuan Road and Xingang North Road, Huangzhou District, Huanggang, Hubei Province	70%	140,091	140,091	140,091	–	1,672	–	115,292	13,449	9,678
21	Xi'an CEC Information Harbour	Xi'an Industrial Parks	West of Caotan Tenth Road, North of Shangji Road, Xi'an, Shaanxi Province	73.91%	198,106	166,215	198,106	2,178	–	31,892	102,084	13,605	48,348
22	China (Changsha) Information Security Industrial Park (Phase II)	Changsha CEC	Yuelu Avenue, Gaoxin District, Changsha City, Hunan Province	100%	342,787	260,747	342,787	1,896	2,170	82,039	220,896	655	35,131

					A	B		C	D	G	E		F
											GFA Available for Sale[6]		
No.	Project	Project Company	Location	Interest Attributed to the Group	Total GFA[2] (sq.m.)	GFA with Land Use Rights Obtained (sq.m.)	GFA Completed[3] (sq.m.)	GFA Held for Group's Own Use (sq.m.)	Non Saleable and Non Leasable GFA[4] (sq.m.)	GFA Underground[8] (sq.m.)	GFA Pre-sold (sq.m.)	GFA Available for Sale[7] (sq.m.)	Leasable GFA[6] (sq.m.)
23	China (Changsha) Information Security Industrial Park Extension (Phase II)	Changsha CEC	Yuelu Avenue, Gaoxin District, Changsha City, Hunan Province	100%	142,588	108,816	142,588	–	904	33,773	62,751	252	44,909
24	Chengdu Chip Valley (Lot 6#/8#/9#/11#/12#)	Chengdu Chip Valley Industrial Park	No. 1 Fengle District, Dongsheng street, No. 7 Guangrong District, Pengzhen, Chengdu City, Sichuan Province	80%	272,237	202,090	272,237	1,335	7,717	70,147	65,471	43,812	83,755
25	China Electronics (Wenzhou) Information Harbour Lot B28	Wenzhou Industrial Park	Jinhai Park, Wenzhou Economic and Technological Development Zone, Wenzhou, Zhejiang Province	95%	136,771	134,762	136,771	3,666	1,594	2,008	87,983	500	41,020
26	China Electronics (Wenzhou) Information Harbour Lot B29	Wenzhou Industrial Park	Jinhai Park, Wenzhou Economic and Technological Development Zone, Wenzhou, Zhejiang Province	95%	138,164	135,965	138,164	–	1,097	2,198	68,781	19,215	46,872
27	Luoyang OVU CEOVU Industrial Park (Phase I.I/I.II)	Luoyang OVU	Intersection of Guanlin Road and Longshan Line, Luolong District, Luoyang, Henan Province	70%	70,175	70,175	70,175	2,793	–	–	60,054	–	7,329

					A	B		C	D	G	E		F
											GFA Available for Sale(6)		
No.	Project	Project Company	Location	Interest Attributed to the Group	Total GFA(2) (sq.m.)	GFA with Land Use Rights Obtained (sq.m.)	GFA Completed(3) (sq.m.)	GFA Held for Group's Own Use (sq.m.)	Non Saleable and Non Leasable GFA(4) (sq.m.)	GFA Underground(8) (sq.m.)	GFA Pre-sold (sq.m.)	GFA Available for Sale(7) (sq.m.)	Leasable GFA(6) (sq.m.)
28	China Electronics Western Zhigu (Phase I.I/I.II/III.I/III.II)	Xianyang China Electronics Western	3 Xinghuo Avenue, High-Tech Industrial Development Zone, Qindu District, Xianyang City, Shaanxi Province	50%	264,705	256,759	264,705	3,722	–	7,946	193,240	32,354	27,443
29	CEOVU Digital Industrial Park	Wuhan Digital Industrial Park	Changfu Industrial Park, Caidian District, Wuhan City, Hubei Province	100%	130,625	130,625	130,625	1,977	–	–	108,061	6,418	14,170
30	CEOVU Manufacturing Center (Phase I.I/I.II)	Wuhan China Electronics Optics Valley Industrial Park	100 meters northwest of the intersection of Jingdong Avenue and Wuyi South Road, Xinzhou District, Wuhan, Hubei Province	100%	144,806	143,737	144,806	2,832	1,388	1,069	88,091	39,497	11,929
31	Shanghai CEC Information Harbour (Phase I)	Shanghai Huayue	Lot 114/1, 101 Street, Songjiang Industrial Park, Songjiang District, Shanghai	100%	186,229	130,181	186,229	191	690	56,049	85,426	14,133	29,741
32	Shanghai CEC Information Harbour (Phase II)	Shanghai Huayue	Lot 114/1, 101 Street, Songjiang Industrial Park, Songjiang District, Shanghai	100%	88,466	77,227	88,466	–	–	11,240	–	–	77,227
33	Wuhan CEC Information Harbour Zone A	Hubei Huisheng	Intersection of Guanggu Avenue and Yangqiaohu Avenue, Wuhan, Hubei Province	100%	57,620	49,905	57,620	–	1,007	7,715	6,866	30,378	11,655

					A	B		C	D	G	E		F
											GFA Available for Sale[6]		
No.	Project	Project Company	Location	Interest Attributed to the Group	Total GFA[2] (sq.m.)	GFA with Land Use Rights Obtained (sq.m.)	GFA Completed[3] (sq.m.)	GFA Held for Group's Own Use (sq.m.)	Non Saleable and Non Leasable GFA[4] (sq.m.)	GFA Underground[8] (sq.m.)	GFA Pre-sold (sq.m.)	GFA Available for Sale[7] (sq.m.)	Leasable GFA[6] (sq.m.)
34	Wuhan CEC Information Harbour Zone B	Wuhan Minghong	Intersection of Guanggu Avenue and Yangqiaohu Avenue, Wuhan, Hubei Province	100%	42,588	33,616	42,588	–	476	8,972	22,080	3,140	7,919
35	Yichang China Electronics Network Information Industrial Park (Phase I.I)	Yichang CEOVU	A13-119, Bailian Huigu, No. 118 Yinhe Road, Dianjun District, Yichang City, Hubei Province	100%	29,426	28,376	29,426	–	1,009	1,050	18,605	8,762	–
36	Changsha China Electronics Smart Creation Park	Changsha Smart Industrial Park	East of Huangxing Avenue, South of Luositang Road, Economic and Technological Development Zone, Changsha City	60%	95,155	82,189	95,155	557	713	12,966	27,740	34,076	19,102
37	China Electronics Eastern Zhigu (Phase I.I/I.II/II.I)	Nantong Optics Valley	123 Shilun Road, Chongchuan District, Nantong City, Jiangsu Province	70%	123,151	120,574	123,151	–	450	2,577	69,005	40,255	10,864
38	Tianjin China Electronics Technological Innovation City (Phase I)	Tianjin CEOVU	Huayuan Technological City, HighTech Zone, Tianjin	80%	159,788	111,036	159,788	3,376	736	48,751	24,672	61,200	21,052
39	China Electronics Western Smart Creation Park Zone A (Phase I/II/III.I)	Chongqing OVU	Caijiagang, Beibei District, Chongqing	100%	33,423	32,420	33,423	905	25	1,003	22,352	8,214	924
40	Chongqing CEOVU Science and Technology City Zone A (Phase I.I/I.II/II.I)	Chongqing CEOVU Science and Technology City	Xiyong AJ Group, Shapingba, Chongqing	100%	72,260	71,515	72,260	2,408	345	746	60,965	4,864	2,933
	Sub-total				7,196,313	6,127,233	7,196,313	95,833	92,174	1,069,078	4,528,137	597,211	813,878

No.	Project	Project Company	Location	Interest Attributed to the Group	A Total GFA[2] (sq.m.)	B GFA with Land Use Rights Obtained (sq.m.)	GFA Completed[3] (sq.m.)	C GFA Held for Group's Own Use (sq.m.)	D Non Saleable and Non Leasable GFA[4] (sq.m.)	G GFA Underground[8] (sq.m.)	E GFA Available for Sale[5] GFA Pre-sold (sq.m.)	E GFA Available for Sale[5] GFA Available for Sale[7] (sq.m.)	F Leasable GFA[6] (sq.m.)
	Residential Properties												
41	Lidao Top View	Huangshi OVU	76 Hangzhou West Road, Huangshi Development Zone, Hubei Province	100%	148,271	148,271	148,271	–	1,189	–	131,366	253	15,462
42	Lidao 2046	Wuhan OVU	175 Xiongchu Avenue, Wuhan, Hubei Province	100%	126,629	114,860	126,629	–	1,444	11,769	112,229	1,188	–
43	Up Mason	Wuhan Mason	318 Minzu Avenue, Wuhan, Hubei Province	100%	153,437	130,260	153,437	–	1,363	23,177	128,896	–	–
	Sub-total				428,336	393,390	428,336	–	3,997	34,946	372,491	1,440	15,462
	Investment properties												
44	Lidao Garden	Optics Valley Union Holding	1 Luoshi Road, Wuhan, Hubei Province	100%	198,119	198,119	198,119	–	–	–	191,197	90	6,832
45	North Harbour Industrial Park (Lidao Property)	Wuhan Lidao Property	38 Shucheng Road, Wuhan, Hubei Province	100%	3,546	3,546	3,546	–	–	–	–	–	3,546
46	Lidao Garden (Lidao Property)	Wuhan Lidao Property	1 Luoshi Road, Wuhan, Hubei Province	100%	1,122	1,122	1,122	–	–	–	–	1,122	–
47	North Harbour Industrial Park (Lidao Technology)	Wuhan Lidao Technology	38 Shucheng Road, Wuhan, Hubei Province	100%	3,683	3,683	3,683	–	–	–	784	–	2,899
	Sub-total				206,471	206,471	206,471	–	–	–	191,982	1,212	13,276
	Sub-total				7,831,120	6,727,094	7,831,120	95,833	96,171	1,104,024	5,092,610	599,863	842,617

No.	Project	Project Company	Location	Interest Attributed to the Group	Actual/Estimated Completion Date[2] (month/year)	A Total GFA[2] (sq.m.)	B GFA with Land Use Rights Obtained (sq.m.)	GFA Completed[3] (sq.m.)	C GFA Held for Group's Own Use (sq.m.)	D Non Saleable and Non Leasable GFA[4] (sq.m.)	G GFA Underground[8] (sq.m.)	E GFA Available for Sale[6] GFA Pre-sold (sq.m.)	GFA Available for Sale[6] GFA Available for Sale[7] (sq.m.)	F Leasable GFA[6] (sq.m.)
II	Projects under Development Industrial Parks													
1	CEOVU Digital Intelligence Industrial Park	CEOVU Digital Intelligence Industrial Park	Hongyan Village, Qiulin Village, Xingguang Village, Shishan Street, Caidian District, Wuhan City	100%	2026/6/1	61,615	61,615	–	–	–	–	33,653	27,962	–
2	CEOVU Mianyang Technology Park (Phase I)	Luoyang CEOVU	Mianyang National High-Tech Industrial Development Zone	100%	2027/8/1	49,155	47,747	–	2,176	162	1,408	26,139	13,841	5,429
3	Yantai CEC Zhigu	Yantai Company	East of Huagong Road, west of Dianchang East Road, and north of Zhuji North Road, Zhifu District, Yantai City, Shandong Province	51%	2025/9/30	38,515	37,905	–	–	–	610	–	37,905	–
4	Xianyang Biolake (Phase I.I)	Xianyang Biolake Company	West of Weiqing Road, east of Hanwu Avenue, north of Xinghuo Avenue, and south of Xixing Expressway, Xianyang High-tech Zone	60%	2025/8/1	142,913	139,875	–	945	–	3,038	1,126	114,571	23,233

						A	B		C	D	G	E		F
											GFA Available for Sale[6]			
No.	Project	Project Company	Location	Interest Attributed to the Group	Actual/Estimated Completion Date[2] (month/year)	Total GFA[2] (sq.m.)	GFA with Land Use Rights Obtained (sq.m.)	GFA Completed[3] (sq.m.)	GFA Held for Group's Own Use (sq.m.)	Non Saleable and Non Leasable GFA[4] (sq.m.)	GFA Underground[8] (sq.m.)	GFA Pre-sold (sq.m.)	GFA Available for Sale[7] (sq.m.)	Leasable GFA[6] (sq.m.)
5	CEOVU Handan Smart Creation Center	Handan CEOVU Smart Creation Park	East of Matoujing 4th Street, south of Chunhe Road, west of Matoujing 5th Street, South Hebei New District, Handan City, Hebei Province	80%	2025/12/1	39,496	39,496	–	–	202	–	13,999	25,295	–
6	Chengdu Chip Valley Industrial Park (11#) (Phase I.II)	Chengdu Chip Valley Industrial Park	No. 1 Fengle District, Dongsheng street, No. 7 Guangrong District, Pengzhen, Chengdu City, Sichuan Province	80%	2025/6/30	36,657	28,239	–	–	–	8,418	–	–	28,239
7	CEC Eastern Zhigu Exhibition Hall	Nantong Optics Valley	123 Shilun Road, Chongchuan District, Nantong City, Jiangsu Province	70%	2025/12/30	3,329	3,329	–	3,329	–	–	–	–	–
8	CEC Eastern Zhigu (Phase II.II)	Nantong Optics Valley	123 Shilun Road, Chongchuan District, Nantong City, Jiangsu Province	70%	2025/8/12	67,996	67,996	–	–	151	–	11,527	23,761	32,557
9	Qingdao Marine & Science Park (Phase II)	Qingdao OVU	South of Changjiang West Road, West of Jiangshan South Road, North of Binhai Avenue, Qingdao Economic & Technical Development Zone, Qingdao, Shandong Province	100%	2025/6/1	150,397	117,099	–	–	1,240	33,298	–	115,859	–

						A	B		C	D	G	E		F
											GFA Available for Sale[6]			
No.	Project	Project Company	Location	Interest Attributed to the Group	Actual/Estimated Completion Date[2] (month/year)	Total GFA[2] (sq.m.)	GFA with Land Use Rights Obtained (sq.m.)	GFA Completed[3] (sq.m.)	GFA Held for Group's Own Use (sq.m.)	Non Saleable and Non Leasable GFA[4] (sq.m.)	GFA Underground[8] (sq.m.)	GFA Pre-sold (sq.m.)	GFA Available for Sale[7] (sq.m.)	Leasable GFA[6] (sq.m.)
10	Yichang China Electronics Network Information Industrial Park (Phase I.II, I.III)	Yichang CEOVU	A13-119, Bailian Huigu, No. 118 Yinhe Road, Dianjun District, Yichang City, Hubei Province	100%	2025/1/1	24,307	24,307	–	–	–	–	3,124	21,183	–
11	Shenyang CEOVU Technology City (Phase I.II)	Shenyang OVU	77 Qixing Street, Shenbei New District, Shenyang, Liaoning Province	100%	2025/12/1	23,260	23,260	–	–	–	–	1,480	21,780	–
12	China Electronics Western Smart Creation Park Zone A (Phase III.II)	Chongqing OVU	Caijiagang, Beibei, Chongqing	100%	2025/6/1	15,686	15,686	–	–	–	–	15,686	–	–
13	Chongqing CEOVU Technology City Zone A (Phase III)	Chongqing CEOVU Science and Technology City	Xiyong AJ Group, Shapingba, Chongqing	100%	2025/8/1	24,646	24,646	–	–	–	–	8,245	16,401	–
	Sub-total					677,971	631,199	–	6,450	1,755	46,772	114,979	418,557	89,458

Relationship among marked columns:

(A)=(C)+(D)+(E)+(F)+(G)

(B)=(C)+(D)+(E)+(F)

No.	Project	Project Company	Location	Interest Attributed to the Group	Actual/Estimated Completion Date[2] (month/year)	A Total GFA[2] (sq.m.)	B GFA with Land Use Rights Obtained (sq.m.)	GFA Completed[3] (sq.m.)	C GFA Held for Group's Own Use (sq.m.)	D Non Saleable and Non Leasable GFA[4] (sq.m.)	G GFA Underground[8] (sq.m.)	E GFA Available for Sale[6] GFA Pre-sold (sq.m.)	E GFA Available for Sale[6] GFA Available for Sale[7] (sq.m.)	F Leasable GFA[6] (sq.m.)
III	Projects Planned for Future Development													
	Industrial Parks													
1	China (Changsha) Information Security Industrial Park (Phase II)	Changsha CEC	Yuelu Avenue, Gaoxin District, Changsha City, Hunan Province	100%	2029/3/1	124,221	102,957	–	–	–	21,264	–	–	102,957
2	CEOVU Digital Industrial Park	Wuhan Digital Industrial Park	Changfu Industrial Park, Caidian Zone, Wuhan City	100%	2028/12/31	29,555	29,555	–	–	–	–	–	18,225	11,330
3	CEOVU Digital Intelligence Industrial Park	CEOVU Digital Intelligence Industrial Park	Hongyan Village, Qiulin Village, Xingguang Village, Shishan Street, Caidian District, Wuhan City	100%	2027/7/1	55,068	55,068	–	–	–	–	–	55,068	–
4	Luoyang OVU CEOVU Industrial Park (Phase I.III)	Luoyang CEOVU	Intersection of Guanlin Road and Longshan Line, Luolong District, Luoyang, Henan Province	70%		28,682	22,669	–	–	–	6,012	–	22,669	–
5	CEOVU Mianyang Technology Park (Phase I)	Mianyang CEOVU	Mianyang National High-Tech Industrial Development Zone	100%		83,463	83,463	–	–	–	–	11,156	72,307	–
6	CEOVU Mianyang Technology Park (Phase II)	Mianyang CEOVU	Mianyang National High-Tech Industrial Development Zone	100%	2030/11/22	193,531	190,531	–	–	–	3,000	–	185,031	5,500
7	Shenyang CEOVU Information Harbour (Phase I/Phase II)	Shenyang OVU	Intersection of Qixing Street and Fourth Ring Road, Shenbei New District, Shenyang, Liaoning Province	100%	2028/9/1	26,966	26,966	–	–	–	–	–	26,966	–

No.	Project	Project Company	Location	Interest Attributed to the Group	Actual/Estimated Completion Date[2] (month/year)	A Total GFA[2] (sq.m.)	B GFA with Land Use Rights Obtained (sq.m.)	GFA Completed[3] (sq.m.)	C GFA Held for Group's Own Use (sq.m.)	D Non Saleable and Non Leasable GFA[4] (sq.m.)	G GFA Underground[8] (sq.m.)	E GFA Available for Sale[6] GFA Pre-sold (sq.m.)	 GFA Available for Sale[7] (sq.m.)	F Leasable GFA[6] (sq.m.)
8	Shenyang CEOVU Technology City (Phase I.III)	Shenyang OVU	Intersection of Qixing Street and Fourth Ring Road, Shenbei New District, Shenyang, Liaoning Province	100%	2028/9/1	25,776	25,776	–	–	–	–	–	25,776	–
9	China Electronics Western Zhigu (Phase I/I.IV)	Xianyang China Electronics Western	3 Xinghuo Avenue, High-Tech Industrial Development Zone, Qindu District, Xianyang City, Shaanxi Province	50%		20,223	18,347	–	–	–	1,876	18,347	–	–
10	China Electronics Western Zhigu (Phase III.III/III.IV/III.V)	Xianyang China Electronics Western	3 Xinghuo Avenue, High-Tech Industrial Development Zone, Qindu District, Xianyang City, Shaanxi Province	50%		86,128	77,754	–	–	–	8,374	–	21,808	55,946
11	Yichang Network Information Industrial Park (Phase I.III)	Yichang CEC Optics Valley	A13-119, Bailian Huigu, No. 118 Yinhe Road, Dianjun District, Yichang City, Hubei Province	100%	2026/1/30	28,597	28,597	–	–	–	–	–	28,597	–
12	Chengdu Chip Valley Industrial Park (12#) (Phase I.II)	Chengdu Chip Valley Industrial Park	No.1 Fengle District, Dongsheng street, No. 7 Guangrong District, Pengzhen, Chengdu City, Sichuan Province	80%		42,746	32,589	–	–	–	10,157	–	–	32,589
13	Chengdu Chip Valley (13#) (Phase I.II)	Chengdu Chip Valley Industrial Park	No.1 Fengle District, Dongsheng street, No. 8 Guangrong District, Pengzhen, Chengdu City, Sichuan Province	80%		98,552	74,672	–	–	–	23,880	–	37,336	37,336

