

# 2024 ANNUAL REPORT

寶龍商業管理控股有限公司

POWERLONG COMMERCIAL MANAGEMENT HOLDINGS LIMITED

Incorporated in the Cayman Islands with Limited Liability  
(於開曼群島註冊成立的有限公司)

Stock code 股份代號: 9909.HK





| 让空间有卷

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# Group Introduction



Powerlong Commercial Management Holdings Limited (HK.9909) (the “**Company**” or “**Powerlong CM**”) and its subsidiaries (together, the “**Group**”) is a leading commercial operational service provider in the People’s Republic of China (“**China**” or the “**PRC**”). The Company was successfully listed (the “**Listing**”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 30 December 2019 (the “**Listing Date**”), being the first commercial management operational service provider under an asset-light business model listed on the Stock Exchange. The Group focuses on the Yangtze River Delta region, especially city clusters with vast potentials for economic development. Based on local demand, it is committed to creating good city living.

The Group mainly provides commercial operational services under four brands, namely “Powerlong One Mall” (寶龍一城), “Powerlong City” (寶龍城), “Powerlong Plaza” (寶龍廣場) and “Powerlong Land” (寶龍天地). As of 31 December 2024, the Group had 98 retail commercial properties in operation, with an aggregate gross floor area (“**GFA**”)<sup>Note</sup> in operation of approximately 11.1 million square meters (“**sq.m.**”). As of the same date, the Group was contracted to provide commercial operational services for a total of 132 retail commercial properties with an aggregate contracted GFA of approximately 14.5 million sq.m..

The Group also provides property management services for residential properties, office buildings and serviced apartments. As of 31 December 2024, the Group had 131 residential properties delivered of its property management service with an aggregate GFA delivered of approximately 24.0 million sq.m., and was contracted to manage 145 properties with an aggregate contracted GFA of approximately 31.4 million sq.m..

With the corporate mission of “creating space full of love”, the Group adheres to its corporate philosophy of “simple, truthful, prosper together, forward forever”, with a view to becoming a well-respected, century-lasting and world-leading operator of city space, thereby creating more room for value enhancement for customers and investors on an ongoing basis.

Note: Unless otherwise stated, all “GFA” of commercial properties referred to in this annual report include car parks.



# Corporate Information

## DIRECTORS

### Executive Directors

Mr. Hoi Wa Fong (Chairman of the Board)  
Mr. Chen Deli (resigned on 1 November 2024)

### Non-executive Directors

Mr. Zhang Yunfeng (resigned on 27 August 2024)  
Ms. Hoi Wa Fan  
Ms. Hoi Wa Lam

### Independent non-executive Directors

Dr. Lu Xiongwen  
Ms. Ng Yi Kum, Estella  
Mr. Chan Wai Yan, Ronald

## AUDIT COMMITTEE

Ms. Ng Yi Kum, Estella (Chairlady)  
Mr. Chan Wai Yan, Ronald  
Dr. Lu Xiongwen

## REMUNERATION COMMITTEE

Dr. Lu Xiongwen (Chairman)  
Mr. Hoi Wa Fong  
Mr. Chan Wai Yan, Ronald

## NOMINATION COMMITTEE

Mr. Hoi Wa Fong (Chairman)  
Mr. Chan Wai Yan, Ronald  
Dr. Lu Xiongwen  
Ms. Ng Yi Kum, Estella (appointed on 26 March 2025)

## JOINT COMPANY SECRETARIES

Ms. Zhang Yiting  
Ms. Leung Wai Yan

## AUTHORIZED REPRESENTATIVES

Ms. Hoi Wa Lam  
Ms. Leung Wai Yan

## REGISTERED OFFICE

Maples Corporate Services Limited  
P.O. Box 309  
Ugland House  
Grand Cayman KY1-1104  
Cayman Islands

## PLACE OF BUSINESS IN HONG KONG

19/F, Lee Garden One  
33 Hysan Avenue  
Causeway Bay  
Hong Kong

## PRINCIPAL PLACE OF BUSINESS IN THE PRC

Powerlong Tower  
1399 Xinzhen Road  
Minhang District  
Shanghai  
PRC  
Postal Code: 201101

## PRINCIPAL SHARE REGISTRAR

Maples Fund Services (Cayman) Limited  
P.O. Box 1093  
Boundary Hall  
Cricket Square  
Grand Cayman KY1-1102  
Cayman Islands

## HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
Shops 1712–1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

## PRINCIPAL BANKERS

Industrial and Commercial Bank of China Limited  
Bank of Communications Limited  
Agricultural Bank of China Limited  
Bank of China Limited

## AUDITOR

KTC Partners CPA Limited  
Certified Public Accountants  
Room 1305-07, 13/F, New East Ocean Centre  
9 Science Museum Road, Tsimshatsui East  
Kowloon, Hong Kong

## HONG KONG LEGAL ADVISOR

Sidley Austin

## COMPANY'S WEBSITE

[www.powerlongcm.com](http://www.powerlongcm.com)

## Milestones and Awards

### January

- Successful opening of Taizhou Duqiao Powerlong Plaza ( 台州杜橋寶龍廣場 )
- Successful opening of Yueqing Powerlong Plaza ( 樂清寶龍廣場 ), a Powerlong Xinghui project

### May

- Contracted for Linping Powerlong Plaza ( 臨平寶龍廣場 )
- Successful opening of Hangzhou Gongshu Powerlong Plaza ( 杭州拱墅寶龍廣場 )

### June

- Successful opening of Yueqing Central Park ( 樂清中金匯 ), a Powerlong Xinghui project

### July

- Contracted for Tongxiang Powerlong Plaza ( 桐鄉寶龍廣場 ), a Powerlong Xinghui project

### August

- Contracted for Gao'an Ruitai Plaza ( 高安市瑞泰廣場 ), a Powerlong Xinghui project



## September

- Successful opening of Shanghai Jiading Powerlong Land ( 上海嘉定寶龍天地 )
- Successful opening of Xiangshan Powerlong Land ( 象山寶龍天地 )

## October

- Injected new vitality and creativity to commercial spaces, under the theme of “new prospect” at the fourth POWERLONG-ING campaign

## November

- Contracted for Huai'an Xiangyu Powerlong Land ( 淮安翔宇寶龍天地 ), a Powerlong Xinghui project

## December

- Successful opening of Shanghai Fengfa Powerlong Plaza ( 上海奉發寶龍廣場 )
- Successful opening of Jiyuan Powerlong Plaza ( 濟源寶龍廣場 )
- Successful opening of Shengzhou Powerlong Plaza ( 嵊州寶龍廣場 )
- Successful opening of Shangrao Shuinanjie ( 上饒水南街 ), a Powerlong Xinghui project
- Successful opening of Dongyang Powerlong Plaza ( 東陽寶龍廣場 ), a Powerlong Xinghui project

## Milestones and Awards

1



1

2023 Most Influential Commercial Real Estate Companies TOP30 (2023年最具有影响力商业不动产企业TOP30) – Van Sound Club (万商俱乐部)

2

Leading Enterprise Award in Commercial Property of the Year (年度商业地产领军企业) – Winshang.com (赢商网)

2



5



3

2024 New Quality Property Brand Value TOP100 (2024年新质物业品牌价值100强) – Leju Financial Research Institute (乐居财经研究院)

4

List of Excellence in Commercial Management Companies of the Year 2024 (2024年度商业管理公司卓越榜) – mallchina.org (中购联)

5

2024 Brand Influential Enterprises (2024年品牌影响力企业) – Leju Financial Research Institute (乐居财经研究院)



# Chairman's Statement



**HOI WA FONG**  
Chairman

Dear Shareholders,

Greetings!

2024 was the fifth year since the listing of Powerlong CM. On behalf of the board (the “**Board**”) of directors of the Company (the “**Directors**”), I would like to express my sincerest gratitude to the shareholders for their support and companionship along the way!

Over the past five years, we have witnessed significant shifts in the commercial market landscape, marked by a continuous decline in the number of newly launched commercial projects nationwide, signalling a transition into the era of stock assets. Simultaneously, the ongoing evolution in consumer demand has placed increasingly high and multifaceted expectations on the operation of offline shopping centres. In the face of such uncertainties, the Group has achieved steady business growth and continued enhancement of brand influence over the past five years, underpinned by its forward-looking strategic vision, outstanding operational capabilities, and agile response strategies. Amidst fierce market competition, the Group has remained true to its original aspiration – staying consumer-centric, relentlessly improving service quality, and cultivating flagship commercial projects that are well-received by consumers, thereby contributing meaningfully to the vibrancy and prosperity of urban commerce.

### BUSINESS REVIEW FOR 2024

In 2024, despite a complex and rapidly evolving market environment, the Group maintained stable and orderly operations. Revenue amounted to approximately RMB2.617 billion, in which revenue from commercial operational services amounted to approximately RMB2.140 billion, accounting for 81.8% of total revenue. Revenue from residential property management services was approximately RMB477 million, representing 18.2% of total revenue. Commercial operational services business continued to serve as the Group's primary revenue contributor. Amidst the liquidity challenges triggered by the downturn in the real estate sector, and in adherence to the principle of prudence, the Group increased provisions for trade receivables in 2024. As a result, net profit attributable to the Company declined by 52.3% year-on-year to approximately RMB216 million. Excluding the impact of this provision, the Group's core net profit attributable to the Company would have been approximately RMB435 million.

The Group continues to maintain a significant scale advantage within the industry, with particularly strong performance in the Yangtze River Delta region, where the results of our strategic deployment are increasingly evident and the benefits of scale have begun to emerge. In 2024, the Group had 11 new commercial projects in operation and new GFA in operation of approximately 840,000 sq.m.. With 5 newly contracted outsourced third-party projects, newly contracted GFA amounted to approximately 350,000 sq.m.. So far, the commercial GFA in operation has exceeded 11.0 million sq.m.. The contracted commercial GFA reached approximately 14.5 million sq.m.. As at 31 December 2024, there were 92 projects in the Yangtze River Delta, representing 70% of the total contracted projects, and an increase in the proportion of the projects in the Yangtze River Delta as compared with last year.

The Group proactively optimized its organizational structure and introduced a new management team, adhering to a result-oriented approach centered on "lean head office and strong frontline". Through a flattening of the organizational hierarchy, the previous three-tier management structure was reformed into a two-tier management structure, eliminating business divisions, and directly empowering projects by the head office, thereby significantly enhancing management efficiency. Focusing on team rejuvenation in the construction of talent echelon, the Group attracts and cultivates talented people who are enthusiastic about business, enterprising and energetic, and builds future-oriented commercial competitiveness and drives efficient development of the Group through the reserve of outstanding talents.

### BUSINESS OUTLOOK IN 2025

In 2025, we will focus on achieving high-quality development by focusing on "Deliver Quality Products, Refine Operations, Enhance Efficiency of Assets and Strengthen Organization".

I. Deliver Quality Products. The Group will conduct in-depth analysis of the characteristics of the cities where the projects are located, the strength of the location and the potential for future development, precise positioning of the target customer groups, to explore their consumption habits and preferences. Upholding a "product-oriented thinking" throughout project planning and operations, we are committed to shaping each project into a product with unique value that satisfies the core needs of the users through continuous iteration. Through measures such as optimizing scenario design, creating immersive ambience, ensuring meticulous attention to quality, and enhancing service standards, we will elevate the overall quality of our projects. We will enhance the core competitiveness of the projects and improve the Group's brand influence and reputation in the industry with differentiated positioning, labeled experience and combined modes.

II. Refine Operations. With refined management as the core, we have launched tenant sourcing, marketing and services based on our project positioning. In terms of tenant sourcing, we will focus on the precise selection of high-quality brands, optimizing tenant mixes to enhance alignment between brands and projects. On the marketing front, we will deepen our understanding of market trends and consumer psychology, formulating targeted strategies and launching diversified campaigns to raise project visibility and appeal. In service delivery, we will establish a comprehensive service system, remain attuned to consumer needs, and provide personalized, high-quality services to strengthen consumer cohesion and loyalty.



## Chairman's Statement

III. Enhance Efficiency of Assets. The Group will pursue innovative cooperation modes, moving beyond conventional leasing frameworks to establish deeper, more integrated partnerships with tenants, fostering collaborative growth and creating win-win outcomes. We will conduct in-depth analysis of habits and preferences of contemporary young consumer groups with more suitable marketing ideas, with novel and emotionally resonant marketing to drive customer flow and boost sales. We will continue to unlock revenue potential across project spaces and various business lines by exploring diversified business formats. These include organizing themed events and curating distinctive leasing concepts for specialty spaces, thereby enhancing both asset value and overall operational efficiency.

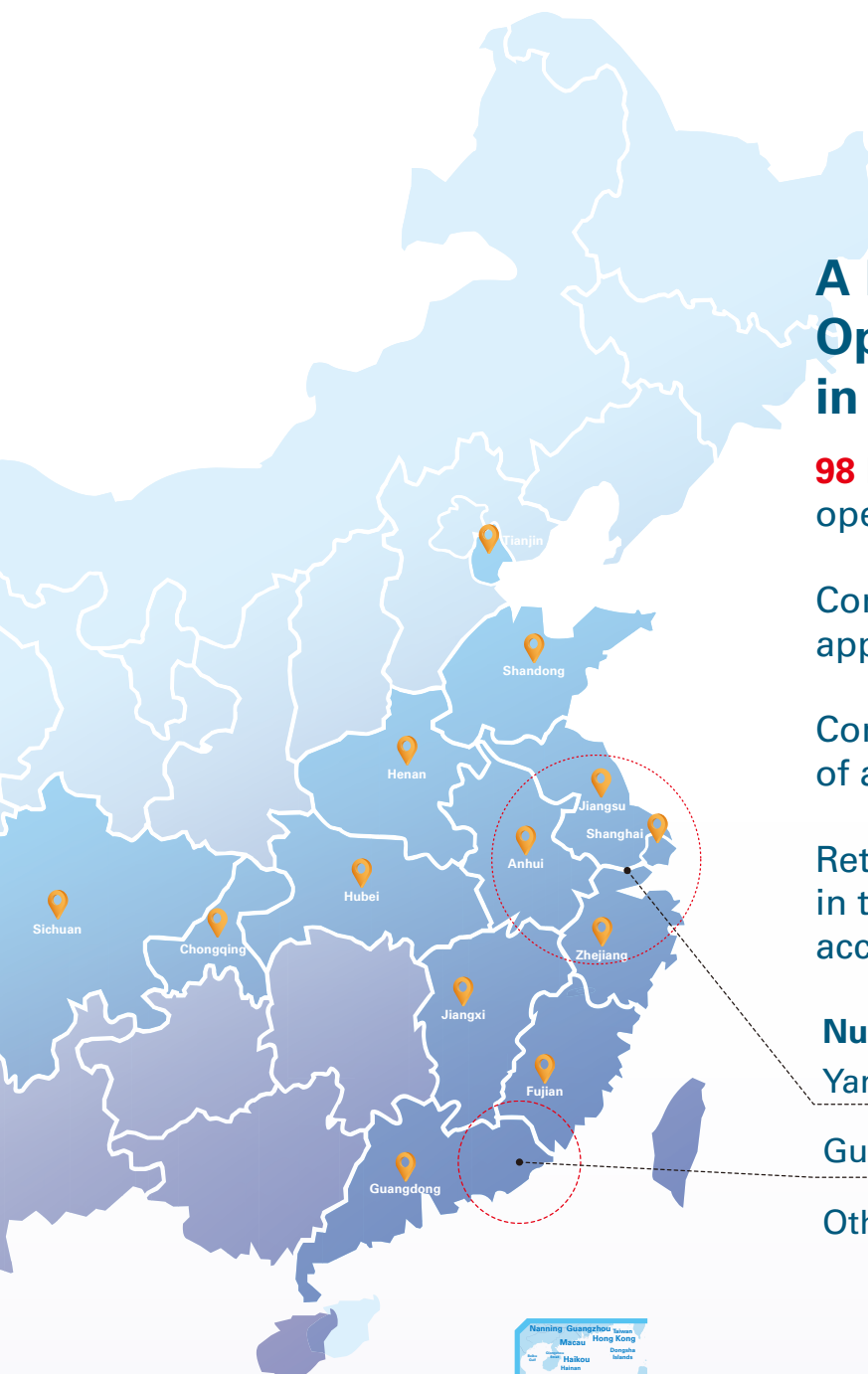
IV. Strengthen Organization. The Group will continue to optimize its organizational structure by building a streamlined, flat management system with clearly defined roles between headquarters and project teams. Headquarters will focus on enhancing core functional expertise to provide strong support, while project teams will strengthen their execution capabilities to respond swiftly to market changes. Through the implementation of the "Top Leader" initiative, we will place emphasis on enhancing the comprehensive management and execution capabilities of project general managers, ensuring effective delivery of the Group's strategic direction and operational philosophy. We will accelerate the development of our talent echelon by attracting and cultivating outstanding professionals, invigorating team dynamics, and driving the Group's transformation from a "space operator" to "lifestyle service provider" to align with evolving market conditions and long-term corporate development goals.

In 2025, with a newly established management team and organizational structure, the Group embarks on a new year with deep industry insight, extensive professional experience and unwavering confidence in the development of the Group!

# Overview of Business

## RETAIL COMMERCIAL PROPERTY PROJECTS

Number of projects under contract as at 31 December 2024: **132**



### A Leading Commercial Operational Service Provider in China

**98** Retail Commercial Properties in operation

Commercial Aggregate GFA contracted of approximately **14.51 million** sq.m.

Commercial Aggregate GFA in operation of approximately **11.07 million** sq.m.

Retail Commercial Property Projects in the Yangtze River Delta region accounting for approximately **70%**

#### Number of Projects

Yangtze River Delta: **92**

Guangdong + Fujian: **16**

Others: **24**





### OVERVIEW

The Group mainly conducts its business activities in two business segments namely (i) commercial operational services; and (ii) residential property management services. During the year ended 31 December 2024, the Group's revenue was mainly derived from its commercial operational services.

### COMMERCIAL OPERATIONAL SERVICES

As at 31 December 2024, the Group had 98 retail commercial properties in operation, with an aggregate GFA in operation of approximately 11.1 million sq.m.. The Group had 132 retail commercial properties with an aggregate contracted GFA of approximately 14.5 million sq.m. for which the Group had been contracted to provide commercial operational services. The Company enjoys considerable brand recognition in the markets where it operates. The Company was awarded various honors in 2024, such as Leading Enterprise Award in Commercial Property of the Year (年度商業地產領軍企業) awarded by Winshang.com (贏商網), 2024 New Quality Property Brand Value TOP100 (2024年新質物業品牌價值100強) awarded by Leju Financial Research Institute (樂居財經研究院), and List of Excellence in Commercial Management Companies of the Year 2024 (2024年度商業管理公司卓越榜) awarded by mallchina.org (中購聯).

### RESIDENTIAL PROPERTY MANAGEMENT SERVICES

As at 31 December 2024, the Group provided residential property management services for 131 delivered projects with an aggregate GFA delivered of approximately 24.0 million sq.m., and was contracted to manage a further 145 projects with an aggregate contracted GFA of approximately 31.4 million sq.m..

With the corporate mission of “creating space full of love”, the Group adheres to its corporate philosophy of “simple, truthful, prosper together, forward forever”, with a view to becoming a well-respected, century-lasting and world-leading operator of city space, thereby creating more room for value enhancement for customers and investors on an ongoing basis.



# Management Discussion and Analysis



## BUSINESS REVIEW

For the year ended 31 December 2024, the Group mainly conducted its business activities in the following business segments, namely (i) commercial operational services; and (ii) residential property management services. The Group's revenue was mainly derived from its commercial operational services.

*Commercial operational services:* The Group provided full-chain services covering positioning, tenant sourcing, opening, operation and management to shopping malls and shopping streets.

It primarily included:

- (i) Market research and positioning, tenant sourcing and opening preparation services to property developers or property owners during the preparation stage before the opening of a retail commercial property;
- (ii) Commercial operation and management services to property owners or tenants during the operation stage of a retail commercial property; and
- (iii) Property leasing services with respect to units located within the shopping streets and shopping malls.

## Management Discussion and Analysis

*The management models of the retail commercial properties undertaken by the Group include the following four models:*

### 1. Entrusted operation and management

The owner entrusts the operation and management of the retail commercial properties to the Group, and the operating costs of the projects are borne by the Group. The owners receive rents for shops and some income from diversified operations and parking lot operations.

The Group charges the owner: (i) income for advisory consultation before the projects are in operation; (ii) rent management fee during the operation stage of the projects i.e. a certain percentage of the rent; and (iii) brand usage fee (only for projects not developed by Powerlong Real Estate Holdings Limited (“**Powerlong Real Estate**” or “**Powerlong Holdings**”)).

The Group charges the tenants and consumers: (i) operation and management service fees during project operation; (ii) income from diversified operations; and (iii) parking fees.

### 2. Advisory consultation

The owner engages the Group as a management advisory consultant for retail commercial properties, and all income and costs of project operation are borne by the owner.

The Group charges the owner: (i) income for advisory consultations before the projects are in operation; and (ii) a certain percentage of consulting service fees during the project operation period.

### 3. Sub-lease services

The owner leases the retail commercial properties as a whole to the Group at a certain price, and all income and costs of project operation are borne by the Group.

The Group charges tenants and consumers: (i) rental income of projects; (ii) operation and management service fees during project operation; (iii) income from diversified operations; and (iv) parking fees.

### 4. Net earning sharing

The owner entrusts the retail commercial properties to the Group for operation and management, and all income and costs of project operation are borne by the Group. The Group gives a certain percentage of net income of the projects to the owner as variable rental cost.

The Group charges tenants and consumers: (i) rental income of projects; (ii) operation and management service fees during project operation; (iii) income from diversified operations; and (iv) parking fees.

*Residential property management services:* The Group provided property management services for residential properties, office buildings and serviced apartments.

It primarily included:

- (i) Pre-sale management services to property developers during their pre-sale activities, such as cleaning, security and maintenance of pre-sale display units and sales offices;
- (ii) Property management services to property owners or property owners’ associations at the post-delivery stages, such as security, cleaning, gardening and repair and maintenance services; and
- (iii) Other value-added services to property owners, tenants or residents of properties under management, such as pre-delivery preparation and trash handling services, common area, advertising space and car park management services.

## Management Discussion and Analysis

The table below sets forth the Company's gross profit and gross profit margin by business segment for the years indicated:

	For the year ended 31 December			
	2024		2023	
	Gross		Gross	
	Gross profit	profit margin	Gross profit	profit margin
	RMB'000	%	RMB'000	%
Commercial operational services	728,721	34.1	760,631	35.6
Residential property management services	105,231	22.1	126,390	25.4
<b>Total</b>	<b>833,952</b>	<b>31.9</b>	<b>887,021</b>	<b>33.7</b>

### COMMERCIAL OPERATIONAL SERVICES

The Group primarily provided professional commercial operational management services to property owners, tenants and consumers under four brands, namely, "Powerlong One Mall" (寶龍一城), "Powerlong City" (寶龍城), "Powerlong Plaza" (寶龍廣場) and "Powerlong Land" (寶龍天地).

For the year ended 31 December 2024, the aggregate revenue of the Group's business segment of commercial operational services amounted to approximately RMB2,140.1 million, representing an increase of 0.1% from approximately RMB2,137.4 million for the year ended 31 December 2023; and the Group had GFA in operation of approximately 11.1 million sq.m., representing an increase of 0.3 million sq.m. from 10.8 million sq.m. for the corresponding period of 2023; 98 projects in operation, representing a net increase of 3 projects from 95 projects for the corresponding period of 2023; contracted GFA of approximately 14.5 million sq.m., representing a decrease of 0.6 million sq.m. from 15.1 million sq.m. for the corresponding period of 2023.

The table below sets forth a breakdown of the aggregate GFA in operation as at the dates indicated and the revenue from commercial operational services segment for the years indicated by geographic region:

	As of/For the year ended 31 December					
	2024			2023		
	Contracted GFA	GFA in operation	Revenue	Contracted GFA	GFA in operation	Revenue
	sq.m.	sq.m.	RMB	sq.m.	sq.m.	RMB
(in thousands)						
Yangtze River Delta <sup>(1)</sup>	9,668	7,249	1,567,162	9,846	6,878	1,541,990
Others <sup>(2)</sup>	4,847	3,818	572,976	5,212	3,894	595,400
<b>Total</b>	<b>14,515</b>	<b>11,067</b>	<b>2,140,138</b>	<b>15,058</b>	<b>10,772</b>	<b>2,137,390</b>

Notes:

(1) Comprises Shanghai Municipality, Zhejiang Province, Jiangsu Province and Anhui Province.

(2) Comprises cities except those mentioned in (1) above.



## Management Discussion and Analysis

### New Projects in Operation

New retail commercial property projects added to the Group's portfolio upon opening for the year ended 31 December 2024 are shown in the following table:

No.	Name of Project	Opening Date <i>month-year</i>	City	Geographic Region	Source of Project	Manager	Management Model	Total GFA <i>(sq.m.)</i>	Shopping Mall <i>(sq.m.)</i>	Commercial Street <i>(sq.m.)</i>	Car Park <i>(sq.m.)</i>
<b>Powerlong Plaza</b>											
1	Taizhou Duqiao Powerlong Plaza (台州杜橋寶龍廣場)	January 2024	Taizhou	Yangtze River Delta	Third Party	Powerlong CM	Sublease	67,990	50,215	–	17,775
2	Hangzhou Gongshu Powerlong Plaza (杭州拱墅寶龍廣場)	May 2024	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Powerlong CM	Entrusted management	98,264	64,749	–	33,515
3	Shanghai Fengra Powerlong Plaza (上海奉賢寶龍廣場)	December 2024	Shanghai	Yangtze River Delta	Powerlong Real Estate	Powerlong CM	Entrusted management	83,550	56,300	8,340	18,910
4	Jiyuan Powerlong Plaza (濟源寶龍廣場)	December 2024	Jiyuan	Others	Third Party	Powerlong CM	Net earning sharing	94,255	94,255	–	–
5	Shengzhou Powerlong Plaza (嵊州寶龍廣場)	December 2024	Shengzhou	Yangtze River Delta	Third Party	Powerlong CM	Net earning sharing	159,338	80,240	29,129	49,970
<b>Sub-total</b>								<b>503,397</b>	<b>345,759</b>	<b>37,469</b>	<b>120,170</b>
<b>Powerlong Land</b>											
1	Shanghai Jiading Powerlong Land (上海嘉定寶龍天地)	September 2024	Shanghai	Yangtze River Delta	Powerlong Real Estate	Powerlong CM	Entrusted management	21,600	–	21,600	–
2	Xiangshan Powerlong Land (象山寶龍天地)	September 2024	Ningbo	Yangtze River Delta	Powerlong Real Estate	Powerlong CM	Entrusted management	11,118	–	11,118	–
<b>Sub-total</b>								<b>32,718</b>	<b>–</b>	<b>32,718</b>	<b>–</b>
<b>Powerlong Xinghui</b>											
1	Yueqing Powerlong Plaza (樂清寶龍廣場)	January 2024	Yueqing	Yangtze River Delta	Third Party	Powerlong Xinghui	Entrusted management	56,000	41,000	–	15,000
2	Yueqing Central Park (樂清中金匯)	June 2024	Yueqing	Yangtze River Delta	Third Party	Powerlong Xinghui	Advisory consultation	62,000	–	42,000	20,000
3	Shangrao Shuinanjie (上饒水南街)	December 2024	Shangrao	Others	Third Party	Powerlong Xinghui	Advisory consultation	158,000	–	158,000	–
4	Dongyang Powerlong Plaza (東陽寶龍廣場)	December 2024	Jinhua	Yangtze River Delta	Third Party	Powerlong Xinghui	Advisory consultation	30,008	–	20,080	9,929
<b>Sub-total</b>								<b>306,008</b>	<b>41,000</b>	<b>220,080</b>	<b>44,929</b>
<b>Total</b>								<b>842,124</b>	<b>386,759</b>	<b>230,267</b>	<b>165,098</b>

## Management Discussion and Analysis

### Projects for which Contracts were Terminated

The Group's retail commercial property projects for which contracts were terminated during the year ended 31 December 2024 are shown in the following table:

No.	Name of Project	Date of Termination of Contract <i>month-year</i>	City	Geographic Region	Source of Project	Management Model	Total GFA <i>(sq.m.)</i>	Shopping Mall <i>(sq.m.)</i>	Commercial Street <i>(sq.m.)</i>	Car Park <i>(sq.m.)</i>
<b>Powerlong Plaza</b>										
1	Quanzhou Taishang Powerlong Plaza (泉州台商寶龍廣場)	March 2024	Quanzhou	Others	Powerlong Real Estate	Entrusted management	148,950	106,060	–	42,890
2	Jiangyou Powerlong Plaza (江油寶龍廣場)	July 2024	Jiangyou	Others	Third Party	Entrusted management	91,342	72,590	–	18,752
3	Zhangzhou Longwen Powerlong Plaza (漳州龍文寶龍廣場)	August 2024	Zhangzhou	Others	Powerlong Real Estate	Entrusted management	66,186	46,604	2,347	17,234
4	Xuancheng Powerlong Plaza (宣城寶龍廣場)	August 2024	Xuancheng	Yangtze River Delta	Powerlong Real Estate	Entrusted management	124,289	80,000	15,828	28,461
5	Hangzhou Qingshan Lake Powerlong Plaza (Phase 2) (杭州青山湖寶龍廣場(二期))	December 2024	Hangzhou	Yangtze River Delta	Third Party	Sublease	110,000	53,000	–	57,000
6	Chongqing Wanzhou Powerlong Plaza (重慶萬州寶龍廣場)	December 2024	Chongqing	Others	Third Party	Entrusted management	80,000	80,000	–	–
<b>Sub-total</b>							<b>620,767</b>	<b>438,254</b>	<b>18,175</b>	<b>164,337</b>
<b>Powerlong Land</b>										
1	Taizhou Lujiao Powerlong Land (台州路橋寶龍天地)	August 2024	Taizhou	Yangtze River Delta	Powerlong Real Estate	Advisory consultation	56,321	–	39,321	17,000
<b>Sub-total</b>							<b>56,321</b>	<b>–</b>	<b>39,321</b>	<b>17,000</b>
<b>Powerlong Xinghui</b>										
1	Jindi Xinglong City (金帝星隆城)	March 2024	Shaoxing	Yangtze River Delta	Third Party	Entrusted management	86,000	86,000	–	–
2	Xingyue • Xiuhuli (星悅•綉湖里)	August 2024	Yiwu	Yangtze River Delta	Third Party	Advisory consultation	63,000	48,000	–	15,000
3	Dexing Yufan Powerlong Plaza (德興雨帆寶龍廣場)	August 2024	Shangrao	Others	Third Party	Entrusted management	45,899	37,113	–	8,786
4	Xianghu Slow Living Cultural Tourism Street Zone (湘湖慢生活文旅街區)	August 2024	Hangzhou	Yangtze River Delta	Third Party	Advisory consultation	27,836	–	27,836	–
<b>Sub-total</b>							<b>222,735</b>	<b>171,113</b>	<b>27,836</b>	<b>23,786</b>
<b>Total</b>							<b>899,823</b>	<b>609,367</b>	<b>85,332</b>	<b>205,123</b>

## Management Discussion and Analysis

### Projects in Operation

The Group's retail commercial property projects in operation for the year ended 31 December 2024 are shown in the following table:

No.	Name of Project	Opening Date <i>month+year</i>	City	Geographic Region	Source of Project	Management Model	Total GFA <i>(sq.m.)</i>	Shopping Mall <i>(sq.m.)</i>	Commercial Street <i>(sq.m.)</i>	Car Park <i>(sq.m.)</i>
<b>Powerlong One Mall</b>										
1	Xiamen Powerlong One Mall (廈門寶龍一城)	September 2018	Xiamen	Others	Powerlong Real Estate	Entrusted management	170,585	121,670	5,365	43,550
<b>Sub-total</b>							<b>170,585</b>	<b>121,670</b>	<b>5,365</b>	<b>43,550</b>
<b>Powerlong City</b>										
1	Shanghai Qibao Powerlong City (上海七寶寶龍城)	October 2016	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	150,567	70,719	12,759	67,089
2	Hangzhou Binjiang Powerlong City (杭州濱江寶龍城)	December 2016	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	295,562	140,877	37,512	117,173
3	Taizhou Jiaojiang Powerlong City (台州椒江寶龍城)	June 2022	Taizhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	127,936	93,620	–	34,316
<b>Sub-total</b>							<b>574,065</b>	<b>305,216</b>	<b>50,271</b>	<b>218,578</b>
<b>Powerlong Plaza</b>										
1	Fuzhou Powerlong Plaza (福州寶龍廣場)	April 2007	Fuzhou	Others	Powerlong Real Estate	Entrusted management	186,178	161,008	–	25,170
2	Qingdao Chengyang Powerlong Plaza (青島城陽寶龍廣場)	October 2009	Qingdao	Others	Powerlong Real Estate	Entrusted management	443,262	335,506	–	107,756
3	Zhengzhou Powerlong Plaza (鄭州寶龍廣場)	December 2009	Zhengzhou	Others	Powerlong Real Estate	Entrusted management	235,606	198,108	6,565	30,933
4	Bengbu Powerlong Plaza (蚌埠寶龍廣場)	December 2009	Bengbu	Yangtze River Delta	Powerlong Real Estate	Entrusted management	346,880	222,966	48,503	75,411
5	Wuxi Powerlong Plaza (無錫寶龍廣場)	October 2010	Wuxi	Yangtze River Delta	Powerlong Real Estate	Entrusted management	192,865	142,753	–	50,112
6	Anxi Powerlong Plaza (安溪寶龍廣場)	December 2010	Quanzhou	Others	Powerlong Real Estate	Entrusted management	85,374	55,489	28,034	1,851
7	Suzhou Powerlong Plaza (宿遷寶龍廣場)	September 2011	Suzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	150,660	120,645	–	30,015
8	Yancheng Powerlong Plaza (鹽城寶龍廣場)	September 2011	Yancheng	Yangtze River Delta	Powerlong Real Estate	Entrusted management	199,409	135,112	29,720	34,577
9	Qingdao Jimo Powerlong Plaza (青島即墨寶龍廣場)	December 2011	Qingdao	Others	Powerlong Real Estate	Entrusted management	175,513	130,462	–	45,051
10	Luoyang Powerlong Plaza (洛陽寶龍廣場)	December 2011	Luoyang	Others	Powerlong Real Estate	Entrusted management	138,350	69,735	37,225	31,390
11	Tai'an Powerlong Plaza (泰安寶龍廣場)	September 2012	Tai'an	Others	Powerlong Real Estate	Entrusted management	118,255	102,677	–	15,578
12	Xinxiang Powerlong Plaza (新鄉寶龍廣場)	September 2012	Xinxiang	Others	Powerlong Real Estate	Entrusted management	262,690	90,321	84,394	87,975
13	Shanghai Caolu Powerlong Plaza (上海曹路寶龍廣場)	December 2013	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	81,720	57,200	–	24,520
14	Jinjiang Powerlong Plaza (晉江寶龍廣場)	December 2013	Jinjiang	Others	Powerlong Real Estate	Entrusted management	283,378	128,570	11,126	143,682
15	Hangzhou XiaSha Powerlong Plaza (杭州下沙寶龍廣場)	November 2014	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	98,660	15,575	10,323	72,762
16	Chongqing Hechuan Powerlong Plaza (重慶合川寶龍廣場)	December 2014	Chongqing	Others	Powerlong Real Estate	Entrusted management	147,403	103,793	–	43,610

## Management Discussion and Analysis

No.	Name of Project	Opening Date	City	Geographic Region	Source of Project	Management Model	Total GFA	Shopping Mall	Commercial Street	Car Park
		<i>month-year</i>					<i>(sq.m.)</i>	<i>(sq.m.)</i>	<i>(sq.m.)</i>	<i>(sq.m.)</i>
17	Tianjin Yujiapu Powerlong Plaza (天津于家堡寶龍廣場) <sup>(1)</sup>	December 2014	Tianjin	Others	Powerlong Real Estate	Entrusted management	162,836	87,613	–	75,223
18	Jiaozhou Powerlong Plaza (膠州寶龍廣場)	February 2015	Qingdao	Others	Powerlong Real Estate	Entrusted management	164,772	75,224	27,002	62,546
19	Zhenjiang Powerlong Plaza (鎮江寶龍廣場)	September 2015	Zhenjiang	Yangtze River Delta	Powerlong Real Estate	Entrusted management	153,818	70,170	32,797	50,851
20	Shanghai Fengxian Powerlong Plaza (上海奉賢寶龍廣場)	November 2015	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	117,715	49,816	14,847	53,053
21	Shanghai Lingang Powerlong Plaza (上海臨港寶龍廣場)	December 2015	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	70,720	40,069	9,931	20,719
22	Hangzhou Xiaoshan Powerlong Plaza (杭州蕭山寶龍廣場)	December 2015	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	143,836	68,687	12,217	62,932
23	Shanghai Luodian Powerlong Plaza (上海羅店寶龍廣場)	December 2015	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	35,854	28,481	–	7,373
24	Hangzhou Fuyang Powerlong Plaza (杭州富陽寶龍廣場)	December 2015	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	77,186	21,728	10,741	44,718
25	Changzhou Powerlong Plaza (常州寶龍廣場)	June 2016	Changzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	202,917	105,598	48,597	48,722
26	Shanghai Jiading Powerlong Plaza (上海嘉定寶龍廣場)	October 2016	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	144,072	64,054	24,902	55,115
27	Penglai Powerlong Plaza (蓬萊寶龍廣場)	November 2016	Yantai	Others	Powerlong Real Estate	Entrusted management	148,213	43,431	59,871	44,911
28	Yantai Powerlong Plaza (煙臺寶龍廣場)	December 2016	Yantai	Others	Powerlong Real Estate	Entrusted management	100,027	37,869	20,629	41,530
29	Yangzhou Powerlong Plaza (揚州寶龍廣場)	January 2017	Yangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	143,559	58,407	30,252	54,900
30	Shanghai Wujing Powerlong Plaza (上海吳淞寶龍廣場)	July 2017	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	49,918	26,794	11,337	11,787
31	Yiwu Fotang Powerlong Plaza (義烏佛堂寶龍廣場)	November 2017	Yiwu	Yangtze River Delta	Third Party	Entrusted management	90,992	50,000	15,992	25,000
32	Fuyang Powerlong Plaza (阜陽寶龍廣場)	December 2017	Fuyang	Yangtze River Delta	Powerlong Real Estate	Entrusted management	140,441	103,890	–	36,551
33	Chongqing Fuling Powerlong Plaza (重慶涪陵寶龍廣場)	December 2017	Chongqing	Others	Third Party	Entrusted management	113,854	96,204	–	17,650
34	Shanghai Qingpu Powerlong Plaza (上海青浦寶龍廣場)	September 2018	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	171,673	54,281	38,461	78,930
35	Hangzhou Lin'an Powerlong Plaza (杭州臨安寶龍廣場)	November 2019	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	103,700	55,700	–	48,000
36	Tianjin Binhai Powerlong Plaza (天津濱海寶龍廣場)	December 2019	Tianjin	Others	Powerlong Real Estate	Entrusted management	61,883	36,400	6,100	19,383
37	Shanghai Baoyang Powerlong Plaza (上海寶楊寶龍廣場)	December 2019	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	148,407	77,873	15,155	55,379
38	Nanjing Gaochun Powerlong Plaza (南京高淳寶龍廣場)	December 2019	Nanjing	Yangtze River Delta	Powerlong Real Estate	Entrusted management	87,542	56,200	17,000	14,342
39	Ningbo Yinzhou Powerlong Plaza (寧波鄞州寶龍廣場)	December 2019	Ningbo	Yangtze River Delta	Powerlong Real Estate	Entrusted management	93,924	63,596	–	30,328
40	Hangzhou Qingshan Lake Powerlong Plaza (Phase 1) (杭州青山湖寶龍廣場(一期))	October 2020	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	189,524	98,000	–	91,524
41	Yongkang Powerlong Plaza (永康寶龍廣場)	November 2020	Jinhua	Yangtze River Delta	Powerlong Real Estate	Entrusted management	89,900	62,900	–	27,000
42	Hangzhou Dajiangdong Powerlong Plaza (杭州大江東寶龍廣場)	November 2020	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	95,373	62,373	–	33,000

<sup>(1)</sup> Tianjin Yujiapu Powerlong Plaza reopened in December 2020.



## Management Discussion and Analysis

No.	Name of Project	Opening Date <i>month-year</i>	City	Geographic Region	Source of Project	Management Model	Total GFA <i>(sq.m.)</i>	Shopping Mall <i>(sq.m.)</i>	Commercial Street <i>(sq.m.)</i>	Car Park <i>(sq.m.)</i>
43	Shaoxing Kejiao Powerlong Plaza (紹興柯橋寶龍廣場)	November 2020	Shaoxing	Yangtze River Delta	Third Party	Sublease	99,787	54,787	–	45,000
44	Suzhou Xingyun Powerlong Plaza (蘇州星韻寶龍廣場)	December 2020	Suzhou	Yangtze River Delta	Third Party	Sublease	40,774	40,774	–	–
45	Yancheng Chengdong Powerlong Plaza (鹽城城東寶龍廣場)	December 2020	Yancheng	Yangtze River Delta	Powerlong Real Estate	Entrusted management	135,932	76,927	–	59,004
46	Wenling Powerlong Plaza (溫嶺寶龍廣場)	June 2021	Taizhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	108,065	82,338	–	25,727
47	Zhuji Powerlong Plaza (諸暨寶龍廣場)	June 2021	Shaoxing	Yangtze River Delta	Powerlong Real Estate	Entrusted management	138,600	61,700	35,300	41,600
48	Zhoushan Powerlong Plaza (舟山寶龍廣場)	June 2021	Zhoushan	Yangtze River Delta	Powerlong Real Estate	Entrusted management	107,720	69,880	26,840	11,000
49	Ningbo Gaoxin Powerlong Plaza (寧波高新寶龍廣場)	October 2021	Ningbo	Yangtze River Delta	Powerlong Real Estate	Entrusted management	143,588	45,200	–	98,388
50	Ningbo Fenghua Powerlong Plaza (寧波奉化寶龍廣場)	October 2021	Ningbo	Yangtze River Delta	Powerlong Real Estate	Entrusted management	71,300	34,700	–	36,600
51	Yiwu Qingkou Powerlong Plaza (義烏青口寶龍廣場)	November 2021	Jinhua	Yangtze River Delta	Powerlong Real Estate	Entrusted management	74,087	52,062	–	22,025
52	Zhuhai Gaoxin Powerlong Plaza (珠海高新寶龍廣場)	November 2021	Zhuhai	Others	Powerlong Real Estate	Entrusted management	115,513	85,000	4,923	25,590
53	Yixing Powerlong Plaza (宜興寶龍廣場)	November 2021	Wuxi	Yangtze River Delta	Powerlong Real Estate	Entrusted management	57,000	40,000	–	17,000
54	Yancheng Jianhu Powerlong Plaza (鹽城建湖寶龍廣場)	December 2021	Yancheng	Yangtze River Delta	Third Party	Entrusted management	96,182	62,045	–	34,137
55	Lanxi Powerlong Plaza (蘭溪寶龍廣場)	December 2021	Jinhua	Yangtze River Delta	Powerlong Real Estate	Entrusted management	139,361	90,000	15,461	33,900
56	Hangzhou Jinan Powerlong Plaza (杭州錦南寶龍廣場)	December 2021	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	45,772	38,900	4,660	2,212
57	Hangzhou Tech City Powerlong Plaza (杭州科技城寶龍廣場)	September 2022	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	95,800	82,000	–	13,800
58	Xiamen Tong'an Powerlong Plaza (廈門同安寶龍廣場)	December 2022	Xiamen	Others	Powerlong Real Estate	Entrusted management	113,089	88,000	–	25,089
59	Jinhua Jinyi Powerlong Plaza (金華金義寶龍廣場)	September 2023	Jinhua	Yangtze River Delta	Powerlong Real Estate	Entrusted management	122,926	90,355	–	32,571
60	Xuzhou Hexin Powerlong Plaza (徐州和信寶龍廣場)	September 2023	Xuzhou	Yangtze River Delta	Third Party	Net earning sharing	197,251	80,931	–	116,320
61	Jingdezhen Powerlong Plaza (景德鎮寶龍廣場)	October 2023	Jingdezhen	Others	Powerlong Real Estate	Entrusted management	129,209	80,000	19,209	30,000
62	Pizhou Powerlong Plaza (邳州寶龍廣場)	December 2023	Xuzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	129,514	90,000	–	39,514
63	Taizhou Duqiao Powerlong Plaza (台州杜橋寶龍廣場)	January 2024	Taizhou	Yangtze River Delta	Third Party	Sublease	67,990	50,215	–	17,775
64	Hangzhou Gongshu Powerlong Plaza (杭州拱墅寶龍廣場)	May 2024	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	98,264	64,749	–	33,515
65	Shanghai Fengfa Powerlong Plaza (上海奉發寶龍廣場)	December 2024	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	83,550	56,300	8,340	18,910
66	Jiyuan Powerlong Plaza (濟源寶龍廣場)	December 2024	Jiyuan	Others	Third Party	Net earning sharing	94,255	94,255	–	–
67	Shengzhou Powerlong Plaza (嵊州寶龍廣場)	December 2024	Shengzhou	Yangtze River Delta	Third Party	Net earning sharing	159,338	80,240	29,129	49,970
<b>Sub-total</b>							<b>8,913,726</b>	<b>5,356,636</b>	<b>795,583</b>	<b>2,761,507</b>

## Management Discussion and Analysis

No.	Name of Project	Opening Date <i>month-year</i>	City	Geographic Region	Source of Project	Management Model	Total GFA <i>(sq.m.)</i>	Shopping Mall <i>(sq.m.)</i>	Commercial Street <i>(sq.m.)</i>	Car Park <i>(sq.m.)</i>
<b>Powerlong Land</b>										
1	Taicang Powerlong Land (太倉寶龍天地)	March 2007	Suzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	25,476	–	25,476	–
2	Hangzhou Xiasha Powerlong Land (杭州下沙寶龍天地)	November 2014	Hangzhou	Yangtze River Delta	Third Party	Sublease	39,039	–	28,839	10,200
3	Shanghai Huaxin Powerlong Land (上海華新寶龍天地)	December 2015	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	51,113	–	24,447	26,666
4	Dongying Powerlong Land (東營寶龍天地)	September 2016	Dongying	Others	Powerlong Real Estate	Entrusted management	79,514	–	51,649	27,865
5	Haiyang Powerlong Land (海陽寶龍天地)	June 2017	Yantai	Others	Powerlong Real Estate	Entrusted management	39,108	–	37,470	1,638
6	Huai'an Powerlong Land (淮安寶龍天地)	July 2017	Huai'an	Yangtze River Delta	Powerlong Real Estate	Entrusted management	93,384	–	82,827	10,558
7	Jinhua Pan'an Powerlong Land (金華磐安寶龍天地)	September 2021	Jinhua	Yangtze River Delta	Powerlong Real Estate	Advisory consultation	33,649	–	31,479	2,170
8	Zhoushan Dinghai Powerlong Land (舟山定海寶龍天地)	November 2021	Zhoushan	Yangtze River Delta	Powerlong Real Estate	Entrusted management	28,100	–	16,100	12,000
9	Xiamen Jiangjunci (廈門將軍祠)	December 2021	Xiamen	Others	Third Party	Sublease	6,470	–	6,470	–
10	Xiamen Tangbian Powerlong Land (廈門塘邊寶龍天地)	December 2022	Xiamen	Others	Third Party	Sublease	28,475	–	28,475	–
11	Zhoushan Putuo Powerlong Land (舟山普陀寶龍天地)	June 2023	Zhoushan	Yangtze River Delta	Powerlong Real Estate	Entrusted management	92,100	–	40,800	51,300
12	Xiamen Yuanboyuan Powerlong Land (廈門園博苑寶龍天地)	July 2023	Xiamen	Others	Third Party	Sublease	14,705	–	14,705	–
13	Xiamen Wenzao Powerlong Land (廈門文灶寶龍天地)	December 2023	Xiamen	Others	Third Party	Sublease	41,658	–	41,658	–
14	Shanghai Jiading Powerlong Land (上海嘉定寶龍天地)	September 2024	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	21,600	–	21,600	–
15	Xiangshan Powerlong Land (象山寶龍天地)	September 2024	Ningbo	Yangtze River Delta	Powerlong Real Estate	Entrusted management	11,118	–	11,118	–
<b>Sub-total</b>							<b>605,509</b>	<b>–</b>	<b>463,113</b>	<b>142,396</b>

## Management Discussion and Analysis

No.	Name of Project	Opening Date <i>month-year</i>	City	Geographic Region	Source of Project	Management Model	Total GFA <i>(sq.m.)</i>	Shopping Mall <i>(sq.m.)</i>	Commercial Street <i>(sq.m.)</i>	Car Park <i>(sq.m.)</i>
<b>Powerlong Xinghui</b>										
1	Jiashan Xingyuecheng (嘉善星悅城)	October 2014	Jiaxing	Yangtze River Delta	Third Party	Sublease	35,000	35,000	–	–
2	Xingyue • Xicheng Plaza (星悅•西城廣場)	October 2017	Taizhou	Yangtze River Delta	Third Party	Sublease	38,100	33,000	–	5,100
3	Anji • Henglong Dadao (安吉•恒隆大道)	September 2018	Huzhou	Yangtze River Delta	Third Party	Advisory consultation	54,873	–	39,873	15,000
4	Ningbo Laowaitan (寧波老外灘)	June 2021	Ningbo	Yangtze River Delta	Third Party	Advisory consultation	114,000	–	114,000	–
5	Hangzhou Fuyang Dongfangmao Commercial (杭州富陽東方茂商業)	June 2022	Hangzhou	Yangtze River Delta	Third Party	Entrusted management	119,890	78,853	–	41,037
6	Haiyan Beidajie (海鹽北大街)	June 2023	Jiaxing	Yangtze River Delta	Third Party	Entrusted management	55,570	–	35,630	19,940
7	Tiantai Cultural Center Powerlong Land (天台文化中心寶龍天地)	July 2023	Taizhou	Yangtze River Delta	Third Party	Entrusted management	18,227	–	18,227	–
8	Shaoxing Guchengbei (紹興古城北)	November 2023	Shaoxing	Yangtze River Delta	Third Party	Advisory consultation	61,549	–	61,549	–
9	Yueqing Powerlong Plaza (樂清寶龍廣場)	January 2024	Yueqing	Yangtze River Delta	Third Party	Entrusted management	56,000	41,000	–	15,000
10	Yueqing Central Park (樂清中金匯)	June 2024	Yueqing	Yangtze River Delta	Third Party	Advisory consultation	62,000	–	42,000	20,000
11	Shangrao Shuinanjie (上饒水南街)	December 2024	Shangrao	Others	Third Party	Advisory consultation	158,000	–	158,000	–
12	Dongyang Powerlong Plaza (東陽寶龍廣場)	December 2024	Jinhua	Yangtze River Delta	Third Party	Advisory consultation	30,008	–	20,080	9,929
<b>Sub-total</b>							<b>803,218</b>	<b>187,853</b>	<b>489,359</b>	<b>126,006</b>
<b>Total</b>							<b>11,067,103</b>	<b>5,971,375</b>	<b>1,803,691</b>	<b>3,292,037</b>

## Management Discussion and Analysis

The table below sets forth average occupancy rate and GFA in operation of retail commercial properties as at 31 December 2024 by brands.

Product category	Average occupancy rate <sup>(1)</sup> As of 31 December		GFA in operation (000' sq. m.)
	2024	2023	
	%	%	
Powerlong One Mall (寶龍一城)	99.1	98.9	171
Powerlong City (寶龍城)	97.8	97.7	574
Powerlong Plaza (寶龍廣場)	90.9	90.6	8,914
Powerlong Land (寶龍天地)	90.7	90.7	605
Powerlong Xinghui (寶龍星匯)	93.0	91.8	803
<b>Total</b>	<b>91.5</b>	<b>91.2</b>	<b>11,067</b>

(1) Occupancy rate is calculated as actual leased area divided by available lease area of a retail commercial property as of the end of each relevant period based on internal record. The occupancy rate only applies to retail commercial properties for which the Group has provided tenant sourcing services and may be higher or lower in different periods within one year.

### Newly Contracted Projects

The Group's retail property projects newly contracted for during the year ended 31 December 2024 are shown in the following table:

No.	Name of Project	City	Geographic Region	Manager	Management Model	Expected GFA (sq.m.)
1	Dongyang Powerlong Plaza (東陽寶龍廣場)	Jinhua	Yangtze River Delta	Powerlong Xinghui	Advisory consultation	30,008
2	Linping Powerlong Plaza (臨平寶龍廣場)	Hangzhou	Yangtze River Delta	Powerlong Xinghui	Advisory consultation	80,000
3	Tongxiang Powerlong Plaza (桐鄉寶龍廣場)	Jiaxing	Yangtze River Delta	Powerlong Xinghui	Net earning sharing	144,600
4	Gao'an Ruitai Plaza (高安市瑞泰廣場)	Yichun	Others	Powerlong Xinghui	Net earning sharing	62,000
5	Huai'an Xiangyu Powerlong Land (淮安翔宇寶龍天地)	Huai'an	Yangtze River Delta	Powerlong Xinghui	Advisory consultation	35,606
<b>Total</b>						<b>352,214</b>



## Management Discussion and Analysis

### Pipeline Projects

Retail commercial property projects planning for opening in 2025 are as follows:

No.	Name of Project	Opening Date <sup>(1)</sup> <i>month-year</i>	City	Geographic Region	Source of Project	Management Model	Expected GFA  <i>(sq.m.)</i>
<b>Powerlong Plaza</b>							
1	Wuyishan Powerlong Plaza (武夷山寶龍廣場)	May 2025	Nanping	Others	Powerlong Real Estate	Entrusted management	67,633
2	Yuyao Powerlong Plaza (余姚寶龍廣場)	June 2025	Ningbo	Yangtze River Delta	Powerlong Real Estate	Entrusted management	65,915
3	Ningbo Jiangbei Powerlong Plaza (寧波江北寶龍廣場)	December 2025	Ningbo	Yangtze River Delta	Powerlong Real Estate	Entrusted management	109,716
4	Nanjing Jiangning Powerlong Plaza (南京江寧寶龍廣場)	December 2025	Nanjing	Yangtze River Delta	Powerlong Real Estate	Entrusted management	146,788
<b>Sub-total</b>							<b>390,052</b>
<b>Powerlong Land</b>							
1	Ningbo Wenchuanggang Powerlong Land (寧波文創港寶龍天地)	June 2025	Ningbo	Yangtze River Delta	Powerlong Real Estate	Entrusted management	44,900
<b>Sub-total</b>							<b>44,900</b>
<b>Powerlong Xinghui</b>							
1	Huai'an Xiangyu Powerlong Land (淮安翔宇寶龍天地)	November 2025	Huai'an	Yangtze River Delta	Third Party	Advisory consultation	35,606
2	Linping Powerlong Plaza (臨平寶龍廣場)	December 2025	Hangzhou	Yangtze River Delta	Third Party	Advisory consultation	80,000
<b>Sub-total</b>							<b>115,606</b>
<b>Total</b>							<b>550,558</b>

<sup>(1)</sup> Opening dates of all the projects are estimated dates. Actual opening dates are subject to project progress.

## Management Discussion and Analysis

Retail commercial property projects planning for opening after 2025 are as follows:

No.	Name of Project	City	Geographic Region	Source of Project	Management Model	Expected GFA (sq.m.)
1	Ningbo Powerlong One Mall (寧波寶龍一城)	Ningbo	Yangtze River Delta	Powerlong Real Estate	Entrusted management	190,100
2	Nanchang Powerlong One Mall (南昌寶龍一城)	Nanchang	Others	Powerlong Real Estate	Entrusted management	142,145
3	Yangzhou Guangling Powerlong City (揚州廣陵寶龍城)	Yangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	89,700
4	Nanjing Xuanwu Powerlong City (南京玄武寶龍城)	Nanjing	Yangtze River Delta	Powerlong Real Estate	Entrusted management	127,591
5	Nanjing Jiangbei Powerlong City (南京江北寶龍城)	Nanjing	Yangtze River Delta	Powerlong Real Estate	Entrusted management	121,500
6	Wuhan Xinzhou Powerlong Plaza (武漢新洲寶龍廣場)	Wuhan	Others	Powerlong Real Estate	Entrusted management	142,655
7	Nanjing Liuhe Powerlong Plaza (南京六合寶龍廣場)	Nanjing	Yangtze River Delta	Powerlong Real Estate	Entrusted management	141,939
8	Changshu Powerlong Plaza (常熟寶龍廣場)	Suzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	100,300
9	Zhuhai Beizhan Powerlong Plaza (珠海北站寶龍廣場)	Zhuhai	Others	Powerlong Real Estate	Entrusted management	80,000
10	Zhuhai Jinwan Powerlong Plaza (珠海金灣寶龍廣場)	Zhuhai	Others	Powerlong Real Estate	Entrusted management	70,000
11	Bozhou Powerlong Plaza (亳州寶龍廣場)	Bozhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	211,730
12	Cangnan Powerlong Plaza (蒼南寶龍廣場)	Wenzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	100,000
13	Nanjing Jingkai Powerlong Plaza (南京經開寶龍廣場)	Nanjing	Yangtze River Delta	Powerlong Real Estate	Entrusted management	104,000
14	Nanjing Qixia Powerlong Plaza (南京栖霞寶龍廣場)	Nanjing	Yangtze River Delta	Powerlong Real Estate	Entrusted management	150,000
15	Yongtai Powerlong Plaza (永泰寶龍廣場)	Fuzhou	Others	Powerlong Real Estate	Entrusted management	62,000
16	Chuzhou Powerlong Plaza (滁州寶龍廣場)	Chuzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	70,000
17	Dongying Powerlong Plaza (東營寶龍廣場)	Dongying	Others	Powerlong Real Estate	Entrusted management	133,720
18	Zhongshan Powerlong Plaza (中山寶龍廣場)	Zhongshan	Others	Powerlong Real Estate	Entrusted management	100,000
19	Wuxi Xinwu Powerlong Plaza (無錫新吳寶龍廣場)	Wuxi	Yangtze River Delta	Powerlong Real Estate	Entrusted management	174,180
20	Wuhan Qiaokou Powerlong Plaza (武漢硤口寶龍廣場)	Wuhan	Others	Powerlong Real Estate	Entrusted management	135,300
21	Huzhou Xinyuan Powerlong Plaza (湖州鑫遠寶龍廣場)	Huzhou	Yangtze River Delta	Third Party	Net earning sharing	80,000
22	Xiangtang Powerlong Plaza (香塘寶龍廣場)	Taicang	Yangtze River Delta	Third Party	Net earning sharing	70,000
23	Tongxiang Powerlong Plaza (桐鄉寶龍廣場)	Jiaxing	Yangtze River Delta	Third Party	Net earning sharing	144,600
24	Gao'an Ruitai Plaza (高安市瑞泰廣場)	Yichun	Others	Third Party	Net earning sharing	62,000
25	Fuding Powerlong Land (福鼎寶龍天地)	Fuding	Others	Powerlong Real Estate	Agency for tenant sourcing	9,411
26	Jiaozhou Powerlong Land (膠州寶龍天地)	Qingdao	Others	Powerlong Real Estate	Entrusted management	23,415
27	Lin'an IN Alley (臨安IN巷)	Hangzhou	Yangtze River Delta	Third Party	Advisory consultation	27,700
<b>Total</b>						<b>2,863,987</b>

## RESIDENTIAL PROPERTY MANAGEMENT SERVICES

For the year ended 31 December 2024, the total revenue of the Group's residential property management services business segment amounted to approximately RMB477.2 million, representing a decrease of 4.3% from RMB498.4 million for the year ended 31 December 2023; and the Group had GFA delivered of approximately 24.0 million sq.m., representing an increase of 2.9 million sq.m. from 21.1 million sq.m. for the corresponding period of 2023; 131 delivered projects, representing an increase of 22 projects from 109 projects for the corresponding period of 2023; and contracted GFA of approximately 31.4 million sq.m., representing an increase of 0.2 million sq.m. from 31.2 million sq.m. for the corresponding period of 2023.

The table below sets forth a breakdown of the aggregate GFA delivered as at the dates indicated and our revenue generated from the residential property management service segment for the years indicated by geographic region:

	As of/For the year ended 31 December					
	2024			2023		
	Contracted GFA	GFA delivered	Revenue	Contracted GFA	GFA delivered	Revenue
	sq.m.	sq.m.	RMB	sq.m.	sq.m.	RMB
(in thousands)						
Yangtze River Delta <sup>(1)</sup>	20,185	14,466	299,021	20,664	11,616	324,627
Others <sup>(2)</sup>	11,240	9,578	178,146	10,543	9,493	173,729
<b>Total</b>	<b>31,425</b>	<b>24,044</b>	<b>477,167</b>	<b>31,207</b>	<b>21,109</b>	<b>498,356</b>

Notes:

(1) Comprises Shanghai Municipality, Zhejiang Province, Jiangsu Province and Anhui Province.

(2) Comprises cities except those mentioned in (1) above.

## WORK PLAN FOR YEAR 2025

Looking back on 2024, China's economy, amidst a complex and volatile domestic and international environment, generally showed a sustained positive development trend, with the gross domestic product (GDP) for the year growing by 5.0% year-on-year to reach RMB134.9 trillion, and the total economic volume reached a new level. Since 2024, a series of policies and measures to expand domestic demand have been implemented and have achieved remarkable results, and domestic demand potential has been unleashed. Consumption, as the first driving force of economic growth, has increasingly emphasized its fundamental role in economic growth. Consumption expenditure contributed 44.5% to economic growth, driving GDP growth by 2.2 percentage points. The total retail sales of consumer goods reached RMB48.8 trillion, representing a year-on-year increase of 3.5%.

## Management Discussion and Analysis

As a leading provider of commercial operational services in China, the Group is guided by its strategy of “Focus on Diversification and Innovation”, focusing on the quality of its operations and building sustainable commercial vitality. In 2024, the Group completed the grand opening of 7 Powerlong Plazas and 4 street-zone projects, of which December 2024 marked the peak of the year with the grand opening of 3 Powerlong Plazas. As asset-light projects, Jiyuan Powerlong Plaza and Shengzhou Powerlong Plaza, combined with the Group’s strong brand resources, introduced over 50% of the city’s first stores. Shanghai Fengfa Powerlong Plaza, as the 11th project in Shanghai, features catering and cultural entertainment, filling the commercial gap in the region. As at 31 December 2024, the Group’s aggregate GFA in operation amounted to 11.1 million sq.m.. Looking forward to 2025, the Group will focus on operation and further enhance the quality of its projects under the development strategy of “Deliver Quality Products, Refine Operations, Enhance Efficiency of Assets and Strengthen Organization”.

### (I) Continuous Insight and Adherence to Positioning

Rational research is a solid foundation for precise positioning. Based on the detailed results of rational research, precise measures for the precise positioning of shopping malls can be implemented. In 2025, the Group will continue to dig deep into the characteristics of the cities where the projects are located, the strength of the location and the potential for future development and continue to gain insights into and analyze the consumption habits and preferences of the target customer groups for the precise positioning of the projects. We will carry out tenant sourcing, marketing and services based on our project positioning which is in turn based on rational research, so that the project positioning labels will be deeply rooted in the minds of consumers.

### (II) Intensive Efforts with Product-Oriented Thinking

With the upgrading of consumer demand, consumers have shifted from “commodity based fulfillment” to “emotional fulfillment”, which is mainly reflected in different aspects such as consumption levels, consumption scenarios and consumption preferences. The business formats were diversified, with scenario-based experience-based consumption ranking first, and consumption in catering, culture, sports and entertainment performing well. Consumers’ demand for quality, experience and customization is increasing. In 2025, the Group will adopt a “product-oriented thinking” in the operation of the projects, treating the projects as “products” that require continuous iteration, focus on user needs, and possess unique value, and optimize the operation in a multidimensional way such as scenario design, ambience creation, detail control, and service enhancement. We will define the product value proposition of the projects, and build the core competitiveness of the projects with differentiated positioning, labeled experience and combined modes. We will simultaneously improve the user growth system, broaden the audience breadth of the projects through the refined operation of members and communities, establish sustainable competitive advantage, and enhance the Group’s brand influence and industry reputation.