						A	B		C	D	G	E		F
												GFA Available for Sale[6]		
No.	Project	Project Company	Location	Interest Attributed to the Group	Actual/Estimated Completion Date[2] (month/year)	Total GFA[2] (sq.m.)	GFA with Land Use Rights Obtained (sq.m.)	GFA Completed[3] (sq.m.)	GFA Held for Group's Own Use (sq.m.)	Non Saleable and Non Leasable GFA[4] (sq.m.)	GFA Underground[8] (sq.m.)	GFA Pre-sold (sq.m.)	GFA Available for Sale[7] (sq.m.)	Leasable GFA[6] (sq.m.)
14	Chengdu Chip Valley Industrial Park (14#) (Phase I.II)	Chengdu Chip Valley Industrial Park	No.1 Fengle District, Dongsheng street, No. 9 Guangrong District, Pengzhen, Chengdu City, Sichuan Province	80%		157,000	120,651	–	–	–	36,349	–	60,325	60,325
15	Ezhou OVU Science and Technology City (Phase II.II/ Phase II.III)	Hubei Technology Accelerator	Gaoxin Third Road, Gedian Development Zone, Ezhou, Hubei Province	80%		110,465	105,387	–	–	–	5,078	6,567	98,821	–
16	Huanggang OVU Science and Technology City (Phase I.III/Phase I.IV)	Huanggang OVU	Junction of Zhonghuan Road and Xingang North Road, Huangzhou District, Huanggang, Hubei Province	70%		60,980	60,980	–	–	–	–	–	60,980	–
17	Huangshi OVU Science Technology City (Phase I.III/ Phase I.IV)	Huanggang OVU	Intersection of Baoshan Road and Jinshan Boulevard, Golden Hill New Industrial Zone, Huangshi, Hubei Province	100%		110,000	110,000	–	–	–	–	–	110,000	–
18	China Electronics Eastern Zhigu (Phase III)	Nantong Optics Valley	124 Shilun Road, Chongchuan District, Nantong City, Jiangsu Province	70%	2026/7/28	22,454	22,454	–	–	–	–	–	22,454	–
19	China Electronics Eastern Zhigu (Phase IV)	Nantong Optics Valley	125 Shilun Road, Chongchuan District, Nantong City, Jiangsu Province	70%	2026/12/16	86,795	78,666	–	–	–	8,129	–	–	78,666

						A	B		C	D	G	E		F
												GFA Available for Sale[6]		
No.	Project	Project Company	Location	Interest Attributed to the Group	Actual/Estimated Completion Date[2] (month/year)	Total GFA[2] (sq.m.)	GFA with Land Use Rights Obtained (sq.m.)	GFA Completed[3] (sq.m.)	GFA Held for Group's Own Use (sq.m.)	Non Saleable and Non Leasable GFA[4] (sq.m.)	GFA Underground[8] (sq.m.)	GFA Pre-sold (sq.m.)	GFA Available for Sale[7] (sq.m.)	Leasable GFA[6] (sq.m.)
20	CEOVU Manufacturing Center I.III	Wuhan CEOVU Industrial Park	100 meters northwest of the intersection of Jingdong Avenue and Wuyi South Road, Xinzhou District, Wuhan, Hubei Province	100%		26,432	24,692	–	–	–	1,740	–	24,692	–
21	CEOVU Manufacturing Center II.II	Wuhan CEOVU Industrial Park	100 meters northwest of the intersection of Jingdong Avenue and Wuyi South Road, Xinzhou District, Wuhan, Hubei Province	100%		21,729	21,729	–	–	–	–	7,540	4,327	9,862
22	China Electronics Western Smart Creation Park Zone A (Phase IV)	Chongqing OVU	Caijiagang, Beibei, Chongqing	100%	2026/4/30	21,895	21,895	–	–	–	–	4,550	17,344	–
23	China Electronics Western Smart Creation Park Zone B (Phase I)	Chongqing OVU	No. 20, Tongda 3rd Road, Beibei, Chongqing	100%		37,268	37,268	–	–	–	–	–	37,268	–
24	Yantai CEC Zhigu	Yantai Company	East of Huagong Road, west of Dianchang East Road, and north of Zhuji North Road, Zhifu District, Yantai City, Shandong Province	51%		69,680	65,750	–	–	–	3,930	–	56,450	9,300
25	OVU Heyuan Zhigu	Heyuan Company	North of Guihua Heng Er Road and on the four sides of Guihua Jing Ba Road, Startup Area of Heyuan Jiangdong New District Industrial Park	70%		181,730	181,730	–	–	–	–	–	181,730	–

No.	Project	Project Company	Location	Interest Attributed to the Group	Actual/Estimated Completion Date[2] (month/year)	A Total GFA[2] (sq.m.)	B GFA with Land Use Rights Obtained (sq.m.)	GFA Completed[3] (sq.m.)	C GFA Held for Group's Own Use (sq.m.)	D Non Saleable and Non Leasable GFA[4] (sq.m.)	G GFA Underground[8] (sq.m.)	E GFA Available for Sale[6] GFA Pre-sold (sq.m.)	 GFA Available for Sale[7] (sq.m.)	F Leasable GFA[6] (sq.m.)
26	Hongze Ecological Economy Demonstration Park (Phase 2)	Huai'an Company	East of Kaituo Road, south of Yanma Road, west of Yanma River, north of Dazhai River, Jiangsu Hongze Economic Development Zone,Huai'an City, Jiangsu Province	100%		83,343	83,343	–	–	549	–	–	82,794	–
27	Xianyang Biolake (Phase I.I)	Xianyang Biolake Company	West of Weiqing Road, east of Hanwu Avenue, north of Xinghuo Avenue, and south of Xixing Expressway,Xianyang High-tech Zone	60%	2026/9/1	59,771	59,771	–	3,829	–	–	–	55,942	–
28	CEOVU Handan Smart Creation Center	Handan CEOVU Smart Creation Park	East of Matoujing 4th Street, south of Chunhe Road, west of Matoujing 5th Street, South Hebei New District, Handan City, Hebei Province	80%	2027/12/1	57,475	57,151	–	–	924	324	–	56,228	–
	Sub-total					1,950,526	1,820,412	–	3,829	1,473	130,114	48,161	1,363,140	403,811
	I to III Total					10,459,617	9,178,706	7,831,120	106,113	99,398	1,280,910	5,255,750	2,381,560	1,335,885

Notes:

1 The estimated completion date of a project reflects the Group's best estimate based on its current development plan for the projects.

2 "Total GFA" in respect of each completed property is based on figures provided in the record of acceptance examination upon project completion in respect of the project for which the Group has obtained the permit, or in some case, its internal records and estimates based on an independent report."Total GFA" in respect of each project under development is based on figures provided in (i) the construction works commencement permit in respect of the project for which the Group has obtained the permit but not yet obtained the record of acceptance examination upon project completion, (ii) the planning permit for construction works (建設工程規劃許可證) in respect of the project for which the Group has obtained the planning permit for construction works but not yet obtained the construction works commencement permit, or (iii) the Group's internal records and estimates. It includes attributable value of amenities.

3 "GFA Completed" is based on figures provided in real property certificates, construction and planning permits, surveying reports or records for the acceptance examination upon project completion (竣工驗收備案證明) by the relevant government departments.

4 "Non-Saleable and Non-Leasable GFA" of properties includes the GFA of certain area above ground used as public car parking spaces and other ancillary facilities.

5 The following figures are based on the Group's internal records and estimates: (a) "GFA Sold", (b) "GFA Available for Sale", (c) "Leasable GFA" and (d) "Underground GFA".

6 "Leasable GFA" represents the total GFA of properties in each project which the Group holds and leases for recurring rental income.

7 "Saleable GFA" in respect of each completed project represents the GFA designated by the Group for sale but has not been sold; "Saleable GFA" in respect of each project under development represents estimated GFA that is designated by us for sale, being among the GFA that is leasable or saleable according to the pre-sale permit (預售許可證) or, where the pre-sale permit is not yet available, the Group's internal records and estimates.

8 "Underground GFA" of properties includes the GFA of certain underground areas used as car parking spaces and other ancillary facilities (including storage rooms, equipment facilities and power supply stations). Save for Lidao Garden, Xi'an CEC Information Harbour and Hefei Financial Harbour, we have no property rights or land use rights of the underground car parking spaces in respect of its projects other than those entitlement to use them in accordance with the relevant construction and planning permits and the local general practice of the projects. We have title to the underground car parking spaces in Lidao Garden, Xi'an CEC Information Harbour and Hefei Financial Harbour.

羅兵咸永道

To the Shareholders of China Electronics Optics Valley Union Holding Company Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

What we have audited

The consolidated financial statements of China Electronics Optics Valley Union Holding Company Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 140 to 243, comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Our 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 and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 2 to the consolidated financial statements, which states that the Group did not fulfill one of the financial covenants with respect to two syndicated loans (the "Syndicated Loans") amounting to RMB1,013,574,000 as at 31 December 2024, which would cause the Syndicated Loans to become immediately repayable if requested by the banks. In addition, the Group had certain bank and other borrowings (the "Borrowings with Cross Default Condition") with a total amount of RMB1,345,475,000 as at 31 December 2024 that are subject to cross-default condition as a result of the non-compliance with the financial covenants of the Syndicated Loans. These conditions, along with other events and conditions as set forth in Note 2 to the consolidated financial statements, 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.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters identified in our audit are summarised as follows:

- Valuation of investment properties
- Impairment of loans receivables

Key Audit Matter	How our audit addressed the Key Audit Matter

Valuation of investment properties

Refer to Note 4 'Critical accounting estimates and judgment' and Note 16 'Investment properties' to the consolidated financial statements.

The Group's investment properties are measured at fair value model and carried at approximately RMB7,448.4 million as at 31 December 2024 and fair value gains of approximately RMB4.5 million were recognised for the year then ended. The fair values of investment properties are determined by the Group based on the valuations performed by an external valuer engaged by the Group.

The Group's investment property portfolio includes completed investment properties, investment properties under construction and the associated right-of-use assets for property leases which had been or planned to be subleased out under operating lease.

- For completed investment properties: the valuations of these properties are derived at the income approach, or a combination of income approach and direct comparison approach. For the income approach, the relevant key assumptions include term yield, reversionary yield and market monthly rental rate. For the direct comparison method, the relevant key assumption is estimated price per square meter, with reference to recent transactions of comparable properties and adjusting for differences in key attributes such as but not limited to location and property size.

Our audit procedures included:

(i) We assessed the competence, capabilities and objectivity of the external valuer engaged by the Group.

(ii) We obtained the valuation report of each property and assessed the appropriateness of the valuation methods applied.

(iii) We assessed the reasonableness of relevant key assumptions used in the valuations including term yield, reversionary yield, market rental rate, estimated price per square meter and developer's profit margin of the selected properties by independently gathering and analysing the data of comparable properties in the market with similar characteristics such as but not limited to location and property size.

(iv) We checked the estimated development costs to completion, of the selected investment properties under construction with the approved budget, of which the reasonableness was assessed by comparison with the actual costs of completed investment properties of the Group.

Based on the above, we found the significant judgment and estimates made by management on relevant key assumptions were supportable by available evidence.

Key Audit Matter	How our audit addressed the Key Audit Matter

Valuation of investment properties (continued)

- For investment properties under construction: the valuations of these properties are derived using the residual method. The relevant key assumptions include estimated price per square meter, development costs to completion and developer's profit margin.

- For the associated right-of-use assets for property leases which had been or planned to be subleased out under operating lease: the valuations of these properties are derived using the income approach. For the income approach, the relevant key assumptions include term yield, reversionary yield and market monthly rental rate.

The relevant key assumptions are influenced by the prevailing market conditions and the characteristics of each property of the Group.

We focus on this area due to the financial significance of investment properties to the consolidated financial statements and the relevant key assumptions applied in valuation involving significant judgment and estimates.

Key Audit Matter	How our audit addressed the Key Audit Matter
Impairment of loans receivables Refer to Note 3.1 'financial risk factors', Note 4 'critical accounting estimates and judgment' and Note 23 'Trade and other receivables and prepayments' to the consolidated financial statements. As at 31 December 2024, the Group's gross loans receivables (including loans to third parties and related parties) amounted to RMB1,357.5 million, and a provision for impairment of loans receivables of RMB357.9 million was recognised in the Group's consolidated statement of financial position. The credit impairment losses on loans receivables in the Group's consolidated statement of profit or loss for the year ended 31 December 2024 amounted to RMB128.2 million. The balance of provision for impairment of loans receivables represents the management's estimates at the balance sheet date of expected credit losses under International Financial Reporting Standard 9: Financial Instruments. We focused on this area due to the magnitude of the loans receivables and the significant estimates and judgment involved in determining the expected credit losses allowance on the loans receivables.	Our audit procedures included: (i) We understood, evaluated and validated the key control procedures over management's estimation of expected credit losses allowance and periodic review on overdue receivables and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors in association with estimation of expected credit losses; (ii) We discussed with management to understand the management's identification of significant increase in credit risk, defaults and credit-impaired loans receivables, corroborated management's explanation with supporting evidence for historical information; (iii) We assessed the appropriateness of the expected credit loss provisioning methodology of impairment assessment of loans receivables and reasonableness of key assumptions, including probability of default and loss given default rate for expected credit losses; and (iv) We assessed the reasonableness of economic indicator selection, economic scenarios and weightings application, assessed the reasonableness of the estimation by comparing with industry data for forward-looking measurement. Based on the above, we found that the estimates and judgment made by management in respect of the expected credit losses allowance of the loans receivables were supportable by the available evidence.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Pang Ho Yin.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 31 March 2025

Consolidated Statement of Profit or Loss

	Note	Year ended 31 December 2024 RMB'000	2023 RMB'000
Revenue	5	**3,588,531**	5,220,556
Cost of sales	8	**(2,491,420)**	(3,663,170)
Gross profit		**1,097,111**	1,557,386
Other income	6	**108,161**	174,146
Other (losses)/gains – net	7	**(4,791)**	126,819
Selling and distribution expenses	8	**(144,820)**	(170,889)
Administrative expenses	8	**(378,142)**	(442,298)
Net impairment losses on financial and contract assets		**(153,021)**	(152,986)
Fair value gains on investment properties	16	**4,520**	161,532
Operating profit		**529,018**	1,253,710
Finance income	10	**60,307**	50,276
Finance costs	10	**(350,620)**	(316,063)
Net finance costs		**(290,313)**	(265,787)
Share of profits of associates	11(b)	**36,142**	11,098
Share of losses of joint ventures	11(b)	**(35,261)**	(17,147)
Profit before income tax		**239,586**	981,874
Income tax expense	12	**(133,255)**	(455,039)
Profit for the year		**106,331**	526,835
Profit for the year attributable to:			
– Owners of the Company		**95,748**	506,710
– Non-controlling interests		**10,583**	20,125
Profit for the year		**106,331**	526,835
Earnings per share for profit attributable to the ordinary equity holders of the Company:			
Basic and diluted (RMB cents)	13	**1.30**	6.70

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Profit for the year	**106,331**	526,835
Other comprehensive income:		
Items that may be reclassified to profit or loss:		
– Currency translation differences	**3,132**	(4,684)
– Gains on cash flow hedges	**–**	5,884
– Hedging gains reclassified to profit or loss	**(5,884)**	–
Items that will not be reclassified to profit or loss:		
– Changes in the fair value of equity investments at fair value through other comprehensive income	**1,364**	(377)
– Fair value gains on investment properties transferred from property, plant and equipment	**–**	1,200
– Income tax relating to these items	**(341)**	(206)
Other comprehensive income for the year, net of tax	**(1,729)**	1,817
Total comprehensive income for the year	**104,602**	528,652
Total comprehensive income for the year is attributable to:		
– Owners of the Company	**94,019**	508,527
– Non-controlling interests	**10,583**	20,125
Total comprehensive income for the year	**104,602**	528,652

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

	Note	At 31 December 2024 RMB'000	2023 RMB'000
Non-current assets			
Property, plant and equipment	14	578,776	708,290
Right-of-use assets	15	69,543	71,876
Investment properties	16	7,448,361	7,570,607
Intangible assets	17	55,842	55,419
Investments in associates	11(b)	853,810	841,208
Investments in joint ventures	11(b)	471,972	447,675
Financial assets at fair value through profit or loss	19	844,192	817,268
Financial assets at fair value through other comprehensive income		19,515	18,151
Trade and other receivables and prepayments	23	228,291	375,252
Deferred income tax assets	28	131,609	27,245
		10,701,911	10,932,991
Current assets			
Properties under development	20	1,948,162	1,647,700
Completed properties held for sale	21	4,844,562	4,344,579
Inventories	22	71,194	70,694
Trade and other receivables and prepayments	23	3,355,563	3,413,093
Derivative financial instruments		–	5,884
Prepaid income taxes		135,795	176,211
Financial assets at fair value through profit or loss	19	–	181
Contract assets	5(d)	421,836	661,378
Deposits in banks with original maturities over three months		25,426	26,946
Restricted cash	24	217,883	303,118
Cash and cash equivalents	25	1,619,595	1,889,193
		12,640,016	12,538,977
Total assets		23,341,927	23,471,968
Current liabilities			
Contract liabilities	5(d)	456,197	365,434
Trade and other payables	26	3,681,603	4,180,286
Bank and other borrowings	27	4,853,445	3,331,642
Lease liabilities	15	81,600	88,834
Current income tax liabilities		758,559	900,780
Current portion of deferred income	29	54,431	64,614
		9,885,835	8,931,590
Net current assets		2,754,181	3,607,387
Total assets less current liabilities		13,456,092	14,540,378

	Note	At 31 December 2024 RMB'000	2023 RMB'000
Non-current liabilities			
Bank and other borrowings	27	2,644,556	3,601,628
Lease liabilities	15	955,045	1,001,747
Deferred income tax liabilities	28	494,891	458,722
Non-current portion of deferred income	29	489,875	581,525
		4,584,367	5,643,622
Total liabilities		14,470,202	14,575,212
Net assets		8,871,725	8,896,756
Equity			
Share capital	30	617,407	623,048
Treasury shares	30	(121,056)	(141,766)
Reserves	31	2,695,403	2,780,474
Retained earnings	32	4,795,238	4,804,090
Total equity attributable to owners of the Company		7,986,992	8,065,846
Non-controlling interests		884,733	830,910
Total equity		8,871,725	8,896,756
Total equity and non-current liabilities		13,456,092	14,540,378

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

The financial statements on pages 140 to 243 were approved by the Board of Directors on 31 March 2025 and were signed on its behalf.