### (III) Innovation Drives the Enhancement of Efficiency of Assets

In 2025, the Group will break through the original simple lease relationship with tenants with a more flexible cooperation mode, and create a win-win situation through co-creation with tenants and driving value fission. In addition, we will study and adapt to the habits and preferences of contemporary young consumer groups with more suitable marketing ideas, with novel and emotionally resonant marketing to drive customer flow and boost sales. Lastly, we will adopt a more diversified business model and take enhancement of asset value as our goal to fully exploit the projects and revenue value of each business end.

### (IV) Strengthen the Organization to Face the Future

Talent is one of the key resources for the Group’s development. At the end of 2024, the Group made significant adjustments to its organizational structure, focusing on “project-centeredness”, adjusting from three-tier to two-tier management, eliminating business divisions, and directly empowering projects by the head office, so as to achieve the goal of “lean head office and strong frontline”. In early 2025, a new CEO has been appointed, who will bring new perspectives and ideas to the Company’s management with his rich experience and excellent leadership accumulated from the industry over the years.

Focusing on team rejuvenation in the construction of talent echelon, the Group attracts and cultivates talented people who are enthusiastic about business, enterprising and energetic, and builds future-oriented commercial competitiveness through the reserve of outstanding talents. At the same time, we will build a talent ecology with precise hierarchical training, regularly evaluate the performance and growth of employees in the talent echelon, adjust the training plan according to the assessment results, give promotions and rewards to those who perform well, and encourage employees to make continuous progress. The Group believes that the brand-new organizational structure and management will enable the Group to continuously stimulate the team’s vitality to face the future with enthusiasm, and achieve the transition from “space operator” to “lifestyle service provider”.



## FINANCIAL REVIEW

### Revenue

For the year ended 31 December 2024, the Group recorded a revenue of approximately RMB2,617.3 million, representing a decrease of approximately 0.7% as compared with approximately RMB2,635.7 million for the year ended 31 December 2023.

The Group's revenue indicated by business segment and type of service are as follows:

	For the year ended 31 December			
	2024		2023	
	RMB'000	%	RMB'000	%
Commercial Operational Services				
Market research and positioning, business tenant sourcing and opening preparation services	70,480	2.7	100,019	3.8
Commercial operation and management services	1,863,203	71.2	1,860,861	70.6
Commercial property lease income	206,455	7.9	176,510	6.7
	2,140,138	81.8	2,137,390	81.1
Residential Property Management Services				
Pre-sale management services	1,189	0.1	9,160	0.3
Property management services	378,759	14.5	376,162	14.3
Other value-added services	97,219	3.6	113,034	4.3
	477,167	18.2	498,356	18.9
<b>Total</b>	<b>2,617,305</b>	<b>100</b>	<b>2,635,746</b>	<b>100</b>

## Management Discussion and Analysis

### Market research and positioning, business tenants sourcing and opening preparation services

The Group's market research and positioning, tenants sourcing and opening preparation services primarily include (i) market research and positioning services; and (ii) business tenants sourcing and opening preparation services, provided to property developers or property owners before the opening of a retail commercial property.

For the year ended 31 December 2024, the Group's revenue from market research and positioning, business tenants sourcing and opening preparation services amounted to approximately RMB70.5 million, representing a year-on-year decrease of 29.5% and accounting for approximately 2.7% of the Group's total revenue.

The decrease in the revenue from market research and positioning, business tenants sourcing and opening preparation services was primarily due to the fact that the Group provided market research and positioning, business tenant sourcing and opening preparation services with respect to less retail commercial properties compared to the corresponding period in 2023.

### Commercial operation and management services

The Group's commercial operation and management services primarily include (i) retail commercial property management services; (ii) tenant management and rent collection services; and (iii) other value-added services, provided to property owners or tenants.

For the year ended 31 December 2024, the Group's revenue from commercial operation and management services amounted to approximately RMB1,863.2 million, representing a year-on-year increase of 0.1% and accounting for approximately 71.2% of the Group's total revenue.

The increase in the revenue from commercial operation and management services was primarily driven by the increase in the aggregate GFA in operation and the improvement in operational capability.

### Commercial property lease income

The Group provides property leasing services with respect to units located within shopping streets and shopping malls. For the year ended 31 December 2024, the Group's revenue derived from property leasing services amounted to approximately RMB206.5 million, representing a year-on-year increase of 17.0% and accounting for approximately 7.9% of total revenue.

The increase in the revenue from commercial property lease income was primarily attributable to the increase in the lease income of sublease projects.

### Residential Property Management Services

The Group's residential property management services primarily include (i) pre-sale management services to property developers during their pre-sale activities, such as cleaning, security and maintenance services for pre-sale display units and sales offices; (ii) property management services such as security, cleaning, gardening and repair and maintenance services to property owners or property owners' associations at the post-delivery stages; and (iii) other value-added services such as pre-delivery preparation and trash handling services, common area, advertising space and car park management services to property owners, tenants or residents of the Group's managed properties.

For the year ended 31 December 2024, the Group's revenue from residential property management services amounted to approximately RMB477.2 million, representing a year-on-year decrease of 4.3% and accounting for approximately 18.2% of total revenue.

The decrease in the revenue from residential property management services was primarily attributable to the decrease in revenue derived from value-added services due to the unfavourable macroeconomic environment.

## Management Discussion and Analysis

Revenue indicated by type of customers is as follows:

	For the year ended 31 December			
	2024		2023	
	RMB'000	%	RMB'000	%
Commercial Operational Services				
Fellow subsidiaries	206,459	7.9	315,139	12.0
Other related parties	21,570	0.8	20,650	0.8
External customers	1,912,109	73.1	1,801,601	68.3
	2,140,138	81.8	2,137,390	81.1
Residential Property Management Services				
Fellow subsidiaries	24,152	0.9	53,174	2.0
Other related parties	4,612	0.2	4,055	0.2
External customers	448,403	17.1	441,127	16.7
	477,167	18.2	498,356	18.9
<b>Total</b>	<b>2,617,305</b>	<b>100</b>	<b>2,635,746</b>	<b>100</b>

Revenue derived from external customers represents the largest source of the Group's revenue. For the year ended 31 December 2024, revenue derived from external customers was approximately RMB2,360.5 million, representing approximately 90.2% of the Group's total revenue.

Revenue indicated by geographic regions is as follows:

	For the year ended 31 December			
	2024		2023	
	RMB'000	%	RMB'000	%
Commercial Operational Services				
Yangtze River Delta	1,567,162	59.9	1,541,990	58.5
Others	572,976	21.9	595,400	22.6
	2,140,138	81.8	2,137,390	81.1
Residential Property Management Services				
Yangtze River Delta	299,021	11.4	324,627	12.3
Others	178,146	6.8	173,729	6.6
	477,167	18.2	498,356	18.9
<b>Total</b>	<b>2,617,305</b>	<b>100</b>	<b>2,635,746</b>	<b>100</b>

For the year ended 31 December 2024, the Group's commercial operational properties and residential management properties were primarily located in the Yangtze River Delta region.

## Management Discussion and Analysis

### Selling and marketing expenses

The Group's selling and marketing expenses mainly include promotion and advertising expenses.

For the year ended 31 December 2024, the selling and marketing expenses of the Group amounted to approximately RMB128.5 million, representing a year-on-year increase of 63.5%. This was mainly due to the increase in sales promotion activities.

### Administrative expenses

For the year ended 31 December 2024, the Group's total administrative expenses amounted to approximately RMB174.4 million, representing a year-on-year decrease of 21.8%. This was mainly due to the decrease in labour costs of management personnel.

### Cost of services

The cost of services primarily include: (i) employees and other labour costs; (ii) depreciation expenses; (iii) utility expenses; (iv) variable lease payments; (v) short-term lease expenditure; (vi) taxes and other levies; and (vii) other miscellaneous costs.

For the year ended 31 December 2024, the Group's cost of services was approximately RMB1,783.3 million, representing a year-on-year increase of 2.0%. Such increase in cost of services was in line with the Group's business expansion.

### Gross profit and gross profit margin

The gross profit of the Group for the year ended 31 December 2024 amounted to approximately RMB834.0 million, representing a year-on-year decrease of 6.0%. For the year ended 31 December 2024, the gross profit margin of the Group was 31.9%, representing a decrease of 1.8 percentage points as compared to 33.7% for the year ended 31 December 2023.

The gross profit of commercial operational services for the year ended 31 December 2024 amounted to approximately RMB728.7 million, representing a year-on-year decrease of 4.2%. The gross profit margin of the Group's commercial operational services for the year ended 31 December 2024 was 34.1%, representing a decrease of 1.5 percentage points as compared to 35.6% for the year ended 31 December 2023, primarily due to the increase in revenue contribution from sublease services with relatively lower gross profit margin.

The gross profit of residential property management services for the year ended 31 December 2024 amounted to approximately RMB105.2 million, representing a year-on-year decrease of 16.7%. The gross profit margin of the Group's residential property management services for the year ended 31 December 2024 was 22.1%, representing a decrease of 3.3 percentage points as compared to 25.4% for the year ended 31 December 2023, primarily because of the adjustment of business structure, resulting in the decrease in the proportion of certain businesses which had higher gross profit margin but were affected by the real estate cycle.

The Group's gross profit and gross profit margin by segment are as follows:

	For the year ended 31 December			
	2024		2023	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB'000	%	RMB'000	%
Commercial operational services	728,721	34.1	760,631	35.6
Residential property management services	105,231	22.1	126,390	25.4
<b>Total</b>	<b>833,952</b>	<b>31.9</b>	<b>887,021</b>	<b>33.7</b>



## Management Discussion and Analysis

### Other income and other losses – net

The Group's net other income and other losses mainly comprised the various subsidies income from local governments and the forfeited deposits from tenants due to their premature termination of contracts. For the year ended 31 December 2024, the Group's net other income and other losses amounted to approximately RMB35.9 million, representing a year-on-year decrease of 35.6%. This was mainly due to the decrease in government subsidies received during the year.

### Impairment losses on financial assets – net

The Group's net impairment losses on financial assets mainly include the allowance for impairment made in respect of operating lease and trade receivables and other receivables. For the year ended 31 December 2024, the Group's net impairment losses on financial assets amounted to approximately RMB219.4 million, which were mainly from related parties, representing a year-on-year increase of 353.9%. This was mainly due to the fact that based on the principle of prudence, the Group performed impairment tests on the carrying amount of trade receivables and other receivables, and made reasonable impairment provision.

### Finance (costs)/income – net

The Group's net finance (costs)/income mainly include the net of the interest expense on lease liabilities and interest income from bank deposits.

For the year ended 31 December 2024, the Group's net finance costs amounted to approximately RMB19.2 million as compared to the net finance income of approximately RMB19.1 million for the corresponding period in 2023. This was primarily attributable to the increase in interest expense on lease liabilities.

### Income tax expenses

The Group's income tax expenses mainly comprise PRC corporate income tax. For the year ended 31 December 2024, the effective income tax rate was 32.2%, representing an increase of 6.2 percentage points as compared to 26.0% for the year ended 31 December 2023.

### Profit for the year

For the year ended 31 December 2024, the Group's profit attributable to Shareholders was approximately RMB216.0 million, representing a decrease of 52.3% from approximately RMB453.0 million for the year ended 31 December 2023.

### Operating lease and trade receivables

The Group's operating lease and trade receivables primarily arise from property leasing services for units located within shopping malls and shopping streets as well as the provision of various services by the Group's commercial operational services segment and residential property management services segment. As at 31 December 2024, the Group's operating lease and trade receivables were approximately RMB413.2 million, representing an increase of 0.2% as compared to that of approximately RMB412.4 million as at 31 December 2023, primarily attributable to the Group's business growth.

### Prepayments and other receivables

The Group's prepayments and other receivables primarily represent utility fees prepaid to the power supply bureaus, payments on behalf of tenants and residents and deposit prepayment for business purposes. As at 31 December 2024, the Group's prepayments and other receivables amounted to approximately RMB223.6 million, representing a decrease of 32.0% as compared with approximately RMB328.9 million as at 31 December 2023. Such decrease was primarily attributable to the receipt of deposit for the exclusive sales right.

### Trade and other payables

The Group's trade and other payables primarily represent amounts due to suppliers/subcontractors for the purchase of services and goods and amounts due to related parties, cash received on behalf of tenants or residents, deposits received from tenants or residents and others. As at 31 December 2024, the Group's trade and other payables amounted to approximately RMB1,028.9 million, representing a decrease of 6.2% as compared with approximately RMB1,097.4 million as at 31 December 2023. This was primarily attributable to the decrease in trade payables to suppliers.

## Management Discussion and Analysis

### Contract liabilities

Contract liabilities mainly represent advance payments made by the customers of the Group's commercial operational services and residential property management services. As at 31 December 2024, the Group's contract liabilities were approximately RMB274.3 million, representing a decrease of 8.9% as compared with that as at 31 December 2023. This was primarily attributable to the increase in revenue recognized by the Group in relation to contract liabilities upon completion of services.

### Pledge of assets

As at 31 December 2024, none of the Group's assets were pledged (31 December 2023: Nil).

### Contingent liabilities

As at 31 December 2024, the Group did not have any material contingent liabilities (31 December 2023: Nil).

### Liquidity and capital resources

The Company has maintained stable financial condition and sufficient liquidity. As at 31 December 2024, the Group's cash and bank balances amounted to approximately RMB4,131.6 million, representing an increase of 6.4% as compared with approximately RMB3,881.9 million as at 31 December 2023. This was primarily attributable to the Group's stepped up efforts in collection.

As at 31 December 2024, the Group did not have any interest-bearing borrowings (31 December 2023: Nil).

### Cashflow from operating activities

For the year ended 31 December 2024, the Group's net cash generated from operating activities amounted to approximately RMB366.7 million, representing a decrease of 24.7% compared to approximately RMB486.8 million for the corresponding period of 2023. This was primarily attributable to the decrease in government subsidies received during the year ended 31 December 2024.

### Gearing ratio

Gearing ratio is calculated based on total liabilities as at the corresponding date divided by total assets as at the same date. As at 31 December 2024, the Group's gearing ratio was 0.47 (31 December 2023: 0.46).

### Foreign exchange risk

The Group's businesses are principally conducted in RMB and the Group's exposure to foreign currency risk is minimal. As such, as at 31 December 2024, the Group had not entered into any forward exchange contract to hedge its exposure to foreign exchange risk.

As at 31 December 2024, major non-RMB assets and liabilities of the Group were cash and bank balances denominated in US dollar ("US\$") and Hong Kong dollar ("HK\$"). Fluctuation of the exchange rate of RMB against US\$ and HK\$ could affect the Group's results of operations. The Group closely monitors the fluctuations in exchange rate and will consider hedging its exposure to foreign exchange risk as and when appropriate.

### USE OF NET PROCEEDS

#### (i) Use of Net Proceeds from the Initial Public Offering and Over Allotment

The Company raised net proceeds of (i) approximately HK\$1,380.5 million from the initial public offering, and (ii) approximately HK\$208.0 million from exercising the over-allotment option on 22 January 2020 (collectively, the **"Net IPO Proceeds"**). As set out in the prospectus of the Company dated 16 December 2019 (the **"Prospectus"**), the Company intended to use the Net IPO Proceeds for the purposes as follows: (i) approximately 50% of the Net IPO Proceeds will be used to pursue strategic acquisitions of other small to medium-sized commercial operational services providers in order to scale up its commercial operational services business and expand its commercial operational services portfolio; (ii) approximately 25% of the Net IPO Proceeds will be used to upgrade the information technology systems for digitization and smart operation and management, aiming to enhance consumers' experience, improve the quality of services provided to the Group's tenants and improve operational efficiency; (iii) approximately 10% of the Net IPO Proceeds will be used to make equity investment in certain tenants with an aim of establishing close strategic cooperation with them; (iv) approximately 5% of the Net IPO Proceeds will be used for the renovation of retail commercial properties developed or owned by independent third parties under the asset-light business model; and (v) approximately 10% of the Net IPO Proceeds will be used for general business purpose and as working capital of the Group.

On 30 June 2023, the Company revised the use of unutilised Net IPO Proceeds. For details, please refer to the Company's announcement dated 30 June 2023.

#### (ii) Use of Proceeds from Subscription

Reference is made to the proceeds of approximately HK\$273.4 million (the **"Subscription Proceeds"**) from the subscription of 11,250,000 new shares of the Company by Mr. Chen Deli, a former executive Director and the former chief executive officer of the Company, details of which are set out in the Company's announcement dated 10 September 2020 and the Company's circular dated 6 November 2020.

On 30 June 2023, the Company revised the use of the unutilised Subscription Proceeds. For details, please refer to the Company's announcement dated 30 June 2023.

The use of net proceeds as stated in (i) and (ii) above are set out in the section headed "Report of the Directors – Use of Net Proceeds" on pages 69 to 71 of this annual report.

### HUMAN RESOURCES

The Group believes that the expertise, experience and professional development of the employees contribute to the growth of the Group. The human resources department of the Company manages, trains and hires employees. As at 31 December 2024, the Group had 5,566 employees (2023: 5,798). The total staff costs of the Group for the year ended 31 December 2024 amounted to approximately RMB771.2 million (2023: approximately RMB882.2 million). The Group believes in the importance of attraction, recruitment and retention of quality employees in achieving the Group's success. Our success depends on our ability to attract, retain and motivate qualified personnel. As part of our retention strategy, the Group offers employees performance-based cash bonuses and other incentives in addition to base salaries. The Group also participates in various employee social security plans for its employees, including housing provident fund, pension, medical insurance, social insurance and unemployment insurance. In relation to staff training, the Group provides different types of programs for its staff to improve their skills and develop their respective expertise. During the year ended 31 December 2024, the Group did not experience any significant labour disputes or any difficulty in recruiting employees.

### FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the section headed "Use of Net Proceeds" of this report, the Company has not authorised any plan for other material investments or acquisition of capital assets as at the date of this report.

### SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Save as disclosed in this report, the Group did not hold any significant investments and did not conduct any material acquisition or disposal of subsidiaries, associates or joint ventures during the year ended 31 December 2024.

# Directors and Senior Management

The board of directors of the Company currently consists of one executive Director, two non-executive Directors and three independent non-executive Directors.

## DIRECTORS

### Executive Director

**Mr. Hoi Wa Fong (許華芳)**, aged 47, joined the Group in February 2013. Mr. Hoi was appointed as a Director on 25 March 2019, and was re-designated as an executive Director and appointed as the chairman of the Board on 8 August 2019. Mr. Hoi acted as the chief executive officer from 1 November 2024 to 21 January 2025. He is responsible for overseeing business development, formulation and implementation of business strategies, including acquisition plans and corporate finance of the Group. Mr. Hoi currently holds directorships in various subsidiaries of the Group.

Mr. Hoi is a member of All-China Federation of Returned Overseas Chinese, a director of China Overseas Friendship Association, the vice chairman of China Real Estate Chamber of Commerce, the vice-chairman of the Fujian Youth Federation and a council member of Fudan University. He graduated from the school of management of Xiamen University and received an EMBA degree from the Cheung Kong Graduate School of Business. He received a DBA degree from Singapore Management University in June 2021. He started to work as an intern in Xiamen Powerlong Group in 1999 and joined Powerlong Real Estate Holdings Limited upon graduation from Xiamen University in 2003. He held various positions of various Group companies including vice general manager, general manager, vice president, chief vice president and chief executive officer. Mr. Hoi is currently an executive director and the chief executive officer of Powerlong Real Estate Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 01238) and the holding company of the Company. He was awarded Annual Leaders in the Real Estate Industry in the PRC, Most Influential People in the Real Estate Industry in the PRC, Outstanding Individual Among Returned Overseas Chinese and Family Members, Top 10 Gold-Medal CEO of China Real Estate Listed Companies (中國房地產上市公司十大金牌CEO), Top 30 CEO in the Real Estate Industry in China (中國地產年度CEO 30強), China Commercial Real Estate Industry Outstanding Contribution Award (中國商業地產行業傑出貢獻獎), China Real Estate Achiever (中國房地產功勳人物), China Commercial Property Industry Leader (中國商業地產行業領軍人物), Achiever in Fostering the Building of Socialism with Chinese Characteristics (促進中國特色社會主義建設功勳人物), and so forth.

Mr. Hoi is the son of Mr. Hoi Kin Hong and Ms. Wong Lai Chan, and he is the spouse of Ms. Shih Sze Ni Cecilia, all being the controlling shareholders of the Company for the purpose of the Listing Rules (the “**Controlling Shareholders**”). Mr. Hoi is also the brother of Ms. Hoi Wa Fan and the cousin of Ms. Hoi Wa Lam, both our non-executive Directors.

### Non-executive Directors

**Ms. Hoi Wa Fan (許華芬)**, aged 49, was appointed as a non-executive Director on 8 August 2019 and is responsible for providing guidance and formulation of strategies for the overall development of the Group. Since 2000, she has been the managing director of Nicole Boutique, a fashion brand concept store in Macau. Since December 2011, she has held the position of managing director of Ultra City Co., Ltd., a fashion retail company, where she has been primarily responsible for the overall management of business operation. Since April 2007, she has been the managing director of Pou Long Construction and Land Investment Company Limited (寶龍集團發展有限公司), a real estate development company controlled by Mr. Hoi Kin Hong, one of the Controlling Shareholders, where she is primarily responsible for the overall management and business development. Since 2020, she has been executive director and secretary general of Powerlong Foundation (寶龍公益基金會). Since September 2009, Ms. Hoi Wa Fan has been the non-executive director of Powerlong Holdings, where she is primarily responsible for providing guidance and formulation of development strategies for the overall development of Powerlong Holdings.

Ms. Hoi Wa Fan is the daughter of Mr. Hoi Kin Hong and Ms. Wong Lai Chan, and she is the sister-in-law of Ms. Shih Sze Ni Cecilia, all being the Controlling Shareholders. Ms. Hoi is also the sister of Mr. Hoi Wa Fong, an executive Director of the Group and chairman of the Board, and the cousin of Ms. Hoi Wa Lam, a non-executive Director.

## Directors and Senior Management

**Ms. Hoi Wa Lam (許華琳)**, aged 40, was appointed as a non-executive Director on 8 August 2019 and is responsible for providing guidance and formulation of development strategies for the overall development of the Group. From June 2007 to April 2009, Ms. Hoi Wa Lam was the deputy general manager of Nicole Boutique, a fashion brand concept store in Macau, where she was primarily responsible for general administration and human resources. From November 2010 to June 2017, Ms. Hoi Wa Lam worked as the general manager of Shanghai Powerlong Huayun Art Development Co., Ltd. (上海寶龍華韻藝術發展有限公司), a cultural and art event planning and marketing company controlled by Mr. Hoi Kin Hong, one of the Controlling Shareholders, where she was primarily responsible for general management and business development. Since June 2017, she has been the head of cultural sector of Powerlong Holdings, where she is primarily responsible for the overall management and business development of the cultural sector of Powerlong Holdings. She was awarded various honors and awards, including Gold Star of Annual Focus People in National Art (《國家美術》金星獎 • 年度焦點人物) and TOP 100 most influential artist in the Art Power List in China for 2018 (2018年度中國藝術權力榜TOP100最具影響力藝術人物).

Ms. Hoi Wa Lam graduated from the University of Macau (澳門大學), where she obtained a bachelor's degree in business administration in July 2008. She also obtained a master's degree in business administration from the University of Leicester in the United Kingdom in January 2011 and an executive master of business administration (EMBA) degree from Shanghai Jiao Tong University (上海交通大學) in the PRC in June 2018.

Ms. Hoi Wa Lam is the cousin of Mr. Hoi Wa Fong, an executive Director of the Group and chairman of the Board, and Ms. Hoi Wa Fan, our non-executive Director.

### Independent Non-executive Directors

**Dr. Lu Xiongwen (陸雄文)**, aged 59, was appointed as an independent non-executive Director on 10 December 2019 and is responsible for providing independent advice on the operations and management of the Group. Since July 1991, he has been engaged in teaching and research in Fudan University (復旦大學) in the PRC. He became an associate professor and a professor in Fudan University in July 1997 and May 1999, respectively. During the period from 1996 to 2006, he also held various positions including assistant dean, head of marketing, associate dean and executive associate dean of the school of management in Fudan University. Since August 2006, he has been the dean of the school of management in Fudan University.

Dr. Lu is currently an independent non-executive director of China Eastern Airlines Corporation Limited (中國東方航空股份有限公司), an airline service company whose shares are listed on the Main Board of the Stock Exchange (stock code: 670.HK) and the Shanghai Stock Exchange (stock code: 600115.SH). Dr. Lu is currently an independent non-executive director of Baoshan Iron & Steel Co., Ltd. (寶山鋼鐵股份有限公司) (stock code: 600019.SH), an iron and steel smelting company whose shares are listed on the Shanghai Stock Exchange. He is currently also an independent non-executive director of Shanghai Innovation Bank Co., Ltd (上海創科銀行有限公司), and Aegon-Industrial Fund Management Co., Ltd. (興證全球基金管理有限公司). Dr. Lu was an independent non-executive director of Shanghai New Huang Pu Industrial Group Co., Ltd. (上海新黃浦實業集團股份有限公司) (stock code: 600638.SH) from December 2018 to February 2022. Dr. Lu was an independent non-executive director of Shanghai Jinqiao Export Processing Zone Development Co., Ltd. (上海金橋出口加工區開發股份有限公司) (stock code for A-shares: 600639.SH and stock code for B-shares: 900911.SH), a property development and management company for the Shanghai Jinqiao Export Processing Zone whose shares are listed on the Shanghai Stock Exchange, from March 2016 to September 2022. Dr. Lu was also an independent non-executive director of Morgan Stanley Securities (China) Co., Ltd. (摩根士丹利證券(中國)有限公司) (formerly known as Morgan Stanley Huaxin Securities Co., Ltd. (摩根士丹利華鑫證券有限責任公司), a joint venture company established by Morgan Stanley and Huaxin Securities and principally engaged in stocks underwriting and sponsoring, bonds issuance and proprietary trading) from September 2018 to July 2024.

Dr. Lu obtained a bachelor's degree, a master's degree and a doctor's degree in economics from Fudan University (復旦大學) in the PRC in July 1988, July 1991 and January 1997, respectively.



## Directors and Senior Management

**Ms. Ng Yi Kum, Estella (伍綺琴)**, aged 67, was appointed as an independent non-executive Director on 10 December 2019 and is responsible for providing independent advice on the operations and management of the Group. From September 2005 to November 2007, she was an executive director of Hang Lung Properties Limited (stock code: 0101.HK), a real estate development company whose shares are listed on the Main Board of the Stock Exchange. Prior to her joining in Hang Lung Properties Limited, she worked as a senior vice president of the Stock Exchange. From January 2008 to April 2014, Ms. Ng was the chief financial officer of Country Garden Holdings Company Limited (stock code: 2007.HK), a real estate development company whose shares are listed on the Main Board of the Stock Exchange. Ms. Ng was an executive director, the deputy chairman, the chief strategy officer, the chief financial officer and the company secretary of Tse Sui Luen Jewellery (International) Limited ("TSL") (stock code: 0417.HK), a jewelry company whose shares are listed on the Main Board of the Stock Exchange, from July 2015 to May 2024.

Ms. Ng is currently an independent non-executive director of Tianjin Development Holdings Limited (stock code: 0882.HK), a utilities, hotel, electrical and mechanical, strategic and other investments and pharmaceutical company whose shares are listed on the Main Board of the Stock Exchange, Comba Telecom Systems Holdings Limited (stock code: 2342.HK), a solution and service provider of wireless and communication systems whose shares are listed on the Main Board of the Stock Exchange, CMGE Technology Group Limited (stock code: 0302.HK), a leading IP-based game operator whose shares are listed on the Main Board of the Stock Exchange, and KWG Living Group Holdings Limited (stock code: 3913.HK), a property management service provider whose shares are listed on the Main Board of the Stock Exchange. Ms. Ng was an independent non-executive director of CT Vision (International) Holdings Limited (formerly known as Win Win Way Construction Holdings Limited) (stock code: 0994.HK), a construction company whose shares are listed on the Main Board of the Stock Exchange, from July 2019 to June 2022. She served as an independent director of DS Healthcare Group, Inc. from May 2016 to May 2017, a healthcare company whose shares were listed on the Nasdaq Capital Market in the United States but were delisted in December 2016. She served as an independent non-executive director of China Mobile Games and Entertainment Group Limited, a mobile games and entertainment company whose shares are listed by way of American Depositary Shares on the Nasdaq Global Market in the United States, from September 2012 to August 2015. Ms. Ng served as an independent non-executive director of Hong Kong Resources Holdings Company Limited (stock code: 2882.HK), a jewelry company whose shares are listed on the Main Board of the Stock Exchange, from September 2008 to July 2015. For a period from June 2013, Ms. Ng was an independent non-executive director of China Power Clean Energy Development Company Limited (stock code: 0735.HK), a clean energy development company which was delisted from the Stock Exchange in August 2019.

Ms. Ng is a qualified accountant and holds a master's degree in business administration from the Hong Kong University of Science and Technology in Hong Kong. She is an associate of The Institute of Chartered Accountants in England and Wales, The Institute of Chartered Secretaries and Administrators, a fellow of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. She was an elected member of Quality Tourism Services Association Governing Council (Retailer Category) from December 2019 to May 2024. She has also contributed her time to various public service appointments, including being a co-opted member of the audit committee of the Hospital Authority from December 2002 to November 2013.

**Mr. Chan Wai Yan, Ronald (陳惠仁)**, aged 45, was appointed as an independent non-executive Director on 10 December 2019 and is responsible for providing independent advice on the operations and management of the Group. Mr. Chan founded Chartwell Capital Limited, an investment management company, in October 2007 and is currently the chief investment officer. He has been its responsible officer for Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (the "SFO") since November 2008 and February 2008, respectively. In March 2023, Mr. Chan was appointed as an independent non-executive director of Hong Kong Ferry (Holdings) Company Limited (香港小輪(集團)有限公司) (stock code: 0050.HK), a property investment company whose shares are listed on the Main Board of the Stock Exchange. In August 2023, Mr. Chan was appointed as an independent non-executive director of Lee & Man Paper Manufacturing Limited (理文造紙有限公司) (stock code: 2314.HK), a manufacturer of containerboard and pulp whose shares are listed on the Main Board of the Stock Exchange. In January 2024, Mr. Chan was also appointed as a board member of the Hong Kong Financial Services Development Council. Mr. Chan was appointed by the Stock Exchange to serve as a member of the Listing Committee of the Main Board and GEM from July 2016 to July 2022. From December 2017 to December 2021, Mr. Chan was an independent non-executive director of Wine's Link International Holdings Limited (stock code: 8509.HK), a wine products company whose shares are listed on GEM of the Stock Exchange.

Mr. Chan obtained a bachelor of science's degree in finance and accounting from the Leonard and Stern School of Business at New York University in the United States in May 2002.

### SENIOR MANAGEMENT

**Mr. Xu Meng (徐猛)**, aged 42, joined the Group in January 2025 as the chief executive officer. Prior to joining the Group, Mr. Xu worked at Longfor Group Holdings Limited (a real estate development company listed on the main board of the Stock Exchange (stock code 0960.HK)) ("Longfor Group"). During the period from June 2022 to January 2025, he served as the general manager of the Eastern China region of the Commercial Division of Longfor Group. His scope of management covered the Jiangsu, Zhejiang, Shanghai and Anhui regions and he was responsible for over 50 Paradise Walk projects with an overall volume of nearly 7 million square meters. During his tenure of office, he spearheaded the team's efforts, enabling Longfor Commercial to excel in the Eastern China region and establishing its market position as a premier brand. Prior to that, he served as the general manager of the Suzhou Shishan Paradise Walk project, the general manager of Suzhou Business Department and the general manager of Eastern China Division 2 within Longfor Group. During the period from November 2016 to March 2018, he served as the general manager of the Wenzhou Longwan Wanda Plaza project. During the period from September 2013 to September 2016, he served as the general manager of the Commercial Division of Heneng Group. Mr. Xu obtained a bachelor's degree in science from Nanjing University of Information Science and Technology in the PRC in 2005 and obtained a master's degree in project management from Sichuan University in the PRC in 2018. Mr. Xu has many years of experience in the operation and management of commercial projects, and is very experienced in the areas of market insight, commercial investment, product planning and full cycle service management of asset operation.

**Mr. Guo Zheng (郭政)**, aged 43, joined Powerlong Holdings in February 2021 as a vice president as well as the director of its president's office, and is currently a vice president as well as the general manager of its Human Resources Administration Center, in charge of human resources matters of Powerlong Holdings. Mr. Guo has been the vice president of the Group since 1 November 2024 and is currently in charge of the Human Resources Administration Center and responsible for the human resources management of the Group. Prior to joining Powerlong Holdings and the Group, he was the director of the board of directors' office of Zhenro Properties Group Limited (stock code: 06158.HK) and the vice president of Shinsun Real Estate Holding Group Limited. He obtained a bachelor's degree in Chinese language and literature from Peking University in the PRC in 2002.

**Mr. He Xuguang (贺旭光)**, aged 49, joined Powerlong Holdings as the deputy general manager of its financial management center in February 2010, and also took up the role of general manager of the supervisory department of Powerlong Holdings. In November 2022, Mr. He was appointed as vice president of the Group and general manager of the financial management center. On 29 March 2023, Mr. He was appointed as the chief financial officer of the Company, mainly responsible for devising and implementing the Group's system of rights and responsibilities, business strategies and operational goals, as well as financial management, cost control and investment management.

Mr. He has over 17 years of experience in the real estate market. Prior to joining the Group, from October 2003 to March 2005, Mr. He was a researcher with the asset management department of Southwest Securities Co., Ltd., an asset management and operation company whose shares are listed on the Shanghai Stock Exchange (stock code: 600369.SH), primarily participating in research and development. From April 2005 to January 2006, Mr. He was a researcher with Shanghai Shangdong Investment Management Co., Ltd., an investment management company, responsible for the research of fundamentals of listed companies and their respective industries. From February 2006 to February 2010, Mr. He was assistant to the general manager of the group finance department of Jiangsu Dihua Group Co., Ltd., a conglomerate engaged in real estate development, sale, renovation, gardening and greening, and was responsible for financial management.

Mr. He obtained his bachelor's degree in applied physics, master's degree in financial management and doctoral degree in finance from Shanghai Jiaotong University in July 1997, February 2000 and March 2003, respectively. He was granted the qualification of certified public accountant (non-practising) by Shanghai Institute of Certified Public Accountants in April 2002, the qualification of international chartered financial analyst in November 2007, and the qualification of certified tax agent by Shanghai Association of Certified Tax Agent in August 2009.

**Ms. Song Xiuting (宋秀婷)**, aged 48, joined the Group in November 2006, and currently serves as an assistant president of the Group, as well as the general manager of its operational management center, in charge of the operational management and strategic planning of the Group. Prior to that, she successively held various positions in the Group, including department manager, director, project general manager and regional head, general manager of expansion department, general manager of the business division No. 3 and general manager of the tenant sourcing management center of the Group.

## Directors and Senior Management

**Mr. Zhu Hailin (朱海林)**, aged 41, joined the Group in February 2025 as an assistant president of the Group and the general manager of the tenant sourcing management center. Prior to joining the Group, from February 2020 to January 2025, he successively served as the head of each of Hangzhou Dingqiao Paradise Walk project, Suzhou-Wuxi-Changzhou Business Department, Shishan project and Zhejiang Business Department, as well as the regional head for general management in the Eastern China region of the Commercial Division of Longfor Group.

**Mr. Xu Rui (許睿)**, aged 44, joined the Group in March 2025 as an assistant president and general manager of the operational division No.1 of the Group. Prior to joining the Group, from November 2013 to May 2018, he served as the general manager of the Kunshan Golden Eagle International Shopping Center. From May 2018 to February 2021, he served as the general manager of the Kunshan Wanda Plaza in Wuxi region of Wanda Group. From February 2021 to March 2025, he served as the general manager of the Hefei-Nanjing region of the Commercial Division of Longfor Group.

### JOINT COMPANY SECRETARIES

**Ms. Zhang Yiting (張依婷)**, aged 36, was appointed as one of the joint company secretaries of the Company on 29 March 2023. Ms. Zhang re-joined the Group in February 2023 as a capital director. She is responsible for the company secretarial, compliance and investor relations functions of the Group. Before re-joining the Group, she worked as a senior capital manager of the Group from February 2020 to September 2022. From September 2022 to December 2022, Ms. Zhang worked as an information disclosure manager of WEILONG Delicious Global Holdings Ltd, whose shares are listed on the Main Board of the Stock Exchange (stock code: 9985.HK). From February 2011 to February 2020, Ms. Zhang worked as the accounting supervisor and the investment manager of Powerlong Holdings.

Ms. Zhang obtained a bachelor's degree in management from Jiang Xi Agricultural University in 2010, and she also obtained the qualification of intermediate accountant granted by the MOF in the PRC in 2015.

**Ms. Leung Wai Yan (梁慧欣)** was appointed as one of the joint company secretaries of the Company on 30 August 2022. Ms. Leung is a manager of corporate services of Vistra Corporate Services (HK) Limited. She has over 17 years of experience in providing company secretarial services to numerous listed and private companies.

On 30 August 2022, Ms. Leung was also appointed as joint company secretary of Powerlong Holdings, which is the controlling shareholder of the Company and its shares are listed on the Stock Exchange (stock code: 1238.HK).

Ms. Leung obtained a bachelor of business (administrative management) from University of South Australia and a master of laws majoring in corporate and financial law from The University of Hong Kong. She has been an associate member of The Hong Kong Chartered Governance Institute and an associate member of The Chartered Governance Institute in the United Kingdom since 2009.

### CHANGES TO DIRECTORS' INFORMATION

Save as disclosed herein, the Directors confirm that no information is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

# Corporate Governance Report

The Board of Directors is pleased to present the corporate governance report for the Company for the year ended 31 December 2024.

## CORPORATE GOVERNANCE PRACTICES

The Company recognises the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability.

The Company has adopted the principles and the code provisions contained in Part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the “**CG Code**”) as its own code on corporate governance. The Company is committed to the view that the Board should include a balanced composition of executive Directors and independent non-executive Directors so that there is a strong independent element on the Board, which can effectively exercise independent judgment.

During the year ended 31 December 2024, the Company had complied with all applicable code provisions contained in the CG Code as set out in Appendix C1 to the Listing Rules, save and except for code provision C.2.1 of the CG Code which stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Please refer to the sub-section headed “Chairman and Chief Executive Officer” for details.

The Board will continue to review and monitor the practices of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance practices of the Company.

## MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for securities transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own securities dealing code to regulate all dealings by Directors and relevant employees of securities in the Company and other matters covered by the Model Code.

Specific enquiry has been made by the Company to all the Directors and the relevant employees and they have confirmed that they have complied with the Model Code during the year ended 31 December 2024. Relevant employees who are likely to be in possession of unpublished inside information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code during the year ended 31 December 2024.

## BOARD OF DIRECTORS

As at the date of this annual report, the Board comprises one executive Director, two non-executive Directors and three independent non-executive Directors.

During the year ended 31 December 2024 and up to the date of this annual report, the composition of the Board is as follows:

### Executive Directors

Mr. Hoi Wa Fong (許華芳) (Chairman of the Board)

Mr. Chen Deli (陳德力) (resigned on 1 November 2024)

### Non-executive Directors

Mr. Zhang Yunfeng (張雲峰) (resigned on 27 August 2024)

Ms. Hoi Wa Fan (許華芬)

Ms. Hoi Wa Lam (許華琳)

### Independent non-executive Directors

Dr. Lu Xiongwen (陸雄文)

Ms. Ng Yi Kum, Estella (伍綺琴)

Mr. Chan Wai Yan, Ronald (陳惠仁)

The biographical details of the Directors are set out in the section headed “Directors and Senior Management” on pages 34 to 38 of this annual report.

Mr. Hoi Wa Fong is brother of Ms. Hoi Wa Fan and cousin of Ms. Hoi Wa Lam.

Ms. Hoi Wa Fan is sister of Mr. Hoi Wa Fong and cousin of Ms. Hoi Wa Lam.

Ms. Hoi Wa Lam is cousin of Mr. Hoi Wa Fong and Ms. Hoi Wa Fan.

Except as disclosed above, there is no other relationship (including financial, business, family or other material/relevant relationship(s)) between the Board members.

The Board should regularly review the contribution required from the Directors to perform their responsibilities to the Company, and whether the Directors are spending sufficient time to perform.

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

During the year ended 31 December 2024, Mr. Chen Deli was the chief executive officer of the Company (the “**CEO**”) and Mr. Hoi Wa Fong was the chairman of the Board (the “**Chairman**”). Following the resignation of Mr. Chen Deli on 1 November 2024 and the appointment of Mr. Hoi Wa Fong as the CEO on the same day, Mr. Hoi Wa Fong acted as both the Chairman and CEO until his stepping down as the CEO on 21 January 2025. This deviated from code provision C.2.1 of the CG Code, whereby the roles of chairman and chief executive should be separate and should not be performed by the same individual.

At the material time, the Board believed that, in view of Mr. Hoi Wa Fong’s extensive industry experience and significant role in the historical development of the Group, vesting the roles of both Chairman and CEO in him would enable the Company to achieve higher responsiveness, efficiency and effectiveness when formulating business strategies and executing business plans. Therefore, the Board considered that the deviation from code provision C.2.1 of the CG Code was appropriate in such circumstances. The Board would from time to time review the effectiveness of the then current structure and assess whether separation of the roles of the Chairman and the CEO would be necessary with reference to the Company’s prevailing circumstances.

On 21 January 2025, Mr. Xu Meng was appointed as the CEO, and Mr. Hoi Wa Fong stepped down from such role. Mr. Hoi Wa Fong has continued to act as the Chairman and an executive Director after ceasing to act as the CEO.

Following the above change, the Company has re-complied with code provision C.2.1 pursuant to which the roles of the Chairman and the CEO are held by Mr. Hoi Wa Fong and Mr. Xu Meng, respectively.

### DIRECTORS’ AND SENIOR MANAGEMENT’S LIABILITY INSURANCE AND INDEMNITY

The Company has arranged appropriate liability insurance to indemnify the Directors and senior management of the Company for their liabilities arising out of corporate activities. The insurance coverage will be reviewed on an annual basis.

### BOARD MEETINGS AND COMMITTEE MEETINGS

Code provision C.5.1 of the CG Code stipulates that board meetings should be held at least four times a year at approximately quarterly intervals with active participation of the majority of the Directors, either in person or through electronic means of communications.

The Board held six meetings during the year ended 31 December 2024. The Directors expects to convene at least four regular Board meetings in each financial year at approximately quarterly intervals in accordance with code provision C.5.1 of the CG Code.



## Corporate Governance Report

A summary of the attendance record of the Directors at Board meetings and committee meetings is set out below:

Name of Director	Number of meeting(s) attended/number of meeting(s) held for the year ended 31 December 2024			
	Board	Audit Committee	Remuneration Committee	Nomination Committee
<b>Executive Directors:</b>				
Mr. Hoi Wa Fong	6/6	N/A	1/1	1/1
Mr. Chen Deli (resigned on 1 November 2024)	5/5	N/A	N/A	N/A
<b>Non-executive Directors:</b>				
Mr. Zhang Yunfeng (resigned on 27 August 2024)	3/3	N/A	N/A	N/A
Ms. Hoi Wa Fan	6/6	N/A	N/A	N/A
Ms. Hoi Wa Lam	6/6	N/A	N/A	N/A
<b>Independent non-executive Directors:</b>				
Dr. Lu Xiongwen	6/6	5/5	1/1	1/1
Ms. Ng Yi Kum, Estella	6/6	5/5	N/A	N/A
Mr. Chan Wai Yan, Ronald	5/6	4/5	1/1	1/1

## GENERAL MEETING

During the year ended 31 December 2024, one general meeting was held.

A summary of the attendance record of the Directors at the general meeting is set out in the following table below:

Name of Director	Number of general meeting(s) attended/ number of general meeting(s) held for the year ended 31 December 2024
<b>Executive Directors:</b>	
Mr. Hoi Wa Fong	1/1
Mr. Chen Deli (resigned on 1 November 2024)	1/1
<b>Non-executive Directors:</b>	
Mr. Zhang Yunfeng (resigned on 27 August 2024)	1/1
Ms. Hoi Wa Fan	1/1
Ms. Hoi Wa Lam	1/1
<b>Independent Non-executive Directors:</b>	
Dr. Lu Xiongwen	1/1
Ms. Ng Yi Kum, Estella	1/1
Mr. Chan Wai Yan, Ronald	1/1

## INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board has received from each of the independent non-executive Directors a written annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules and considers each of them to be independent.

## APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Directors have renewed their service contracts (for executive Directors) or letters of appointment (for non-executive Directors and independent non-executive Directors) with the Company for a term of 3 years with effect from 30 December 2022.

All the Directors are subject to retirement by rotation and re-election at annual general meeting of the Company. Pursuant to the Articles of Association, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office and be eligible for re-election at each annual general meeting of the Company, provided that every Director is subject to retirement by rotation at least once every three years. In addition, any new Director appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting.

In accordance with article 16.19 of the Company's articles of association, Mr. Hoi Wa Fong and Dr. Lu Xiongwen will retire from the Board by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

## RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board is the primary decision making body of the Company and is responsible for overseeing the Group's businesses, strategic decisions and performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. The Board makes decisions objectively to safeguard the interests of the Company and its shareholders. The Board has delegated the authority and responsibility for day-to-day management and operation of the Group to the senior management of the Group. Before entering into any significant transactions or commitments on behalf of the Company, senior management should obtain prior approval and authorization from the Board.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

## BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, for overseeing particular aspects of the Company's affairs. Each of these committees is established with defined written terms of reference. The terms of reference of each of these committees are available on the websites of the Company and the Stock Exchange.

### Audit Committee

The Company has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The primary duties of the Audit Committee include, but not limited to (i) review and supervise the financial reporting process and internal control system of the Group, risk management and internal audit; (ii) provide advice and comments to the Board; and (iii) perform other duties and responsibilities as may be assigned by the Board.

The Audit Committee comprises three independent non-executive Directors, namely Ms. Ng Yi Kum, Estella, Mr. Chan Wai Yan, Ronald and Dr. Lu Xiongwen. Ms. Ng Yi Kum, Estella is the chairlady of the Audit Committee.

For the year ended 31 December 2024, the Audit Committee held five meetings during the year to review the Group's policies on corporate governance and discussed the same with the Board, to review the Company's financial reporting system, compliance procedures, internal control and risk management systems (including operation, tenant sourcing, procurement and cost, financial control and risk management) and associated processes, and discussed the reappointment of the external auditor. The Audit Committee also reviewed the annual results of the Company for the year ended 31 December 2023 and interim results of the Company for the six months ended 30 June 2024 as well as the audit report prepared by the external auditor relating to accounting issues and major findings in the course of audit.

## Corporate Governance Report

The attendance record of the Audit Committee members is set out below:

Directors	Attended in person/Eligible to attend
Ms. Ng Yi Kum, Estella (Chairlady)	5/5
Mr. Chan Wai Yan, Ronald	4/5
Dr. Lu Xiongwen	5/5

During the year ended 31 December 2024, the Board had not deviated from any recommendation given by the Audit Committee on the selection, appointment, resignation or dismissal of external auditor.

There are proper arrangements for employees, in confidence, to raise concerns about possible improprieties in financial reporting, internal control and other matters.

### Remuneration Committee

The Company established the Remuneration Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the CG Code. The primary duties of the Remuneration Committee include, but not limited to (i) establishing, reviewing and providing advices to the Board on the policy and structure concerning remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing policies concerning such remuneration; (ii) making recommendations to the Board on the terms of the specific remuneration package of each Director and senior management; and (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Directors from time to time.

The Remuneration Committee comprises one executive Director, namely Mr. Hoi Wa Fong, and two independent non-executive Directors, namely Mr. Chan Wai Yan, Ronald and Dr. Lu Xiongwen. Dr. Lu Xiongwen is the chairman of the Remuneration Committee.

For the year ended 31 December 2024, the Remuneration Committee held one meeting during the year to discuss and review the remuneration policy for the Directors and senior management of the Company, to assess performance of the executive Directors, and make recommendations to the Board on the remuneration packages of individual executive Directors and senior management.

The attendance record of the Remuneration Committee members is set out below:

Directors	Attended in person/Eligible to attend
Dr. Lu Xiongwen (Chairman)	1/1
Mr. Hoi Wa Fong	1/1
Mr. Chan Wai Yan, Ronald	1/1

Details of the remuneration payable to each Director of the Company for the year ended 31 December 2024 are set out in Note 35 to the Consolidated Financial Statements. The remuneration of the members of senior management (other than Directors) by band for the year ended 31 December 2024 is set out below:

Remuneration bands (HKD)	Number of persons
1,000,001 to 1,500,000	4
<b>Total</b>	<b>4</b>

### Nomination Committee

The Company has established the Nomination Committee with written terms of reference in compliance with the CG Code and Rule 3.27A of the Listing Rules. The primary duties of the Nomination Committee include, but not limited to (i) review the structure, size and composition of the Board on a regular basis and make recommendations to the Board regarding any proposed changes to the composition of the Board; (ii) identify, select or make recommendations to the Board on the selection of individuals nominated for directorship, and ensure the diversity of the Board members; (iii) assess the independence of the independent non-executive Directors; and (iv) make recommendations to the Board on relevant matters relating to the appointment, re-appointment and removal of our Directors and succession planning for the Directors.

During the year ended 31 December 2024, the Nomination Committee comprised one executive Director, namely Mr. Hoi Wa Fong, and two independent non-executive Directors, namely Dr. Lu Xiongwen and Mr. Chan Wai Yan, Ronald. Mr. Hoi Wa Fong was the chairman of the Nomination Committee.

For the year ended 31 December 2024, the Nomination Committee held one meeting during the year to review and discuss the policy, procedures and criteria for nomination of the Directors, review and discuss the Board diversity policy and to discuss all measurable objectives set for implementing the policy and the progress made towards meeting the measurable objective in the policy, assessed the independence of independent non-executive Directors, considered the re-appointment of the retiring Directors, reviewed the time commitment required from the Directors.

The attendance record of the Nomination Committee members is set out below:

Directors	Attended in person/Eligible to attend
Mr. Hoi Wa Fong (Chairman)	1/1
Mr. Chan Wai Yan, Ronald	1/1
Dr. Lu Xiongwen	1/1

With effect from 26 March 2025, Ms. Ng Yi Kum, Estella, an independent non-executive Director, has been appointed as a member of the Nomination Committee. The composition of the Nomination Committee henceforth comprises four members, including one executive Director, Mr. Hoi Wa Fong; and three independent non-executive Directors, Mr. Chan Wai Yan, Ronald, Dr. Lu Xiongwen and Ms. Ng Yi Kum, Estella. Mr. Hoi Wa Fong is the chairman of the Nomination Committee.

### Nomination Policy

The Company has adopted a nomination policy (the “**Nomination Policy**”) which sets out the selection criteria and procedures to nominate board candidates. The Nomination Policy aims to nominate suitable candidates to the Board.

Pursuant to the Nomination Policy, the Nomination Committee shall identify suitable board candidates and make recommendation to the Board, after assessing a number of factors of a candidate, including, but not limited to, reputation for integrity, accomplishment and experience, commitment in respect of available time and attention on relevant matters, independence of proposed independent non-executive Directors and diversity in all aspects. The Board shall have the final decision in relation to its nomination of any candidates to stand for election at a general meeting.

The Nomination Committee will review the Nomination Policy, as appropriate, and recommend revision to the Board for consideration and approval.

### Director Nomination Procedure

Subject to the provisions in the Articles of Association of the Company and the Listing Rules, if the Board recognises the need for an additional Director, the following procedure will be followed:

- (1) The Nomination Committee and/or Board will identify potential candidates based on the criteria as set out in the selection criteria, possibly with assistance from external agencies and/or advisors;
- (2) The Nomination Committee and/or the Company Secretary of the Company will then provide the Board with the biographical details and details of the relationship between the candidate and the Company and the Directors, directorships held, skills and experience, other positions which involve significant time commitment and any other particulars required by the Listing Rules, the Companies Law of the Cayman Islands and other regulatory requirements for any candidate for appointment to the Board;
- (3) The Nomination Committee would then make recommendation to the Board on the proposed candidate(s) and the terms and conditions of the appointment;
- (4) In the case of the appointment of an Independent Non-executive Director, the Nomination Committee and/or the Board should obtain all information in relation to the proposed Director to allow the Board to adequately assess the independence of the Director in accordance with the factors set out in Rule 3.13 of the Listing Rules, subject to any amendments as may be made by the Stock Exchange from time to time;
- (5) The Board will then deliberate and decide on the appointment based upon the recommendation of the Nomination Committee; and
- (6) The Nomination Committee and/or the Board would then make recommendations to shareholders in respect of the proposed re-election of directors at the annual general meeting.

### Dividend Policy

The Company has adopted a dividend policy (the “**Dividend Policy**”) which aims to increase or maintain the value of dividends per share of the Company, to provide reasonable return in investment of investors, and to allow Shareholders to assess its dividend payout trend and intention.

Pursuant to the Dividend Policy, any declaration and payment as well as the amount of dividends will be subject to the Company’s constitutional documents and the relevant laws. The Board intends to recommend at the relevant Shareholders’ meetings an annual dividend of no less than 30% of the profits available for distribution generated in each financial year beginning from the year ended 31 December 2019. The recommendation of the payment of dividend is subject to the absolute discretion of the Board, and any declaration of final dividend for the year will be subject to the approval of the Shareholders.

The Board will continue to review and amend the Dividend Policy from time to time as appropriate.



### Board Diversity Policy

The Company has adopted a board diversity policy (the “**Diversity Policy**”) which sets out the approach to achieve diversity of the Board. The Company recognizes and embraces the benefits of having a diversified Board.

The Company has adopted a board diversity policy with the aim of achieving an appropriate level of diversity among Board members according to the circumstances of our Group from time to time. In summary, the Diversity Policy sets out that when considering the nomination and appointment of a Director, with the assistance of our Nomination Committee, the Board would consider a range of diversity of perspectives, including but not limited to the skills, knowledge, professional experience and qualifications, cultural and educational background, age, gender and the potential contributions that the candidate is expected to bring to the Board, in order to better serve the needs and development of the Company. All Board appointments will be based on merits and candidates will be considered against objective criteria, having due regard to the benefits of diversity to the Board.

During the year ended 31 December 2024, the Board had three female Directors and three male Directors. The Board aims to maintain at least the current level of female representation and achieve a balanced gender diversity based on stakeholders’ expectations and best practices. The Board believes that the current composition of the Board satisfies the Company’s specific needs for gender diversity. The Board will regularly review its policies and procedures for board diversity, taking into account relevant data and feedback from stakeholders, and will take appropriate action as needed to ensure that it is achieving its gender diversity goals.

During the year ended 31 December 2024, under the Diversity Policy, the Board has adopted and the Company has fully achieved the following Measurable Objectives: (a) To ensure at least two members of the Board shall have obtained accounting or other professional qualification; (b) To ensure at least 33% of the members of the Board have more than 10 years of experience in real estate development or property management; (c) To ensure the appropriate proportion of the independent non-executive Directors to the executive Directors in order to maintain the independence of the Board. In particular, at least 33% of the members of the Board shall be independent non-executive Directors; (d) To ensure at least 60% of the members of the Board shall have attained Bachelor’s degree or higher level of education; and (e) To ensure at least one member of the Board shall be female.

As at 31 December 2024, the Group had 3,551 male employees and 2,015 female employees, and the male-to-female ratio in the workforce, including the senior management, was approximately 1.0:0.6, which is regarded by the Board as satisfactory and in line with the industry which the Group operates its businesses in. The Company will continue to take gender diversity into consideration during recruitment and increase the female proportion at all levels over time with the ultimate goal of achieving gender parity, such that there is a pipeline of female senior management and potential successors to the Board in the future.

The Nomination Committee will review the Diversity Policy from time to time to ensure its continued effectiveness.

### CORPORATE GOVERNANCE FUNCTION

The Board has delegated the functions set out in code provision A.2.1 of the CG Code to the Audit Committee.

During the year ended 31 December 2024, the Audit Committee has reviewed the Company’s corporate governance policies and practices, training and continuous professional development of the Directors and senior management, the Company’s policies and practices on compliance with legal and regulatory requirements, and the Company’s compliance with the CG Code and disclosure in its Corporate Governance Report.

The Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The company secretary of the Company may from time to time and as the circumstances require provide updated written training materials relating to the roles, functions and duties of a director of a company listed on the Stock Exchange.

### DIRECTORS’ RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing all information and representations contained in the consolidated financial statements of the Group for the year ended 31 December 2024.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company’s ability to continue as a going concern.

### CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

Directors shall keep abreast of the responsibilities as a director of the Company and of the conduct, business activities and development of the Company.

The Company acknowledges the importance of Directors participating in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant internally-facilitated briefings for the Directors have been arranged and reading material on relevant topics would be issued to the Directors where appropriate. They are encouraged to attend relevant training course at the Company's expenses.

During the year ended 31 December 2024, all of the Directors, namely, Mr. Hoi Wa Fong, Ms. Hoi Wa Fan, Ms. Hoi Wa Lam, Dr. Lu Xiongwen, Ms. Ng Yi Kum, Estella and Mr. Chan Wai Yan, Ronald participated in a training session conducted by SWCS Corporate Services Group (Hong Kong) Limited, as to how directors manage disclosure of inside information.

The Company will arrange regular seminars to provide Directors with updates on latest development and changes in the Listing Rules and other relevant legal and regulatory requirements from time to time. The Directors are also provided with regular updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties.

### AUDITOR'S RESPONSIBILITY AND REMUNERATION

As disclosed in the announcement of the Company dated 3 September 2024, Elite Partners CPA Limited ("**Elite Partners**") resigned as the external auditor of the Company for the year ended 31 December 2024 with effect from 3 September 2024. The Board resolved, having regard to the recommendation from the Audit Committee, to approve the appointment of KTC Partners CPA Limited ("**KTC Partners**") as the new external auditor of the Company for the year ended 31 December 2024 to fill the casual vacancy following the resignation of Elite Partners with effect from 28 October 2024 until the conclusion of the next annual general meeting of the Company. For further details, please refer to the announcements of the Company dated 3 September 2024 and 28 October 2024. The declaration of KTC Partners as to its reporting duties on the financial statements is set out in the section headed "Independent Auditor's Report" in this annual report.

Details of the fees paid/payable in respect of the audit services provided by KTC Partners for the year ended 31 December 2024 are set out in the table below:

Services rendered	(RMB million)
Audit services:	
Annual audit (excluding the review of interim results pursuant to No. 2410 of the Hong Kong Standards on Review Engagements)	1.15

KTC Partners did not provide any non-audit services to the Company for the year ended 31 December 2024.

### RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges that it is responsible for the Company's risk management and internal control systems and reviewing their effectiveness at least annually. The risk management and internal control measures 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. The Board had conducted a review of the effectiveness of the risk management and internal control system of the Company in respect of the year ended 31 December 2024 covering all material controls, including financial, operational and compliance control, and considered the system effective and adequate. The Company has established an anti-corruption and whistleblowing policy to raise awareness of anti-corruption within the Group. The Board will regularly review the policy's implementation and achievements to combat corruption, promote integrity, and continuously reinforce organizational values consistent with the law, ethics, and responsibility.

The Group has an internal control department, and has designated relevant personnel who are responsible for identifying and monitoring the Group's risks and internal control issues and reports directly to the Board of any findings and follow-up actions. Each member of the Group is required to adhere strictly to the Group's internal control procedures and report to the internal control team of any risks or internal control measures.

The Audit Committee and management together monitor the implementation of the risk management policies (the “**Risk Management Policies**”) on an ongoing basis to ensure the policies and implementation are effective and sufficient. Arrangements are in place to identify, evaluate and manage significant risks including operation, tenant sourcing, procurement and cost, financial control and risk management. The Company’s management, under the supervision of the Board or a committee of the Board takes reasonable steps to (i) monitor compliance with the Risk Management Policies, and (ii) when appropriate, impose and enforce appropriate disciplinary measures for violations of the Risk Management Policies.

The Group has established a supervision department to perform internal audit function on the Group’s affairs. The supervision department is responsible for carrying out analysis and independent appraisal of the adequacy and effectiveness of the Company’s risk management and internal control systems. The supervision department reports to the Audit Committee on its findings and makes recommendations in respect of any issues identified by the external auditor of the Group.

### DISCLOSURE OF INSIDE INFORMATION

The Group has in place a framework for the disclosure of inside information by reference to the Guidelines on Disclosure of Inside Information issued by the Securities and Futures Commission. The framework sets out the procedures and internal controls for the handling and dissemination of inside information in an appropriate and timely manner, such as steps to ascertain sufficient details, conduct internal assessment of the matter and its likely impact on the Company, seek professional advice where required and verification of the facts. Before the information is fully disclosed to the public, any persons who possess the knowledge of such information must ensure strict confidentiality and must not deal in any of the Company’s securities.

### COMPANY SECRETARIES AND PRIMARY CONTACT OF THE COMPANY

The Company has appointed Ms. Leung Wai Yan and Ms. Zhang Yiting as the joint company secretaries of the Company. Ms. Leung Wai Yan is currently a manager of corporate services of Vistra Corporate Services (HK) Limited (a company secretarial service provider). Ms. Zhang Yiting is a capital director of the Company, another joint company secretary of the Company, and the primary contact of Ms. Leung Wai Yan at the Company.

In compliance with Rule 3.29 of the Listing Rules, each of Ms. Zhang Yiting and Ms. Leung Wai Yan has undertaken not less than 15 hours of relevant professional training to update their skills and knowledge during the year ended 31 December 2024.

### SHAREHOLDERS’ RIGHTS

#### Convening of Extraordinary General Meetings (“EGM”) by Shareholders

Pursuant to article 12.3 of the Articles of Association, the Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any one or more members holding together, as at the date of deposit of the requisition, shares representing not less than one-tenth of the paid up capital of the Company which carry the right of voting at general meetings of the Company. The written requisition shall be deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office of the Company, specifying the objects of the meeting and signed by the requisitionist(s).

If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

#### Putting forward proposals at Shareholders’ meetings

There are no provisions in the Articles of Association for the Shareholders to put forward proposals at general meetings. Shareholders who wish to put forward proposals may request the Company to convene an EGM in accordance with the procedures set out in the above paragraph headed “Convening of EGM by Shareholders”.

### Putting Forward Enquiries to the Board and Contact Details

For putting forward any enquiries to the Board of the Company, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: Powerlong Tower, 1399 Xinzhen Road, Minhang District, Shanghai, PRC (Postal Code: 201101)  
Telephone: (+86) 021-51759999  
E-mail address: boardteam9909@powerlong.com

### COMMUNICATION WITH SHAREHOLDERS AND INVESTORS RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavours to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. The Company has in place a shareholders' communication policy which encourages all forms of communication and welcomes feedback, questions, or concerns from Shareholders and aims to ensure that shareholders are provided with timely access to the Company's information. The policy sets out various channels to communicate with its Shareholders, such as:

- (i) publishing all corporate communications on the Company's website at <https://www.powerlongcm.com/>;
- (ii) publishing announcements on the websites of the Stock Exchange and the Company; and
- (iii) annual and extraordinary general meetings, if any, provide a forum for the Shareholders to make comments and exchange views with the Directors and senior management.

General meetings are valuable forums for direct communications between the Board and Shareholders. Shareholders are encouraged to participate in general meetings of the Company. Sufficient notice of general meetings will be given to Shareholders in accordance with the Articles of Association. The Directors and members of various Board committees, and if appropriate, the external auditors of the Company, will attend the general meetings of the Company. Shareholders can raise questions directly to the Board in respect of the performance and future development of the Group.

At the forthcoming annual general meeting, Directors (or their delegates as appropriate) will be available to meet Shareholders and answer their enquiries.

Based on the above, the Board considers that the Company's shareholders' communication policy remained effective during the year ended 31 December 2024.