Huang Liping **Hu Bin**

Consolidated Statement of Changes in Equity

		Attributable to owners of the Company											
	Note	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Exchange reserve RMB'000	Property revaluation reserve RMB'000	Statutory reserve RMB'000	Other reserves RMB'000	Total reserves RMB'000	Retained earnings RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2024		623,048	(141,766)	1,396,302	(14,151)	49,772	796,887	551,664	2,780,474	4,804,090	8,065,846	830,910	8,896,756
Profit for the period		–	–	–	–	–	–	–	–	95,748	95,748	10,583	106,331
Other comprehensive income, net of tax		–	–	–	–	–	–	(4,861)	(4,861)	–	(4,861)	–	(4,861)
Currency translation differences		–	–	–	3,132	–	–	–	3,132	–	3,132	–	3,132
Total comprehensive income for the year		–	–	–	3,132	–	–	(4,861)	(1,729)	95,748	94,019	10,583	104,602
Transactions with owners, recognised directly in equity													
Capital injection from non-controlling shareholders		–	–	–	–	–	–	–	–	–	–	69,532	69,532
Non-controlling interests arising on acquisition of subsidiary		–	–	–	–	–	–	–	–	–	–	1,345	1,345
Appropriation to statutory reserve		–	–	–	–	–	104,600	–	104,600	(104,600)	–	–	–
Dividends	33	–	–	(171,334)	–	–	–	–	(171,334)	–	(171,334)	(11,802)	(183,136)
Cancellation of shares		(5,641)	22,249	(16,608)	–	–	–	–	(16,608)	–	–	–	–
Repurchase of shares		–	(1,539)	–	–	–	–	–	–	–	(1,539)	–	(1,539)
Disposal of subsidiaries		–	–	–	–	–	–	–	–	–	–	(15,835)	(15,835)
Total transactions with owners, recognised directly in equity		(5,641)	20,710	(187,942)	–	–	104,600	–	(83,342)	(104,600)	(172,873)	43,240	(129,633)
Balance at 31 December 2024		617,407	(121,056)	1,208,360	(11,019)	49,772	901,487	546,803	2,695,403	4,795,238	7,986,992	884,733	8,871,725

		Attributable to owners of the Company											
	Note	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Exchange reserve RMB'000	Property revaluation reserve RMB'000	Statutory reserve RMB'000	Other reserves RMB'000	Total reserves RMB'000	Retained earnings RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2023		623,048	(121,056)	1,566,932	(9,467)	49,772	718,264	545,163	2,870,664	4,376,003	7,748,659	1,128,105	8,876,764
Profit for the period		–	–	–	–	–	–	–	–	506,710	506,710	20,125	526,835
Other comprehensive income, net of tax		–	–	–	–	–	–	6,501	6,501	–	6,501	–	6,501
Currency translation differences		–	–	–	(4,684)	–	–	–	(4,684)	–	(4,684)	–	(4,684)
Total comprehensive income for the year		–	–	–	(4,684)	–	–	6,501	1,817	506,710	508,527	20,125	528,652
Transactions with owners, recognised directly in equity													
Capital injection from non-controlling shareholders		–	–	–	–	–	–	–	–	–	–	22,140	22,140
Appropriation to statutory reserve		–	–	–	–	–	78,623	–	78,623	(78,623)	–	–	–
Transaction with non-controlling interests		–	–	–	–	–	–	–	–	–	–	(1,272)	(1,272)
Dividends	33	–	–	(170,630)	–	–	–	–	(170,630)	–	(170,630)	(7,725)	(178,355)
Repurchase of shares		–	(20,710)	–	–	–	–	–	–	–	(20,710)	–	(20,710)
Deemed disposal of subsidiaries		–	–	–	–	–	–	–	–	–	–	(330,463)	(330,463)
Total transactions with owners, recognised directly in equity		–	(20,710)	(170,630)	–	–	78,623	–	(92,007)	(78,623)	(191,340)	(317,320)	(508,660)
Balance at 31 December 2023		623,048	(141,766)	1,396,302	(14,151)	49,772	796,887	551,664	2,780,474	4,804,090	8,065,846	830,910	8,896,756

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

	Note	Year ended 31 December 2024 RMB'000	2023 RMB'000
Cash flows from operating activities			
Cash generated from operations	34(a)	333,014	795,444
Income tax paid		(303,624)	(388,761)
Cash flows generated from operating activities		29,390	406,683
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash received/paid		2,934	–
Net cash outflow from disposal of subsidiaries, net of cash received		(2,989)	(20,896)
Interest received		11,973	16,910
Proceeds from disposal of investment properties		76,667	60,504
Proceeds from disposal of property, plant and equipment		5,989	9,743
Proceeds from disposal of financial assets at fair value through profit or loss	19	1,931	165,650
Investment on financial assets at fair value through profit or loss	19	(26,850)	(228,080)
Investments in associates	11(b)	(36,765)	(102,562)
Investments in joint ventures	11(b)	(59,701)	(56,670)
Proceeds from disposal of associates		2,798	–
Purchase of property, plant and equipment		(34,749)	(47,210)
Purchase of intangible assets		(6,004)	(9,030)
Decrease/(increase) in deposits in banks with original maturities over three months		1,520	(22,896)
Loans to related parties and third parties		(71,848)	(79,000)
Loans repaid from related parties and third parties		92,313	33,189
Dividends received from associates		58,528	56,810
Dividends received from joint ventures		143	–
Proceeds from disposal of a business		–	100,000
Proceeds from disposal of investment in joint ventures		–	6,270
Advance from third parties		–	12,687
Cash flows generated from/(used in) investing activities		15,890	(104,581)

	Note	Year ended 31 December 2024 RMB'000	2023 RMB'000
Cash flows from financing activities			
Proceeds from bank and other borrowings	34(c)	**5,271,718**	3,969,051
Repayment of bank and other borrowings	34(c)	**(4,939,198)**	(3,966,712)
Increase in restricted cash		**(33,069)**	(1,757)
Repayment of loans due to related parties	34(c)	**(4,688)**	–
Receipt from loans due to third parties	34(c)	**2,000**	–
Repayment of loans due to third parties	34(c)	**–**	(1,000)
Interest paid		**(357,433)**	(364,814)
Dividends paid to the owners of the Company	33	**(171,334)**	(170,630)
Dividends paid to non-controlling interests		**(11,802)**	(7,725)
Capital injection by non-controlling interests		**69,532**	22,140
Consideration paid for acquisition of further equity interests in subsidiaries from non-controlling interests		**–**	(1,272)
Principal elements of lease payments	34(c)	**(140,324)**	(123,720)
Repurchase of shares		**(1,539)**	(20,710)
Cash flows used in financing activities		**(316,137)**	(667,149)
Net decrease in cash and cash equivalents		**(270,857)**	(365,047)
Cash and cash equivalents at beginning of the year		**1,889,193**	2,254,209
Effect of foreign exchange rate changes		**1,259**	31
Cash and cash equivalents at end of the year		**1,619,595**	1,889,193

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1 GENERAL INFORMATION

China Electronics Optics Valley Union Holding Company Limited (the "Company", formerly known as "Optics Valley Union Holding Company Limited") and its subsidiaries (together, the "Group") are principally engaged in industrial park operation services, industrial park development services and industrial investment. The Group has operations mainly in the Chinese Mainland.

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Windward 3, Regatta Office Park, P. O. Box 1350, Grand Cayman KY1-1108, Cayman Islands.

The Company is listed on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in Renminbi ("RMB"), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 31 March 2025.

2 BASIS OF PREPARATION

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Compliance with IFRS and HKCO

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards and disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622).

IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
- IAS Standards
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations)

2.2 Historical cost convention

The financial statements have been prepared on a historical cost basis, as modified by the revaluation of financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and investment properties, which are carried at fair value.

2 BASIS OF PREPARATION *(continued)*

2.3 Going concern basis

The Group did not fulfill one of the financial covenants related to the requirement on the ratio of consolidated EBITDA to consolidated net interest expenses for the year ended 31 December 2024 with respect to two syndicated loans (the "Syndicated Loans") amounting to RMB1,013,574,000 as at 31 December 2024, which would cause the Syndicated Loans to become immediately repayable if requested by the banks. In addition, the Group had certain bank and other borrowings (the "Borrowings with Cross Default Condition") with a total amount of RMB1,345,475,000 as at 31 December 2024 that are subject to cross-default condition as a result of the non-compliance with the financial covenants of the Syndicated Loans.

No wavier has been obtained from the lenders to waive the requirement from compliance with the relevant financial covenant or the cross-defaults before the balance sheet date. Consequently, the non-current portion of the Syndicated Loans amounting to RMB230,000,000 and the non-current portion of Borrowings with Cross Default Condition of RMB437,883,000 with the original contractual repayment dates beyond 31 December 2025 was classified as current liabilities.

All of the above conditions indicated 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 such circumstances, the directors of the Company (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 have been taken to mitigate the liquidity pressure and to improve its financial position:

- In March 2025, the Group successfully obtained written waivers for the Syndicated Loans to waive the requirement from compliance of the relevant financial covenant for year ended 31 December 2024. Moreover, the Group has further drawn down RMB575,000,000 from one of the Syndicated Loans after the year end date. The Group has prepared sufficient funds to serve the full settlement of one of the Syndicated Loans of RMB820,260,000 by June 2025 according to the original due date.

- In March 2025, the Group successfully obtained written waiver from the lender to waive the requirement from compliance of the cross-default conditions for Borrowings with Cross Default Condition from a lender amounting to RMB507,845,000;

- For the remaining portion of Borrowings with Cross Default Condition, management of the Company discussed with the bank and further understood that as a result of the waivers obtained for the Syndicated Loans as mentioned above, the bank may take its discretion not to regard the borrowings to have triggered the cross-default condition in practice. Hence, the Directors believe such borrowings amounted to RMB837,630,000 will continue to be available to the Group according to the original term of repayment despite no written waiver has been obtained.

2 BASIS OF PREPARATION *(continued)*

2.3 Going concern basis (continued)

- The Group will continue to monitor its compliance with the covenant requirements of the Syndicated Loans and the other bank and other borrowings. The Group remains committed to stringent monitoring of financial covenant adherence across all borrowings. In the event of potential non-compliance, management will proactively engage lenders to renegotiate terms or seek waivers to mitigate risks, with confidence that these efforts would be successful.

- The Group had unutilised uncommitted project loan facilities and general facilities of RMB3,352,169,000 as at 31 December 2024. Subsequent to the year end date, the Group has successfully increased the credit limit of an existing one-year revolving loan facilities from major shareholder's financial institution by an amount of RMB1,500,000,000. The Group will continue to work with the lenders to extend such facilities and to secure new facilities to provide sufficient funding for the Group's project related payments or other operating expenditures. The Directors are of the opinion that such facilities will be successfully renewed when they expire;

- The Group will continue to implement plans and measures to accelerate the sales of completed properties held for sale, and to speed up the collection of outstanding sales proceeds; and

- The Group will also continue to seek for other alternative financing and borrowings to finance the settlement of its existing financial obligations and future operating expenditure.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 31 December 2024. In the opinion of the Directors, in light of the above and taking into account the anticipated cash flows to be generated from the Group's operations as well as the above plans and measures, the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the coming twelve months from 31 December 2024.

2 BASIS OF PREPARATION *(continued)*

2.3 Going concern basis (continued)

Accordingly, the Directors consider that it is appropriate to prepare the consolidated financial statements on a going concern basis. Notwithstanding the above, a material uncertainty exists as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend on the followings:

- The relevant bank will exercise their discretion in the consideration of their right under the cross default condition and allow the relevant Borrowings with Cross Default Condition to be continue available according to the original term of repayment.

- Continuous compliance by the Group of the existing terms and conditions of the Syndicated Loans and the other bank and other borrowings and, where applicable, successful negotiation with the lenders to obtain wavier or to revise the terms and conditions of the borrowings for the continuous compliance thereof, as and when needed, such that the existing borrowings and facilities will continue to be available to the Group and be repaid in accordance with the agreed repayment schedules.

- Successful and timely extension and renewal of its banking facilities and its bank borrowings, upon maturity as well as obtaining new financing from financial institutions. The Group's ability to obtain these financing depends on (1) whether the lenders of existing borrowings are agreeable to the terms and conditions for such extension or renewal; and (2) the Group's ability to continuously comply with the relevant terms and conditions of its bank borrowings;

- Successful implementation of the plans and measures to accelerate the sales of completed properties held for sale, and timely collection of the relevant sales proceeds; and

- Successful in obtaining other additional sources of financing other than those mentioned above as and when needed.

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

2.4 New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2024. The adoption of these standards and amendments does not have significant impact on the consolidated financial statements of the Group.

Amendments to IAS 1	Classification of liabilities as current or non-current
Amendments to IAS 1	Non-current liabilities with covenants
Amendments to IFRS 16	Lease liability in a sale and leaseback
Amendments to IAS 7 and IFRS 7	Supplier finance arrangements

2 BASIS OF PREPARATION *(continued)*

2.5 New and amended standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting period and have not been early adopted by the Group.

		Effective for annual periods beginning on or after
Amendments to IAS 21	Lack of Exchangeability	1 January 2025
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

These standards except for IFRS 18 are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions. As for the IFRS 18, it will replace IAS 1 Presentation of financial statements. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive. Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, some potential impacts have been identified, such as the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the senior management of the Group, which includes the executive directors of the Group.

(a) Market risk

(i) Foreign exchange risk

Almost all of the Group's operating activities are carried out in the PRC with most of the transactions denominated in RMB. As at 31 December 2024 and 2023, the group companies had no significant foreign currency denominated monetary assets and monetary liabilities with respect to their respective functional currencies, therefore the directors of the Company consider that the Group has no significant exposure to foreign exchange risk.

(ii) Interest rate risk

The Group's interest rate risk arises from cash and cash equivalents, restricted cash, deposits in banks with original maturities over three months, investments in wealth management products recorded in financial assets at fair value through profit or loss and borrowings issued at variable rates.

The Group does not anticipate significant impact to cash and cash equivalents, restricted cash, deposits in banks with original maturities over three months and investments in wealth management products recorded in financial assets at fair value through profit or loss because the interest rates of these assets are not expected to change significantly.

The interest rates and terms of repayment of bank loans and other borrowings of the Group are disclosed in Note 27. The Group does not carry out any hedging activities to manage its interest rate exposure.

At 31 December 2024, if interest rates on borrowings had been 50 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been RMB15,889,000 (2023: RMB15,017,000) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings. The sensitivity analysis has not excluded the financial impact of capitalised interest expense.

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

The exposure of the Group's total borrowings (Note 27) to interest rate changes and the contractual maturity dates of the total borrowings at the end of the year are as follows:

	2024 RMB'000	2023 RMB'000
Variable rate borrowings	**4,237,075**	4,004,453
Fixed rate borrowings		
1 year or less	**2,784,236**	2,381,133
1 – 2 years	**286,090**	47,684
2 – 5 years	**138,000**	300,000
Over 5 years	**52,600**	200,000
	7,498,001	6,933,270

(b) Credit risk

The Group is exposed to credit risk in relation to its cash and cash equivalents, restricted cash, deposits in banks with original maturities over three months, investments in wealth management products recorded in financial assets at fair value through profit or loss, contract assets, trade and other receivables and guarantees given to banks for mortgage facilities. The carrying amounts of the above assets represent the Group's maximum exposure to credit risk in relation to financial assets.

To manage this risk, cash and cash equivalents, restricted cash, deposits in banks with original maturities over three months and investments in wealth management products recorded in financial assets at fair value through profit or loss are substantially deposited at state-owned banks and other medium or large size listed financial institutions. Management does not expect that there will be any significant losses from non-performance by these counterparties. Regular review and follow-up actions are carried out on overdue amounts of instalments receivable from sale of properties and receivable from construction contracts, which enable management to assess their recoverability and to minimise exposure to credit risk. In respect of rental income from leasing properties, sufficient rental deposits are held to cover potential exposure to credit risk.

For other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experience.

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors (continued)

(b) Credit risk

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. Especially the following indicators are incorporated: (a) actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparties' ability to meet its obligations; (b) significant changes in the expected performance and behaviour of the counterparties, including changes in the payment status of counterparties. The Group considers available reasonable and supportive forwarding-looking information.

Impairment losses on trade receivables, contract assets and other receivables are presented as 'net impairment losses on financial and contract assets' within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

(i) Trade receivables-current and contract assets

The Group applies the IFRS 9 simplified approach to measure expected credit losses ('ECL') which uses a lifetime expected loss allowance for all trade receivables-current and contract assets.

To measure the ECL, trade receivables-current and contract assets have been grouped based on shared credit risk characteristics. The ECL also incorporate forward looking information on macroeconomic factors such as Consumer Price Index, Purchasing Managers Index and M2 Money Supply, which affect the ability of the customers to settle the receivables. The Group has identified the relevant factors for different group customers, and accordingly adjusts the historical loss rates based on expected changes in these factors. For trade receivables and contract assets with significant increases in credit risk, they are assessed for impairment allowance individually. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables-current for the same types of contracts.

Group 1: Trade receivables and contract assets – counterparties other than government agencies;

Group 2: Trade receivables and contract assets – government agencies.

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(i) Trade receivables-current and contract assets (continued)

As at 31 December 2024, the loss allowance provision for the trade receivables-current and contract assets was determined as follows:

Trade receivables-current and contract assets (Group 1)

RMB'000	With 1 years	1 to 2 years	2 to 3 years	3 to 4 years	over 4 year	Total
At 31 December 2024						
Gross carrying amount	**1,058,878**	**170,110**	**68,515**	**45,056**	**24,296**	**1,366,855**
Expected loss rate	**4.0%**	**11.5%**	**32.9%**	**58.5%**	**100.0%**	**9.9%**
Loss allowance provision	**42,118**	**19,483**	**22,544**	**26,340**	**24,296**	**134,781**

RMB'000	With 1 years	1 to 2 years	2 to 3 years	3 to 4 years	over 4 year	Total
At 31 December 2023						
Gross carrying amount	935,678	283,773	46,085	52,727	12,198	1,330,461
Expected loss rate	4.3%	9.7%	21.6%	57.1%	100.0%	9.0%
Loss allowance provision	40,280	27,522	9,958	30,121	12,198	120,079

Trade receivables-current and contract assets (Group 2)

	2024 RMB'000	2023 RMB'000
Gross carrying amount	**498,920**	547,473
Expected loss rate	**0.1%**	0.2%
Loss allowance provision	**445**	957

For the trade receivables with significant increases in credit risk, they are assessed for impairment allowance individually. Loss allowances of RMB26,000,000 (2023: RMB26,000,000) were recognised for these receivables amounting to RMB56,198,000 (2023: RMB56,235,000) with an expected credit loss rate of 46.3% (2023: 46.2%).

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Other receivables (excluding prepayments) and long-term trade receivables

A summary of the assumptions underpinning the Group's expected credit loss model for other receivables (excluding prepayments) and long-term trade receivables is as follows:

Category	**Group definition of category**	**Basis for recognition of expected credit loss provision**
Performing ("Stage 1")	Customers have a low risk of default and a strong capacity to meet contractual cash flows	12 months expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime ("12 months ECL method")
Underperforming ("Stage 2")	Receivables for which there is a significant increase in credit risk; as significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due	Lifetime expected losses
Non-performing ("Stage 3")	Interest and/or principal repayments are 90 days past due	Lifetime expected losses

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Other receivables (excluding prepayments) and long-term trade receivables (continued)

On that basis, as at 31 December 2024 and 2023, the loss allowance provision for the other receivables (excluding prepayments) and long-term trade receivables were determined as follows. The ECL below also incorporated forward looking information.

	Performing	Under-performing	Non-performing	Total
As at 31 December 2024				
Gross carrying amount (RMB'000)	**655,176**	**11,978**	**1,475,012**	**2,142,166**
Expected loss rate	**1.5%**	**1.8%**	**25.5%**	
Loss allowance provision (RMB'000)	**9,867**	**211**	**376,195**	**386,273**
As at 31 December 2023				
Gross carrying amount (RMB'000)	1,295,393	1,042	1,066,405	2,362,840
Expected loss rate	1.7%	1.8%	21.2%	
Loss allowance provision (RMB'000)	21,699	19	225,985	247,703

(iii) Loss allowance movement during the year

The loss allowance for financial assets as at 31 December 2024 and 2023 are analysed as follows:

	Contract assets RMB'000	Trade receivables-current RMB'000	Other receivables (excluding prepayments) and long-term trade receivables RMB'000	Total RMB'000
At 1 January 2024	**28,338**	**118,698**	**247,703**	**394,739**
(Reverse)/increase in loss allowance recognised in profit or loss during the year	**(9,059)**	**23,436**	**138,644**	**153,021**
Others	**–**	**(187)**	**(74)**	**(261)**
At 31 December 2024	**19,279**	**141,947**	**386,273**	**547,499**

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(iii) Loss allowance movement during the year (continued)

	Contract assets RMB'000	Trade Receivables-current RMB'000	Other receivables (excluding prepayments) and long-term trade receivables RMB'000	Total RMB'000
At 1 January 2023	9,057	92,560	155,499	257,116
Increase in loss allowance recognised in profit or loss during the year	19,281	32,915	100,790	152,986
Others	–	(6,777)	(8,586)	(15,363)
At 31 December 2023	28,338	118,698	247,703	394,739

(c) Liquidity risk

The table below analyses the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity Groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at 31 December 2024

	Carrying amount RMB'000	Contractual cash flow RMB'000	Within 1 year RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000
Bank and other borrowings	7,498,001	8,137,864	5,087,745	1,186,031	1,023,505	840,583
Lease liabilities	1,036,645	1,403,448	128,968	115,869	318,981	839,630
Trade and other payables, excluding accrual payroll, other taxes payables and advances from tenants	3,388,504	3,388,504	3,388,504	–	–	–
	11,923,150	12,929,816	8,605,217	1,301,900	1,342,486	1,680,213

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

As at 31 December 2023

	Carrying amount RMB'000	Contractual cash flow RMB'000	Within 1 year RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000
Bank and other borrowings	6,933,270	7,938,855	3,543,110	1,815,652	1,300,936	1,279,157
Lease liabilities	1,090,581	1,563,715	143,194	122,492	334,999	963,030
Trade and other payables, excluding accrual payroll, other taxes payables and advances from tenants	3,872,151	3,872,151	3,872,151	–	–	–
	11,896,002	13,374,721	7,558,455	1,938,144	1,635,935	2,242,187

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the net debt to equity ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated statement of financial position), 'advances from related parties' and 'advances from third parties' shown in 'trade and other payables' and the 'lease liabilities' in the consolidated statement of financial position, less cash and cash equivalents and restricted cash used for financing purpose. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.2 Capital management (continued)

The gearing ratios at 31 December 2024 and 2023 were as follows:

	2024 RMB'000	2023 RMB'000
Net debt (Note 34(b))	6,883,053	6,137,520
Total equity	8,871,725	8,896,756
Total capital	15,754,778	15,034,276
Net debt to equity ratio	43.69%	40.82%

3.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as at 31 December 2024 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

See Note 16 for disclosures of the investment properties that are measured at fair value.

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.3 Fair value estimation (continued)

The following table presents the Group's financial assets that are measured at fair value at 31 December 2024:

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets at fair value through profit or loss				
– Equity investments	–	–	844,192	844,192
Financial assets at fair value through other comprehensive income				
– Equity investments	–	–	19,515	19,515

The following table presents the Group's financial assets that are measured at fair value at 31 December 2023:

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets at fair value through profit or loss				
– Equity investments	–	–	817,268	817,268
– Wealth management products	–	–	181	181
	–	–	817,449	817,449
Financial assets at fair value through other comprehensive income				
– Equity investments	–	–	18,151	18,151

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the date of the event or change in circumstances that caused the transfer. There were no transfers to or out of fair value hierarchy levels during the year.

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.3 Fair value estimation (continued)

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

(c) Financial instruments in level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents the changes in level 3 instruments for the years ended 31 December 2024 and 2023:

	Financial assets at fair value through profit or loss	
	2024	2023
	RMB'000	RMB'000
Opening balance at 1 January	**817,449**	731,991
Fair value changes	**11,824**	21,027
Other additions	**16,850**	238,081
Disposals	**(1,931)**	(173,650)
Closing balance at 31 December	**844,192**	817,449
Recognised gains for the year included in 'other (losses)/gains-net' (Note 7)	**11,824**	21,027

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.3 Fair value estimation (continued)

(c) Financial instruments in level 3 (continued)

	Financial assets at fair value through other comprehensive income	
	2024 RMB'000	2023 RMB'000
Opening balance at 1 January	**18,151**	18,528
Fair value changes	**1,364**	(377)
Closing balance at 31 December	**19,515**	18,151

Quantitative information about fair value measurements using significant unobservable inputs (Level 3) as at 31 December 2024 and 2023 is as follow:

31 December 2024

Description	Valuation approach	Significant unobservable inputs	Range	Sensitivity of fair value to the input
Unlisted equity investments	Market approach	Price to sales ratio	8.6 to 8.9	The higher price to sales ratio, the higher fair value
		Price to book ratio	1.2 to 5.4	The higher price to book ratio, the higher fair value
		Enterprise value to sales ratio	19.3	The higher of enterprise value to sales ratio, the higher the fair value
		Discount for lack of marketability	13.3% to 33.5%	The higher of discount for lack of marketability, the lower the fair value

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.3 Fair value estimation (continued)

(c) Financial instruments in level 3 (continued)

31 December 2023

Description	Valuation approach	Significant unobservable inputs	Range	Sensitivity of fair value to the input
Unlisted equity investments	Market approach	Price to sales ratio	5.7	The higher price to sales ratio, the higher fair value
		Price to book ratio	3.7	The higher price to book ratio, the higher fair value
		Enterprise value to sales ratio	21.1	The higher of enterprise value to sales ratio, the higher the fair value
		Discount for lack of marketability	13.3% to 33.5%	The higher of discount for lack of marketability, the lower the fair value
	Direct comparison approach	Recent transaction prices per registered capital	33.70	The higher of recent transaction price per registered capital, the higher the fair value

The Group manages the valuation of level 3 instruments for financial reporting purpose on a case by case basis. On each balance sheet date, the Group would assess the fair value of the Group's level 3 instruments by using valuation techniques.

The valuation of level 3 instruments mainly included an investment in an unlisted company. As this investment is not traded in an active market, the fair value has been determined by using applicable valuation techniques, which mainly include the fair value of guideline public companies.

If the fair values of the financial assets at FVPL held by the Group had been 5% higher/lower, the profit before income tax for the year ended 31 December 2024 would have been approximately RMB42,210,000 higher/lower.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENT

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

Estimates and judgment are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Revenue recognition for construction design and management contracts

Pursuant to construction design and management arrangements signed between the Group and the third party customers, the Group's responsibilities in design and managing projects vary for each contracts. The determination of whether to record these revenues using gross or net basis is based on an assessment of whether the Group is acting as a principal or an agent in a transaction. The Group is a principal if it controls the specified product or service before that product or service is transferred to a customer. Indicators that the Group is a principal, include but not limited to whether the Group (i) is primarily responsible for fulfilling the promise to provide the specified good or service; (ii) has inventory risk before the specified good or service has been transferred to a customer or after transfer of control to the customer; (iii) has discretion in establishing the price for the specified good or service;

The Group recognises construction design and management revenue according to the progress towards complete satisfaction of performance obligation of the individual contract of construction design and management works. The progress is determined by the entity's efforts or inputs to the satisfaction of performance obligations (for example, resources consumed, labour hours expended and cost incurred) relative to the total expected inputs to the satisfaction of that performance obligation. Management's estimation of the cost incurred to date and the budgeted cost is primarily based on construction design and management budget and actual cost report prepared by internal quantity surveyors, where applicable. Corresponding revenue from contract work is also estimated by management based on the progress and budgeted revenue. The Group regularly reviews and revises the estimation of both construction design and management revenue and cost in the budget prepared for each construction design and management contract as the contract progresses.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENT *(continued)*

(b) Expected credit loss for receivables and contract assets

The loss allowance provisions for trade and other receivables and contract assets are based on assumptions about the expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, see Note 3.1(b). Changes in these assumptions and estimates could materially affect the result of the assessment and it may be necessary to make additional impairment charge to the consolidated statements of profit or loss.

(c) Fair value of investment properties

The fair value of investment properties is determined by using valuation technique. The relevant key assumptions applied in valuation involves significant judgment and estimates. Details of the judgment and assumptions have been disclosed in Note 16.

(d) Write-down of inventories for property development

As explained in Note 41.12 and 41.13, the Group's properties under development and completed properties held for sale are stated at the lower of cost and net realisable value. Based on the Group's recent experience and the nature of the subject property, the Group makes estimates of the selling price, the costs of completion in case for properties under development, and the costs to be incurred in selling the properties.

If there is an increase in costs to completion or a decrease in net realisable value, provision for completed properties held for sale and properties under development for sale may be resulted. Such provision requires the use of judgment and estimates. Where the expectation is different from the original estimate, the carrying value and provision for properties in the periods in which such estimate is changed will be adjusted accordingly.

Given the volatility of the PRC property market and the distinctive nature of individual properties, the actual outcomes in terms of costs and revenue may be higher or lower than estimated at the end of the reporting period. Any increase or decrease in the provision would affect profit or loss in future years.

As at 31 December 2024, a provision for completed properties held for sale is amounted to RMB15,226,000 (2023: Nil). Based on management's best estimates, there was no impairment for properties under development as at 31 December 2024 and 2023.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENT *(continued)*

(e) Recognition of deferred tax assets

Deferred tax assets are recognised and measured based on the expected manner of realisation or settlement of the carrying amount of the assets, using tax rates enacted or substantively enacted at the end of the reporting period. In determining the carrying amounts of deferred tax assets, expected taxable profits are estimated which involves a number of assumptions relating to the operating environment of the Group and require a significant level of judgment exercised by the directors. Any change in such assumptions and judgment would affect the carrying amounts of deferred tax assets to be recognised and hence the net profit in future years.

(f) Provision for PRC land appreciation tax ("LAT")

As explained in Note 12, the Group has estimated, made and included in tax provision for LAT according to the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon completion of the property development projects and the tax authorities might disagree with the basis on which the provision for LAT is calculated. Significant judgment is required in determining the level of provision, as the calculation of which depends on the ultimate tax determination. Given the uncertainties of the calculation basis of LAT as interpreted by the local tax bureau, the actual outcomes may be higher or lower than those estimated at the end of the reporting period. Any increase or decrease in the actual outcomes/estimates will impact the income tax provision in the period in which such determination is made.

(g) Income tax

The Group is subject to income tax in different jurisdictions. Estimation and judgment is required in determining the amount of the provision for income tax. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact on the income tax and deferred tax provisions in the period in which such determination is made.

5 REVENUE AND SEGMENT INFORMATION

The Group manages its businesses by business lines (products and services). The Group had identified three segments, namely industrial park operation services, industrial park development services and industrial investment.

At 31 December 2024, the Group has the following three segments:

- Industrial park operation services: this segment provides services including design and construction services, property management service, property leasing services, energy services, digital park services, incubator and office sharing services, group catering and hotel services and digital apartment services.

- Industrial park development services: this segment represents the sales of industrial park space and self-owned industrial park property leasing services.

- Industrial investment: this segment represents the Group's industrial-related equity investment businesses in various theme parks.

(a) Segment results

The measure used for assessing the performance of the operating segments is operating profit as adjusted by excluding fair value gains on investment properties, depreciation and amortisation. The Group's most senior executive management does not assess the assets and liabilities of the operating segments.

Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the year is set out below.

5 REVENUE AND SEGMENT INFORMATION *(continued)*

(a) *Segment results (continued)*

For the year ended 31 December 2024

	Industrial park operation services RMB'000	Industrial park development services RMB'000	Industrial investment RMB'000	Total RMB'000
Revenue from contracts with customers	2,991,931	1,123,655	–	4,115,586
– Recognition at point in time	178,593	1,089,472	–	1,268,065
– Recognition over time	2,813,338	34,183	–	2,847,521
Revenue from other source – Rental income	118,824	329,731	–	448,555
Segment revenue	3,110,755	1,453,386	–	4,564,141
Inter-segment revenue	(894,951)	(80,659)	–	(975,610)
Revenue from external customers	2,215,804	1,372,727	–	3,588,531
Cost of sales	(1,704,427)	(786,993)	–	(2,491,420)
Gross Profit	511,377	585,734	–	1,097,111
Segment results	197,184	403,830	13,773	614,787

5 REVENUE AND SEGMENT INFORMATION *(continued)*

(a) Segment results (continued)

	Other Segment information			
	Industrial park operation services RMB'000	Industrial park development services RMB'000	Industrial investment RMB'000	Total RMB'000
Depreciation and amortisation	(60,863)	(27,477)	(1,949)	(90,289)
Cost of properties sold	–	(716,522)	–	(716,522)
Employee benefit expenses (Note 8)	(697,298)	(184,303)	–	(881,601)
Other operating costs of industrial park operation	(593,724)	–	–	(593,724)
Cost of construction services	(560,157)	–	–	(560,157)
Write-down of completed properties held for sale	–	(15,226)	–	(15,226)

5 REVENUE AND SEGMENT INFORMATION *(continued)*

(a) Segment results (continued)

For the year ended 31 December 2023

	Industrial park operation services RMB'000	Industrial park development services RMB'000	Industrial investment RMB'000	Total RMB'000
Revenue from contracts with customers	3,831,602	2,219,622	–	6,051,224
– Recognition at point in time	182,717	1,920,284	–	2,103,001
– Recognition over time	3,648,885	299,338	–	3,948,223
Revenue from other source – Rental income	114,352	283,244	–	397,596
Segment revenue	3,945,954	2,502,866	–	6,448,820
Inter-segment revenue	(1,114,296)	(113,968)	–	(1,228,264)
Revenue from external customers	2,831,658	2,388,898	–	5,220,556
Cost of sales	(2,317,298)	(1,345,872)	–	(3,663,170)
Gross Profit	514,360	1,043,026	–	1,557,386
Segment results	250,191	916,375	22,793	1,189,359

5 REVENUE AND SEGMENT INFORMATION *(continued)*

(a) Segment results (continued)

	Other Segment information			
	Industrial park operation services RMB'000	Industrial park development services RMB'000	Industrial investment RMB'000	Total RMB'000
Depreciation and amortisation	(66,619)	(28,796)	(1,766)	(97,181)
Cost of properties sold	–	(1,277,383)	–	(1,277,383)
Employee benefit expenses (Note 8)	(659,653)	(237,225)	–	(896,878)
Other operating costs of industrial park operation	(803,219)	–	–	(803,219)
Cost of construction services	(981,125)	–	–	(981,125)

(b) Reconciliation of segment results to profit for the year

	2024 RMB'000	2023 RMB'000
Segment results	614,787	1,189,359
Fair value gains on investment properties	4,520	161,532
Share of losses of joint ventures	(35,261)	(17,147)
Share of profits of associates	36,142	11,098
Finance income	60,307	50,276
Finance costs	(350,620)	(316,063)
Depreciation and amortisation	(90,289)	(97,181)
Income tax expense	(133,255)	(455,039)
Profit for the year	106,331	526,835

5 REVENUE AND SEGMENT INFORMATION *(continued)*

(c) Information regarding the Group's revenue by nature:

	2024 RMB'000	2023 RMB'000
Industrial park operation services		
Property management services	793,253	925,128
Design and construction services	780,711	1,245,032
Property leasing services	111,244	97,270
Energy services	198,015	196,489
Group catering and hotel services	150,837	160,176
Others	181,744	207,563
	2,215,804	2,831,658
Industrial park development services		
Sales of industrial park space	1,109,433	2,159,882
Self-owned industrial park property leasing	263,294	229,016
	1,372,727	2,388,898
Total	3,588,531	5,220,556

The Group's entire revenue is attributable to the market in Mainland China and over 97% of the Group's non-current assets other than financial instruments and deferred income tax assets are located in Mainland China. No geographical information is therefore presented.

The Group has a large number of customers, none of whom contributed 10% or more of the Group's revenue.

5 REVENUE AND SEGMENT INFORMATION *(continued)*

(d) Assets and liabilities related to contracts with customers

The Group has recognised the following assets and liabilities related to contracts with customers:

	Note	31 December 2024 RMB'000	31 December 2023 RMB'000
Current contract assets relating to construction services		438,649	562,679
Current contract assets relating to sales of properties		2,466	127,037
Less: allowance provisions	3.1(b)	(19,279)	(28,338)
Total contract assets		421,836	661,378
Contract liabilities relating to sales of properties	(i)	396,966	365,434
Contract liabilities relating to energy services	(i)	59,231	–
Total contract liabilities		456,197	365,434

(i) Contract liabilities

For the year ended 31 December 2024, the Group receives payments from customers based on billing schedule as established in contracts. Payments are usually received in advance of the performance under the contracts which are mainly from sales of properties.

Out of the contract liabilities amounting to RMB365,434,000 (2023: RMB530,576,000) at the beginning of the year of 2024, RMB106,484,000 (2023: RMB413,973,000) was recognised as revenue in the current reporting period relates to carried-forward contract liabilities.

The Group has elected the practical expedient for not to disclose transaction price allocated to the remaining performance obligations of sales of properties contracts as the performance obligations are part of contracts that have original expected durations of one year or less.

5 REVENUE AND SEGMENT INFORMATION *(continued)*

(d) Assets and liabilities related to contracts with customers (continued)

(i) Contract liabilities (continued)

Accounting policies of revenue recognition

(a) Sales of properties and construction services

Revenues are recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer; or
- creates and enhances an asset that the customer controls as the Group performs; or
- do not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

Revenue from sales of properties is recognised over time when the Group's performance under a sales contract does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract.

For property development and sales contract for which the control of the property is transferred at a point in time, revenue is recognised when the customer obtains the physical possession of the completed property and the Group has present right to payment and the collection of the consideration is probable.

For construction services, the Group's performance creates or enhances an asset or work in progress that the customer controls as the asset is created or enhanced, thus the Group satisfies a performance obligation and recognises revenue over time, by reference to completion of the specific transaction assessed on the basis of the actual costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

5 REVENUE AND SEGMENT INFORMATION *(continued)*

(d) Assets and liabilities related to contracts with customers (continued)

(i) Contract liabilities (continued)

Accounting policies of revenue recognition (continued)

(b) Energy supply fee

Fees received for energy supply are deferred and recognised over the expected service period. The Group recognised revenue overtime because the customer receives and uses the benefits simultaneously.

(c) Service fee income

Service fee income in relation to design and development management services, property management service, advertising service and other ancillary services is recognised in the accounting period in which the services are rendered. Main service fee income is recognised overtime because the Group performance provides all of the benefits received and consumed simultaneously by the customer.

6 OTHER INCOME

	2024 **RMB'000**	2023 RMB'000
Government grants	**108,161**	173,959
Others	**–**	187
	108,161	174,146

7 OTHER (LOSSES)/GAINS – NET

	2024 RMB'000	2023 RMB'000
Fair value gains on financial assets at fair value through profit of loss (Note 19)	**11,824**	21,027
Gain on disposal of property, plant and equipment, net	**53**	122
Gain on disposal of a business	**–**	99,977
(Loss)/gain on disposal/liquidation of subsidiaries	**(2,144)**	1,060
Gain/(loss) on disposal of investment properties	**2,334**	(1,351)
Loss on disposal of associates	**(479)**	–
Litigation loss (i)	**(23,223)**	–
Others	**6,844**	5,984
	(4,791)	126,819

(i) In August 2024, a subsidiary of the Group received a judgement from the Wenzhou Court, pursuant to which the subsidiary was ordered to pay damages to the property owners for delayed delivery of property ownership certificate. On 15 October 2024, the Group filed an appeal against the judgment, and it's still waiting for the final judgment from Wenzhou Intermediate People's Court.