### CHANGES IN CONSTITUTIONAL DOCUMENTS

The Company's Articles of Association are available on the respective website of the Stock Exchange and the Company. On 26 March 2024, the Board proposed to amend the existing memorandum and articles of association of the Company (the **"Existing Memorandum and Articles"**) to (i) bring the Existing Memorandum and Articles in line with the latest requirements under the Listing Rules, including the amendments to Rule 2.07A with respect to electronic dissemination of corporate communications which took effect from 31 December 2023; and (ii) incorporate certain corresponding and housekeeping amendments (the **"Proposed Amendments"**).

The Board proposed to effect the Proposed Amendments by way of adoption of the third amended and restated memorandum and articles of association (the **"Amended and Restated Memorandum and Articles"**) in substitution for, and to the exclusion of, the Existing Memorandum and Articles. The proposed adoption of the Amended and Restated Memorandum and Articles to incorporate the Proposed Amendments was approved by the Shareholders by way of a special resolution passed at the annual general meeting convened and held on 14 June 2024.

Save as disclosed above, during the year ended 31 December 2024, the Company did not make any significant changes to its constitutional documents.

### INDEPENDENCE MECHANISMS

The Company has in place mechanisms to ensure independent views and input are available to the Board. The Board shall at all times comprise at least three independent non-executive Directors that represent at least one-third of the Board, such that there is always a strong element of independence on the Board which can effectively exercise independent judgement. Each independent non-executive Director is required to provide an annual confirmation of his/her independence to the Company and the nomination committee of the Company is responsible to assess the independence and time commitment of each independent non-executive Director at least annually.

All the Directors (including the independent non-executive Directors) are given equal opportunities and channels to communicate and express their views to the Board during Board meetings and they have separate and independent access to the management of the Group in order to make informed decisions. To facilitate proper discharge of their duties, all the Directors are entitled to seek advice from the company secretary of the Company or, upon reasonable request, seek independent professional advice at the Company's expense. The chairman of the Board will hold meetings with the independent non-executive Directors without the involvement of other Directors at least annually to discuss any issues and concerns.

Any Director or his/her associate who has a conflict of interest in a matter to be considered by the Board will be dealt with by a physical Board meeting rather than by written resolutions. Such Director will be required to declare his/her interests before the meeting and abstain from voting and not counted towards the quorum on the relevant resolutions. Independent non-executive Directors who, and whose associates, have no interest in the matter should attend the Board meeting.

The Board has reviewed and considered that the existing mechanisms are effective in ensuring that independent views and input are provided to the Board during the year ended 31 December 2024.

# Report of the Directors

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

## DIRECTORS

The Directors who held office during the year ended 31 December 2024 and up to the date of this annual report are:

### Executive Directors:

Mr. Hoi Wa Fong (許華芳) (Chairman of the Board)

Mr. Chen Deli (陳德力) (resigned on 1 November 2024)

### Non-Executive Directors:

Mr. Zhang Yunfeng (張雲峰) (resigned on 27 August 2024)

Ms. Hoi Wa Fan (許華芬)

Ms. Hoi Wa Lam (許華琳)

### Independent Non-executive Directors:

Dr. Lu Xiongwen (陸雄文)

Ms. Ng Yi Kum, Estella (伍綺琴)

Mr. Chan Wai Yan, Ronald (陳惠仁)

Biographical details of the Directors and senior management of the Company are set out in the section headed “Directors and Senior Management” on pages 34 to 38 of this annual report.

## PRINCIPAL ACTIVITIES

The Group is a leading commercial operational service provider in China with principal business lines including:

- Commercial operational services: the Group provides full-chain services including positioning, tenant sourcing, opening, operation to management with respect to shopping malls and shopping streets, which primarily include (i) market research and positioning, tenant sourcing and opening preparation services to property developers or property owners during the preparation stage before the opening of a retail commercial property; (ii) commercial operation and management services during the operation stage of a retail commercial property to property owners or tenants; and (iii) property leasing services with respect to units located within the shopping streets and shopping malls.
- Residential property management services: the Group provides property management services for residential properties, office buildings and serviced apartments which primarily include (i) pre-sale management services to property developers during their pre-sale activities such as cleaning, security and maintenance of pre-sale display units and sales offices; (ii) property management services to property owners or property owners’ associations at the post-delivery stages such as security, cleaning, gardening and repair and maintenance services; and (iii) other value-added services to property owners, tenants or residents of our managed properties, such as pre-delivery preparation and trash handling services, common area, advertising space and car park management services.

Analysis of the principal activities of the Group during the year ended 31 December 2024 is set out in the section headed “Management Discussion and Analysis” of this annual report.

## BUSINESS REVIEW

A fair review of the business of the Group including an analysis of the Group’s financial performance and an indication of likely future developments in the Group’s business is set out in the section headed “Management Discussion and Analysis” and “Five-Year Financial Summary” of this annual report. These discussions form part of the Report of the Directors. The Group’s key relationship with its stakeholders (including employees, customers and suppliers) who have a significant impact on the Group and on which the Group’s success depends, is set out in this annual report. Events affecting the Group that have occurred since the end of the financial year ended 31 December 2024, if any, is set out in the section headed “Significant Events After The Balance Sheet Date” in this annual report.



### PRINCIPAL RISKS AND UNCERTAINTIES

The following list is a summary of certain principal risks and uncertainties facing the Group:

- changes in the PRC's economic conditions in general and the real estate market in particular;
- changes in disposable personal income in the PRC;
- changes in government regulations;
- changes in the supply of and demand for retail commercial operational and residential property management services;
- the ability to generate sufficient liquidity internally and obtain external financing;
- the ability to recruit and train competent employees;
- the ability to select and work with suitable third-party subcontractors and suppliers;
- the ability to understand the needs of tenants in the commercial properties where we provide commercial operational services and residents or tenants in the properties where we provide residential property management services;
- the ability to adapt to new markets where we have no prior experience and in particular, whether we can adapt to the administrative, regulatory and tax environments in such markets;
- the ability to leverage our brand names and to compete successfully in new markets, particularly against the incumbent players in such markets who might have more resources and experience than we do; and
- the ability to improve our administrative, technical, operational and financial infrastructure.

However, the above is not an exhaustive list. Investors are advised to make their own judgment or consult their own investment advisors before making any investment in the shares of the Company.

### ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to operate its business in compliance with applicable environmental protection laws and regulations and has implemented relevant environmental protection measures in compliance with the required standards under applicable PRC laws and regulations.

Further details of the Group's environmental policies and performance will be disclosed in the environmental, social and governance report of the Company for the year ended 31 December 2024.

### COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

As far as the Board and management are aware, the Group has complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the year ended 31 December 2024, there was no material breach of, or non-compliance, with applicable laws and regulations by the Group.

### HUMAN RESOURCES

The Group believes that the expertise, experience and professional development of the employees contribute to the growth of the Group. The human resources department of the Group manages, trains and hires employees. As at 31 December 2024, the Group had 5,566 employees (2023: 5,798), with a male to female ratio of 1.0:0.6. The Group believes in the importance of attraction, recruitment and retention of quality employees in achieving the Group's success. Our success depends on our ability to attract, retain and motivate qualified personnel. As part of our retention strategy, we offer employees performance-based cash bonuses and other incentives in addition to base salaries. The total remuneration expenses, for the year ended 31 December 2024 were RMB771.2 million, representing a decrease of 12.6% as compared to the previous year. The Group also participates in various employee social security plans for its employees, including housing provident fund, pension, medical insurance, social insurance and unemployment insurance. During the year ended 31 December 2024, the Group did not experience any significant labour disputes or any difficulty in recruiting employees.

## RETIREMENT BENEFITS SCHEME

The Group does not have any employee who is required to participate in the mandatory provident fund schemes in Hong Kong. The employees of the PRC subsidiaries are members of the state-managed retirement benefits scheme operated by the PRC government. There are no provisions under the scheme whereby forfeited contributions may be used to reduce future contributions. The employees of the PRC subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to this retirement benefits scheme is to make the required contributions under the scheme.

Details of the pension obligations of the Group are set out in Note 8 to the consolidated financial statements in this annual report.

## CONNECTED TRANSACTIONS

During the year ended 31 December 2024, the Group entered into the following connected transaction or continuing connected transactions, details of which were disclosed in compliance with the disclosure requirements under Chapter 14A of the Listing Rules.

### Continuing Connected Transactions

The following transactions constituted continuing connected transactions of the Group for the year ended 31 December 2024 which are subject to the reporting and annual review requirements under Chapter 14A of the Listing Rules:

#### 1. Car Parking Lots Management Services

##### *Background*

On 1 January 2019, the Company and Powerlong Real Estate Holdings Limited ("**Powerlong Holdings**", and together with its subsidiaries other than members of the Group, the "**Remaining Powerlong Group**") agreed to adopt a new car parking lots management arrangement, pursuant to which the Group would lease the car parking lots from the Remaining Powerlong Group and its associates and manage the car parking lots. Under such arrangement, the Group would pay an annual rent to the Remaining Powerlong Group and its associates, while the income generated from the car parking lots would be received by the Group from independent third party customers and this would not constitute continuing connected transactions for the Group.

On 10 December 2019, the Company (for itself and on behalf of its subsidiaries) entered into a car parking lots management services framework agreement with Powerlong Holdings (for itself and on behalf of the other members of the Remaining Powerlong Group and its associates) (the "**2019 Car Parking Lots Management Services Framework Agreement**"), pursuant to which the Group shall manage certain car parking lots owned by the Remaining Powerlong Group and/or its associates and subleased to customers in the properties managed by the Group (the "**Car Parking Lots Management Services**"), for a term commencing from the Listing Date to 31 December 2021. On 11 May 2022, the Company entered into a car parking lots management services framework agreement with Powerlong Holdings (for itself and on behalf of the other members of the Remaining Powerlong Group and its associates) (the "**2022 Car Parking Lots Management Services Framework Agreement**") to renew the 2019 Car Parking Lots Management Services Framework Agreement, for a term commencing from 1 January 2022 to 31 December 2023, both dates inclusive.

On 15 September 2023, the Company (for itself and on behalf of its subsidiaries) entered into a car parking lots management services framework agreement with Powerlong Holdings (for itself and on behalf of the other members of the Remaining Powerlong Group and its associates) (the "**2023 Car Parking Lots Management Services Framework Agreement**") to renew the 2022 Car Parking Lots Management Services Framework Agreement, for a term commencing from 1 January 2024 to 31 December 2026, both dates inclusive. The annual caps of the transactions contemplated under the 2023 Car Parking Lots Management Services Framework Agreement for the years ended/ending 31 December 2024, 2025 and 2026 are RMB149.9 million, RMB189.1 million and RMB222.4 million, respectively. For the year ended 31 December 2024, the annual fee paid/payable by the Group under the 2023 Car Parking Lots Management Services Framework Agreement was RMB77.2 million, within the annual cap of RMB149.9 million for the period.

### 2. Car Parking Lots Sales Agency Services

#### *Background*

On 11 May 2022, the Company (for itself and on behalf of its subsidiaries) entered into a car parking lots sales agency services framework agreement with Powerlong Holdings (for itself and on behalf of the other members of the Remaining Powerlong Group and its associates) (the “**Car Parking Lots Sales Agency Services Framework Agreement**”), pursuant to which the Powerlong Group shall engage the Group to provide sales agency services in respect of certain car parking lots owned by the Powerlong Group (the “**Exclusive Car Parking Lots**”) on an exclusive basis. During the term of the Car Parking Lots Sales Agency Services Framework Agreement, the Group shall be the exclusive service provider of the sales agency services and the Powerlong Group shall not engage other third parties for such services in respect of the Exclusive Car Parking Lots, nor to sell, transfer or dispose of in any other manner any of the Exclusive Car Parking Lots to third parties, unless otherwise agreed between the parties (the “**Exclusive Sales Agency Rights**”), for a term commencing from 11 May 2022 to 31 December 2024, both dates inclusive. In consideration of the granting of the Exclusive Sales Agency Rights, the Group shall pay a deposit to the Powerlong Group, which shall be 30% of the Agreed Value (the “**Deposit**”).

The annual cap for the agency fee receivable by the Group under the Car Parking Lots Sales Agency Services Framework Agreement for each of the year ended 31 December 2022, the year ended 31 December 2023 and the year ended 31 December 2024 is RMB40.0 million. The annual cap for the Deposit is RMB200.0 million.

For the year ended 31 December 2024, as audited by the auditor, the agency fee receivable by the Group and the highest outstanding amount of Deposit paid by the Group under the Car Parking Lots Sales Agency Services Framework Agreement were RMB1.2 million and RMB198 million respectively, within the annual cap of RMB40.0 million and RMB200 million respectively for the period.

### 3. Residential Property Management Services

#### *Background*

On 10 December 2019, the Company (for itself and on behalf of its subsidiaries) entered into a residential property management services framework agreement with Powerlong Holdings (for itself and on behalf of the other members of the Remaining Powerlong Group and its associates) (the “**2019 Residential Property Management Services Framework Agreement**”), pursuant to which the Group agreed to provide to the Remaining Powerlong Group and/or its associates residential property management services, including but not limited to (i) residential property management services for unsold units and sales offices owned by the Remaining Powerlong Group and/or its associates; and (ii) early stage initiation services, including but not limited to providing staff training before the delivery of the properties and initiation residential property management service before the completion of property projects, and housing inspection services on properties developed by the Remaining Powerlong Group and/or its associates upon completion of construction and before delivery of the same to homeowners (the “**Residential Property Management Services**”), for a term commencing from the Listing Date to 31 December 2021. On 8 September 2021, the Company and Powerlong Holdings entered into a framework agreement in relation to the provision by the Group of Residential Property Management Services to the Remaining Powerlong Group and/or its associates (the “**2021 Residential Property Management Services Framework Agreement**”) to renew the 2019 Residential Property Management Services Framework Agreement, which was approved by the independent shareholders of the Company at the extraordinary general meeting held on 10 November 2021 (the “**Effective Date**”) and became effective on the same day, for a term commencing on the Effective Date and ending on 31 December 2023, both dates inclusive. The 2019 Residential Property Management Services Framework Agreement was terminated on the Effective Date.

On 15 September 2023, the Company and Powerlong Holdings entered into a framework agreement in relation to the provision by the Group of Residential Property Management Services to the Remaining Powerlong Group and/or its associates (the “**2023 Residential Property Management Services Framework Agreement**”) to renew the 2021 Residential Property Management Services Framework Agreement, for a term commencing from 1 January 2024 to 31 December 2026, both dates inclusive. For the years ended/ending 31 December 2024, 2025 and 2026, the annual caps for the transactions contemplated under the 2023 Residential Property Management Services Framework Agreement are RMB151.0 million, RMB169.0 million and RMB182.0 million, respectively. The annual fee paid/payable by the Remaining Powerlong Group and/or its associates under the 2023 Residential Property Management Services Framework Agreement for the year ended 31 December 2024 was RMB27.5 million, within the annual cap of RMB151.0 million for the period.

#### 4. Commercial Operational Services

##### *Background*

On 10 December 2019, the Company (for itself and on behalf of its subsidiaries) entered into a commercial operational services framework agreement (the “**2019 Commercial Operational Services Framework Agreement**”) with Powerlong Holdings (for itself and on behalf of the other members of the Remaining Powerlong Group and its associates), pursuant to which the Group agreed to provide commercial operational services on the commercial buildings owned or operated by the Remaining Powerlong Group and/or its associates, including but not limited to, (i) market research and positioning, (ii) tenant sourcing and opening preparation; and (iii) tenant management and rent collection (the “**Commercial Operational Services**”), for a term commencing from the Listing Date to 31 December 2021. On 8 September 2021, the Company and Powerlong Holdings entered into a framework agreement in relation to the provision by the Group of Commercial Operational Services to the Remaining Powerlong Group and/or its associates (the “**2021 Commercial Operational Services Framework Agreement**”) to renew the 2019 Commercial Operational Services Framework Agreement, which was approved by the independent shareholders of the Company at the extraordinary general meeting held on 10 November 2021 and became effective on the same day, for a term commencing on the Effective Date and ending on 31 December 2023, both dates inclusive. The 2019 Commercial Operational Services Framework Agreement was terminated on the Effective Date.

On 15 September 2023, the Company and Powerlong Holdings entered into a framework agreement in relation to the provision by the Group of Commercial Operational Services to the Remaining Powerlong Group and/or its associates (the “**2023 Commercial Operational Services Framework Agreement**”) to renew the 2021 Commercial Operational Services Framework Agreement, for a term commencing from 1 January 2024 to 31 December 2026, both dates inclusive. For the years ended/ending 31 December 2024, 2025 and 2026, the annual caps for the transactions contemplated under the 2023 Commercial Operational Services Framework Agreement are RMB471.0 million, RMB573.2 million and RMB653.9 million, respectively. The annual fee paid/payable by the Remaining Powerlong Group and/or its associates under the 2023 Commercial Operational Services Framework Agreement for the year ended 31 December 2024 was RMB228.0 million, within the annual cap of RMB471.0 million for the period.

#### 5. Common Area and Advertising Space Management Services

##### *Background*

On 1 January 2019, the Company and Powerlong Holdings agreed to adopt a new common area and advertising space management arrangement, pursuant to which the Group would lease the common area and advertising space from the Remaining Powerlong Group and its associates and manage the common area and advertising space. Under such arrangement, the Group would pay an annual rent to the Remaining Powerlong Group and its associates, while the income generated from the common area and advertising space management would be received by the Group from independent third party customers and this would not constitute continuing connected transactions for the Group.

On 10 December 2019, the Company (for itself and on behalf of its subsidiaries) entered into a common area and advertising space management services framework agreement with Powerlong Holdings (for itself and on behalf of the other members of the Remaining Powerlong Group and its associates) (the “**2019 Common Area and Advertising Space Management Services Framework Agreement**”), pursuant to which the Group agreed to manage the common area and advertising space in the properties owned by the Remaining Powerlong Group and/or its associates and sublease to the independent third parties (the “**Common Area and Advertising Space Management Services**”), for a term commencing from the Listing Date to 31 December 2021. On 8 September 2021, the Company and Powerlong Holdings entered into a framework agreement in relation to the provision by the Group of Common Area and Advertising Space Management Services to the Remaining Powerlong Group and/or its associates (the “**2021 Common Area and Advertising Space Management Services Framework Agreement**”) to renew the 2019 Common Area and Advertising Space Management Services Framework Agreement, which was approved by the independent shareholders of the Company at the extraordinary general meeting held on 10 November 2021 and became effective on the same day, for a term commencing on the Effective Date and ending on 31 December 2023, both dates inclusive. The 2019 Common Area and Advertising Space Management Services Framework Agreement was terminated on the Effective Date.

On 15 September 2023, the Company and Powerlong Holdings entered into a framework agreement in relation to the provision by the Group of Common Area and Advertising Space Management Services to the Remaining Powerlong Group and/or its associates (the **"2023 Common Area and Advertising Space Management Services Framework Agreement"**) to renew the 2021 Common Area and Advertising Space Management Services Framework Agreement, for a term commencing from 1 January 2024 to 31 December 2026, both dates inclusive. For the years ended/ending 31 December 2024, 2025 and 2026, the annual caps for the transactions contemplated under the 2023 Common Area and Advertising Space Management Services Framework Agreement are RMB221.3 million, RMB255.1 million and RMB307.4 million, respectively. The annual rent paid/payable by the Group under the 2023 Common Area and Advertising Space Management Services Framework Agreement for the year ended 31 December 2024 was RMB170.5 million, within the annual cap of RMB221.3 million for the period.

Powerlong Holdings is a controlling shareholder of the Company and is therefore a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under each of (i) the 2019 Car Parking Lots Management Services Framework Agreement, 2022 Car Parking Lots Management Services Framework Agreement and 2023 Car Parking Lots Management Services Framework Agreement (the **"Car Parking Lots Management Services Framework Agreements"**); (ii) the Car Parking Lots Sales Agency Services Framework Agreement; (iii) the 2019 Residential Property Management Services Framework Agreement, 2021 Residential Property Management Services Framework Agreement and 2023 Residential Property Management Services Framework Agreement (the **"Residential Property Management Services Framework Agreements"**); (iv) the 2019 Commercial Operational Services Framework Agreement, 2021 Commercial Operational Services Framework Agreement and 2023 Commercial Operational Services Framework Agreement (the **"Commercial Operational Services Framework Agreements"**); and (v) the 2019 Common Area and Advertising Space Management Services Framework Agreement, 2021 Common Area and Advertising Space Management Services Framework Agreement and 2023 Common Area and Advertising Space Management Services Framework Agreement (the **"Common Area and Advertising Space Management Services Framework Agreements"**) constitute continuing connected transactions of the Group under Chapter 14A of the Listing Rules.

Further details of the 2019 Car Parking Lots Management Services Framework Agreement, the 2019 Residential Property Management Services Framework Agreement, the 2019 Commercial Operational Services Framework Agreement and the 2019 Common Area and Advertising Space Management Services Framework Agreement are set out under the section headed "Connected Transactions" in the Prospectus. Further details of the 2021 Residential Property Management Services Framework Agreement, the 2021 Commercial Operational Services Framework Agreement and the 2021 Common Area and Advertising Space Management Services Framework Agreement are set out in the circular of the Company dated 15 October 2021. Further details of the 2022 Car Parking Lots Management Services Framework Agreement and the Car Parking Lots Sales Agency Services Framework Agreement are set out in the announcements of the Company dated 11 May 2022 and 6 June 2022. Further details of the 2023 Car Parking Lots Management Services Framework Agreement, the 2023 Residential Property Management Services Framework Agreement, 2023 Commercial Operational Services Framework Agreement and the 2023 Common Area and Advertising Space Management Services Framework Agreement are set out in the circular of the Company dated 31 October 2023.

## 6. Digitalization Service Agreement

### *Background*

On 20 November 2020, the Company entered into the digitalization service agreement (**"2020 Digitalization Service Agreement"**) with Shanghai Yueshang, pursuant to which, Shanghai Yueshang agreed that it will provide digitalization technology services to the Group, including but not limited to building internet digital services, information systems and hardware deployment for the Group on a project-by-project basis, for a term commencing from 20 November 2020 and ending on 31 December 2022. As it was anticipated that the existing annual cap for the year ended 31 December 2022 for the procurement of Digitalization Services under the 2020 Digitalization Services Agreement would be insufficient to meet the business needs of the Group, on 11 May 2022, the relevant annual cap for the year ended 31 December 2022 was revised from RMB5.0 million to RMB15.0 million.

On 16 June 2023, the Company entered into the digitalization service agreement (**"2023 Digitalization Service Agreement"**) with Shanghai Yueshang to renew the 2020 Digitalization Service Agreement, pursuant to which, Shanghai Yueshang agreed that it will provide digitalization technology services to the Group, including but not limited to building internet digital services, information systems and hardware deployment for the Group on a project-by-project basis, for a term commencing from 16 June 2023 and ending on 31 December 2025, both dates inclusive. For the years ended/ending 31 December 2023, 2024 and 2025, all of the annual cap for the transactions contemplated under the 2023 Digitalization Service Agreement is RMB15.0 million.

## Report of the Directors

The annual fee paid/payable by the Group under the 2023 Digitalization Service Agreement for the year ended 31 December 2024 was RMB7.4 million, within the annual cap for the period of RMB15.0 million.

As at the date of the 2023 Digitalization Service Agreement, Shanghai Yueshang was owned as to 33.8% by Mr. Hoi Wa Fong, an executive Director of the Company and as to 8.3% by Shanghai Jiashang Digital Technology Company Limited, a wholly-owned subsidiary of the Company, with the remaining 57.9% interests being owned by other independent third parties. By virtue of Mr. Hoi Wa Fong's interest in Shanghai Yueshang, Shanghai Yueshang is therefore an associate of Mr. Hoi Wa Fong and hence a connected person at the listed issuer level of the Company under the Listing Rules. Accordingly, the transactions contemplated under the 2023 Digitalization Service Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Further details of the 2020 Digitalization Service Agreement and the 2023 Digitalization Service Agreement are set out in the announcements of the Company dated 20 November 2020, 11 May 2022 and 16 June 2023.

### Confirmation from Independent Non-executive Directors

Pursuant to Rule 14A.55 of the Listing Rules, all the independent non-executive Directors have reviewed the 2023 Car Parking Lots Management Services Framework Agreements, the Car Parking Lots Sales Agency Services Framework Agreement, the 2023 Residential Property Management Services Framework Agreement, the 2023 Commercial Operational Services Framework Agreement, the 2023 Common Area and Advertising Space Management Services Framework Agreement and the 2023 Digitalization Service Agreement as mentioned above (collectively known as the **"Agreements"**), and confirmed the Agreements have been entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) on normal commercial terms or better; and
- (c) according to the agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

### Confirmations from the Company's Independent Auditor

In accordance with Rule 14A.56 of the Listing Rules, the Group has engaged its auditor (the **"Auditor"**) 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 their unqualified letter to the Board containing their findings and conclusions in respect of the aforesaid continuing connected transactions conducted by the Group for the year ended 31 December 2024 and have confirmed that nothing has come to their attention that causes them to believe that the continuing connected transactions mentioned above (i) have not been approved by the Board; (ii) were not, in all material respects, in accordance with the pricing policies of the Group; (iii) were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and (iv) have exceeded the respective annual caps.

## RELATED PARTY TRANSACTIONS

Details of the related party transactions of the Group for the year ended 31 December 2024 are set out in Note 33 to the consolidated financial statements.

The related party transactions set out in Note 33 to consolidated financial statements include related party transactions disclosed under accounting standards and related party transactions which also constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules, and the details of such continuing connected transactions have been disclosed in "Connected Transactions" above. The related party transactions in respect of the remuneration of directors and chief executives of the Company constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules. However, these transactions are exempt from reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. The related party transactions in respect of the remuneration of key management personnel (other than directors and chief executives) of the Company did not fall under the definition of connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules. Unless otherwise disclosed in this annual report, the Directors believe, that all other related party transactions set out in Note 33 to the consolidated financial statements do not fall within the definition of "Connected Transactions" or "Continuing Connected Transactions" under Chapter 14A of the Listing Rules (as the case may be). The Directors of the Company confirmed that they have complied with the disclosure requirements in Chapter 14A of the Listing Rules for the year ended 31 December 2024.



### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the share award scheme of the Company as disclosed under “Share Award Scheme” below, at no time during the year ended 31 December 2024 was the Company, its holding company, or any of its subsidiaries, a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities including debentures of, the Company or any other body corporate.

### MAJOR CUSTOMERS AND SUPPLIERS

Our customers primarily consist of property developers, property owners, property owners’ associations and tenants.

For the year ended 31 December 2024, the revenue amounts from the Group’s five largest customers accounted for 10.7% (2023: 16.1%) of the Group’s total revenue and the revenue amount from the Group’s single largest customer, the Remaining Powerlong Group, accounted for 9.8% (2023: 14.9%) of the Group’s total revenue.

Other than the Remaining Powerlong Group and its joint ventures or associates which are real estate developers, the Group’s customers during the year ended 31 December 2024 were all independent third parties.

Saved as disclosed above, none of the Directors, Shareholders, members of senior management, the close associates of the aforementioned or any other member of the Group who owned more than 5% of the Company’s issued share capital held any interest in any of the Group’s five largest customers other than the Remaining Powerlong Group. During the year ended 31 December 2024, other than the Remaining Powerlong Group, none of the Group’s major suppliers was the Group’s customer.

The Group’s suppliers primarily consist of advertising and public relations companies, subcontractors and suppliers providing cleaning, gardening services, security, fire security, event planning and executing, and repair and maintenance services, property owners, owners of units located in the shopping streets and owners of certain shopping mall.

For the year ended 31 December 2024, the purchases amount from the Group’s five largest suppliers accounted for 35.7% (2023: 31.7%) of the Group’s total purchases and the purchases amount from the Group’s single largest customer, the Remaining Powerlong Group, accounted for 19.4% (2023: 17.0%) of the Group’s total purchases.

During the year ended 31 December 2024, other than the Remaining Powerlong Group, none of the Group’s major suppliers was also the Group’s customer and all of the Group’s major suppliers were independent third parties. The Remaining Powerlong Group was also the Group’s single largest customer during the year ended 31 December 2024.

Saved as disclosed above, none of the Directors, their close associates or any Shareholders who, to the knowledge of the Directors, owned more than 5% of the Company’s issued share capital, had any interest in any of the Group’s five largest suppliers other than the Remaining Powerlong Group.

### FINANCIAL SUMMARY

A summary of the audited consolidated results and the assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements, is set out on pages 151 to 152 of this annual report. This summary does not form part of the audited consolidated financial statements.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the 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 the existing Shareholders.

### TAX RELIEF AND EXEMPTION FOR HOLDERS OF LISTED SECURITIES

The Company is not aware of any tax relief or exemption available to the Shareholders of the Company by reason of their respective holding of the Company's securities. Shareholders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications (including tax relief) of subscribing for, purchasing, holding, disposing of or dealing in the securities of the Company.

### SUBSIDIARIES

Particulars of the Company's subsidiaries are set out in Note 11 to the consolidated financial statements.

### PROPERTY AND EQUIPMENT

Details of movements in the property and equipment of the Company and the Group during the year ended 31 December 2024 are set out in Note 14 to the consolidated financial statements.

### SHARE CAPITAL AND SHARES ISSUED

Details of movements in the share capital of the Company for the year ended 31 December 2024 and details of the Shares issued during the year ended 31 December 2024 are set out in Note 25 to the consolidated financial statements.

### SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the Board, as at 31 December 2024 and the date of this annual report, the Company has maintained the public float as required under the Listing Rules.

### DONATION

During the year ended 31 December 2024, the Group did not make any substantial charitable donations (31 December 2023: Nil).

### DEBENTURE ISSUED

The Group did not issue any debenture during the year ended 31 December 2024 (31 December 2023: Nil).

### EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into by the Group during the year ended 31 December 2024 (31 December 2023: Nil).

### RESULTS AND DIVIDENDS

The consolidation results of the Group for the year ended 31 December 2024 are set out in the consolidated statement of profit or loss and other comprehensive income on page 77.

The Board did not recommend the payment of a final dividend for the year ended 31 December 2024.

There is no arrangement that a shareholder of the Company has waived or agreed to waive any dividend.

### PERMITTED INDEMNITY

Pursuant to the Articles of Association and subject to the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in or about the execution of their duty in their offices.

Such permitted indemnity provision has been in force for the year ended 31 December 2024. The Company has taken out liability insurance to provide appropriate coverage for the Directors.

### RESERVES AND DISTRIBUTABLE RESERVES

Details of the movements in the reserves of the Group and of the Company during the year ended 31 December 2024 are set out in the consolidated statement of changes in equity and Note 26 to the consolidated financial statements.

As at 31 December 2024, the reserves of the Company available for distribution were approximately RMB831.4 million (2023: approximately RMB734.6 million).

### BANK LOANS AND OTHER BORROWINGS

During the year ended 31 December 2024, the Group had no bank loans and other borrowings (31 December 2023: Nil).

### DIRECTORS' SERVICE CONTRACTS

The Directors have renewed their service contracts (for executive Directors) or letters of appointment (for non-executive Directors and independent non-executive Directors) with the Company for a term of 3 years with effect from 30 December 2022.

None of the Directors has any unexpired service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than normal statutory compensation.

### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Connected Transactions" and the related party transactions as set out in Note 33 to the consolidated financial statements, none of the Directors nor any entity connected with the Directors had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party subsisting during or at the end of the year ended 31 December 2024.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2024, none of the Directors or their respective close associates (as defined in the Listing Rules) had any interest in a business that competed or was likely to compete, either directly or indirectly, with the business of the Group, other than being a director of the Company and/or its subsidiaries.

### COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

The emoluments of the Directors and senior management of the Group are decided by the Board with reference to the recommendation given by the Remuneration Committee, having regard to the individual performance and comparable market statistics.

Details of the Directors' emoluments and emoluments of the four senior management personnel in the Group are set out in Note 35 and Note 8 to the consolidated financial statements.

For the year ended 31 December 2024, no emoluments were paid by the Group to any Director or any of the four senior management personnel as an inducement to join or upon joining the Group or as compensation for loss of office. None of the Directors has waived or agreed to waive any emoluments for the year ended 31 December 2024.