8 EXPENSES BY NATURE

	2024 RMB'000	2023 RMB'000
Cost of properties sold	**716,522**	1,277,383
Employee benefit expenses (Note 9)	**881,601**	896,878
Other operating costs of industrial park operation	**593,724**	803,219
Cost of construction services	**560,157**	981,125
Write-down of completed properties held for sale (Note 21)	**15,226**	–
Depreciation (Note 14 and 15)	**82,716**	89,834
Other professional service fees	**17,926**	31,000
Advertising costs	**18,120**	18,105
Amortisation (Note 17)	**7,573**	7,347
Auditors' remuneration		
– Audit services	**2,750**	2,250
– Non-audit services	**1,280**	1,280
Other expenses	**116,787**	167,936
Total cost of sales, selling and distribution expenses, administrative expenses	**3,014,382**	4,276,357

9 EMPLOYEE BENEFIT EXPENSE

	2024 RMB'000	2023 RMB'000
Salaries, wages and other benefits	**829,089**	840,551
Contributions to defined contribution retirement schemes	**52,512**	56,327
	881,601	896,878

(a) Defined contribution retirement schemes

As stipulated by the Government regulations in the PRC, the Group is required to contribute to the state-sponsored retirement scheme for all of its employees in the PRC at 16% to 20% (2023: 16% to 20%) of the eligible salary of its employees on a monthly basis. The state-sponsored retirement scheme is responsible for the entire pension obligations payable to all retired employees and the Group has no further obligations for the actual pension payments or post-retirement benefits

During the year ended 31 December 2024, no forfeited contributions were utilised by the Group to reduce its contributions for the current year (2023: Nil).

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include none of the (2023: nil) directors whose emoluments are reflected in the analysis shown in Note 40. The emoluments payable to those five (2023: five) individuals during the year are as follows:

	2024 RMB'000	2023 RMB'000
Basic salaries, housing allowances, share options, other allowances and benefits in kind	**4,373**	4,626
Contribution to pension scheme	**285**	279
Discretionary bonuses	**9,424**	11,956
	14,082	16,861

9 EMPLOYEE BENEFIT EXPENSE *(continued)*

(b) Five highest paid individuals (continued)

The emoluments of these five individuals with the highest emoluments fell within the following bands:

	2024	2023
HK$2,500,001 to HK$3,000,000	**2**	–
HK$3,000,001 to HK$3,500,000	**3**	3
HK$3,500,001 to HK$4,000,000	**–**	1
HK$4,000,001 to HK$4,500,000	**–**	1
	5	5

10 FINANCE INCOME AND COSTS

	2024 RMB'000	2023 RMB'000
Interest expenses of bank and other borrowings	**(358,151)**	(356,172)
Capitalised interest expenses	**56,363**	103,123
Interest expenses of lease liabilities (Note 15)	**(50,809)**	(60,042)
Net foreign exchange gains/(losses)	**1,977**	(2,972)
Finance costs	**(350,620)**	(316,063)
Interest income from deposits	**11,973**	16,910
Interest income from sublease (Note 15)	**2,628**	6,248
Interest income from loans provided to third parties	**45,706**	27,118
Finance income	**60,307**	50,276
Net finance costs	**(290,313)**	(265,787)

Borrowing costs arising from financing specifically arranged for the construction of properties were capitalised using the rates ranged from 3.28% to 5.64% (2023: 3.28% to 6.00%) per annum, and other borrowing costs were capitalised using an average interest rate of 5.48% (2023: 5.53%) per annum.

11(A) SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 December 2024:

Name of company	Place of incorporation and kind of legal entity	Paid-in/ registered capital	Effective interest held by the Company		Principal activities and place of operation
			Direct	Indirect	
Optics Valley Union Holding Co., Ltd. 光谷聯合控股有限公司*	The PRC, limited liability company	RMB1,560,000,000/ RMB2,150,000,000	–	100%	Property development in the PRC
Wuhan Optics Valley Union Group Co., Ltd. 武漢光谷聯合集團有限公司*	The PRC, limited liability company	RMB1,940,000,000/ RMB2,500,000,000	–	100%	Property development in the PRC
Qingdao Optics Valley Union Development Co., Ltd.青島光谷聯合發展有限公司*	The PRC, limited liability company	RMB200,000,000/ RMB200,000,000	–	100%	Property development in the PRC
Wuhan Lido Property Management Co., Ltd. 武漢麗島物業管理有限公司*	The PRC, limited liability company	RMB110,000,000/ RMB110,000,000	–	100%	Property management services in the PRC
Hefei Optics Valley Union Development Co., Ltd. 合肥光谷聯合發展有限公司*	The PRC, limited liability company	RMB180,000,000/ RMB180,000,000	–	100%	Property development in the PRC
CEC Optics Valley Architecture Design Institute Co., Ltd. 中電光谷建築設計院有限公司*	The PRC, limited liability company	RMB52,500,000/ RMB300,000,000	–	100%	Construction services in the PRC
Changsha CEC Industrial Park Development Co., Ltd.長沙中電產業園發展有限公司*	The PRC, limited liability company	RMB300,000,000/ RMB300,000,000	–	100%	Property development in the PRC
Shanghai Huayue Investment Development Co., Ltd.上海華悦投資發展有限公司	The PRC, limited liability company	RMB390,000,000/ RMB390,000,000	–	100%	Property development in the PRC
Wuhan Optics Union Maker Star Incubator Co., Ltd 武漢光聯創客星孵化器有限公司 *	The PRC, limited liability company	RMB1,000,000/ RMB1,000,000	–	100%	Property leasing services in the PRC

* These entities are all PRC companies. The English translation of the company names is for reference only. The official names of these entities are in Chinese.

As at 31 December 2024 and 2023, no subsidiary has non-controlling interests that are material to the Group.

11(B) INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The amounts recognised in the consolidated statement of financial position are as follows:

	At 31 December	
	2024 RMB'000	2023 RMB'000
Associates	853,810	841,208
Joint ventures	471,972	447,675
	1,325,782	1,288,883

The amounts recognised in the consolidated statement of profit or loss as share of profits/(losses) are as follows:

	2024 RMB'000	2023 RMB'000
Associates	36,142	11,098
Joint ventures	(35,261)	(17,147)
	881	(6,049)

Investments in associates

	2024 RMB'000	2023 RMB'000
At 1 January	841,208	1,798,126
Additions	38,265	102,562
Share of profits	36,142	11,098
Deemed disposal of subsidiaries	–	(973,955)
Other disposals	(3,277)	–
Dividends	(58,528)	(96,623)
At 31 December	853,810	841,208

In the opinion of the directors, none of the associates is material to the Group.

11(B) INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD *(continued)*

Investment in joint ventures

	2024 RMB'000	2023 RMB'000
At 1 January	447,675	138,693
Share of losses	(35,261)	(17,147)
Additions	59,701	337,472
Deemed disposal of subsidiaries	–	(5,073)
Other disposals	–	(6,270)
Dividends	(143)	–
At 31 December	471,972	447,675

In the opinion of the directors, none of the joint ventures is material to the Group.

12 INCOME TAX EXPENSE

	2024 RMB'000	2023 RMB'000
Current tax:		
Corporate Income Tax ("CIT")	151,314	291,440
Land Appreciation Tax ("LAT")	50,402	141,757
Total current tax expense	201,716	433,197
Deferred tax (Note 28):		
– Temporary differences	(68,461)	13,262
– Withholding income tax	–	8,580
Total deferred tax (benefit)/expense	(68,461)	21,842
Income tax expense	133,255	455,039

12 INCOME TAX EXPENSE *(continued)*

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	2024 RMB'000	2023 RMB'000
Profit before tax	**239,586**	981,874
Tax calculated at domestic statutory tax rate of 25% (Note (i) (ii) (iii))	**59,897**	245,469
Tax effects of:		
– Share of results of associates and joint ventures	**(220)**	15,582
– Expenses not deductible for tax purposes	**2,367**	6,247
– Adopting prescribed tax calculation method by PRC subsidiaries (Note (iii))	**(22,161)**	21,466
– Tax losses and temporary difference for which no deferred income tax asset was recognised (Note 28)	**55,570**	51,377
LAT in relation to properties sold (Note (iv))	**50,402**	141,757
Tax effects of LAT	**(12,600)**	(35,439)
Withholding income tax on profit (Note (v))	**–**	8,580
Income tax expense	**133,255**	455,039

(i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in these jurisdictions.

(ii) No provision for Hong Kong Profits Tax has been made as the Group had no taxable profit in Hong Kong in 2024.

(iii) The Group's subsidiaries located in Chinese Mainland are subject to the People's Republic of China ("PRC") income tax at 25% unless otherwise specified. Under the relevant regulations of the CIT Law, for eligible enterprises which meet the criteria of small low-profit enterprises, the annual taxable income that is not more than RMB1,000,000 shall be recognized at 25% of income and be subject to a CIT rate of 20%; the annual taxable income that is more than RMB1,000,000 but less than RMB3,000,000 shall be recognized at 50% of income and be subject to a CIT rate of 20%. Under the relevant regulations of the CIT Law, certain subsidiaries are qualified as "High and New Technology Enterprise" and can enjoy a preferential CIT rate of 15%.

(iv) LAT is levied on properties developed by the Group in the PRC for sale, at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures (including lease charges of land use right, borrowing costs and all qualified property development expenditures).

12 INCOME TAX EXPENSE *(continued)*

(v) Pursuant to the PRC tax law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. The Group is therefore liable for withholding taxes on dividends distributed by those foreign invested subsidiaries established in the PRC in respect of earnings generated from 1 January 2008.

As at 31 December 2024, the Company controls the dividend policy of these subsidiaries and it is probable that these profits in 2024 will not be distributed in the foreseeable future.

13 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares repurchased by the Group (Note 30).

	2024	2023
Profit attributable to owners of the Company (RMB'000)	**95,748**	506,710
Weighted average number of ordinary shares in issue (thousands)	**7,359,797**	7,566,859
Basic earnings per share (RMB cents)	**1.30**	6.70

There were no potential dilutive ordinary shares in 2024 and 2023, diluted earnings per share therefore equals to basic earnings per share.

14 PROPERTY, PLANT AND EQUIPMENT

	Buildings RMB'000	Machines RMB'000	Motor vehicles RMB'000	Furniture, office equipment and others RMB'000	Construction in progress RMB'000	Total RMB'000
Year ended 31 December 2024						
Opening net book amount	584,514	86,661	272	15,903	20,940	708,290
Other additions	11,287	599	3,370	14,752	9,040	39,048
Transfer from construction in progress	8,107	7,110	–	–	(15,217)	–
Transfer from completed properties held for sale	43,877	–	–	–	–	43,877
Transfer from investment properties	44,544	–	–	–	–	44,544
Transfer to completed properties held for sale	(165,273)	–	–	–	–	(165,273)
Depreciation charges	(53,151)	(15,485)	(1,589)	(6,420)	–	(76,645)
Other disposals	–	(2,810)	(970)	(2,156)	–	(5,936)
Disposal of subsidiaries	(8,261)	(679)	(7)	(11)	(171)	(9,129)
Closing net book amount	465,644	75,396	1,076	22,068	14,592	578,776
At 31 December 2024						
Cost	768,781	228,136	23,127	100,748	14,592	1,135,384
Accumulated depreciation	(303,137)	(152,740)	(22,051)	(78,680)	–	(556,608)
Net book amount	465,644	75,396	1,076	22,068	14,592	578,776

14 PROPERTY, PLANT AND EQUIPMENT *(continued)*

	Buildings RMB'000	Machines RMB'000	Motor vehicles RMB'000	Furniture, office equipment and others RMB'000	Construction in progress RMB'000	Total RMB'000
Year ended 31 December 2023						
Opening net book amount	360,904	81,544	1,625	19,530	8,043	471,646
Other additions	3,004	1,830	1,857	4,044	36,474	47,209
Transfer from construction in progress	637	20,103	–	–	(20,740)	–
Transfer to investment properties	(4,002)	–	–	–	–	(4,002)
Transfer from completed properties held for sale	298,426	–	–	–	–	298,426
Transfer from investment properties	5,813	–	–	–	–	5,813
Depreciation charges	(59,042)	(16,807)	(1,552)	(6,998)	–	(84,399)
Other disposals	(6,556)	–	(111)	(173)	(2,837)	(9,677)
Deemed disposal of subsidiaries	(14,670)	(9)	(1,547)	(500)	–	(16,726)
Closing net book amount	584,514	86,661	272	15,903	20,940	708,290
At 31 December 2023						
Cost	834,901	225,934	24,642	105,488	20,940	1,211,905
Accumulated depreciation	(250,387)	(139,273)	(24,370)	(89,585)	–	(503,615)
Net book amount	584,514	86,661	272	15,903	20,940	708,290

14 PROPERTY, PLANT AND EQUIPMENT *(continued)*

Depreciation charges were included in the following categories in the profit or loss:

	2024 RMB'000	2023 RMB'000
Cost of sales	**61,912**	68,174
Administrative expenses	**11,473**	12,634
Selling and distribution expenses	**3,260**	3,591
	76,645	84,399

15 LEASES

(i) Amounts recognised in the statement of financial position

The balance sheet shows the following amounts relating to leases:

	At 31 December	
	2024 RMB'000	2023 RMB'000
Right-of-use assets		
Properties	**69,543**	71,876
Lease liabilities		
Current	**81,600**	88,834
Non-current	**955,045**	1,001,747
	1,036,645	1,090,581

15 LEASES *(continued)*

(i) Amounts recognised in the statement of financial position (continued)

The following table presents the changes of right-of-use assets for the year ended 31 December 2024:

	2024 RMB'000	2023 RMB'000
At 1 January	71,876	93,945
Net additions/(disposals)	6,445	(16,634)
Disposals of subsidiaries	(2,707)	–
Depreciation	(6,071)	(5,435)
At 31 December	69,543	71,876

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

	2024 RMB'000	2023 RMB'000
Depreciation charge of right-of-use assets		
Properties	6,071	5,435
Interest expense (included in finance costs) (Note 10)	(50,809)	(60,042)
Interest income (included in finance income) (Note 10)	2,628	6,248

The total cash outflow for leases in 2024 was RMB191,133,000 (2023: RMB183,762,000).

(iii) The Group's leasing activities and how these are accounted for

The Group leases various properties. Rental contracts are typically made for fixed periods of 5 to 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, except that leased assets may not be used as security for borrowing purposes.

16 INVESTMENT PROPERTIES

	2024 RMB'000	2023 RMB'000
Opening balance at 1 January	**7,570,607**	5,960,733
Transfer from completed properties held for sale	**92,609**	505,544
Transfer from property, plant and equipment	**–**	4,002
Other additions	**34,764**	1,067,628
Fair value changes	**4,520**	161,532
Revaluation gains upon transfer from property, plant and equipment	**–**	1,200
Transfer to completed properties held for sale	**–**	(52,266)
Transfer to property, plant and equipment	**(44,544)**	(5,813)
Disposals	**(209,595)**	(71,953)
Closing balance at 31 December	**7,448,361**	7,570,607

Amounts recognised in profit and loss for investment properties

	2024 RMB'000	2023 RMB'000
Rental income from self-owned properties	**263,294**	229,016
Rental income from subleasing	**111,244**	97,270
Direct operating expenses from property that generated rental income	**21,667**	16,536

Accounting policies of investment properties

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group. It also includes properties that are being constructed or developed for future use as investment properties. Land held under operating leases are accounted for as investment properties when the rest of the definition of an investment property is met. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. Changes in fair values are recorded in the statement of profit or loss as part of a valuation gain or loss in 'fair value gains on investment properties'.

16 INVESTMENT PROPERTIES *(continued)*

Accounting policies of investment properties (continued)

If an item of properties under development or completed properties held for sale becomes an investment property because its use has changed, any difference between the fair value of the property at that date and its previous carrying amount is recognised in statement of profit or loss as part of a valuation gain or loss in 'fair value gains on investment properties'.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is treated in the same way as a revaluation under IAS 16. Any resulting increase in the carrying amount of the property is recognised in profit or loss to the extent that it reverses a previous impairment loss, with any remaining increase recognised in other comprehensive income and increase directly to equity in revaluation surplus within equity. Any resulting decrease in the carrying amount of the property is initially charged in other comprehensive income against any previously recognised revaluation surplus, with any remaining decrease charged to profit or loss.

As at 31 December 2024, the Group had no contractual obligations for future repairs and maintenance (2023: nil).

Investment properties with an aggregate carrying value of RMB2,517,241,000 as at 31 December 2024 (2023: RMB2,024,350,000) were pledged for certain bank loans granted to the Group (Note 27).

Investment properties comprise a number of commercial properties that are leased to third parties. Each of the leases contains an initial non-cancellable period of 1 year to 20 years.

As at 31 December 2024, certain investment properties developed by the Group with carrying value of RMB1,489,100,000 (2023: RMB2,849,570,000) were without building ownership certificate and the Group was in progress of obtaining the relevant building ownership certificate.

The Group's investment properties are leased to tenants under operating leases with rentals payable quarterly in general. There are no variable lease payments that depend on an index or rate.

Although the Group is exposed to changes in the residual value at the end of the current leases, the Group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

For minimum lease payments receivable on leases of investment properties, refer to Note 36(a).

16 INVESTMENT PROPERTIES *(continued)*

Valuation processes of the Group

The Group's investment properties were valued at transfer dates and at 31 December 2024 and 2023 by Cushman & Wakefield International properties Advisers ("C&W"), an independent firm of surveyors who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use. During 2024, a total gain of RMB4,520,000 (2023: RMB161,532,000) and deferred tax thereon of RMB1,130,000 (2023: RMB40,383,000) were recognised in the consolidated statement of profit or loss.

The Group's management will review the valuations performed by the independent valuers for financial reporting purposes. Discussions of valuation processes and results are held between the management and valuers at least on a semi-annual basis, in line with the Group's interim and annual reporting dates.

At each financial year end the finance department:

- Verifies all major inputs to the independent valuation reports;
- Assess property valuations movements when compared to the prior year valuation reports;
- Holds discussions with the independent valuers.

Valuation techniques

Valuations are based on:

(i) Direct comparison approach assuming sale of each of these properties in its existing state with the benefit of vacant possession. By making reference to sales transactions as available in the relevant market, comparable properties in close proximity have been selected and adjustments have been made to account for the difference in factors such as locations and property size; and/or

(ii) Income approach taking into account the current rents of the property interests and the reversionary potentials of the tenancies, term yield and reversionary yield are then applied respectively to derive the market value of the property; or

(iii) Residual method of valuation which is commonly used in valuing development sites by establishing the market value of the properties on an "as-if" completed basis with appropriate deduction on construction costs, professional fees, contingency, marketing and legal cost, and interest payments to be incurred, anticipated developer's profits, as well as land acquisition costs, interest payment and profit on land.

16 INVESTMENT PROPERTIES *(continued)*

Valuation techniques (continued)

There were no changes to the valuation techniques during the year.

Information about fair value measurements using significant unobservable inputs (level 3):

Description	Fair value at 31 Dec 2024 (RMB'000)	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
Completed investment properties (including investment properties used for sublease)	7,429,361	Direct comparison approach	Adjusted market price (RMB/sq.m)	1,292	The higher the adjusted market price, the higher the fair value.
		Income approach	Market monthly rental rate (RMB/sq.m)	14-164	The higher the market monthly rental rate, the higher the fair value.
			Term yield	3.00%-8.50%	The higher the term yield, the lower the fair value.
			Reversionary yield	3.50%-9.00%	The higher the reversionary yield, the lower the fair value.
Investment properties under construction	19,000	Direct comparison approach	Adjusted market price (RMB/sq.m)	568	The higher the adjusted market price, the higher the fair value.
		Residual method	Properties unit rates (RMB/sq.m)	4,237	The higher the properties unit rates, the higher the fair value.
			Budgeted construction costs (RMB'000)	16,291	The higher the budgeted construction cost, the higher the fair value.
			Remaining percentage to completion	10.88%	The higher the remaining percentage to completion, the lower the fair value.
			Anticipated developer's profit margin	5.00%	The higher the anticipated developer's profit, the higher the fair value.

16 INVESTMENT PROPERTIES *(continued)*

Valuation techniques (continued)

Description	Fair value at 31 Dec 2023 (RMB'000)	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
Completed investment properties (including investment properties used for sublease)	6,608,307	Direct comparison approach	Adjusted market price (RMB/sq.m)	1,293	The higher the adjusted market price, the higher the fair value.
		Income approach	Market monthly rental rate (RMB/sq.m)	14 – 198	The higher the market monthly rental rate, the higher the fair value.
			Term yield	3.25% – 8.50%	The higher the term yield, the lower the fair value.
			Reversionary yield	3.75% – 9.00%	The higher the reversionary yield, the lower the fair value.
Investment properties under construction	962,300	Direct comparison approach	Adjusted market price (RMB/sq.m)	2,808	The higher the adjusted market price, the higher the fair value.
		Residual method	Properties unit rates (RMB/sq.m)	3,747 – 6,692	The higher the properties unit rates, the higher the fair value.
			Budgeted construction costs (RMB'000)	13,117 – 361,514	The higher the budgeted construction cost, the higher the fair value.
			Remaining percentage to completion	1.00% – 15.00%	The higher the remaining percentage to completion, the lower the fair value.
			Anticipated developer's profit margin	0.00%-16.56%	The higher the anticipated developer's profit, the higher the fair value.

There were no significant inter-relationships between unobservable inputs that materially affect fair values, except for those stated in these financial statements.

17 INTANGIBLE ASSETS

	Goodwill RMB'000	Software RMB'000	Total RMB'000
Year ended 31 December 2024			
Opening net book amount	8,528	46,891	55,419
Additions	1,987	6,009	7,996
Amortisation charge	–	(7,573)	(7,573)
Closing net book amount	10,515	45,327	55,842
At 31 December 2024			
Cost	10,515	84,700	95,215
Accumulated amortisation and impairment	–	(39,373)	(39,373)
Net book amount	10,515	45,327	55,842

	Goodwill RMB'000	Software RMB'000	Total RMB'000
Year ended 31 December 2023			
Opening net book amount	8,528	45,218	53,746
Additions	–	9,030	9,030
Amortisation charge	–	(7,347)	(7,347)
Deemed disposal of subsidiaries	–	(10)	(10)
Closing net book amount	8,528	46,891	55,419
At 31 December 2023			
Cost	8,528	79,916	88,444
Accumulated amortisation and impairment	–	(33,025)	(33,025)
Net book amount	8,528	46,891	55,419

Amortisation of RMB7,573,000 (2023: RMB7,347,000) is included in the 'administrative expenses' of the consolidated statement of profit or loss.

18 FINANCIAL INSTRUMENTS BY CATEGORY

	At amortised cost RMB'000	At fair value through profit or loss RMB'000	At fair value through other comprehensive income RMB'000	Total RMB'000
Assets				
At 31 December 2024				
Cash and cash equivalents	**1,619,595**	**–**	**–**	**1,619,595**
Trade and other receivables	**3,094,804**	**–**	**–**	**3,094,804**
Restricted cash	**217,883**	**–**	**–**	**217,883**
Deposits in banks with original maturities over three months	**25,426**	**–**	**–**	**25,426**
Financial assets at fair value through profit or loss	**–**	**844,192**	**–**	**844,192**
Financial assets at fair value through other comprehensive income	**–**	**–**	**19,515**	**19,515**
Total	**4,957,708**	**844,192**	**19,515**	**5,821,415**
Assets				
At 31 December 2023				
Cash and cash equivalents	1,889,193	–	–	1,889,193
Trade and other receivables	3,240,892	–	–	3,240,892
Restricted cash	303,118	–	–	303,118
Deposits in banks with original maturities over three months	26,946	–	–	26,946
Derivative financial instrument	–	–	5,884	5,884
Financial assets at fair value through profit or loss	–	817,449	–	817,449
Financial assets at fair value through other comprehensive income	–	–	18,151	18,151
Total	5,460,149	817,449	24,035	6,301,633

18 FINANCIAL INSTRUMENTS BY CATEGORY *(continued)*

	At amortised cost RMB'000
Liabilities	
At 31 December 2024	
Bank and other borrowings	7,498,001
Trade and other payables excluding non-financial liabilities	3,388,504
Lease liabilities	1,036,645
Total	11,923,150
Liabilities	
At 31 December 2023	
Bank and other borrowings	6,933,270
Trade and other payables excluding non-financial liabilities	3,872,151
Lease liabilities	1,090,581
Total	11,896,002

19 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 RMB'000	2023 RMB'000
At 1 January	817,449	731,991
Additions	16,850	238,081
Fair value gains on financial assets at fair value through profit of loss (Note 7)	11,824	21,027
Disposals	(1,931)	(173,650)
At 31 December	844,192	817,449
Less: non-current portion	(844,192)	(817,268)
Current portion	–	181

Financial assets at fair value through profit or loss include the following:

	At 31 December	
	2024 RMB'000	2023 RMB'000
Unlisted equity investments – PRC (i)	844,192	817,268
Wealth management products	–	181
	844,192	817,449

(i) As at 31 December 2024, the investments mainly represent equity investments in certain companies. The fair values of these investments were determined mainly based on the appraised fair value provided by independent professional valuers. The fair value measurement is categorised within level 3 of the fair value hierarchy. Information about the methods and assumptions used in determining fair value is provided in Note 3.3.

20 PROPERTIES UNDER DEVELOPMENT

All properties under development are within the normal operating cycle included in current assets.

All properties under development are located in the PRC and stated at the lower of cost and net realisable value.

Properties under development with an aggregate carrying value of RMB1,585,024,000 as at 31 December 2024 (2023: RMB900,756,000) were pledged for certain bank loans granted to the Group (Note 27).

21 COMPLETED PROPERTIES HELD FOR SALE

All completed properties held for sale are within the normal operating cycle included in current assets.

All completed properties held for sale in the PRC are stated at the lower of cost and net relisable value.

As at 31 December 2024, the balance of provision in respect of write-down of the completed properties held for sale is amounted to RMB15,226,000 (31 December 2023: Nil). The write-down of these properties recognised in profit or loss for the current year is amounted to RMB15,226,000 (2023: Nil).

Completed properties held for sale with an aggregate carrying value of RMB2,008,044,000 as at 31 December 2024 (2023: RMB1,921,938,000) were pledged for certain bank loans granted to the Group (Note 27).

22 INVENTORIES

	At 31 December	
	2024	2023
	RMB'000	RMB'000
Raw materials	**598**	1,170
Work in progress	**5,556**	5,876
Finished goods	**65,040**	63,648
	71,194	70,694

23 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	At 31 December	
	2024	2023
	RMB'000	RMB'000
Current portion		
Trade receivables (a)	**1,480,858**	1,244,453
Loans to third parties	**637,871**	910,539
Prepayments for raw materials and construction cost	**233,208**	312,637
Prepaid turnover tax and other taxes	**255,842**	234,816
Notes receivables	**21,252**	43,880
Deposits receivable	**149,689**	142,679
Loans to related parties (Note 37(c))	**719,482**	647,425
Others	**384,070**	240,748
	3,882,272	3,777,177
Non-current portion		
Trade receivables (a)	**206,684**	337,009
Receivables from finance leases	**22,982**	35,802
Loans to related parties (Note 37(c))	**136**	4,640
Loans to third parties	**–**	118
	229,802	377,569
Less: allowance provisions for		
– Trade receivables-current	**(141,947)**	(118,698)
– Other receivables and long-term trade receivables	**(386,273)**	(247,703)
	(528,220)	(366,401)
Total	**3,583,854**	3,788,345

23 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS *(continued)*

(a) Trade receivables are generally due within 1 year from the date of billing. The non-current trade receivables are due and payable within five years from the end of the reporting period. As of the end of the reporting period, the ageing analysis of trade receivables, based on the invoice date (or date of revenue recognition, if earlier), is as follows:

	At 31 December	
	2024	2023
	RMB'000	RMB'000
Within one year	**1,097,349**	914,307
One to two years	**191,678**	179,600
Two to three years	**68,665**	51,566
Three to four years	**39,525**	384,646
Over four years	**290,325**	51,343
	1,687,542	1,581,462

Trade receivables are primarily related to the sale of properties. Proceeds from the sale of properties are made in one-off payments upfront or paid by instalments in accordance with the terms of the corresponding sale and purchase agreements. If payment is made in one-off payment upfront, settlement is normally required by date of signing the sales contract. If payments are made in instalments, settlement is in accordance with the contract terms.

The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 9. As at 31 December 2024, the loss allowance provision increased to RMB141,947,000 for trade receivables-current (31 December 2023: RMB118,698,000).

As at 31 December 2024, the loss allowance increased to RMB386,273,000 for other receivables (excluding prepayments) and long-term trade receivables during the current reporting period (31 December 2023: RMB247,703,000).

As at 31 December 2023 and 2024, the fair value of trade and other receivables approximated their carrying amounts.

24 RESTRICTED CASH

	At 31 December 2024 RMB'000	At 31 December 2023 RMB'000
Restricted for:		
– Supervised accounts	**112,172**	230,476
– Mortgage deposits	**64,976**	31,666
– Interest-bearing loans deposits	**–**	10
– Letter of guarantee	**9,161**	34,926
– Others	**31,574**	6,040
Total	**217,883**	303,118

25 CASH AND CASH EQUIVALENTS

	At 31 December 2024 RMB'000	At 31 December 2023 RMB'000
Cash in hand	**116**	73
Cash at bank	**1,554,331**	1,836,615
Other cash deposited in a related party's financial institutions (Note 37(c))	**65,148**	52,505
Cash and cash equivalents	**1,619,595**	1,889,193

26 TRADE AND OTHER PAYABLES

	At 31 December	
	2024	2023
	RMB'000	RMB'000
Trade creditors and bills payable	**2,527,516**	2,809,481
Advances from third parties	**3,000**	1,000
Other taxes payables	**101,433**	118,469
Construction guaranteed deposits payable	**305,937**	329,179
Advances from related parties (Note 37(c))	**70,713**	74,504
Accrued payroll	**71,919**	80,315
Other payables and accruals	**601,085**	767,338
Total	**3,681,603**	4,180,286

As at 31 December 2024, the ageing analysis of trade creditors and bills payables, based on the invoice date, is as follows:

	At 31 December	
	2024	2023
	RMB'000	RMB'000
Within one year	**2,026,903**	2,505,619
One to two years	**349,585**	127,727
Two to three years	**43,258**	48,143
Over three years	**107,770**	127,992
	2,527,516	2,809,481

As at 31 December 2023 and 2024, the fair value of trade and other payables approximated their carrying amounts.

27 BANK AND OTHER BORROWINGS

	At 31 December	
	2024	2023
	RMB'000	RMB'000
Current		
Secured		
– Bank and other borrowings	**1,048,000**	1,159,000
– Current portion of non-current bank and other borrowings	**955,514**	396,582
	2,003,514	1,555,582
Unsecured		
– Bank and other borrowings (i)	**1,652,323**	1,401,960
– Current portion of non-current bank and other borrowings	**1,197,608**	374,100
	2,849,931	1,776,060
	4,853,445	3,331,642
Non-current		
Secured		
– Bank and other borrowings	**3,285,561**	2,458,471
Less: Current portion of non-current bank and other borrowings	**(955,514)**	(396,582)
	2,330,047	2,061,889
Unsecured		
– Bank and other borrowings	**1,512,117**	1,913,839
Less: Current portion of non-current bank and other borrowings	**(1,197,608)**	(374,100)
	314,509	1,539,739
	2,644,556	3,601,628

27 BANK AND OTHER BORROWINGS *(continued)*

(i) During the year ended 31 December 2024, the Group entered into supplier finance arrangements with a major shareholder's financial institution and a third party financial institution. Under the arrangement, these financial institutions acquire the rights to selected trade receivables from the suppliers. The terms and conditions of the arrangement are unchanged from the trade payables from this supplier, other than:

- the due date has been extended to 13 days to 414 days after the original due date, and
- the acquired payables are no longer able to be offset against credit notes received from the supplier.

The comparable trade payables that are not part of the supplier finance arrangement are generally settled within 60 days after the invoice date.

There were non-cash transfers from trade payables to liabilities under the supplier finance arrangement of RMB409,410,000 in 2024. As at 31 December 2024, liabilities under the supplier finance arrangement with carrying amounts of RMB356,611,000 are presented as unsecure bank and other borrowings. The relevant suppliers have received the payment from the finance providers.

(ii) The bank and other borrowings bear interest ranging from 2.5% to 6.21% per annum for year ended 31 December 2024 (2023: from 2.9% to 7.3%).

As at 31 December, the Group's borrowings and liabilities under supplier finance arrangement were repayable as follows:

	Bank and other borrowings		**Liabilities under supplier finance arrangement**	
	2024 RMB'000	2023 RMB'000	**2024 RMB'000**	2023 RMB'000
Within 1 year or on demand	**4,496,834**	3,027,268	**356,611**	304,374
After 1 year but within 2 years	**1,087,343**	1,665,111	**–**	–
After 2 years but within 5 years	**884,018**	1,044,261	**–**	–
After 5 years	**673,195**	892,256	**–**	–
	7,141,390	6,628,896	**356,611**	304,374

27 BANK AND OTHER BORROWINGS *(continued)*

The bank loans were secured by the following assets with book values of:

	At 31 December	
	2024	2023
	RMB'000	RMB'000
Properties under development (Note 20)	**1,585,024**	900,756
Investment properties (Note 16)	**2,517,241**	2,024,350
Completed properties held for sale (Note 21)	**2,008,044**	1,921,938
Property, plant and equipment	**37,426**	–
Restricted cash (Note 24)	**–**	10
	6,147,735	4,847,054

The fair value of borrowings approximates their carrying amount, as the impact of discounting is not significant. The fair values are based on cash flows discounted using a rate based on the borrowing rate of 4.95% (2023: 5.13%) and are within level 2 of the fair value hierarchy.

The Group's banking facilities are subject to the fulfilment of covenants relating to certain of the Group's financial ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants.

As described in Note 2.3, the Group failed to comply with one of the financial covenants of the Syndicated Loans regarding the consolidated EBITDA to consolidated net interest expenses ratio (the "Interest Cover Ratio"). Under the terms of such covenants, the Interest Cover Ratio should not be less than 3.00 times at any time. If the Group failed to meet the requirement, the lenders have the right to require early repayment of the Syndicated Loans at any time. The Interest Cover Ratio is less than 3.00 times, and therefore did not meet the covenant requirement. Consequently, the Syndicated Loans amounting to RMB1,013,574,000 as at 31 December 2024 became immediately repayable if requested by the lenders. It resulted in certain bank and other borrowings of the Group with a total amount of RMB1,345,475,000 as at 31 December 2024 trigger cross-defaults.

No wavier had been obtained from the lenders to waive the requirement from compliance of the relevant financial covenant or cross-defaults before the balance sheet date. Consequently, the non-current portion of the Syndicated Loans amounting to RMB230,000,000 and non-current portion of Cross-default Borrowings of RMB437,883,000 with the original contractual repayment dates beyond 31 December 2025 were classified as current liabilities.

27 BANK AND OTHER BORROWINGS *(continued)*

In March 2025, the Group successfully obtained written waivers for the Syndicated Loans to waive the requirement from compliance of the relevant financial covenant for year ended 31 December 2024 and obtained written waiver from the lender to waive the requirement from compliance of the cross-default conditions for Borrowings with Cross Default Condition from a lender amounting to RMB507,845,000. Moreover, the Group has further drawn down RMB575,000,000 from one of the Syndicated Loans after the year end date. For the remaining portion of Borrowings with Cross Default Condition, management of the Company discussed with the bank and further understood that as a result of the waivers obtained for the Syndicated Loans as mentioned above, the bank may take its discretion not to regard the borrowings to have triggered the cross-default condition in practice.

The Group will continue to monitor its compliance with the covenant requirements of the Syndicated Loans to fulfill the Interest Cover Ratio.

Save as disclosed above, the Group has complied with other covenants of its borrowings as at 31 December 2024 and 2023.

Details of the Group's exposure to risks arising from current and non-current borrowings are set out in Note 3.1(a)(ii).

Accounting policies of borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless, at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Covenants that the Group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the reporting period do not affect the classification at the reporting date.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

28 DEFERRED INCOME TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	At 31 December	
	2024 **RMB'000**	2023 RMB'000
Before offsetting		
Deferred tax assets	**375,099**	366,683
Deferred tax liabilities	**(738,381)**	(798,160)
After offsetting		
Deferred tax assets	**131,609**	27,245
Deferred tax liabilities	**(494,891)**	(458,722)

The gross movement on the deferred income tax account is as follows:

	2024 **RMB'000**	2023 RMB'000
At 1 January	**(431,477)**	(414,926)
Charged to profit or loss (Note 12)	**(2,835)**	(21,842)
Reclassification (Note 12)	**71,296**	–
Charged to other comprehensive income	**(341)**	(206)
Deemed disposal of subsidiaries	**(728)**	5,497
Acquisition of subsidiaries	**803**	–
At 31 December	**(363,282)**	(431,477)

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

28 DEFERRED INCOME TAX *(continued)*

Deferred income tax assets

	Temporary differences arising from LAT provision RMB'000	Lease liabilities RMB'000	Unused tax losses RMB'000	Unrealised profit resulting from inter-group transactions RMB'000	Allowance on doubtful debts RMB'000	Prepaid income taxes for subsidy RMB'000	Others RMB'000	Total RMB'000
At 1 January 2023	85,288	147,839	34,396	61,920	26,797	–	5,111	361,351
Recognised in profit or loss	18,892	(8,335)	(2,808)	(15,700)	20,894	–	3,625	16,568
Deemed disposal of subsidiaries	–	–	–	–	(4,041)	–	(7,195)	(11,236)
At 31 December 2023	104,180	139,504	31,588	46,220	43,650	–	1,541	366,683
Recognised in profit or loss	(28,802)	(66,097)	16,172	2,043	8,068	–	5,661	(62,955)
Reclassification	–	–	–	–	–	71,296	–	71,296
Acquisition of subsidiaries	–	–	803	–	–	–	–	803
Deemed disposal of subsidiaries	–	–	(338)	–	(390)	–	–	(728)
At 31 December 2024	75,378	73,407	48,225	48,263	51,328	71,296	7,202	375,099

Note: In assessing the realisability of deferred tax assets in respect of the Group's subsidiaries which suffered tax losses in current or preceding periods, management considers the projected future taxable income of these subsidiaries. Accordingly, the Group has recognised deferred tax assets of RMB48,225,000 as at 31 December 2024 (2023: RMB31,588,000) as the Group estimates that these subsidiaries have properties development or leasing projects which are probable to generate sufficient future taxable profits to support their utilisation.