Except as disclosed above, no other payments have been made or are payable, for the year ended 31 December 2024, by the Group to or on behalf of any of the Directors.

### CONTRACTS WITH CONTROLLING SHAREHOLDERS

Other than disclosed in the sections headed "Continuing Connected Transactions", "Related Party Transactions" and "Management Discussion and Analysis" and Note 33 to the consolidated financial statements contained in this annual report, no contract of significance was entered into between the Company or any of its subsidiaries (on one hand) and the Controlling Shareholders or Powerlong Holdings or any of its subsidiaries (on the other hand) during the year ended 31 December 2024 or subsisted at the end of the year and no contract of significance for the provision of services to the Company or any of its subsidiaries by a Controlling Shareholder or Powerlong Holdings or any of its subsidiaries was entered into during the year ended 31 December 2024 or subsisted at the end of the year.

### DEED OF NON-COMPETITION

On 10 December 2019, each of the Controlling Shareholders entered in to a deed of non-competition (the "**Deed of Non-competition**") in favor of the Company, pursuant to which each of the Controlling Shareholders has, among other things, irrevocably and unconditionally, jointly and severally given certain non-competition undertakings to the Company. Details of the Deed of Non-competition are set out in the section headed "Relationship with Controlling Shareholders – Deed of Non-Competition" in the Prospectus.

The Controlling Shareholders confirmed that they and their respective close associates had complied with the Deed of Non-competition for the year ended 31 December 2024. The independent non-executive Directors conducted a review of compliance with such undertakings for the year ended 31 December 2024 and were satisfied that the Deed of Non-competition had been fully complied with for the year ended 31 December 2024.

### RELATIONSHIP WITH STAKEHOLDERS

The Group recognises that employees, customers and business partners are keys to its sustainable development. The Group is committed to establishing a close and caring relationship with its employees, providing quality services to its customers and enhancing cooperation with its business partners. The Company provides a fair and safe workplace, promotes diversity to its staff, provides competitive remuneration and benefits and career development opportunities based on their merits and performance. The Group also puts ongoing efforts to provide adequate trainings and development resources to the employees so that they can keep abreast of the latest development of the market and the industry and, at the same time, improve their performance and self-fulfillment in their positions. Further details in relation to the development and remuneration of the Group's employees are set out in the paragraph headed "Human Resources" in this annual report.

The Group understands that it is important to maintain good relationship with customers and provide the products in a way that satisfies needs and requirements of the customers. The Group enhances the relationship by continuous interaction with customers to gain insight on the changing market demand for the products so that the Group can respond proactively. The Group has also established procedures in place for handling customers' complaints to ensure customers' complaints are dealt with in a prompt and timely manner.

The Group is also dedicated to developing good relationship with suppliers and contractors as long-term business partners to ensure stability of the Group's business. The Group reinforces business partnerships with suppliers and contractors by ongoing communication in a proactive and effective manner so as to ensure quality and timely delivery.

### 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.

### AUDITOR

References are made to the announcements of the Company dated 24 March 2022, 3 September 2024 and 28 October 2024.

With effect from 24 March 2022, PricewaterhouseCoopers ("**PwC**") resigned as the auditor of the Company and Elite Partners was appointed by the Board to fill the casual vacancy following the resignation of PwC. Elite Partners was reappointed as the auditor of the Company by the Shareholders at the annual general meetings of the Company held on 16 June 2023 and 16 June 2024, respectively.

With effect from 3 September 2024, Elite Partners resigned as the auditor of the Company. The Board resolved, having regard to the recommendation from the Audit Committee, to approve the appointment of KTC Partners as the new auditor of the Company with effect from 28 October 2024 to fill the casual vacancy following the resignation of Elite Partners. KTC Partners, which shall retire at the forthcoming annual general meeting of the Company, has audited the consolidated financial statements for the year ended 31 December 2024. The Company proposes to re-appoint KTC Partners as the auditor of the Company at the forthcoming annual general meeting of the Company.

Save as disclosed above, there was no change in the external auditor of the Company for the three years preceding the date of this annual report.

### CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

Save as disclosed in this annual report, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

### ANNUAL GENERAL MEETING

The 2025 annual general meeting (the "**2025 AGM**") will be held on Friday, 13 June 2025. Notice of the 2025 AGM and all other relevant documents will be published and despatched to shareholders of the Company in due course.

### CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 10 June 2025 to Friday, 13 June 2025, both days inclusive and during which period no share transfer will be effected, for the purpose of ascertaining shareholders' entitlement to attend and vote at the 2025 AGM. In order to be eligible to attend and vote at the 2025 AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, 9 June 2025.

## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at 31 December 2024, the interests and short positions of our Directors or chief executives of our Company in the shares, underlying shares and debentures of our Company or its associated corporation (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as contained in Appendix C3 to the Listing Rules were as follows:

### (i) Long position in shares and underlying shares of the Company

Name of Director	Number of ordinary shares				Total	Approximate percentage of holding <sup>(1)</sup>
	Personal interests	Beneficiary of a trust	Interest of a controlled corporation	Other interests		
Mr. Hoi Wa Fong	—	—	23,572,000 <sup>(2)</sup>	1,500,000 <sup>(3)</sup>	25,072,000	3.90%

Notes:

- (1) The calculation of the percentages is based on the total number of issued shares of the Company (i.e. 642,900,000 shares) as at 31 December 2024.
- (2) Huihong Management (PTC) Limited ("**Huihong Management**"), the trustee of the Huihong Trust, is wholly-owned by Mr. Hoi Wa Fong for the purpose of a share award scheme (the "**Huihong Share Award Scheme**") to be adopted at least six months after the Listing. The Huihong Share Award Scheme was adopted by Huihong Management on 31 December 2020. Further details are set out in the announcement of the Company dated 31 December 2020. By virtue of the SFO, Mr. Hoi Wa Fong is deemed to be interested in the shares held by Huihong Management.
- (3) These shares are held by Sky Infinity Holdings Limited, which is wholly-owned by Sky Infinity Family Limited, which is in turn wholly-owned by TMF (Cayman) Ltd. in its capacity as the trustee of the Sky Infinity Trust, a discretionary trust of which Mr. Hoi Wa Fong is the settlor. By virtue of the SFO, Mr. Hoi Wa Fong is deemed to be interested in the shares held under the Sky Infinity Trust.



## Report of the Directors

### (ii) Long position in shares of associated corporations

Name of Director	Name of associated corporation	Number of ordinary shares				Total	Approximate percentage of holding <sup>(1)</sup>
		Personal interests	Interests of spouse	Interests of a controlled corporation	Other interests		
Mr. Hoi Wa Fong	Powerlong Holdings	–	503,400 <sup>(2)</sup>	–	597,568,000 <sup>(3)</sup>	598,071,400	14.44%
Ms. Hoi Wa Fan	Powerlong Holdings	61,470,000	–	226,623,000 <sup>(4)</sup>	–	288,093,000	6.96%

Notes:

- (1) The calculation of the percentages is based on the total number of 4,140,403,000 shares in issue of Powerlong Holdings as at 31 December 2024.
- (2) These shares are held by Ms. Shih Sze Ni Cecilia, the spouse of Mr. Hoi Wa Fong.
- (3) These shares are held by Sky Infinity Holdings Limited, which is wholly-owned by Sky Infinity Family Limited, which is in turn wholly-owned by TMF (Cayman) Ltd. in its capacity as the trustee of the Sky Infinity Trust, a discretionary trust of which Mr. Hoi Wa Fong is the settlor. Pursuant to the SFO, Mr. Hoi Wa Fong is deemed to be interested in the shares held under the Sky Infinity Trust.
- (4) These shares are held by Walong Holdings Limited and Mantong (HK) Trading Co., Ltd, which are wholly and beneficially owned by Ms. Hoi Wa Fan.

Save as disclosed above, as at 31 December 2024, none of the Directors or the chief executives of the Company had, or were deemed to have, any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or (b) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at 31 December 2024, so far as the Directors are aware, the following persons (other than the Directors or chief executive of the Company) and companies 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:

### (i) Long position in shares of the Company

Name of Shareholder	Capacity/Nature of interest	Number of ordinary shares	Approximate percentage of holding <sup>(1)</sup>
Mr. Hoi Kin Hong <sup>(2)</sup>	Settlor of a discretionary trust	405,000,000	63.00%
Powerlong Real Estate (BVI) Holdings Limited ("Powerlong BVI Holdings") <sup>(2)</sup>	Beneficial owner	405,000,000	63.00%
Powerlong Holdings <sup>(2)</sup>	Interest in a controlled corporation	405,000,000	63.00%
Skylong Holdings Limited <sup>(2)</sup>	Interest in a controlled corporation	405,000,000	63.00%
Skylong Family Limited <sup>(2)</sup>	Interest in a controlled corporation	405,000,000	63.00%
TMF (Cayman) Ltd. <sup>(2)</sup>	Trustee	405,000,000	63.00%
Ms. Wong Lai Chan <sup>(3)</sup>	Interest of spouse	405,000,000	63.00%

Notes:

- The calculation of the percentages is based on the total number of issued shares of the Company (i.e. 642,900,000 shares) as at 31 December 2024.
- Powerlong BVI Holdings is wholly-owned by Powerlong Holdings, which is in turn owned as to approximately 44.15% by Skylong Holdings Limited, a company wholly-owned by Mr. Hoi Kin Hong, which is wholly-owned by Skylong Family Limited, which is in turn wholly-owned by TMF (Cayman) Ltd. in its capacity as the trustee of The Skylong Trust, a discretionary trust of which Mr. Hoi Kin Hong is the settlor. By virtue of the SFO, each of Powerlong Holdings, Skylong Holdings Limited, Skylong Family Limited, TMF (Cayman) Ltd. and Mr. Hoi Kin Hong is deemed to be interested in the same number of shares in which Powerlong BVI Holdings is interested.
- Ms. Wong Lai Chan is the spouse of Mr. Hoi Kin Hong. By virtue of the SFO, Ms. Wong Lai Chan is deemed to be interested in the shares held by Mr. Hoi Kin Hong.

### SHARE AWARD SCHEME

On 10 September 2020, the Board of the Company resolved to adopt a share award scheme (the “**Share Award Scheme**”). A summary of the major terms is set out below:

#### Purposes and Objectives

1. to recognise and motivate the contributions by certain eligible participants and to give incentives thereto in order to retain them for the continual operation and development of the Group;
2. to attract suitable personnel for further development of the Group; and
3. to provide certain eligible participants with a direct economic interest in attaining a long-term relationship between the Group and certain eligible participants.

#### Eligible Participants

The eligible participants of the Share Award Scheme (the “**Eligible Participants**”) include the following classes of persons:

- (a) any employee of the Group;
- (b) any non-executive directors (including independent non-executive directors) of the Company, any subsidiary or any entity in which any member of the Group holds any equity interest;
- (c) any adviser (professional or otherwise), consultant to or expert in any area of business or business development of any member of the Group or any entity in which any member of the Group holds any equity interest; and
- (d) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group.

#### Administration

The Share Award Scheme shall be subject to the administration of the Board. In the event that a Selected Participant or his/her associate is a member of the Board, such person will abstain from voting on any approval by the Board of an award of Shares to such Selected Participant. The Board may, by passing resolutions, appoint any one or more senior management of the Company as authorised representative(s) to give instructions or notices to Tricor Trust (Hong Kong) Limited (the “**Trustee**”) on all matters in connection with the Share Award Scheme and other matters in the routine administration of the trust constituted by the trust deed which establishes the Share Award Scheme (the “**Trust Deed**”).

The Trustee will hold the Shares and the income derived therefrom in accordance with the rules of the Share Award Scheme (the “**Scheme Rules**”) and subject to the terms of the Trust Deed.

#### Duration

Subject to any early termination as may be determined by the Board pursuant to the Scheme Rules, the Share Award Scheme shall be valid and effective for a term of 10 years commencing on 10 September 2020. The Share Award Scheme will have a remaining term of approximately 6 years as at the date of this annual report.

#### Maximum Limit

The Board shall not make any further grant of award of Shares under the Share Award Scheme such that the total number of Shares granted under the Share Award Scheme will exceed 5% of the total number of issued Shares as of 10 September 2020 (being 31,075,000 shares, representing approximately 4.83% of the issued share capital of the Company as at the date of this report).

The Board shall not instruct the Trustee to subscribe for and/or purchase any Shares for the purpose of the Share Award Scheme when such subscription and/or purchase will exceed 5% of the total number of issued Shares as of 10 September 2020.

There is no maximum entitlement to each awardee.

## Report of the Directors

### Operation

Pursuant to the terms of the Share Award Scheme, the Board may, from time to time, at its absolute discretion select any Eligible Participant(s) for participation in the Share Award Scheme as a selected participant and determine the number of Shares to be awarded. The Trustee shall purchase from the open market or subscribe for the relevant number of Shares awarded and shall hold such Shares until they are vested in accordance with the terms of the Share Award Scheme.

### Share Award to Directors and/or Connected Persons

Shares may be awarded to Eligible Participants, including the directors of the Company and/or its subsidiaries and/or connected persons of the Company. If Shares are awarded to any director of the Company and/or its subsidiaries and/or connected persons of the Company, such awards shall constitute connected transactions under Chapter 14A of the Listing Rules and the Company shall comply with the relevant requirements under the Listing Rules.

### Movement of Share Awards

On 24 November 2020, as the grant date, the Company resolved to award (the “**Award**”) an aggregate of 11,250,000 awarded shares (“**Awarded Shares**”) to Mr. Chen Deli. Such Awarded Shares were issued to the Trustee and held on trust for Mr. Chen Deli pursuant to the terms of the Trust Deed. The Awarded Shares shall be vested in two tranches: (1) 50% of the Awarded Shares shall be vested on 1 June 2023; and (2) 50% of the Awarded Shares shall be vested on 1 June 2025. These Awarded Shares shall be transferred at no consideration to Mr. Chen Deli after the relevant vesting conditions are fulfilled.

Further details of the Share Award Scheme and the Award are set out in the announcement of the Company dated 10 September 2020 and the circular of the Company dated 6 November 2020.

On 1 June 2023, 50% of the Awarded Shares (being 5,625,000 Shares) were vested in and transferred to Mr. Chen Deli at no consideration.

As Mr. Chen Deli resigned as executive Director and the chief executive officer of the Company and ceased to hold any position in the Group with effect from 1 November 2024, the remaining 50% of the Awarded Shares (being 5,625,000 Shares) did not vest in him and the Award thereof automatically lapsed on the same date. As there was no immediate plan to grant any further award of Shares to any Eligible Participants under the Share Award Scheme, the Company instructed the Trustee to sell the unvested Awarded Shares on the open market, and the Trustee did not hold any Shares as at 31 December 2024 and the date of this report.

The table below sets forth the movement of the outstanding share awards under the Share Award Scheme during the year ended 31 December 2024:

Category of participants	Date of award	Unvested awarded Shares as at 1 January 2024	Awarded during the year ended 31 December 2024	Vested during the year ended 31 December 2024	Lapsed or cancelled during the year ended 31 December 2024	Unvested awarded shares as at 31 December 2024	Vesting date
Director Mr. Chen Deli	10 September 2020 (Note 1)	5,625,000	–	–	5,625,000	–	1 June 2025 (Notes 2 and 3)
<b>Total</b>		<b>5,625,000</b>	<b>–</b>	<b>–</b>	<b>5,625,000</b>	<b>–</b>	

## Report of the Directors

### Notes:

1. The grant of the Award was approved by the Board on 10 September 2020 and the shareholders of the Company on 24 November 2020. The closing price of the Shares as at 10 September 2020 and 24 November 2020 as quoted on the Stock Exchange was HK\$24.30 and HK\$20.15 per Share, respectively.
2. The Award was subject to certain vesting conditions, including but not limited to the (a) satisfaction of corporate culture value, including honesty and effective communication and understanding of the corporate mission as well as dedication to the Company's development (whether business-related and/or people-oriented), on the part of Mr. Chen; (b) Mr. Chen had not been degraded from his then existing title within the Group on the relevant vesting date(s); and (c) satisfaction of the financial performance target of the Group.
3. Subject to the satisfaction of the vesting conditions, the 5,625,000 Awarded Shares shall be transferred by the Trustee to Mr. Chen Deli (or such other entities as designated and wholly-owned by him) at no consideration upon vesting of such Awarded Shares on 1 June 2025. As Mr. Chen Deli resigned as executive Director and the chief executive officer of the Company and ceased to hold any position in the Group with effect from 1 November 2024, the 5,625,000 Awarded Shares did not vest in him and the Award thereof automatically lapsed on the same date.

Save as disclosed above, for the year ended 31 December 2024, no awarded shares had been awarded, vested, cancelled or lapsed under the Share Award Scheme.

As at 1 January 2024 and 31 December 2024, the number of Shares available for grant under the Share Award Scheme was 19,825,000 Shares and 25,450,000 Shares, representing approximately 3.08% and 3.96% of the Company's issued share capital as at the date of this report, respectively.

As no Awarded Shares were granted by the Company under the Share Award Scheme during the year ended 31 December 2024, the disclosure requirements under Rules 17.07(1)(c) and 17.07(3) of the Listing Rules are not applicable to the Company for the purpose of this report.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company was incorporated in the Cayman Islands on 25 March 2019 with limited liability, and the shares of the Company were listed on the Main Board of the Stock Exchange on 30 December 2019.

The Company is committed to the establishment of good corporate governance practices and procedures with a view to enhancing investors' confidence in the Company and the Company's accountability. The Company therefore strives to attain and maintain effective corporate governance practices and procedures.

The Company has adopted the principles and code provisions of the CG Code set out in Part 2 of Appendix C1 to the Listing Rules as the basis of the Company's corporate governance practices, and the CG Code (as amended from time to time) has been applicable to the Company with effect from the Listing Date.

The Directors are of the view that the Company had complied with all applicable code provisions contained in Part 2 of Appendix C1 to the Listing Rules during the year ended 31 December 2024. Save and except for code provision C.2.1 of the CG Code which stipulates that the roles of chairman and the chief executive should be separate and should not be performed by the same individual.

Please refer to the sub-section headed "Chairman and Chief Executive Officer" for details.

## COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code of conduct regarding the Directors' dealings in the securities of the Company. The provisions under the Listing Rules in relation to compliance with the Model Code by the Directors regarding securities transactions have been applicable to the Company since the Listing Date.

Having made specific enquiry of all the Directors of the Company, all the Directors confirmed that they have strictly complied with the required standards set out in the Model Code during the year ended 31 December 2024.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including any sale of treasury shares) during the year ended 31 December 2024. The Company did not have any treasury shares as at 31 December 2024.

## USE OF NET PROCEEDS

### (i) Use of Net Proceeds from Initial Public Offering and Over Allotment

The Company was listed on the main board of the Stock Exchange on 30 December 2019. The net proceeds from the Listing was approximately HK\$1,380.5 million (equivalent to approximately RMB1,236.9 million). On 22 January 2020, the Company exercised the over-allotment option and issued 22,500,000 shares at a price of HK\$9.5 per share. Discounting the transaction costs attributable to the exercise of the over-allotment option, net proceeds from the over-allotment amounted to approximately HK\$208.0 million (equivalent to approximately RMB184.6 million). The Company intends to apply the proceeds from the over-allotment in proportion to the use of proceeds stated in the Prospectus. The net proceeds from the initial public offering and the over allotment amounted to approximately HK\$1,588.5 million.

As set out in the Prospectus, the Company intended to use such proceeds for the purposes as follows: (i) approximately 50% of the proceeds will be used to pursue strategic acquisitions of other small to medium-sized commercial operational service providers in order to scale up its commercial operational service business and expand its commercial operational service portfolio; (ii) approximately 25% of the proceeds will be used to upgrade its information technology systems for digitization and smart operation and management, aiming to enhance consumer experience, improve the quality of services provided to the Group's tenants and improve operational efficiency; (iii) approximately 10% of the proceeds will be used to make equity investment in certain tenants with an aim of establishing close strategic cooperation with them; (iv) approximately 5% of the proceeds will be used for the renovation of retail commercial properties developed or owned by independent third parties under the asset-light business model; and (v) approximately 10% of the proceeds will be used for general business purpose and as working capital of the Group.

On 30 June 2023, the Company revised the use of unutilised Net IPO Proceeds. For details, please refer to the Company's announcement dated 30 June 2023.



## Report of the Directors

As at 31 December 2024, the use of the Net IPO Proceeds together with the expected timeline of use are as follows:

	Intended use of the Net IPO Proceeds as stated in the Prospectus	Intended use of the Net IPO Proceeds subsequent to re-allocation	Actual use of the Net IPO Proceeds during the year ended 31 December 2024	Actual use of the Net IPO Proceeds as of 31 December 2024	Unutilised Net IPO Proceeds as of 31 December 2024	Expected timetable
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	
(i) Pursue strategic acquisition of and investment in other commercial operational service providers	794.3	238.3	—	36.3	202.0	On or before 31 December 2026
(ii) Upgrade the information technology systems	397.1	238.3	19.1	87.7	150.6	On or before 31 December 2026
(iii) Make equity investment in certain tenants and suppliers	158.8	158.8	—	73.4	85.4	On or before 31 December 2026
(iv) Renovation of retail commercial properties developed or owned by independent third parties	79.5	79.5	3.0	34.1	45.4	On or before 31 December 2026
(v) General business purpose and working capital	158.8	158.8	—	158.8	—	—
(vi) Rental expenses for properties under sub-lease services model	—	714.8	61.9	71.5	643.3	On or before 31 December 2026
	<b>1,588.5</b>	<b>1,588.5</b>	<b>84.0</b>	<b>461.8</b>	<b>1,126.7</b>	

The remaining amount of unused proceeds is planned to be utilised by 31 December 2026 as revised. The Board will re-assess and revise the timeline of the planned usage of the Net IPO Proceeds where necessary.

As at 31 December 2024, the remaining Net IPO Proceeds that had not yet been utilised were deposited into licensed banks in Hong Kong and mainland China.

## Report of the Directors

### (ii) Use of Proceeds from Subscription

On 30 June 2023, the Company revised the use of the unutilised Subscription Proceeds. For details, please refer to the Company's announcement dated 30 June 2023.

The following table sets forth the status of use of the Subscription Proceeds as of 31 December 2024 together with the expected timeline of use:

	Original allocation of the Subscription Proceeds	Planned use of the Subscription Proceeds after re-allocation	Actual use of the Subscription Proceeds during the year ended 31 December 2024	Actual use of the Subscription Proceeds as of 31 December 2024	Unutilised Subscription Proceeds as of 31 December 2024	Expected timetable
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	
(i) Personnel expansion: attract and recruit additional management personnel to the Group's projects and headquarters	82.0	82.0	—	82.0	—	—
(ii) Property leasing business: develop three leasing projects, namely Shaoxing Keqiao Powerlong Plaza (紹興柯橋寶龍廣場), Hangzhou Qingshan Lake Powerlong Plaza (杭州青山湖寶龍廣場) and Taizhou Duqiao Powerlong Plaza (台州杜橋寶龍廣場)	109.4	109.4	19.9	42.0	67.4	On or before 31 December 2026
(iii) IT infrastructure enhancement: create the "Precise Consumer Traffic System" which uses face recognition technology instead of traditional sensors to achieve accurate data collection and perform precise analysis on consumer traffic statistics	82.0	—	—	—	—	—
(iv) Upgrade the information technology systems	—	82.0	—	—	82.0	On or before 31 December 2026
	<b>273.4</b>	<b>273.4</b>	<b>19.9</b>	<b>124.0</b>	<b>149.4</b>	

As at 31 December 2024, the unutilised Subscription Proceeds were deposited into licensed banks in Hong Kong and mainland China.

### AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The Company has established the Audit Committee in compliance with Rule 3.21 of the Listing Rules and the CG Code. Details of the role and work performed by the Audit Committee are set out in the Corporate Governance Report contained in this annual report. The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2024 with the Company's management and considered that such statements have been prepared in accordance with applicable accounting standards and requirements with sufficient disclosure.

### SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

As set out in the Company's announcement dated 7 March 2025, a liquidation application has been filed in a British Virgin Islands court against Powerlong BVI Holdings, the direct holding company of the Company. The hearing date of the liquidation application has been re-scheduled from 28 April 2025 to 12 May 2025. The Company will closely monitor the development in relation to the liquidation application.

Save as disclosed above, as at the date of this annual report, no significant event has taken place subsequent to 31 December 2024.

On behalf of the Board

**HOI Wa Fong**

*Chairman*

Hong Kong, 26 March 2025

# Independent Auditor's Report

For the year ended 31 December 2024



**To the Shareholders of Powerlong Commercial Management Holdings Limited**  
*(incorporated in the Cayman Islands with limited liability)*

## OPINION

We have audited the consolidated financial statements of Powerlong Commercial Management Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 77 to 150, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. 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 are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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.

# Independent Auditor's Report

For the year ended 31 December 2024

## KEY AUDIT MATTERS (Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
<b>Recoverability of operating lease and trade receivables and other receivables</b>	
<p>Refer to Note 4 'critical accounting estimates and judgements', Note 22 'operating lease and trade receivables' and Note 23 'prepayments and other receivables' to the consolidated financial statements.</p>	<p>Our major audit procedures in relation to the assessment of recoverability of operating lease and trade receivables and other receivables included the following:</p>
<p>As at 31 December 2024, the gross amount of operating lease and trade receivables and other receivables amounted to RMB650,360,000 and RMB249,901,000, respectively. Management has assessed the expected credit losses of operating lease and trade receivables and other receivables with loss allowance of RMB237,187,000 and RMB88,453,000 made against operating lease and trade receivables and other receivables as at 31 December 2024 accordingly.</p>	<p>a) Obtained an understanding of the management's assessment process of the recoverability of operating lease and trade receivables and other receivables;</p>
	<p>b) Assessed the appropriateness of the credit loss provisioning methodology adopted by management and the reasonableness of the key assumptions in estimating the ECL rate with reference to the repayment history of the Group's debtors, which we checked on a sample basis to the repayment records, and movements of the ageing of operating lease and trade receivables and other receivables;</p>
	<p>c) Tested, on a sample basis, the accuracy of the ageing analysis of operating lease and trade receivables as at 31 December 2024 prepared by management, to sales invoices or demand notes, receipt records and other relevant documents;</p>
	<p>d) Checked the mathematical accuracy of the calculation of the loss allowance; and</p>
	<p>e) Tested, on a sample basis, the subsequent settlement of operating lease and trade receivables and other receivables to cash receipts and the related supporting documentation.</p>
<p>For assessing the recoverability of the operating lease and trade receivables, the Group applies the simplified approach permitted by HKFRS 9 to measure the lifetime expected credit losses ("ECL") for operating lease and trade receivables. In estimating ECL, the Group calculated the historical default rate percentage based on the repayment history and ageing profile of the Group's debtors grouped based on shared credit risk characteristics, with adjustments to reflect existing market conditions and forward-looking factors. For assessing the recoverability of the other receivables, the Group makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experience.</p>	<p>Based on the procedures performed, we found that the key judgements and estimates made by management in relation to the assessment of the recoverability of operating lease and trade receivables and other receivables were supported by available evidences.</p>
<p>We identified the recoverability of operating lease and trade receivables and other receivables as a key audit matter due to the significance of the balance to the consolidated financial statements, combined with the significant degree of estimations made by management in evaluating the expected credit losses of the operating lease and trade receivables and other receivables.</p>	

## Independent Auditor's Report

For the year ended 31 December 2024

### OTHER MATTERS

The consolidated financial statements of the Group for the year ended 31 December 2023 were audited by another auditors, who expressed an unmodified opinion on those consolidated financial statements on 26 March 2024.

### 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 HKFRSs issued by the HKICPA 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, in accordance with our agreed terms of engagement, 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 HKSAs 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 HKSAs, 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.



## Independent Auditor's Report

For the year ended 31 December 2024

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- 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.

#### KTC Partners CPA Limited

*Certified Public Accountants (Practising)*

Kwok Chi Kwong

Audit Engagement Director

Practising Certificate number: P01911

Hong Kong, 26 March 2025

# Consolidated Statement of Profit or Loss and other Comprehensive Income

	Notes	Year ended 31 December	
		2024 RMB'000	2023 RMB'000
Revenue	6	<b>2,617,305</b>	2,635,746
Cost of services	7	<b>(1,783,353)</b>	(1,748,725)
<b>Gross profit</b>		<b>833,952</b>	887,021
Selling and marketing expenses	7	<b>(128,476)</b>	(78,589)
Administrative expenses	7	<b>(174,375)</b>	(222,944)
Other income and other losses – net	9	<b>35,894</b>	55,734
Impairment losses on financial assets – net	3.1.2	<b>(219,441)</b>	(48,344)
Fair value losses on financial asset at fair value through profit or loss	15	<b>(629)</b>	(1,248)
<b>Operating profit</b>		<b>346,925</b>	591,630
Finance costs	10	<b>(70,673)</b>	(42,470)
Finance income	10	<b>51,477</b>	61,584
Finance (costs)/income – net		<b>(19,196)</b>	19,114
Share of results of joint ventures	18	<b>35</b>	(52)
Share of results of associates	19	<b>3,176</b>	996
<b>Profit before income tax</b>		<b>330,940</b>	611,688
Income tax expenses	12	<b>(106,555)</b>	(159,297)
<b>Profit and total comprehensive income for the year</b>		<b>224,385</b>	452,391
<b>Profit and total comprehensive income attributable to:</b>			
– Shareholders of the Company		<b>216,016</b>	452,952
– Non-controlling interests		<b>8,369</b>	(561)
		<b>224,385</b>	452,391
<b>Earnings per share for profit attributable to shareholders of the Company for the year (expressed in RMB cents per share)</b>			
– Basic and diluted earnings per share	13	<b>33.89</b>	71.33

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

# Consolidated Statement of Financial Position

		As at 31 December	
	Notes	2024	2023
		RMB'000	RMB'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property and equipment	14	45,307	45,753
Financial assets at fair value through profit or loss	15	9,261	9,890
Investment properties	16	972,085	749,749
Deferred income tax assets	31	158,198	92,127
Goodwill	17	20,640	20,640
Intangible assets	17	4,281	6,752
Investments in joint ventures	18	807	772
Investments in associates	19	50,859	54,516
		<b>1,261,438</b>	980,199
<b>Current assets</b>			
Inventories	20	10,620	9,602
Operating lease and trade receivables	22	413,173	412,357
Prepayments and other receivables	23	223,583	328,939
Current income tax recoverable		134	161
Cash and bank balances	24	4,131,562	3,881,880
		<b>4,779,072</b>	4,632,939
<b>Total assets</b>		<b>6,040,510</b>	5,613,138
<b>Equity</b>			
Share capital and share premium	25	1,004,400	967,206
Other reserves	26	29,869	120,223
Shares held for shares award scheme		—	(44)
Retained earnings		2,181,899	1,965,883
<b>Capital and reserves attributable to shareholders of the Company</b>		<b>3,216,168</b>	3,053,268
Non-controlling interests		8,640	4,271
<b>Total equity</b>		<b>3,224,808</b>	3,057,539

## Consolidated Statement of Financial Position

	Notes	As at 31 December 2024 RMB'000	2023 RMB'000
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred income tax liabilities	31	722	1,235
Lease liabilities	29(a)	1,187,789	931,103
		<b>1,188,511</b>	932,338
<b>Current liabilities</b>			
Trade and other payables	30	1,028,913	1,097,366
Advances from lessees		37,828	22,087
Current income tax liabilities		203,259	138,223
Lease liabilities	29(a)	82,909	64,550
Contract liabilities	6(b)	274,282	301,035
		<b>1,627,191</b>	1,623,261
<b>Total liabilities</b>		<b>2,815,702</b>	2,555,599
<b>Total equity and liabilities</b>		<b>6,040,510</b>	5,613,138

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

The consolidated financial statements on pages 77 to 150 were approved and authorised for issue by the Board of Directors on 26 March 2025 and were signed on its behalf by:

**Hoi Wa Fong**  
Director

**Hoi Wa Lam**  
Director

# Consolidated Statement of Changes in Equity

	Attributable to equity shareholders of the Company							
	Share capital RMB'000 (Note 25)	Share premium RMB'000 (Note 25)	Shares held for shares award scheme RMB'000	Other reserves RMB'000 (Note 26)	Retained earnings RMB'000	Total RMB'000	Non- controlling interests RMB'000	Total equity RMB'000
<b>Balance at 1 January 2023</b>	5,747	1,038,193	(95)	171,326	1,512,931	2,728,102	8,027	2,736,129
<b>Comprehensive income</b>								
Profit for the year	–	–	–	–	452,952	452,952	(561)	452,391
<b>Total comprehensive income</b>	–	–	–	–	452,952	452,952	(561)	452,391
<b>Transactions with owners</b>								
Shares Award Scheme and Share Incentive Scheme								
– value of employee services	–	–	–	45,120	–	45,120	–	45,120
Dividends	–	(172,906)	–	–	–	(172,906)	(3,195)	(176,101)
Vesting of awarded shares	–	96,172	51	(96,223)	–	–	–	–
<b>Balance at 31 December 2023</b>	5,747	961,459	(44)	120,223	1,965,883	3,053,268	4,271	3,057,539
<b>Balance at 1 January 2024</b>	<b>5,747</b>	<b>961,459</b>	<b>(44)</b>	<b>120,223</b>	<b>1,965,883</b>	<b>3,053,268</b>	<b>4,271</b>	<b>3,057,539</b>
<b>Comprehensive income</b>								
Profit for the year	–	–	–	–	216,016	216,016	8,369	224,385
<b>Total comprehensive income</b>	–	–	–	–	216,016	216,016	8,369	224,385
<b>Transactions with owners</b>								
Shares Award Scheme and Share Incentive Scheme								
– value of employee services	–	–	–	(65,181)	–	(65,181)	–	(65,181)
Issue of ordinary shares	–	12,021	44	–	–	12,065	–	12,065
Dividends	–	–	–	–	–	–	(4,000)	(4,000)
Vesting of awarded shares	–	25,173	–	(25,173)	–	–	–	–
<b>Balance at 31 December 2024</b>	<b>5,747</b>	<b>998,653</b>	<b>–</b>	<b>29,869</b>	<b>2,181,899</b>	<b>3,216,168</b>	<b>8,640</b>	<b>3,224,808</b>

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

# Consolidated Statement of Cash Flows

	Notes	Year ended 31 December	
		2024 RMB'000	2023 RMB'000
<b>Cash flows of operating activities</b>			
Cash generated from operations	32	474,761	682,096
PRC corporate income tax paid		(108,076)	(195,295)
<b>Net cash generated from operating activities</b>		<b>366,685</b>	486,801
<b>Cash flows of investing activities</b>			
Purchases of property and equipment		(11,475)	(44,062)
Net proceeds from disposals of property and equipment		108	1,112
Purchases of intangible assets		(296)	(640)
Net proceeds from disposals of intangible assets		148	—
Deposits (paid to)/refunded from a third party for the exclusive sales right for sales of shop		(3,907)	222,040
Dividends from associates	19	6,833	—
<b>Net cash (used in)/generated from investing activities</b>		<b>(8,589)</b>	178,450
<b>Cash flows of financing activities</b>			
Proceeds from issues of shares and other equity securities		12,065	—
Dividends paid		(4,000)	(172,906)
Principal elements and interest expenses of lease payments	29(b)	(120,857)	(75,089)
<b>Net cash used in financing activities</b>		<b>(112,792)</b>	(247,995)
<b>Increase in cash and cash equivalents</b>		<b>245,304</b>	417,256
Cash and cash equivalents at the beginning of year		3,866,722	3,450,788
Foreign exchanges on cash and cash equivalents		(3,233)	(1,322)
<b>Cash and cash equivalents at end of year</b>	24	<b>4,108,793</b>	3,866,722

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

# Notes to the Consolidated Financial Statements

## 1 GENERAL INFORMATION

Powerlong Commercial Management Holdings Limited (the “Company”) was established in the Cayman Islands on 25 March 2019 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company and its subsidiaries (the “Group”) are primarily engaged in the holding of investment properties to generate rental income and the provision of commercial operational services and residential property management services in the People’s Republic of China (the “PRC”).

The Company was listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 30 December 2019.

The Company’s direct holding company is Powerlong Real Estate (BVI) Holdings Limited (“Powerlong BVI Holdings”). The Company’s indirect holding company is Powerlong Real Estate Holdings Limited (“Powerlong Holdings”) whose shares have been listed on the Main Board of the Stock Exchange since 14 October 2009. As at 31 December 2024, Mr. Hoi Kin Hong (“Mr. Hoi”) held approximate 44.15% of interests in the issued share capital of Powerlong Holdings. In the opinion of the directors of the Company, the ultimate holding company of the Group is Skylong Holdings Limited and the ultimate controlling party of the Group is Mr. Hoi Kin Hong.

Powerlong Holdings and its subsidiaries exclusive of the Group are collectively referred to as the “Remaining Powerlong Group” in these consolidated financial statements.

These consolidated financial statements are presented in thousand Renminbi (“RMB’000”), which is the functional currency of the Company.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION

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

### 2.1 Basis of preparation

#### (i) Compliance with Hong Kong Financial Reporting Standards (“HKFRSs”) and Hong Kong Companies Ordinance (“HKCO”)

The consolidated financial statements have been prepared in accordance with HKFRSs and disclosure requirements of the HKCO.

#### (ii) Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss.

#### (iii) Amendments to HKFRSs that are mandatorily effective for the current year

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

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the “2020 Amendments”)
Amendments to HKAS 1	Non-current Liabilities with Covenants (the “2022 Amendments”)
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

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



## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.1 Basis of preparation (Continued)

#### (iv) New and amendments to HKFRSs in issue that are not mandatorily effective for the current year

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

HKFRS 18	Presentation and Disclosure in Financial Statements <sup>4</sup>
HKFRS 19	Subsidiaries without Public Accountability: Disclosures <sup>4</sup>
Amendment to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>3</sup>
Amendment to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to HKAS 21	Lack of Exchangeability <sup>2</sup>
Amendments to HKFRS Accounting Standards	Annual improvements to HKFRS Accounting Standards – Volume 11 <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2027.

The Group is in the process of assessing the potential impact of the new and amendments to HKFRSs but are not yet in a position to determine whether the new and amendments to HKFRSs will have a material impact on the Group's performance and financial position and on the disclosures. The new and amendments to HKFRSs may result in changes to how the Group's performance and financial position are prepared and presented in the future.

### 2.2 Subsidiaries

#### 2.2.1 Consolidation

Subsidiaries are all (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 over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

##### (a) Business combinations not under common control

The Group applies the acquisition method to account for business combinations not under common control. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRSs.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured at fair value with changes in fair value recognised in profit or loss.

##### (b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in a loss of control are accounted for as equity transactions – that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.2 Subsidiaries (Continued)

#### 2.2.1 Consolidation (Continued)

##### (c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in the profit or loss. The fair value is 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. It means the 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 HKFRSs.

#### 2.2.2 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.

### 2.3 Associates

Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

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.

Where 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 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 2.12.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.4 Joint arrangements

The Group has applied HKFRS 11 to a joint arrangement. Under HKFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangement and determined it to be a joint venture. Joint ventures are accounted for using the equity method.

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 joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in a joint venture equal 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 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 the joint ventures 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 2.12.

### 2.5 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 ("CODM"), who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that makes strategic decisions.

### 2.6 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 financial statements are presented in RMB, which is the Company's functional and the Group's presentation currency.

#### (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 within "Other income and other losses – net" in the consolidated statements of profit or loss and other comprehensive income.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.7 Property and equipment

Property and equipment are 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 profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over the shorter of their estimated useful lives or, in case of leasehold improvements and certain leased plants and equipment, the lease term, as follows:

– Motor vehicles	5-8 years
– Furniture, fitting and equipment	5 years
– Leasehold improvements	5-20 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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "Other income and other losses – net" in the consolidated statements of profit or loss and other comprehensive income.

### 2.8 Investment properties

Investment properties, representing commercial properties held under leases, are held for rental yields and are not occupied by the Group. The Group measured its investment properties at cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment loss. Depreciation is calculated using the straight-line method to allocate their cost over their lease term varying from 2 to 20 years.

### 2.9 Intangible assets

#### (a) Goodwill

Goodwill arising 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.

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 is not amortised but its impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGUs containing the goodwill is compared with 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.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.9 Intangible assets (Continued)

#### (b) Customer contracts

Customer contracts acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method over the expected life of 2 to 10 years for the customer contracts.

#### (c) Software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (2 to 10 years). Costs associated with maintaining computer software programs are recognised as an expense as incurred.

### 2.10 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life or intangible assets not ready to use 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 that are subject to amortisation are reviewed 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 flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

### 2.11 Financial assets

#### 2.11.1 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 debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, 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.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.11 Financial assets (Continued)

#### 2.11.2 Recognition and 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.

##### *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. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **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 comprehensive income.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or financial assets at 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 and is not part of a hedging relationship is recognised in profit or loss and presented net in 'other gains' 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.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/losses, net in the consolidated statement of profit or loss and other comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at fair value through other comprehensive income are not reported separately from other changes in fair value.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.11 Financial assets (Continued)

#### 2.11.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position 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 assets and settle the liabilities 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.

### 2.12 Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 3.1.2 details how the Group determines whether there has been a significant increase in credit risk.

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial assets.

For operating lease and trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the assets. The provision matrix is determined based on historical observed default rates over the expected life of the operating lease and trade receivables with similar credit risk characteristics and is adjusted for forward-looking estimates. At all reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Impairment on other receivables from third parties and related parties are measured as either 12-month expected credit losses or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

### 2.13 Inventories

Inventories comprise merchandise purchased for resale and consumables and are stated at the lower of cost and net realizable value. The cost of merchandise is determined on the weighted average basis. Net realizable value is determined based on estimated selling prices less any estimated costs to be incurred to disposal.

### 2.14 Operating lease and trade and other receivables

Operating lease receivables are amounts due from tenants in relation to the operating leases and trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection of operating lease and trade and other receivables is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Operating lease and 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 22 and Note 23 for further information about the Group's accounting for operating lease and trade and other receivables and Note 3.1.2 for a description of the Group's impairment policies.



## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.15 Cash and cash equivalents and restricted cash

Cash and cash equivalents include cash in hand and at banks and deposits held at call with banks, other short-term highly liquid investment with original maturities of three months or less.

Bank deposits which are restricted to use are included in 'Restricted cash'. Restricted cash are excluded from cash and cash equivalents in the consolidated statement of cash flows.

### 2.16 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.

Where any group entity purchases the Company's shares (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Company until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, and is included in equity attributable to owners of the Company.

### 2.17 Trade and other 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 12 months or less. If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### 2.18 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statements of profit or loss and other comprehensive income, 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 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 and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

#### (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. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at 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.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.18 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, 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.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries 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.

### 2.19 Employee benefits

#### (a) Pension obligations

The Group only operate defined contribution pension plans. In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the PRC under which the Group and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries. The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees' payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The assets of these plans are held separately from those of the Group in independently administrated funds managed by the governments.

The Group's contributions to the defined contribution retirement scheme are expensed as incurred.

#### (b) Housing funds, medical insurances and other social insurances

Employees of the Group in the PRC are entitled to participate in various government-supervised housing funds, medical insurances and other social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these funds is limited to the contributions payable in each year. Contributions to the housing funds, medical insurances and other social insurances are expensed as incurred.

#### (c) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

#### (d) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.20 Share-based payments

Share-based compensation benefits are provided to employees via the employee share incentive scheme and share award scheme.

Equity-settled share-based payment transactions are share-based payment arrangement in which the Group received goods or services as consideration for its own equity instrument. The Group might receive goods or services but have no obligation to settle the transaction with the supplier, as the settlement will be made by a shareholder or another group entity, this transaction is also equity-settled share-based payment transaction.

For an equity-settled share-based payment transaction, the fair value of equity instrument granted is recognised as an employee benefits expense with a corresponding increase in equity.

During the vesting periods, the Group revises its estimates of the number of awarded shares that are expected to ultimately vest based on the vesting conditions at the balance sheet date. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to employee share-based compensation expense in the current year, with a corresponding adjustment to the employee share-based capital reserve.

### 2.21 Provisions and contingent liabilities

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

### 2.22 Revenue recognition

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax.

Depending on the terms of the contract and the laws that apply to the contract, control of the services may be transferred over time or at a point in time. Control of the services is transferred over time if:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs;

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.22 Revenue recognition (Continued)

- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and Group has an enforceable right to payment for performance completed to date.

If control of the services 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 services.

The Group is principally engaged in generating of rental income from investment properties and provision of commercial operational services and residential property management services.

#### (a) Commercial operational services

- (i) The Group enters into commercial operational service contracts with property developers or owners of shopping malls, pursuant to which the Group provides the following services:

- market research and positioning, tenant sourcing and opening preparation services during the preparation stage;
- commercial operational services during the operation stage, including tenant management and rent collection services, other value-added services, mainly including car parks, common areas and advertising space operation and management services.

Revenue from rendering of market research and positioning services is recognised on a point in time basis when the relevant market research and positioning reports were delivered and accepted by the property developers or owners customers.

Revenue in respect of provision of tenant sourcing and opening preparation services is recognised on an over time basis over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation. The Group recognizes revenue based on the delivery time nodes and delivery results agreed in the contract.

For tenant management and rent collection services, and other value-added services, revenue is recognised on over time basis. The Group bills a fixed amount for services provided on a monthly basis and recognises as revenue in the amount to which the Group has a right to invoice and that corresponds directly with the value of performance completed.

When the Group leases car parks, common areas and advertising space of the shopping malls from property owner by paying a yearly rent, and operate the leased car parks, common areas and advertising space as principal, revenue are recognised on a gross basis and on over time basis when the related service is rendered.

- (ii) The Group enters into commercial property management service contracts with tenants, pursuant to which the Group provides commercial property management services including provision of security, gardening, cleaning, repair and maintenance services for the commercial properties.

For provision of commercial property management services at the operation stage to tenants at the operation stage of the shopping malls, the Group recognises the fee received or receivable as its revenue on over time basis, in the period in which the customer simultaneously receives and consumes the benefits provided by the services performed by the Group and all the related management costs as its cost of services.

The Group recognizes commercial property management services income from tenants of the shopping malls monthly or regularly based on the benefits provided by the services performed by the Group and recognizes the corresponding service costs.

- (iii) The Group operates a chain of retail stores selling inventory. Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customer.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.22 Revenue recognition (Continued)

#### (b) Residential property management services

The Group provides residential property management services in relation to residential properties, serviced apartments and office buildings, including pre-sale management services and other value-added services to property developers, property owners and residents.

For residential property management services, the Group bills a fixed amount for services provided on a monthly basis and recognises as revenue on over time basis in the amount to which the Group has a right to invoice and that corresponds directly with the value of performance completed.

For residential property management services income from properties managed under lump sum basis, where the Group acts as principal, the Group is entitled to revenue at the value of residential property management services fee received or receivable. For residential property management service income from properties managed under commission basis, where the Group acts as an agent of the property owner, the Group is entitled to revenue at a pre-determined percentage of amount of the property management fee received or receivable by the properties.

Pre-sale management services mainly include cleaning, greening, repair and maintenance services to property developers at the pre-delivery stage. The Group agrees the price for each service with the customers upfront and issues the monthly bill to the customers which varies based on the actual level of service completed in that month.

For other value-added services including resident services, community public areas management and operation and advertisement, revenue is recognised when the related other value-added services are rendered. Payment of the transaction is due immediately when the other value-added services are rendered to the customer.

If contracts involve the sale of multiple services, the transaction price allocated to each performance obligation are based on their relative stand-alone selling prices. If the stand-alone selling prices are not directly observable, they are estimated based on expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information.

#### (c) Presentation of assets and liabilities related to contracts with customers

When either party to a contract has performed, the Group presents the contract in the consolidated statement of financial position as a contract asset or a contract liability, depending on the relationship between the Group's performance and the customer's payment.

A contract asset is the Group's right to consideration in exchange for services that the Group has transferred to a customer.

If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional, before the Group transfers services to the customer, the Group presents the contract as a contract liability when the payment is received or a receivable is recorded (whichever is earlier). A contract liability is the Group's obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

Incremental costs incurred to obtain a contract, if recoverable, are capitalised and presented as assets and subsequently amortised when the related revenue is recognised. The Group applied the practical expedient to recognise the incremental costs of obtaining a contract as an expense immediately if the amortisation period is less than 12 months.

### 2.23 Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.24 Leases

#### The Group as a lessee

The Group leases various properties, including commercial properties and car parks. 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, but leased assets may not be used as security for borrowing purpose.

Lease are recognised as a right-of-use asset (included in "Investment Properties" (Note 16)) and corresponding liability at the date of which the lease asset 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 of each period. The right-of-use asset is depreciated over the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include:

- (a) the net present value of the fixed payments (including in-substance fixed payments);
- (b) variable lease payments that are based on an index or a rate; and
- (c) payments of penalties for terminating of the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following:

- (a) the amount of the initial measurement of the lease liability;
- (b) any lease payments made at or before the commencement date less any lease incentives received;
- (c) any initial direct cost; and
- (d) restoration costs.

Payments associated with short-term leases with lease term of 12 months or less and leases of low-value assets are recognised on a straight-line basis over the lease term as an expense in profit or loss.

#### Short-term leases

The Group applies the short-term lease recognition exemption to lease of car parks, common areas and advertising spaces that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

#### Variable lease payments

Variable lease payments based on an index or a rate are initially measured using the index or the rate at the commencement date. The Group do not forecast future changes of the index/rate; these changes are taken into account when the lease payments change. Variable lease payments that are not based on an index or a rate are not part of the lease liability, but they are recognised in the consolidated statements of profit or loss and other comprehensive income when the event or conditions that triggers those payments occurs.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.24 Leases (Continued)

#### **The Group as a lessee** (Continued)

##### *Extension and termination options*

Extension and termination options are included in a number of property leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable upon fulfilment of certain notice period. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise such options. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment.

#### **The Group as a lessor**

A lessor shall classify each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the terms of the relevant lease. Initial direct costs with more than a significant amount are capitalised when incurred, and are recognised in profit or loss on the same basis as rental income over the lease term. Other initial direct costs with an insignificant amount are charged to profit or loss in the period in which they are incurred.

The lease receivable under lease arrangements are recognised as “operating lease receivable” in the consolidated statement of financial position.

#### **The Group as a sublease lessor**

Sub-lease is a transaction for which an underlying asset is re-leased by a lessee (“sublease lessor”) to a third party, and the lease (“head lease”) between the head lessor and lessee remains in effect. In classifying a sublease, a sublease lessor shall classify the sublease as a finance lease or an operating lease as follows:

- (a) If the head lease is a short-term lease that the entity, as a lessee, has accounted for the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis, the sublease shall be classified as an operating lease.
- (b) Otherwise, the sublease shall be classified by referenced to the right-of-use asset arising from the head lease as finance lease or operating lease.

### 2.25 Dividend distribution

Dividend distribution to the Company’s shareholders is recognised as a liability in the Group’s and the Company’s financial statements in the period in which the dividends are approved by the Company’s shareholders or directors, where appropriate.

### 2.26 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.

### 2.27 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, and
- 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.



## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.27 Earnings per share (Continued)

#### (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.

### 2.28 Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:

- (i) the entity and the Group are members of the same group;
- (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
- (iii) the entity and the Group are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by the person in their dealings with the entity.

### 3 FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

##### 3.1.1 Market risk

###### (i) Foreign exchange risk

The Group's businesses are principally conducted in RMB. As at 31 December 2024 and 2023, major non-RMB assets were cash and bank balances which were denominated in either Hong Kong dollar ("HK\$") or US dollar ("US\$"). Fluctuation of the exchange rate of RMB against HK\$ or US\$ could affect the Group's results of operations. The Group has not entered into any forward exchange contract to hedge its exposure to foreign exchange risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities as at 31 December 2024 and 2023 are as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Financial assets		
– HK\$	21,503	11,274
– US\$	12	–
	21,515	11,274

As at 31 December 2024, if RMB had strengthened/weakened by 5%, against HK\$ with all other variable held constant, post-tax profit and equity for the year would have been RMB1,075,000 (TAX IMPACT) lower/higher (2023: RMB564,000 lower/higher), mainly as a result of net foreign exchange gains/losses on translation of HK\$ denominated cash and bank balances.

As at 31 December 2024, if RMB had strengthened/weakened by 5%, against US\$ with all other variable held constant, post-tax profit and equity for the year would have been RMB1 (TAX IMPACT) lower/higher (2023: RMB nil lower/higher), mainly as a result of net foreign exchange gains/losses on translation of US\$ denominated cash and bank balances.

##### 3.1.2 Credit risk

The Group is exposed to credit risk in relation to its operating lease and trade receivables, other receivables and cash deposits at banks. The carrying amounts of operating lease and trade receivables, other receivables and cash deposits at banks represent the Group's maximum exposure to credit risk in relation to financial assets.

###### (i) Cash deposits at banks

The Group expects that there is no significant credit risk associated with cash deposits at banks since they are substantially deposited at state-owned banks and other medium or large-sized listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties.

## 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3.1 Financial risk factors (Continued)

#### 3.1.2 Credit risk (Continued)

##### (ii) Operating lease and trade receivables

Operating lease and trade receivables have been assessed for impairment on a collective basis based on different credit risk characteristics. They are categorised as follows for assessment purpose:

Group 1 – Operating lease and trade receivables due from related parties

Group 2 – Operating lease and trade receivables due from third parties

For Group 1, operating lease and trade receivables due from related parties, the Group has large number of customers and there was no concentration of credit risk. Thus, the expected loss rate for Group 1 was 41.86% (31 December 2023: 13.11%), a loss allowance of RMB155,640,000 therefrom was made at 31 December 2024 (31 December 2023: RMB28,312,000).

For Group 2, the Group applies the simplified approach to providing for expected credit losses (“ECL”) prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for operating lease and trade receivables due from third parties. To measure the ECL, operating lease and trade receivables due from third parties have been grouped based on shared credit risk characteristics and the days past due. The ECL also incorporate forward-looking information. Thus, a loss allowance of RMB81,547,000 therefrom was made at 31 December 2024 (31 December 2023: RMB49,976,000).

##### (iii) Other receivables

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. The Group used the 12 months ECL method to assess credit loss of other receivables. Thus, a loss allowance of RMB88,453,000 therefrom was made at 31 December 2024 (2023: RMB27,911,000).

(iv) The Group considers the probability of default upon initial recognition of assets 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. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower’s ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant changes in the expected performance and behaviour of the borrowers, including changes in the payment status of borrowers and changes in the operating results of the borrowers.

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### 3.1.2 Credit risk (Continued)

The Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of receivables and adjusts for forward-looking macroeconomic data.

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Operating lease and Trade receivables	Deposits and other receivables except prepayments
Performing	The counterparty has a low to moderate risk of default and does not have any past-due amounts	Lifetime ECL – not-credit impaired	12m ECL
Underperforming	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not-credit impaired	Lifetime ECL – not-credit impaired
Non-performing	There is evidence indicating the asset is credit impaired	Lifetime ECL – credit impaired	Lifetime ECL – credit impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

The tables below detail the credit risk exposures of the Group's financial assets which are subject to ECL assessment:

	Internal credit rating	12-month or lifetime ECL	Gross carrying amount 2024 RMB'000	Gross carrying amount 2023 RMB'000
Financial assets at amortised cost:				
operating lease and trade receivables	Performing	Lifetime ECL	650,360	490,645
Deposits and other receivables, excluding prepayments	Performing	12m ECL	249,901	304,497
Cash and bank balances	N/A	12m ECL	4,131,562	3,881,880

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### 3.1.2 Credit risk (Continued)

As at the respective balance sheet date, the loss allowance provision for operating lease and trade receivables due from related parties was determined as follows. The expected credit losses below also incorporated forward-looking information.

	As at 31 December 2024		
	Expected loss rate	Gross carrying amount (RMB'000)	Loss allowance provision (RMB'000)
<b>Operating lease and trade receivables</b>			
Related parties (Note 22)	<b>41.86%</b>	<b>371,819</b>	<b>(155,640)</b>

	As at 31 December 2023		
	Expected loss rate	Gross carrying amount (RMB'000)	Loss allowance provision (RMB'000)
<b>Operating lease and trade receivables</b>			
Related parties (Note 22)	13.11%	215,952	(28,312)

As at the respective balance sheet date, the loss allowance provision for operating lease and trade receivables due from third parties was determined as follows. The expected credit losses below also incorporated forward-looking information.

	Up to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
<b>Operating lease and trade receivables (excluding trade receivables from related parties)</b>					
At 31 December 2024					
Expected loss rate	<b>9.84%</b>	<b>25.91%</b>	<b>36.35%</b>	<b>100.00%</b>	
Gross carrying amount (RMB'000)	<b>141,537</b>	<b>65,227</b>	<b>33,085</b>	<b>38,692</b>	<b>278,541</b>
Loss allowance provision (RMB'000)	<b>(13,929)</b>	<b>(16,899)</b>	<b>(12,027)</b>	<b>(38,692)</b>	<b>(81,547)</b>
At 31 December 2023					
Expected loss rate	6.84%	21.20%	30.81%	100.00%	
Gross carrying amount (RMB'000)	177,401	53,313	25,213	18,766	274,693
Loss allowance provision (RMB'000)	(12,139)	(11,304)	(7,767)	(18,766)	(49,976)

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### 3.1.2 Credit risk (Continued)

As at the respective balance sheet date, the loss allowance provision for other receivables was determined as follows. The expected credit losses below also incorporated forward-looking information.

	Up to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
<b>Other receivables*</b>					
At 31 December 2024					
Expected loss rate	<b>12.52%</b>	<b>39.78%</b>	<b>91.74%</b>	<b>100.00%</b>	
Gross carrying amount (RMB'000)	<b>43,556</b>	<b>204,780</b>	<b>218</b>	<b>1,347</b>	<b>249,901</b>
Loss allowance provision (RMB'000)	<b>(5,453)</b>	<b>(81,453)</b>	<b>(200)</b>	<b>(1,347)</b>	<b>(88,453)</b>
At 31 December 2023					
Expected loss rate	0.84%	12.99%	91.50%	100.00%	
Gross carrying amount (RMB'000)	104,932	198,218	620	727	304,497
Loss allowance provision (RMB'000)	(877)	(25,740)	(567)	(727)	(27,911)

As at the respective balance sheet date, the loss allowance provision for operating lease and trade and other receivables (excluding prepayments and interest receivable from bank deposits) reconciled to the opening loss allowance for that provision as follows:

	Operating lease and trade receivables RMB'000	Other receivables* RMB'000	Total RMB'000
At 1 January 2024	<b>78,288</b>	<b>27,911</b>	<b>106,199</b>
Provision for loss allowance recognised in profit or loss	<b>158,899</b>	<b>60,542</b>	<b>219,441</b>
At 31 December 2024	<b>237,187</b>	<b>88,453</b>	<b>325,640</b>

	Operating lease and trade receivables RMB'000	Other receivables * RMB'000	Total RMB'000
At 1 January 2023	43,960	13,895	57,855
Provision for loss allowance recognised in profit or loss	34,328	14,016	48,344
At 31 December 2023	78,288	27,911	106,199

\* Excluding prepayments and interest receivables from bank deposits.

As at 31 December 2024, the gross carrying amount of operating lease and trade and other receivables (excluding prepayments and interest receivables from bank deposits prepayments) was RMB900,261,000 (2023: RMB795,142,000) and thus the maximum exposure to loss was RMB574,621,000 (2023: RMB688,943,000).

## Notes to the Consolidated Financial Statements

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

##### 3.1.3 Liquidity risk

To manage the liquidity risk, the Group monitors and maintains the level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The table below analyses the Group's financial liabilities into relevant maturity grouping based on the remaining period at the end of each reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000	Carrying amount RMB'000
At 31 December 2024						
Lease liabilities	150,913	129,894	311,357	1,357,580	1,949,744	1,270,698
Trade and other payables*	943,203	—	—	—	943,203	943,203
	1,094,116	129,894	311,357	1,357,580	2,892,947	2,213,901
At 31 December 2023						
Lease liabilities	119,361	85,484	249,522	1,119,707	1,574,074	995,653
Trade and other payables*	1,013,054	—	—	—	1,013,054	1,013,054
	1,132,415	85,484	249,522	1,119,707	2,587,128	2,008,707

\* Excluding accrued payroll and other tax payables.

#### 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, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the liability-asset ratio. This ratio is calculated as total liabilities divided by total assets.

As at 31 December 2024 and 31 December 2023, liability-asset ratio of the Group is as follows:

	As at 31 December 2024	2023
Liability-asset ratio	46.6%	45.5%



**3 FINANCIAL RISK MANAGEMENT** (Continued)**3.3 Fair value estimation****(a) Financial assets and liabilities**

The Group's financial instruments recognised in the consolidated statement of financial position are mainly operating lease and trade receivables, other receivables, financial assets at fair value through profit or loss and financial liabilities carried at amortised cost. The carrying value less impairment provision of trade and other receivables and payables are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The fair values of financial instruments that are not traded in an active market is assessed by the Group based on valuations using market comparable method determined by independent and professional qualified valuer.

The different levels have been defined 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).

As at 31 December 2024, the Group had no financial instruments in level 1 and level 2 (2023: same).

The following table presents the Group's financial assets measured and recognised at fair value at 31 December 2024 on a recurring basis:

	At 31 December 2024 Level 3 RMB'000	At 31 December 2023 Level 3 RMB'000
Financial assets at fair value through profit or loss		
– Contingent consideration	–	514
– Investment Fund	9,261	9,376
<b>Total</b>	<b>9,261</b>	<b>9,890</b>

As at 31 December 2024, the Group's financial assets at fair value through profit or loss were classified as Level 3. There were no transfers between levels during the year ended 31 December 2024 (2023: same).

Relationship of unobservable inputs to fair value: the lower of expected discount rate adopted in the discounted cash flow, the higher of expected rate of return and the fair value.

The Group manages the valuation of level 3 instruments for financial reporting purpose on a case-by-case basis. At least once every reporting year, the Group would assess the fair value of the Group's level 3 instruments by using valuation techniques.

The valuation of level 3 instruments included contingent consideration and investment funds. As these instruments are not traded in an active market, their fair values have been determined by using applicable valuation techniques, which mainly include discounted cash flows and the significant unobservable input is expected discount rate.

If the expected discount rate had been 1% higher/lower, the profit before income tax for the year ended 31 December 2024 would have been approximately RMB93,000 higher/lower (2023: RMB99,000 higher/lower).

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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 set out below.

#### (a) Loss allowance for doubtful receivables

The Group makes loss allowance for receivables based on assumptions about risk of default and expected loss rates. The Group used judgment in making these assumptions and selecting the inputs for 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.

Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade and other receivables and doubtful debt expenses in the periods in which such estimate has been changed. For details of the key assumptions and inputs used, see Note 3.1.2 above.

#### (b) Measurement of right-of-use assets and lease liabilities

The Group leases various commercial properties and car parks. Assets and liabilities arising from a lease are initially measured on a present value basis.

Some of the Group's leases contain extension and termination options. In determining the lease terms, management considers facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. If the actual lease period or the cash flow from exercising extension and termination options is significantly different from management's estimate, the carrying amounts of the right-of-use assets which were included in investment properties and lease liabilities will be affected.

#### (c) Current and deferred income tax

The Group is subject to corporate income taxes in the PRC. Judgment is required in determining the amount of the provision for taxation and the timing of payment of the related taxations. There are many 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 recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different.

#### (d) Impairment of assessment of goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated, which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash generating unit (or a group of cash-generating units) and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash flows, a material impairment loss/further impairment loss may arise.

### 5 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by CODM. The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Company.

The Group has two business segments:

– **Commercial operational services**

The Group is engaged in the provision of (a) market research and positioning, business tenant sourcing and opening preparation services; (b) commercial operational services during the operation stage, including business tenant management, rent collection services and other value-added services (mainly including car parks, common areas and advertising space management services); and (c) commercial property management services including security, gardening, cleaning, repair and maintenance services.

Besides, to maximise its commercial operational efficiency, the Group leased certain retail commercial properties located in proximity to the shopping malls that are under management by the Group, and sub-leased them for long-term rental yield.

– **Residential property management services**

The Group provides residential property management services for residential properties, serviced apartments and office building, including pre-sale management services and other value-added services to property developers, property owners and residents.