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefits through future taxable profits is probable. The Group did not recognise deferred income tax assets of RMB228,279,000 (2023: RMB177,184,000) in respect of losses amounting to RMB913,117,000 (2023: RMB708,739,000) that can be carried forward against future taxable income.

28 DEFERRED INCOME TAX *(continued)*

Deferred income tax assets (continued)

The unrecognised tax losses will expire in the following years:

	At 31 December 2024 RMB'000	At 31 December 2023 RMB'000
2024	–	17,902
2025	35,385	35,385
2026	348,671	348,671
2027	109,271	109,271
2028	197,510	197,510
2029	222,280	–
	913,117	708,739

Deferred income tax liabilities

	Investment properties RMB'000	Right-of-use assets RMB'000	Recognition of revenue over time RMB'000	Revaluation of financial assets at fair value through profit of loss RMB'000	Revaluation of financial assets at fair value through other comprehensive income RMB'000	Withholding income tax on profit tax to be distributed in future RMB'000	Others RMB'000	Total RMB'000
At 1 January 2023	(602,006)	(9,391)	(21,334)	(131,298)	(3,069)	(8,458)	(721)	(776,277)
Recognised in profit or loss	(27,378)	(8,189)	19,554	(3,312)	–	(8,580)	(10,505)	(38,410)
Deemed disposal of subsidiaries	–	–	–	7,368	–	–	9,365	16,733
Other comprehensive income	–	–	–	–	(206)	–	–	(206)
At 31 December 2023	(629,384)	(17,580)	(1,780)	(127,242)	(3,275)	(17,038)	(1,861)	(798,160)
Recognised in profit or loss	61,392	194	1,096	(3,265)	–	–	703	60,120
Other comprehensive income	–	–	–	–	(341)	–	–	(341)
At 31 December 2024	(567,992)	(17,386)	(684)	(130,507)	(3,616)	(17,038)	(1,158)	(738,381)

28 DEFERRED INCOME TAX *(continued)*

Deferred income tax liabilities (continued)

Pursuant to the PRC tax law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. The Group is therefore liable for withholding taxes on dividends distributed by those foreign invested subsidiaries established in the PRC in respect of earnings generated from 1 January 2008.

At at 31 December 2024, the Company controls the dividend policy of these subsidiaries and it is probable that these profits in 2024 will not be distributed in the foreseeable future.

29 DEFERRED INCOME

	At 31 December	
	2024	2023
	RMB'000	RMB'000
Deferred income (a)	**544,306**	646,139
Less: current portion	**(54,431)**	(64,614)
	489,875	581,525

(a) The deferred income mainly represents the deferred government grants.

30 SHARE CAPITAL AND TREASURY SHARES

Movements of the Company's ordinary shares are set out below:

	For the year ended 31 December 2024			For the year ended 31 December 2023		
	No. of Shares ('000)	RMB'000	Treasury shares RMB'000	No. of Shares ('000)	RMB'000	Treasury shares RMB'000
Ordinary shares, issued and fully paid:						
As at 1 January	**7,574,352**	**623,048**	**(141,766)**	7,574,352	623,048	(121,056)
Shares purchased	**–**	**–**	**(1,539)**	–	–	(20,710)
Cancellation of shares	**(62,028)**	**(5,641)**	**22,249**	–	–	–
As the end of the year	**7,512,324**	**617,407**	**(121,056)**	7,574,352	623,048	(141,766)

(a) During the year ended 31 December 2024, the Company repurchased a total 4,508,000 shares at a total consideration of HK$1,691,760 (equivalent to RMB1,539,000) for cancellation purpose. The buy-back were authorised by shareholders of the Company at the annual general meeting held in June 2023.

The shares were acquired at an average price of HK$0.375 per share, with prices ranging from HK$0.345 to HK$0.38. The total amount of HK$1,691,760 (equivalent to RMB1,539,000) paid to acquire the shares, which was made out of the Company's distributable profits with no reduction of capital, has been recorded as treasury shares as a contra account within shareholders' equity. These treasury shares, together with 57,520,000 shares repurchased in 2023, totaling 62,028,000 shares were cancelled in January and February 2024.

30 SHARE CAPITAL AND TREASURY SHARES *(continued)*

(b) As at 31 December 2024, the treasury shares amounting to 152,998,000 shares were all for a share award scheme purpose (31 December 2023: 152,998,000 shares for a share aware scheme purpose and 57,520,000 shares for cancellation purpose).

Movement of the Company's treasury shares are analysed as follows:

	Shares repurchased for the purpose of		
	Share award ('000)	Cancellation ('000)	Total ('000)
Year ended 31 December 2023			
Opening No. of shares	152,998	–	152,998
Repurchased	–	57,520	57,520
Closing No. of shares	152,998	57,520	210,518
Year ended 31 December 2024			
Opening No. of shares	152,998	57,520	210,518
Repurchased	–	4,508	4,508
Cancellation of shares	–	(62,028)	(62,028)
Closing No. of shares	152,998	–	152,998

31 RESERVES

	Share premium RMB'000	Exchange reserve RMB'000 (Note (b))	Property revaluation reserve RMB'000	Statutory reserve RMB'000 (Note (a))	Other reserves RMB'000 (Note (c))	Total RMB'000
Balance at 1 January 2024	**1,396,302**	**(14,151)**	**49,772**	**796,887**	**551,664**	**2,780,474**
Appropriation from retained earnings	–	–	–	104,600	–	104,600
Currency translation differences	–	3,132	–	–	–	3,132
Dividends paid (Note 33)	(171,334)	–	–	–	–	(171,334)
Cancellation of shares	(16,608)	–	–	–	–	(16,608)
Changes in the fair value of equity investments at fair value through other comprehensive income	–	–	–	–	1,023	1,023
Fair value gains on investment properties transferred from property, plant and equipment	–	–	–	–	–	–
Hedging gains reclassified to profit or loss	–	–	–	–	(5,884)	(5,884)
Balance at 31 December 2024	**1,208,360**	**(11,019)**	**49,772**	**901,487**	**546,803**	**2,695,403**
Balance at 1 January 2023	1,566,932	(9,467)	49,772	718,264	545,163	2,870,664
Appropriation from retained earnings	–	–	–	78,623	–	78,623
Currency translation differences	–	(4,684)	–	–	–	(4,684)
Dividends paid (Note 33)	(170,630)	–	–	–	–	(170,630)
Changes in the fair value of equity investments at fair value through other comprehensive income	–	–	–	–	(283)	(283)
Fair value gains on investment properties transferred from property, plant and equipment	–	–	–	–	900	900
Gains on cash flow hedge	–	–	–	–	5,884	5,884
Balance at 31 December 2023	1,396,302	(14,151)	49,772	796,887	551,664	2,780,474

31 RESERVES *(continued)*

(a) PRC statutory reserve

Pursuant to the Articles of Association of the PRC subsidiaries now comprising the Group, appropriations to the general reserve fund were made at a certain percentage of profit after taxation determined in accordance with the accounting rules and regulations of the PRC. The percentage for this appropriation was decided by the directors of the respective subsidiaries. This reserve fund can be utilised in setting off accumulated losses or increasing capital of the subsidiaries and is non-distributable other than in liquidation.

(b) Exchange reserve

The exchange reserve comprises all relevant exchange differences arising from the translation of the financial statements of operations with functional currency other than RMB. The reserve is dealt with in accordance with the accounting policy set out in Note 41.6.

(c) Other reserves

The balances of other reserve comprise capital reserve surplus/deficit arising from difference between disposal/acquisition consideration and its net assets at the respective date of disposal/acquisition and the changes in fair value of debt instrument at fair value through other comprehensive income.

32 RETAINED EARNINGS

	2024 RMB'000	2023 RMB'000
At 1 January	4,804,090	4,376,003
Profit for the year	95,748	506,710
Appropriation to statutory reserve	(104,600)	(78,623)
At 31 December	4,795,238	4,804,090

33 DIVIDENDS

	2024 RMB'000	2023 RMB'000
Ordinary shares		
Final dividend for the year ended 31 December 2023 of HK$2.50 cents per fully paid share (2022: HK$2.50 cents)	171,334	170,630

The Directors do not recommend the payment of any dividend for the year ended 31 December 2024 (2023: RMB173,347,000).

34 CASH FLOW INFORMATION

(a) Cash generated from operations

	2024 RMB'000	2023 RMB'000
Profit before income tax	239,586	981,874
Adjustments for:		
Finance costs (Note 10)	350,620	316,063
Depreciation (Note 8)	82,716	89,834
Net impairment losses on financial and contract assets	153,021	152,986
Write-down of completed properties held for sale and properties under development (Note 8)	15,226	–
(Gain)/loss on disposal of investment properties (Note 7)	(2,334)	1,351
Amortisation (Note 8)	7,573	7,347
Loss/(gain) on disposal/liquidation of subsidiaries (Note 7)	2,144	(1,060)
Gains on disposal of property, plant and equipment (Note 7)	(53)	(122)
Fair value gains on financial assets at fair value through profit or loss (Note 7)	(11,824)	(21,027)
Share of losses of joint ventures (Note 11(b))	35,261	17,147
Loss on disposal of associates (Note 7)	479	–
Net gain on disposal of a business (Note 7)	–	(99,977)
Fair value gains on investment properties (Note 16)	(4,520)	(161,532)
Share of profits of associates (Note 11(b))	(36,142)	(11,098)
Finance income (Note 10)	(60,307)	(50,276)
Dividends	–	(187)
Changes in working capital:		
– Contract liabilities, deferred income and trade and other payables	12,772	1,624,172
– Restricted cash	118,304	83,636
– Contract assets and trade and other receivables	162,014	(910,130)
– Properties under development and completed properties held for sale and inventories	(731,522)	(1,223,557)
Cash generated from operations	333,014	795,444

34 CASH FLOW INFORMATION *(continued)*

(b) Net debt reconciliation

	2024 RMB'000	2023 RMB'000
Cash and cash equivalents	**1,619,595**	1,889,193
Restricted cash	**105,711**	72,642
Advances from related parties	**(70,713)**	(74,504)
Advances from third parties	**(3,000)**	(1,000)
Lease liabilities	**(1,036,645)**	(1,090,581)
Bank and other borrowings	**(7,498,001)**	(6,933,270)
Net debt	**(6,883,053)**	(6,137,520)

(c) Reconciliation of liabilities arising from financing activities

	Liabilities from financing activities				
	Bank and other borrowings RMB'000 (Note 27)	Lease liabilities RMB'000 (Note 15)	Advances from related parties RMB'000 (Note 26)	Advances from third parties RMB'000 (Note 26)	Total RMB'000
Gross debt as at 1 January 2023	(7,068,315)	(591,357)	(113,956)	(154,445)	(7,928,073)
Cash (inflows)/outflows	(2,339)	123,720	–	1,000	122,381
New leases	–	(562,902)	–	–	(562,902)
Foreign exchange adjustments	(10,116)	–	–	–	(10,116)
Interest expense	–	(60,042)	–	–	(60,042)
Deemed disposal of subsidiaries	147,500	–	39,452	152,445	339,397
Gross debt as at 31 December 2023	(6,933,270)	(1,090,581)	(74,504)	(1,000)	(8,099,355)
Cash (inflows)/outflows	(332,520)	140,324	4,688	(2,000)	(189,508)
New leases	–	(35,579)	–	–	(35,579)
Foreign exchange adjustments	(23,701)	–	(897)	–	(24,598)
Interest expense	–	(50,809)	–	–	(50,809)
Other non-cash movement	(208,510)	–	–	–	(208,510)
Gross debt as at 31 December 2024	(7,498,001)	(1,036,645)	(70,713)	(3,000)	(8,608,359)

35 CONTINGENCIES

The Group provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage loans together with any accrued interest and penalty owned by the defaulted purchasers to the banks. The Group's guarantee period commences from the dates of grant of the relevant mortgage loans and ends upon the earlier of the time when the buyer has obtained the individual property ownership certificate and the mortgage loan has been fully settled by the buyer.

The maximum amount of guarantees given to banks for mortgage facilities granted to the purchasers of the Group's properties at the end of the reporting period is as follows:

	At 31 December	
	2024 **RMB'000**	2023 RMB'000
Guarantees given to banks for mortgage facilities granted to purchasers of the Group's properties	**1,150,910**	1,136,088

The directors consider that Group does not sustain a significant loss under these guarantees as during the periods under guarantees, the Group can take over the ownerships of the related properties and sell the properties to recover any amounts paid by the Group to the banks. The directors also consider that the fair market value of the underlying properties is able to cover the outstanding mortgage loans guaranteed by the Group in the event the purchasers default payments to the banks.

The Group has not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the directors.

36 COMMITMENTS

(a) Operating lease commitments – Group as lessor

The Group leases out a number of building facilities under non-cancellable operating lease agreements. Minimum lease receivables on leases of investment properties are as follows:

	At 31 December	
	2024	2023
	RMB'000	RMB'000
No later than 1 year	**220,720**	205,991
Later than 1 year and no later than 5 years	**412,653**	373,378
Later than 5 years	**135,301**	119,469
	768,674	698,838

37 RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Key management personnel are those persons holding positions with authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including the Company's directors.

Remuneration for key management personnel is as follows:

	2024	2023
	RMB'000	RMB'000
Wages, salaries and other benefits	**23,992**	30,019
Retirement scheme contributions	**561**	573
	24,553	30,592

The above remuneration to key management personnel is included in 'staff costs' (Note 8).

37 RELATED PARTY TRANSACTIONS *(continued)*

(b) *Transactions with related parties*

Save as disclosed in above, the following is a summary of the significant transactions carried out between the Group and its related parties during the period.

	2024 RMB'000	2023 RMB'000
(i) Joint ventures		
Provision of design and construction services	**16,963**	2,327
Provision of management consultation services	**5,585**	–
Provision of industrial park financial services	**–**	198
Acquisition of a subsidiary	**4,485**	–
Loans to related parties	**71,457**	–
Interest income from loans provided to related parties	**26,954**	–
Others	**2,848**	1,382
(ii) Associates		
Provision of design and construction services	**7,371**	3,738
Provision of industrial park property leasing	**174**	141
Provision of management consultation services	**4,245**	5,789
Loans to related parties	**600**	–
(iii) Major shareholders		
Accumulated amount of cash deposited in major shareholder's financial institution	**3,206,938**	7,243,986
Borrowing from major shareholder's financial institution	**2,131,814**	1,349,603
Repayment of borrowing from major shareholder's financial institution	**1,924,585**	1,344,227
Interest income from deposits	**302**	633
Interest expense of other borrowings	**31,310**	23,783
Operating lease paid	**10,927**	33,940
Provision of industrial park property leasing	**6,128**	–
Provision of design and construction services	**8,998**	–
Purchase of design and construction services	**5,734**	6,141
Loans to related parties	**136**	–
Loans repaid from related parties	**4,640**	–
Repayment of advances from related parties	**4,688**	–
Others	**2,200**	2,167

The prices for the above sales of construction materials and service fees were determined in accordance with the terms of the underlying agreements.

37 RELATED PARTY TRANSACTIONS *(continued)*

(c) Balances with related parties

	At 31 December	
	2024	2023
	RMB'000	RMB'000
(i) Joint ventures		
Loans to related parties – current portion	**718,882**	647,425
Interest receivable	**142,029**	113,457
(ii) Associates		
Loans to related parties – current portion	**600**	–
Advances from related parties	**31,014**	31,014
(iii) Major shareholder		
Cash deposited in major shareholder's financial institution	**65,148**	52,505
Borrowing	**1,492,432**	1,285,203
Loans to related parties – non-current portion	**136**	4,640
Lease liabilities	**15,679**	24,580
Advances from related parties	**39,699**	43,490
Payable for property management fees	**3,000**	–

The loans to related parties are unsecured and repayable between 1 to 2 years from the reporting dates. The average interest rate on the loans during the year was 7.0%.

38 EVENTS AFTER THE REPORTING PERIOD

There have been no material events subsequent to the reporting period, which require adjustment or disclosure in accordance with IFRS Accounting Standards.

39 STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Note	At 31 December 2024 RMB'000	2023 RMB'000
Non-current assets			
Investments in subsidiaries		3,511,183	3,436,106
Other receivables		264,033	–
		3,775,216	3,436,106
Current assets			
Cash and cash equivalents		52,061	47,053
Other receivables		231,006	730,854
		283,067	777,907
Total assets		4,058,283	4,214,013
Current liabilities			
Payables to subsidiaries		1,201,721	1,050,710
Bank borrowings		1,013,574	158,476
		2,215,295	1,209,186
Non-current liabilities			
Bank borrowings		–	898,030
Total liabilities		2,215,295	2,107,216
Equity Capital and reserves			
Share capital	30	617,407	623,048
Treasury shares	30	(121,056)	(141,766)
Reserves	(a)	2,075,081	2,227,131
Accumulated losses	(b)	(728,444)	(601,616)
Total equity		1,842,988	2,106,797
Total equity and liabilities		4,058,283	4,214,013

The balance sheet of the Company was approved by the Board of Directors on 31 March 2025 and was signed on its behalf:

Huang Liping **Hu Bin**

39 STATEMENT OF FINANCIAL POSITION OF THE COMPANY *(continued)*

Note:

(a) Statement of financial

	Share premium RMB'000	Exchange reserve RMB'000	Total RMB'000
Balance at 1 January 2024	**1,396,302**	**830,829**	**2,227,131**
Currency translation differences	**–**	**35,892**	**35,892**
Dividends paid	**(171,334)**	**–**	**(171,334)**
Cancellation of shares	**(16,608)**	**–**	**(16,608)**
Balance at 31 December 2024	**1,208,360**	**866,721**	**2,075,081**
Balance at 1 January 2023	1,566,932	791,285	2,358,217
Currency translation differences	–	39,544	39,544
Dividends paid	(170,630)	–	(170,630)
Balance at 31 December 2023	1,396,302	830,829	2,227,131

(b) Accumulated losses movement of the Company

	2024 RMB'000	2023 RMB'000
At 1 January	**(601,616)**	(444,625)
Loss for the year	**(126,828)**	(156,991)
At 31 December	**(728,444)**	(601,616)

40 BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors and chief executive's emoluments

For the year ended 31 December 2024:

Name	Fees RMB'000	Salaries, allowances and welfare benefits RMB'000	Discretionary bonuses RMB'000	Employer's contribution to a retirement benefit scheme RMB'000	Total RMB'000
Chief executive and executive director:					
Huang Liping	–	1,007	803	59	1,869
Non-executive directors:					
Hu Bin	–	622	7	59	688
Liu Guilin (i)	–	–	–	–	–
Liu Bo (Chairman) (ii)	–	–	–	–	–
Sun Ying (iii)	–	–	–	–	–
Zhang Jie	–	–	–	–	–
Xiang Qunxiong (v)	–	–	–	–	–
Zeng Yumei (iv)	–	–	–	–	–
Zang Saijun (vi)	–	–	–	–	–
Independent non- executive directors:					
Qi Min	235	–	–	–	235
Qiu Hongshen	235	–	–	–	235
Qi Liang	235	–	–	–	235
Total	705	1,629	810	118	3,262

40 BENEFITS AND INTERESTS OF DIRECTORS *(continued)*

(a) *Directors and chief executive's emoluments (continued)*

For the year ended 31 December 2023:

Name	Fees	Salaries, allowances and welfare benefits	Discretionary bonuses	Employer's contribution to a retirement benefit scheme	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Chief executive and executive director:					
Huang Liping	–	1,126	1,009	56	2,191
Non-executive directors:					
Hu Bin	–	753	706	56	1,515
Liu Guilin (Chairman)	–	–	–	–	–
Sun Ying	–	–	–	–	–
Zhang Jie	–	–	–	–	–
Xiang Qunxiong	–	–	–	–	–
Independent non- executive directors:					
Qi Min	200	–	–	–	200
Qiu Hongshen	200	–	–	–	200
Qi Liang	200	–	–	–	200
Total	600	1,879	1,715	112	4,306

(i) Mr. Liu Guilin has tendered his resignation as a non-executive Director and the Chairman with effect from 4 July 2024.

(ii) Ms. Liu Bo has been appointed as a non-executive Director and the Chairman with effect from 4 July 2024.

(iii) Ms. Sun Ying has tendered her resignation as a non-executive Director with effect from 26 March 2024.

(iv) Ms. Zeng Yumei has been appointed as a non-executive Director with effect from 26 March 2024.

(v) Mr. Xiang Qunxiong has tendered his resignation as a non-executive Director with effect from 30 October 2024.

(vi) Mr. Zang Saijun has been appointed as a non-executive Director with effect from 30 October 2024.

40 BENEFITS AND INTERESTS OF DIRECTORS *(continued)*

(a) Directors and chief executive's emoluments (continued)

No emoluments was paid or receivable in respect of directors' other services in connection with the management of the Company or its subsidiaries undertaking during the year.

During the years ended 31 December 2024 and 2023, no director waived any emoluments. Neither incentive payment for joining the Group nor compensation for loss of office was paid or payable to any directors during the years ended 31 December 2024 and 2023.

(b) Directors' retirement benefits

No retirement benefits was paid to or receivable by directors during the year by defined benefit pension plans operated by the Group.

(c) Directors' termination benefits

No director's termination benefit subsisted at the end of the year or at any time during the year.

(d) Consideration provided to third parties for making available directors' services

No consideration provided to third parties for making available directors' services subsisted at the end of the year or at any time during the year.

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

No loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors subsisted at the end of the year or at any time during the year.

(f) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the ends of the year or at any time during the year.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES

41.1 Principles of consolidation and equity accounting

41.1.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

41.1.2 Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see Note 41.1.4 below), after initially being recognised at cost.

41.1.3 Joint arrangements

Under IFRS 11 “Joint Arrangements”, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has joint ventures.

Interests in joint ventures are accounted for using the equity method (see Note 41.1.4 below), after initially being recognised at cost in the consolidated balance sheet.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.1 *Principles of consolidation and equity accounting (continued)*

41.1.4 *Equity accounting*

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 41.9.

41.2 *Changes in ownership interests*

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRS.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.4 *Separate financial statements*

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

41.5 *Segment reporting*

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group's most senior executive management that makes strategic decisions.

41.6 *Foreign currency translation*

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's functional currency is Hong Kong Dollar ("HK$"). The Company's primary subsidiaries were incorporated in the PRC and these subsidiaries considered RMB as their functional currency. The Group determine to present its financial statements in RMB (unless otherwise stated).

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of profit or loss within 'finance income or finance costs'. All other foreign exchange gains and losses are presented in statement of profit or loss within 'Other (losses)/gains'.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.6 *Foreign currency translation (continued)*

(b) Transactions and balances (continued)

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as FVTOCI, are included in other comprehensive income.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- Income and expenses for each statement of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- All resulting currency translation differences are recognised in other comprehensive income.
- Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

41.7 *Property, plant and equipment*

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.7 *Property, plant and equipment (continued)*

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	20-30 years
Machines	3-10 years
Motor vehicles	5-10 years
Furniture, office equipment and others	3-10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 41.9).

Construction in progress represents the direct costs of construction incurred in property, plant and equipment less any impairment losses. No provision for depreciation is made on construction in progress until such time that the relevant assets are completed and available for use. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified as investment property. Any gain arising on this remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive income and presented in the revaluation reserve in equity. Any loss is recognised immediately in profit or loss.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

41.8 *Intangible assets*

41.8.1 *Goodwill*

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non—controlling interest in the acquiree and the acquisition—date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.8 Intangible assets (continued)

41.8.1 Goodwill (continued)

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash—generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value—in—use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

41.8.2 Software

Costs associated with maintaining software programmes are recognised as an expense as incurred.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Software development costs recognised as assets are amortised over their estimated useful lives, which is 3-10 years.

41.9 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.10 *Investments and other financial assets*

41.10.1 *Classification*

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

41.10.2 *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

41.10.3 *Measurement*

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.10 *Investments and other financial assets (continued)*

41.10.3 *Measurement (continued)*

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Loss allowances are presented as separate line item in the statement of profit or loss.

- Fair value through other comprehensive income: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.10 *Investments and other financial assets (continued)*

41.10.3 *Measurement (continued)*

Equity instruments (continued)

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gains/(losses) in the statement of profit or loss as applicable. Loss allowances (and reversal of loss allowances) on equity investments measured at fair value through other comprehensive income are not reported separately from other changes in fair value.

41.10.4 *Impairment*

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables-current and contract assets, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. For trade receivables and contract assets with significant increases in credit risk, they are assessed for impairment allowance individually.

The loss allowance provision for the other receivables (excluding prepayments) and long-term trade receivables were measured as either 12-month ECL or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition.

41.11 *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

41.12 *Properties under development*

Properties under development are stated at the lower of cost and net realisable value. Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses and the anticipated costs to completion, or by management estimates based on prevailing marketing conditions.

Development cost of property comprises cost of land use rights, construction costs, depreciation of machinery and equipment, borrowing costs capitalised for qualifying assets and professional fees incurred during the development period. On completion, the properties are transferred to completed properties held for sale.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.12 *Properties under development (continued)*

Properties under development are classified as current assets when the construction of the relevant properties commences unless the construction period of the relevant property development project is expected to complete beyond normal operating cycle.

41.13 *Completed properties held for sale*

Completed properties remaining unsold at year ended are stated at the lower of cost and net realisable value. Cost comprises costs attributable to the unsold properties.

Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses, or by management estimates based on prevailing marketing conditions.

41.14 *Inventories*

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

41.15 *Trade receivables*

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 3 to 12 months and therefore are classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 23 for further information about the Group's accounting for trade receivables and Note 4 for a description of the Group's impairment policies.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.16 *Contract assets and contract liabilities*

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer. The combination of those rights and performance obligations gives rise to a net asset or a net liability depending on the relationship between the remaining rights and the performance obligations. The contract is an asset and recognised as contract assets if the measure of the remaining rights exceeds the measure of the remaining performance obligations. Conversely, the contract is a liability and recognised as contract liabilities if the measure of the remaining performance obligations exceeds the measure of the remaining rights.

41.17 *Cash and cash equivalents*

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the financial position.

41.18 *Share capital*

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

41.19 *Treasury shares*

The consideration paid by the Company for repurchasing the its shares from the market for cancellation purpose, including any directly attributable incremental cost, is presented as "Treasury Shares" and deducted from total equity.

The Company also set up a share scheme trust ("Share Scheme Trust") for the purpose of purchasing the Company's shares from the market and awarding to employee in the future ("Share award scheme"). The consideration paid by the Share Scheme Trust for purchasing the Company's shares from the market, including any directly attributable incremental cost, is presented as "Treasury Shares" and deducted from total equity.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.20 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

41.21 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Inside basis differences

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.21 *Current and deferred income tax (continued)*

(b) *Deferred income tax (continued)*

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associate's undistributed profits is not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

(c) *Offsetting*

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

41.22 *Employee benefits*

(a) *Pension obligations*

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

For the defined contribution plan, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.22 Employee benefits (continued)

(b) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

41.23 Dividend income

Dividend income is recognised when the right to receive payment is established.

41.24 Leases

Leases are recognised as a right-of-use asset (for self-occupation), an investment property (for operatingly subleased-out), a receivable (for financingly subleased-out) and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Right-of-use assets and lease liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.24 Leases (continued)

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

41.25 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

41.26 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and they are credited to profit or loss on a on a systematic basis over the periods in which the related costs towards which they are intended to compensate are recognised as expenses.

41 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(continued)*

41.27 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

41.28 Interest income

Interest income from loans provided to related parties, interest income from sublease and interest income from financial assets at fair value through profit or loss is included in the statement of profit or loss within 'finance income or expenses'.

Interest income is included in the statement of profit or loss within 'finance income or expenses' where it is earned from financial assets that are held for cash management purposes.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Definitions

"Company", "we", "us", "our" or "CEOVU"	China Electronics Optics Valley Union Holding Company Limited (中電光谷聯合控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 15 July 2013 under the Cayman Islands Companies Law
"Group"	the Company and its subsidiaries
"Listing"	listing of the Shares on the Main Board of the Stock Exchange
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"connected persons"	has the meaning ascribed to it under the Listing Rules
"associates" or "close associates"	has the meaning ascribed to it under the Listing Rules
"Articles of Association"	the amended and restated articles of association of the Company
"Board"or "Board of Directors"	the board of directors of the Company
"Director(s)"	director(s) of the Company
"Audit Committee"	the audit committee of the Company
"Nomination Committee"	the nomination committee of the Company
"Remuneration Committee"	the remuneration committee of the Company
"China" or "PRC"	the People's Republic of China excluding, for the purpose of this report, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"BVI"	the British Virgin Islands
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HKD" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Renminbi" or "RMB"	the lawful currency of China
"Reporting Period"	the 12-month period from 1 January 2024 to 31 December 2024

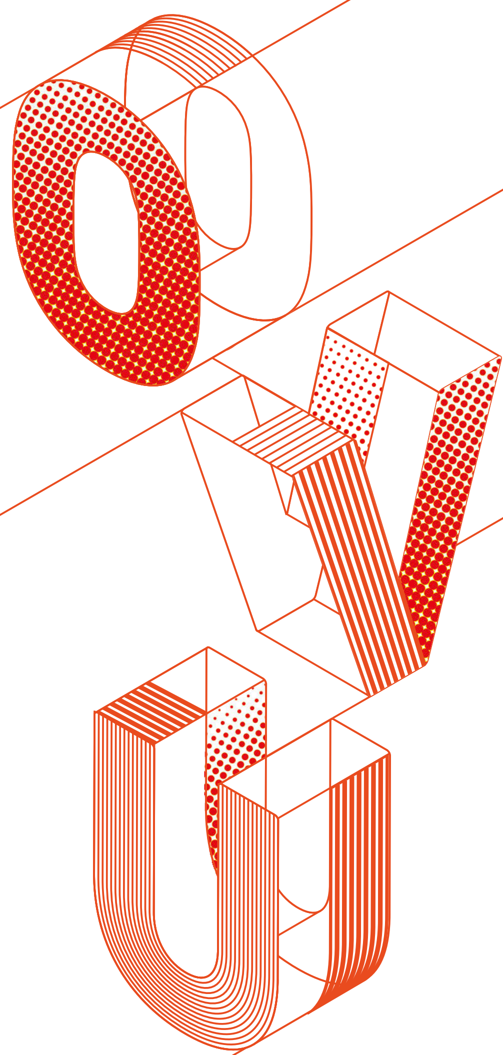
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Shareholder(s)"	holder(s) of our Share(s) from time to time
"Shares"	ordinary shares of HKD0.10 each in the capital of the Company
"CEC"	China Electronics Corporation Limited* (中國電子信息產業集團有限公司), a state-owned company established under the laws of the PRC and the ultimate controlling shareholder of CEIS
"CEIS"	China Electronics International Information Service Co., Ltd.* (中國中電國際信息服務有限公司), a limited liability company incorporated in the PRC on 24 May 1985 and a 100% owned subsidiary of China Electronics Co. Ltd.* (中國電子有限公司), which is wholly owned as to approximately 81.7% by CEC
"CE Huada Technology"	China Electronics Huada Technology Company Limited (中國電子華大科技有限公司), formerly known as China Electronics Corporation Holdings Company Limited* (中國電子集團控股有限公司), a company incorporated in the Cayman Islands and continued in Bermuda with limited liability
"AAA Finance"	AAA Finance and Investment Holdings Limited, a limited liability company incorporated in the BVI on 10 July 2013, which is wholly owned by Mr. Huang Liping, one of the Company's substantial Shareholders
"Lidao BVI"	Lidao Investment Limited, a limited liability company incorporated in the BVI on 10 July 2013, which is wholly-owned by Mr. Huang Liping, one of the Company's substantial Shareholders
"Hubei Science & Technology Investment"	Hubei Science & Technology Investment Group Co., Ltd.* (湖北省科技投資集團有限公司), a limited liability company incorporated in the PRC on 28 July 2005 and a substantial Shareholder of the Company
"Technology Investment HK"	Hubei Science & Technology Investment Group (Hong Kong) Company Limited (湖北省科技投資集團(香港)有限公司), a limited liability company incorporated in Hong Kong on 11 July 2013 and a substantial Shareholder of the Company
"CEOVU HK"	China Electronics Optics Valley Union Company Limited (formerly known as AAA Finance & Investment Limited), a limited company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company

"OVU"	Optics Valley Union Holding Limited Company* (光谷聯合控股有限公司), formerly known as United Real Estate (Wuhan) Co., Ltd.* (聯合置業(武漢)有限公司), a limited liability company incorporated in the PRC on 23 July 1993 and a wholly-owned subsidiary of China Electronics Optics Valley Union Holding Company Limited, and an indirect subsidiary of the Company
"Wuhan OVU"	Wuhan Optics Valley Union Group Company Limited* (武漢光谷聯合集團有限公司, formerly known as 武漢光谷聯合股份有限公司), a limited liability company incorporated in the PRC on 24 July 2000 and a wholly-owned subsidiary of OVU, and an indirect subsidiary of the Company
"Easylinkin Technology"	Wuhan Easylinkin Technology Co., Ltd.* (武漢慧聯無限科投有限公司), a limited liability company incorporated in the PRC on 15 October 2013 and a 19.34% owned company of Wuhan OVU
"Hefei OVU"	Hefei Optics Valley Union Development Co., Ltd.* (合肥光谷聯合發展有限公司), a limited liability company incorporated in the PRC on 13 September 2013 and a wholly-owned subsidiary of Wuhan OVU
"Huangshi OVU"	Huangshi Optics Valley Union Development Co., Ltd.* (黃石光谷聯合發展有限公司), a limited liability company incorporated in the PRC on 24 January 2005 and a wholly-owned subsidiary of Wuhan OVU, and an indirect subsidiary of the Company
"Hubei Huisheng"	Hubei Huisheng Technology Development Co., Ltd.* (湖北匯盛科技發展有限公司), a limited liability company incorporated in the PRC on 8 December 2005 and a wholly-owned subsidiary of Wuhan OVU, and an indirect subsidiary of the Company
"Lingdu Capital"	Wuhan Lingdu Capital Investment Co., Ltd* (武漢零度資本投資管理有限公司), a limited liability company incorporated in the PRC on 22 May 2015 and a 45% owned subsidiary of Wuhan OVU, and an indirect subsidiary of the Company
"OV Financial Harbour Development"	Wuhan Optics Valley Financial Harbour Development Co., Ltd.* (武漢光谷金融港發展有限公司), a limited liability company incorporated in the PRC on 24 July 2008 and a wholly-owned subsidiary of Wuhan OVU, and an indirect subsidiary of the Company
"Qingdao OVU"	Qingdao Optics Valley Union Development Co., Ltd.,* (青島光谷聯合發展有限公司), a limited liability company incorporated in the PRC on 1 September 2011 and a wholly-owned subsidiary of Wuhan OVU, and an indirect subsidiary of the Company
"Shenyang OVU"	Shenyang Optics Valley Union Development Co., Ltd.* (瀋陽光谷聯合發展有限公司), a limited liability company incorporated in the PRC on 29 May 2012 and a wholly-owned subsidiary of Wuhan OVU, and an indirect subsidiary of the Company

"Wuhan East Lake High Technology"	Wuhan East Lake High Technology Group Co., Ltd.* (武漢東湖高新集團股份有限公司), a limited liability company incorporated in the PRC on 12 January 1993 and listed on the Shanghai Stock Exchange (stock code: 600133)
"Wuhan Lidao Property Management"	Wuhan Lidao Property Management Co., Ltd.* (武漢麗島物業管理有限公司), a limited liability company incorporated in the PRC on 19 July 2000 and a wholly- owned subsidiary of Wuhan OVU, and an indirect subsidiary of the Company
"Wuhan Lidao Technology"	Wuhan Lidao Technology Co., Ltd.* (武漢麗島科技有限公司), a limited liability company incorporated in the PRC on 13 December 2000 and an indirect subsidiary of the Company
"Wuhan Mason"	Wuhan Mason Co., Ltd.* (武漢美生置業有限公司), formerly known as Mason (Wuhan) Co., Ltd., a limited liability company incorporated in the PRC on 11 January 2007 and a wholly-owned subsidiary of Wuhan OVU, and an indirect subsidiary of the Company
"Wuhan Minghong"	Wuhan Minghong Technology Development Co., Ltd.* (武漢鳴鴻科技發展有限公司), a limited liability company incorporated in the PRC on 8 February 2001 and a wholly-owned subsidiary of Wuhan OVU, and an indirect subsidiary of the Company
"Wuhan Optics Valley Software Park"	Wuhan Optics Valley Software Park Co., Ltd.* (武漢光谷軟件園有限公司), a limited liability company incorporated in the PRC on 8 September 2005 and a wholly-owned subsidiary of Wuhan OVU, and an indirect subsidiary of the Company
"Changsha CEC"	Changsha CEC Industrial Park Development Co., Ltd.* (長沙中電產業園發展有限公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company
"CEC Finance"	China Electronics Financial Co., Ltd.* (中國電子財務有限責任公司), a company established under the laws of the PRC and a subsidiary of CEC
"Western Zhigu"	Xianyang China Electronics Western Zhigu Industrial Co., Ltd.* (咸陽中電西部智谷實業有限公司), formerly known as Xianyang China Electronics Western Zhigu Development Company Limited* (咸陽中電西部智谷發展有限公司), a limited liability company established in the PRC and a 50% indirectly owned subsidiary of the Company

"IRICO Group"	IRICO Group Company Limited* (彩虹集團有限公司) (formerly known as IRICO Group Corporation* (彩虹集團公司)), a limited liability company established in the PRC, and an indirect wholly–owned subsidiary of CEC
"CEC Energy Conservation"	Wuhan CEC Energy Conservation Co., Ltd.* (武漢中電節能有限公司), a limited liability company incorporated in the PRC on 26 July 2010 and a 87.88% owned subsidiary of Wuhan OVU, and an indirect subsidiary of the Company
"Nantong OVU"	Nantong OVU Industrial Park Development Co., Ltd. * (南通光谷聯合工業園區開發有限公司) a limited liability company established in the PRC and a non wholly–owned subsidiary indirectly held as to 70% by the Company
"Shanghai Huayue"	Shanghai Huayue Investment Development Co., Ltd.* (上海華悦投資發展有限公司), a limited liability company established in the PRC and an indirect wholly–owned subsidiary of the Company
"Wuhan Ziyuan Hotel"	Wuhan Ziyuan Hotel Management Co., Ltd.* (武漢紫緣酒店管理有限公司), a limited liability company established in the PRC and an indirect wholly–owned subsidiary of the Company
"Quanpai Catering"	Wuhan Quanpai Catering Management Co., Ltd.* (武漢全派餐飲管理有限公司), a limited liability company established in the PRC and an indirect wholly–owned subsidiary of the Company
"Latest Practicable Date"	11 April 2025, being the latest practicable date prior to the printing of this annual report for ascertaining certain information in this annual report

In this annual report, if there is any inconsistency between the Chinese names of the entities or enterprises established in China and their English translations, the Chinese names shall prevail. English translation of company names in Chinese or another language which are marked with "*" is for identification purpose only.



CEC
中国电子

OVU 中电光谷
产 业 资 源 共 享 平 台

中電光谷聯合控股有限公司
China Electronics Optics Valley Union Holding Company Limited