As the CODM considers most of the Group's consolidated revenue and results are attributable to the market in the PRC and the Group's consolidated non-current assets are substantially located in the PRC, no geographical information is presented.

## Notes to the Consolidated Financial Statements

### 5 SEGMENT INFORMATION (Continued)

- (a) Segment results represent the profit earned by each segment without other income and other losses – net, unallocated operating costs, finance (costs)/income – net, share of results of joint ventures and associates and income tax expenses. Revenue recognised at a point in time from contracts with customers represents revenue from market research and positioning services. Other revenue from contracts with customers is recognised over time. The following is the analysis of the Group's revenue and results by operating and reportable segments:

#### For the year ended 31 December 2024

	Commercial operational services RMB'000	Residential property management services RMB'000	Group RMB'000
Gross segment revenue	2,140,138	477,167	2,617,305
Revenue from contracts with customers	1,933,683	477,167	2,410,850
– at a point in time	32,345	–	32,345
– over time	1,901,338	477,167	2,378,505
Revenue from other sources			
– rental income	206,455	–	206,455
Segment results	313,636	62,112	375,748
Other income and other losses – net			35,894
Unallocated operating costs			(64,717)
Interest expense			(70,673)
Interest income			51,477
Share of results of joint ventures			35
Share of results of associates			3,176
Profit before income tax			330,940
Income tax expenses			(106,555)
Profit for the year			224,385
Amounts included in the measure of segment results:			
Depreciation and amortisation	114,038	3,287	117,325
Impairment losses on financial assets	156,599	62,842	219,441

**5 SEGMENT INFORMATION** (Continued)

(a) (Continued)

For the year ended 31 December 2023

	Commercial operational services RMB'000	Residential property management services RMB'000	Group RMB'000
Gross segment revenue	2,137,390	498,356	2,635,746
Revenue from contracts with customers	1,960,880	498,356	2,459,236
– at a point in time	19,906	–	19,906
– over time	1,940,974	498,356	2,439,330
Revenue from other sources			
– rental income	176,510	–	176,510
Segment results	622,327	121,513	743,840
Other income and other losses – net			55,734
Unallocated operating costs			(207,944)
Interest expense			(42,470)
Interest income			61,584
Share of results of joint ventures			(52)
Share of results of associates			996
Profit before income tax			611,688
Income tax expenses			(159,297)
Profit for the year			452,391
Amounts included in the measure of segment results:			
Depreciation and amortisation	82,094	4,078	86,172
Impairment losses on financial assets	35,469	12,875	48,344

## Notes to the Consolidated Financial Statements

### 5 SEGMENT INFORMATION (Continued)

(b) The following is the analysis of the Group's segment assets and liabilities and capital expenditure for the year then ended:

**As at 31 December 2024**

	Commercial operational services RMB'000	Residential property management services RMB'000	Elimination RMB'000	Group RMB'000
Segment assets	1,601,230	280,619	(7,026)	1,874,823
Other assets				4,165,687
Total assets				6,040,510
Segment liabilities	2,274,910	335,487	(7,026)	2,603,371
Other liabilities				212,331
Total liabilities				2,815,702
Amounts included in the measure of segment assets:				
Capital expenditure	334,950	2,050	—	337,000

**As at 31 December 2023**

	Commercial operational services RMB'000	Residential property management services RMB'000	Elimination RMB'000	Group RMB'000
Segment assets	1,674,099	246,848	(7,070)	1,913,877
Other assets				3,699,261
Total assets				5,613,138
Segment liabilities	2,122,495	280,461	(7,070)	2,395,886
Other liabilities				159,713
Total liabilities				2,555,599
Amounts included in the measure of segment assets:				
Capital expenditure	114,374	1,749	—	116,123

## Notes to the Consolidated Financial Statements

### 5 SEGMENT INFORMATION (Continued)

Segment assets are reconciled to total assets as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Segment assets	<b>1,874,823</b>	1,913,877
Other assets		
Current income tax recoverable	<b>134</b>	161
Deferred income tax assets	<b>158,198</b>	92,127
Unallocated cash and bank balances	<b>3,946,383</b>	3,540,749
Unallocated property and equipment	<b>45</b>	1,046
Other corporate assets	<b>51,666</b>	55,288
Financial assets at fair value through profit and loss	<b>9,261</b>	9,890
Total assets	<b>6,040,510</b>	5,613,138

Segment liabilities are reconciled to total liabilities as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Segment liabilities	<b>2,603,371</b>	2,395,886
Other liabilities		
Current income tax liabilities	<b>203,259</b>	138,223
Deferred income tax liabilities	<b>722</b>	1,235
Other corporate liabilities	<b>8,350</b>	20,255
Total liabilities	<b>2,815,702</b>	2,555,599

The amounts provided to the CODM with respect to segment assets and liabilities are measured in a manner consistent with that of the consolidated financial statements. These assets and liabilities are allocated based on the operations of the segment.

Segment assets consist primarily of property and equipment, investment properties, intangible assets, receivables from commercial and residential property management services and cash and bank balances other than current income tax recoverables, deferred income tax assets, unallocated cash and bank balances, unallocated property and equipment, other corporate assets and financial assets at fair value through profit or loss.

Segment liabilities consist primarily of trade and other payables, lease liabilities, contract liabilities and advances from lessees other than current income tax liabilities, deferred income tax liabilities and other corporate liabilities.

Capital expenditure comprises additions to property and equipment, investment properties and intangible assets.

## Notes to the Consolidated Financial Statements

### 6 REVENUE

(a) Revenue of the Group for the year ended 31 December 2024 is as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
<b>Types of services</b>		
<i>Rental income:</i>		
– Commercial property lease income (iv)	206,455	176,510
<i>Revenue from contracts with customers within the scope of HKFRS 15:</i>		
– Market research and positioning, business tenant sourcing, opening preparation services	70,480	100,019
– Commercial operation and management services	1,863,203	1,860,861
– Commercial operation service during the operation stage (v)	716,482	742,437
– Commercial property management service (vi)	1,146,721	1,118,424
– Commercial operational services	1,933,683	1,960,880
– Pre-sale management services	1,189	9,160
– Property management services	378,759	376,162
– Other value-added services	97,219	113,034
– Residential property management services	477,167	498,356
	2,617,305	2,635,746
<b>Types of customers</b>		
External third party customers (i)	2,360,512	2,242,728
Fellow subsidiaries (ii)	230,611	368,313
Other related parties (iii)	26,182	24,705
	2,617,305	2,635,746

(i) External third party customers represented independent third parties.

(ii) For the year ended 31 December 2024, revenue arising from the Remaining Powerlong Group and other entities controlled by Mr. Hoi (the "Fellow Subsidiaries") contributed 8.8% of the Group's revenue (2023: 14.0%). Other than the Fellow Subsidiaries, the Group has a large number of customers, none of whom contributed 10% or more of the Group's revenue during the year (2023: same).

(iii) Other related parties represented associates or jointly controlled entities of the Remaining Powerlong Group.

(iv) The owner leases the retail commercial properties as a whole to the Group at a certain price, and all income and costs of project operation are borne by the Group.

The Group charges tenants and consumers: (i) rental income of projects; (ii) operation and management service fees during project operation; (iii) income from diversified operations; and (iv) parking fees.

For the year ended 31 December 2024, sub-lease services income of the Group was RMB206,455,000 (2023: RMB176,510,000).

(v) For the year ended 31 December 2024, included in commercial operation service during the operation stage was approximately RMB468,996,000 (2023: RMB447,809,000), which represented the parking diversified operations.

(vi) For the year ended 31 December 2024, commercial property management service included operation and management service of approximately RMB994,105,000 (2023: RMB977,680,000).



**6 REVENUE** (Continued)**(b) Liabilities related to contracts with customers**

	As at 31 December		As at
	2024	2023	1 January
	RMB'000	RMB'000	2023
			RMB'000
Contract liabilities	<b>274,282</b>	301,035	229,322

Contract liabilities of the Group mainly arose from the advance payments made by the customers while the underlying services are yet to be provided.

**(i) Revenue recognised in relation to contract liabilities.**

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Revenue recognised that was included in the contract liabilities balance at the beginning of the year		
– Commercial operational services	<b>216,719</b>	187,294
– Residential property management services	<b>72,048</b>	42,028
	<b>288,767</b>	229,322

**(ii) Unsatisfied performance obligations**

For commercial operational services and residential property management services, the Group recognises revenue in the amount that equals to the right to invoice which corresponds directly with the value to the customers of the Group's performance to date, on a monthly or quarterly basis. The Group has elected the practical expedient for not to disclose the remaining performance obligations for those types of contracts. The majority of the property management services contracts and property developer-related services do not have a fixed term. The term of the contracts for other value-added services is generally set to expire when the counterparties notify several months in advance to the Group that the services are no longer required.

For other value-added services are rendered over a short period of time and there is no unsatisfied performance obligation at the end of respective periods.

## 7 EXPENSES BY NATURE

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Employee and other labour costs	<b>1,156,364</b>	1,272,253
Utilities	<b>279,860</b>	249,319
Short-term lease expenditure (Note (a) and Note 29(b))	<b>261,903</b>	205,733
Depreciation and amortisation (Notes 14, 16 and 17)	<b>117,325</b>	86,172
Promotion and advertising expenses	<b>102,529</b>	72,272
Travelling and entertainment expenses	<b>19,380</b>	18,459
Office expenses	<b>25,678</b>	19,442
Taxes and other levies	<b>9,528</b>	10,100
Professional fees	<b>11,500</b>	23,480
Variable lease payments (Note 29(b))	<b>33,311</b>	19,280
Cost of inventories sold	<b>27,506</b>	17,385
Auditor's remuneration		
– Audit services	<b>1,150</b>	2,295
Others	<b>40,170</b>	54,068
Total of costs of services, selling and marketing expenses and administrative expenses	<b>2,086,204</b>	2,050,258

- (a) Short-term lease payments represented the annual fee for leases of car parks, common areas and advertising spaces from Remaining Powerlong Group. These lease contracts have lease termed of 12 months or less from the commencement date, and will be subject to negotiation for renewal requirements.

## 8 STAFF COSTS

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Wages and salaries	<b>678,507</b>	694,120
Social insurance expenses (Note (a))	<b>114,976</b>	104,577
Housing benefits	<b>37,123</b>	36,086
Other employee benefits (Note (b))	<b>5,727</b>	2,332
Share-based payments (Note 27)	<b>(65,181)</b>	45,120
	<b>771,152</b>	882,235

**8 STAFF COSTS** (Continued)

(a) Employees of the Group in the PRC are required to participate in a defined contribution retirement scheme administrated and operated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated on certain percentage of the average employee salary, subject to certain ceiling, and as agreed by local municipal government to the scheme to fund the retirement benefits of the employees.

(b) Other employee benefits mainly include meal, travelling and transportation allowances.

**(c) Five highest paid individuals**

The five individuals whose emoluments were the highest in the Group for the year ended 31 December 2024 included one director (2023: one) whose emoluments are shown in Note 35. The emoluments payable to the remaining four individuals are as follows (2023: four):

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Wages and salaries	4,400	4,800
Pension costs, housing funds, medical insurance and other social insurances	386	453
Bonus	56	730
	4,842	5,983

The emoluments fell within the following bands:

	Number of individuals Year ended 31 December	
	2024	2023
Emolument bands (in HK dollar ("HK\$"))		
HK\$1,000,001 – HK\$1,500,000	4	1
HK\$1,500,001 – HK\$2,000,000	–	3
	4	4

During the year ended 31 December 2024, no emolument was paid by the Group to any of the highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of offices (2023: nil). None of the highest paid individuals waived any emoluments for the years ended 31 December 2024 and 2023.

## 9 OTHER INCOME AND OTHER LOSSES – NET

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
<b>Other income</b>		
Penalty income (Note (a))	25,725	22,242
Government grants (Note (b))	8,387	26,860
Others	5,015	7,954
	<b>39,127</b>	57,056
<b>Other losses</b>		
Foreign exchange losses	(3,233)	(1,322)
	<b>35,894</b>	55,734

(a) Penalty income mainly represented the forfeited deposits from tenants due to the premature termination of contracts.

(b) Government grants mainly represented rewards and tax refunds from local government without attached conditions.

## 10 FINANCE (COSTS)/INCOME – NET

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
<i>Interest expense in respect of:</i>		
Lease liabilities (Note 29(b))	(70,673)	(43,677)
Others	–	1,207
	<b>(70,673)</b>	(42,470)
<i>Interest income in respect of:</i>		
Bank deposits	51,477	61,584
	<b>51,477</b>	61,584
Finance (costs)/income – net	<b>(19,196)</b>	19,114

## Notes to the Consolidated Financial Statements

### 11 PRINCIPAL SUBSIDIARIES

The principal subsidiaries of which the Company held direct or indirect interest as at 31 December 2024 and 2023 are as follows:

Company name	Place and date of incorporation/ establishment	Kind of legal entity	Nominal value of issued and fully paid share capital/paid-in capital	Attributable equity interest of the Group as at 31 December 2024	Attributable equity interest of the Group as at 31 December 2023	Principal activities and place of operation
<i>Directly owned:</i>						
Powerlong (BVI) V Limited	The British Virgin Islands ("BVI"), 11 August 2008	Limited liability company	US\$50,000	100%	100%	Investment holding, the BVI
<i>Indirectly owned:</i>						
Powerlong Commercial Group Holdings Limited	Hong Kong, 3 October 2008	Limited liability company	HK\$50,000	100%	100%	Investment holding, Hong Kong
Shanghai Shangsheng Investment Management Consulting Company Limited	The PRC, 15 December 2010	Limited liability company	US\$3,000,000	100%	100%	Investment holding, management consulting, Shanghai, the PRC
Shanghai Yulong Property Management Company Limited	The PRC, 5 March 2012	Limited liability company	RMB1,000,000	100%	100%	Commercial operation, Shanghai, the PRC
Xiamen Hualong Property Management Company Limited	The PRC, 14 April 1993	Limited liability company	RMB5,853,600	100%	100%	Property Management, Xiamen, the PRC
Shanghai Powerlong Property Management Company Limited	The PRC, 5 April 2007	Limited liability company	RMB5,000,000	100%	100%	Property management, Shanghai, the PRC
Shanghai Baozhan Commercial Operational Management Company Limited	The PRC, 1 September 2014	Limited liability company	RMB1,000,000	100%	100%	Commercial operation, Shanghai, the PRC
Qingdao Jimo Powerlong Commercial Property Management Company Limited	The PRC, 26 November 2010	Limited liability company	RMB3,000,000	100%	100%	Commercial operation, Qingdao, the PRC
Taicang Baohua Property Management Company Limited	The PRC, 9 October 2006	Limited liability company	RMB3,000,000	100%	100%	Property management, Taicang, the PRC
Shanghai Powerlong Commercial Property Management Company Limited	The PRC, 29 June 2007	Limited liability company	RMB5,000,000	100%	100%	Commercial operation, Shanghai, the PRC
Bengbu Powerlong Commercial Property Management Company Limited	The PRC, 12 July 2007	Limited liability company	RMB10,000,000	100%	100%	Commercial operation, Bengbu, the PRC
Zhengzhou Powerlong Commercial Property Management Company Limited	The PRC, 16 October 2007	Limited liability company	RMB10,000,000	100%	100%	Commercial operation, Zhengzhou, the PRC

## Notes to the Consolidated Financial Statements

### 11 PRINCIPAL SUBSIDIARIES (Continued)

Company name	Place and date of incorporation/ establishment	Kind of legal entity	Nominal value of issued and fully paid share capital/paid-in capital	Attributable equity interest of the Group as at 31 December 2024	Attributable equity interest of the Group as at 31 December 2023	Principal activities and place of operation
Qingdao Powerlong Commercial Property Management Company Limited	The PRC, 25 February 2008	Limited liability company	RMB4,000,000	100%	100%	Commercial operation, Chengyang, the PRC
Wuxi Powerlong Commercial Property Management Company Limited	The PRC, 8 April 2008	Limited liability company	RMB10,000,000	100%	100%	Commercial operation, Wuxi, the PRC
Hangzhou Junlong Enterprise Management Company Limited	The PRC, 23 July 2014	Limited liability company	RMB1,000,000	100%	100%	Commercial operation, Hangzhou, the PRC
Tianjin Junlong Commercial Management Company Limited	The PRC, 21 October 2011	Limited liability company	RMB1,000,000	100%	100%	Commercial operation, Tianjin, the PRC
Jiangyou Powerlong Commercial Management Company Limited	The PRC, 18 September 2017	Limited liability company	RMB1,000,000	100%	100%	Commercial operation, Jiangyou, the PRC
Shanghai Baoqian Commercial Operational Management Company Limited	The PRC, 13 November 2014	Limited liability company	RMB1,000,000	100%	100%	Commercial operation, Shanghai, the PRC
Shanghai Xuxin Enterprise Management Company Limited	The PRC, 26 September 2014	Limited liability company	RMB1,000,000	100%	100%	Property operation, Shanghai, the PRC
Shanghai Huazhan Commercial Operational Management Company Limited	The PRC, 22 September 2014	Limited liability company	RMB1,000,000	100%	100%	Commercial operation, Shanghai, the PRC
Shanghai Jiashang Digital Technology Company Limited	The PRC, 17 April 2019	Limited liability company	RMB20,000,000	100%	100%	Technology development, Shanghai, the PRC
Shanghai Baojuan Commercial Operational Management Company Limited	The PRC, 9 October 2019	Limited liability company	RMB1,000,000	100%	100%	Commercial operation, Shanghai, the PRC
Shanghai Huaqian Commercial Operational Management Company Limited	The PRC, 30 September 2014	Limited liability company	RMB1,000,000	100%	100%	Commercial operation, Shanghai, the PRC
Shanghai Kangqian Commercial Operational Management Company Limited	The PRC, 12 September 2014	Limited liability company	RMB1,000,000	100%	100%	Commercial operation, Shanghai, the PRC
Shanghai Juanxin Enterprise Management Company Limited	The PRC, 18 September 2014	Limited liability company	RMB1,000,000	100%	100%	Property operation, Shanghai, the PRC
Zhejiang Xinghui Commercial Management Company Limited	The PRC, 27 October 2015	Limited liability company	RMB10,000,000	60%	60%	Commercial operation, Hangzhou, the PRC

**11 PRINCIPAL SUBSIDIARIES** (Continued)

Company name	Place and date of incorporation/establishment	Kind of legal entity	Nominal value of issued and fully paid share capital/paid-in capital	Attributable equity interest of the Group as at 31 December 2024	Attributable equity interest of the Group as at 31 December 2023	Principal activities and place of operation
Ningbo Yinzhou Junlong Commercial Real Estate management Company Limited	The PRC, 15 May 2020	Limited liability company	RMB300,000	100%	100%	Commercial operation, Ningbo, the PRC
Shanghai Jinglong Property Management Company Limited	The PRC, 30 October 2015	Limited liability company	RMB1,000,000	100%	100%	Property operation, Shanghai, the PRC
Suzhou Powerlong Commercial Real Estate Operation Management Company Limited	The PRC, 19 Jan 2021	Limited liability company	RMB300,000	100%	100%	Commercial operation, Suzhou, the PRC
Xiamen Powerlong Shangsheng Commercial Management Company Limited	The PRC, 18 Aug 2021	Limited liability company	RMB10,000,000	60%	60%	Commercial operation, Xiamen, the PRC
Shanghai Fujian Commercial Management Company Limited	The PRC, 9 Oct 2021	Limited liability company	RMB1,000,000	100%	100%	Commercial operation, Shanghai, the PRC
Xiamen Baolong Liucui Commercial Management Company Limited	The PRC, 2 Feb 2023	Limited liability company	RMB2,000,000	100%	100%	Commercial operation, Xiamen, the PRC

\* The English name of the subsidiaries represents the best effort by the management of the Group in translating their Chinese names as they do not have an official English name.

The above table listed the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results or assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

The directors of the Company consider that the Group's non-controlling interests were insignificant to the Group and thus no summarised consolidated financial information in respect of the Group's non-controlling interest is presented.

## 12 INCOME TAX EXPENSES

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Current income tax expense		
– PRC corporate income tax	<b>173,139</b>	181,716
Deferred income tax expense (Note 31)		
– PRC corporate income tax	<b>(66,584)</b>	(22,419)
	<b>106,555</b>	159,297

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

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Profit before income tax	<b>330,940</b>	611,688
Tax charge at statutory tax rate of 25% to profits in the respective group entities	<b>122,250</b>	152,922
Tax effects of:		
– Share of results of joint ventures	<b>29</b>	13
– Share of results of associates	<b>906</b>	(249)
– Tax effect of expenses not deductible for tax purposes	<b>913</b>	6,611
– Tax effect of income not taxable for tax purposes	<b>(17,543)</b>	–
	<b>106,555</b>	159,297

The effective income tax rate was 32.20% and 26.04% for the years ended 31 December 2024 and 2023, respectively.

### PRC corporate income tax

Income tax provision of the Group in respect of operations in the PRC has been calculated at the applicable tax rate on the estimated assessable profits for the period, based on the existing legislation, interpretations and practices in respect thereof.

The general corporate income tax rate in the PRC is 25%.

### Overseas income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 of Cayman Islands and pursuant to the rules and regulations of Cayman Islands, the Company is not subject to any income tax. The Company's subsidiaries in the BVI were incorporated under the International Business Companies Act (as amended) of the BVI and, are exempted from BVI income tax.



**12 INCOME TAX EXPENSES** (Continued)**Hong Kong profits tax**

No provision for Hong Kong profits tax has been made in these consolidated financial statements as the Company and the Group did not have assessable profit in Hong Kong during the year ended 31 December 2024 (2023: nil). The profit of the Group entities in Hong Kong is mainly derived from dividend income, which is not subject to Hong Kong profits tax.

**PRC withholding income tax**

According to the new Corporate Income Tax Law of the PRC, starting from 1 January 2008, a withholding tax of 10% will be levied on the immediate holding companies outside the PRC when their PRC subsidiaries declare dividend out of profits earned after 1 January 2008. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are established in Hong Kong according to the tax treaty arrangements between the PRC and Hong Kong.

**13 EARNINGS PER SHARE****(a) Basic**

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 ended 31 December 2024.

	Year ended 31 December	
	2024	2023
<b>Earnings (RMB'000)</b>		
Earnings for the purposes of basic and diluted earnings per share (profit for the year attributable to owners of the Company)	<b>216,016</b>	452,952
<b>Number of shares ('000)</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<b>637,419</b>	634,978
<b>Basic and diluted earnings per share (RMB cents per share)</b>	<b>33.89</b>	71.33

**(b) Diluted**

Diluted earnings per share for both years were the same as the basic earnings per share as there was no potential ordinary shares in issue for both 2024 and 2023.

## 14 PROPERTY AND EQUIPMENT

	Leasehold improvement RMB'000	Motor vehicles RMB'000	Furniture, fitting and equipment RMB'000	Total RMB'000
<b>Year ended 31 December 2024</b>				
Opening net book amount	35,066	373	10,314	45,753
Additions	8,416	18	3,041	11,475
Disposals	—	(13)	(95)	(108)
Depreciation charge	(6,204)	(205)	(5,404)	(11,813)
<b>Closing net book amount</b>	<b>37,278</b>	<b>173</b>	<b>7,856</b>	<b>45,307</b>
<b>As at 31 December 2024</b>				
Cost	46,316	5,421	37,826	89,563
Accumulated depreciation	(9,038)	(5,248)	(29,970)	(44,256)
<b>Net book amount</b>	<b>37,278</b>	<b>173</b>	<b>7,856</b>	<b>45,307</b>
<b>Year ended 31 December 2023</b>				
Opening net book amount	—	614	12,368	12,982
Additions	37,900	150	6,012	44,062
Disposals	—	(139)	(973)	(1,112)
Depreciation charge	(2,834)	(252)	(7,093)	(10,179)
<b>Closing net book amount</b>	<b>35,066</b>	<b>373</b>	<b>10,314</b>	<b>45,753</b>
<b>As at 31 December 2023</b>				
Cost	37,900	5,643	41,479	85,022
Accumulated depreciation	(2,834)	(5,270)	(31,165)	(39,269)
<b>Net book amount</b>	<b>35,066</b>	<b>373</b>	<b>10,314</b>	<b>45,753</b>

Depreciation expenses were charged to the following categories in the consolidated statements of profit or loss and other comprehensive income:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Depreciation expenses	11,813	10,179

**15 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

Financial assets at fair value through profit or loss comprise equity investments that are held for trading and equity investments for which the Group has not elected to recognise fair value gains and losses through other comprehensive income.

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Opening amounts as at 1 January	9,890	11,138
Fair value losses – net	(629)	(1,248)
Closing amounts at 31 December	9,261	9,890

Financial assets at fair value through profit or loss comprise the following individual investments:

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Investment fund	9,261	9,376
Contingent consideration (Note (a))	–	514
	9,261	9,890

Information about the methods and assumptions used in determining fair value is provided in Note 3.3.

Note:

- (a) Business combinations during the year ended 31 December 2020 included the acquisition of Zhejiang Xinghui Commercial Management Company Limited ("Zhejiang Xinghui") at an aggregate purchase consideration of RMB34,799,000.

The contingent consideration arrangement was included in the acquisition of Zhejiang Xinghui, and it entitled the Group to have the receivable from the former owners of Zhejiang Xinghui which was contingent upon the achievement of the performance guarantee targets during the five years between 2020 and 2024.

The fair value of the contingent consideration arrangement was estimated by calculating the present value of the future expected cash flows. The estimates were based on the discount rate and probability of achieving the target and might be modified by inspecting the performance from the acquisition date.

The performance guarantee targets for the five years between 2020 and 2024 were achieved by Zhejiang Xinghui except for 2021 and 2022, in respect of which compensation of RMB365,000 and RMB665,000 respectively were received by the Group. The aggregate compensation receivable of RMB1,030,000 was settled on 30 August 2022 and 17 May 2023 respectively.

As at 31 December 2024, the fair value of the contingent consideration was RMB nil (2023: RMB514,000).

## 16 INVESTMENT PROPERTIES

	Leased commercial properties – right-of- use assets RMB'000
<b>Year ended 31 December 2024</b>	
Opening net book amount	749,749
Additions (Note (a))	325,229
Depreciation charge	(102,893)
<b>Closing net book amount</b>	<b>972,085</b>
<b>As at 31 December 2024</b>	
Cost	1,293,671
Accumulated depreciation	(321,586)
<b>Net book amount</b>	<b>972,085</b>
<b>Year ended 31 December 2023</b>	
Opening net book amount	751,872
Additions (Note (b))	71,421
Depreciation charge	(73,544)
<b>Closing net book amount</b>	<b>749,749</b>
<b>As at 31 December 2023</b>	
Cost	1,202,204
Accumulated depreciation	(452,455)
<b>Net book amount</b>	<b>749,749</b>

- (a) For the year ended 31 December 2024, the additions of right-of-use assets mainly comprised of three leased commercial properties with lease term periods of 2-20 years respectively.
- (b) For the year ended 31 December 2023, the additions of right-of-use assets were mainly comprised of one leased commercial property with lease term periods of 20 years.
- (c) As at 31 December 2024 and 2023, none of the sub-lease contracts of the Group was finance lease. As at 31 December 2024, the fair values of the investment properties approximated to RMB1,120,180,000 (2023: RMB889,480,000).

**16 INVESTMENTS PROPERTIES** (Continued)**(d) Fair value hierarchy**

A valuation of the Group's investment properties was performed by an independent and professional qualified valuer, to determine the fair value of the investment properties as at 31 December 2024 and 2023.

As at 31 December 2024, as certain significant inputs used in the determination of fair value of investment properties are arrived at by reference to certain significant unobservable market data, the fair values of all investment properties of the Group are included in level 3 of the fair value measurement hierarchy (2023: level 3).

**(e) Valuation techniques**

Investment properties comprise of right-of-use assets of commercial properties held under leases. Fair values of the investment properties are generally derived using the term and reversionary method. This method is based on the tenancy agreements as at the respective valuation dates. The rental income derived within the tenancy agreements are discounted by adopting term yields and the potential reversionary income are discounted by adopting appropriate reversionary yields for the period beyond the rental period in the tenancy agreements. Potential reversionary income and the reversionary yields are derived from analysis of prevailing market rents and valuer's interpretation of prevailing investor requirements or expectations. The prevailing market rents adopted in the valuation have reference to recent lettings, within the subject properties and other comparable properties.

In estimating the fair value of the properties, the highest and best use of the properties is their current use. There were no changes to the valuation techniques during the year ended 31 December 2024 (2023: None).

Property category	Valuation techniques	Unobservable inputs	Range of unobservable inputs		Relationship of unobservable inputs to fair value
			As at 31 December 2024	As at 31 December 2023	
Shopping mall in the PRC	Income approach	Term yields	<b>6.00%-7.00%</b>	6.00%-7.00%	The higher the term yields, the lower the fair value
		Reversionary yields	<b>7.00%-7.50%</b>	7.00%-7.50%	The higher the reversionary yields, the lower the fair value
		Market rents (RMB/square meter/month)	<b>30-150</b>	32-176	The higher the market rents, the higher the fair value

## 17 INTANGIBLE ASSETS

	Software RMB'000	Customer contracts RMB'000 (Note (a))	Goodwill RMB'000 (Notes (a) and (b))	Total RMB'000
<b>Year ended 31 December 2024</b>				
Opening net book amount	3,014	3,738	20,640	27,392
Additions	296	—	—	296
Disposals	(148)	—	—	(148)
Amortisation charge	(2,058)	(561)	—	(2,619)
<b>Closing net book amount</b>	<b>1,104</b>	<b>3,177</b>	<b>20,640</b>	<b>24,921</b>
<b>As at 31 December 2024</b>				
Cost	5,020	5,607	20,640	31,267
Accumulated amortisation	(3,916)	(2,430)	—	(6,346)
<b>Net book amount</b>	<b>1,104</b>	<b>3,177</b>	<b>20,640</b>	<b>24,921</b>
<b>Year ended 31 December 2023</b>				
Opening net book amount	4,262	4,299	20,640	29,201
Additions	640	—	—	640
Amortisation charge	(1,888)	(561)	—	(2,449)
<b>Closing net book amount</b>	<b>3,014</b>	<b>3,738</b>	<b>20,640</b>	<b>27,392</b>
<b>As at 31 December 2023</b>				
Cost	4,917	5,607	20,640	31,164
Accumulated amortisation	(1,903)	(1,869)	—	(3,772)
<b>Net book amount</b>	<b>3,014</b>	<b>3,738</b>	<b>20,640</b>	<b>27,392</b>

Amortisation of intangible assets were charged to the following categories in the consolidated statements of profit or loss and other comprehensive income:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Amortisation charge	2,619	2,449

## 17 INTANGIBLE ASSETS (Continued)

- (a) During the year ended 31 December 2020, the Group acquired Zhejiang Xinghui. Total identifiable net assets acquired as at the acquisition date included identified customer contracts of RMB5,607,000 recognised by the Group.

The excess of the consideration transferred over the fair value of the identifiable net assets attributable to the Group amounted to RMB20,640,000 and was recorded as goodwill.

### (b) Impairment tests for goodwill

As at 31 December 2024, goodwill of RMB20,640,000 (2023: RMB20,640,000) has been allocated to the cash-generating unit of the subsidiary acquired (Zhejiang Xinghui) for impairment testing.

Management performed an impairment assessment on the goodwill as at 31 December 2024. The calculations used cash flow projections were based on financial budgets covering a five-year period approved by management.

The following table sets forth each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

	As at 31 December	
	2024	2023
Revenue (average annual growth rate during projection period)	2%	5%
Gross margin	62%	46%
Earnings before interest and tax ("EBIT") margin during the projection period (%)	23%	24%

Revenue refers to the average annual growth rate over the five-year forecast period. It is based on the CGU's growth forecasts and the average long-term growth rate for the relevant industry.

Gross margin refers to the average margin as a percentage of revenue over the five-year forecast period. It is determined based on the CGU's past performance and their expectations for market development.

EBIT margin based on past performance and management's expectations for the future.

By reference to the recoverable amount assessed by the independent valuer as at 31 December 2024, the directors of the Company determined that no impairment provision on goodwill was required as at 31 December 2024 (2023: nil).

## 18 INVESTMENTS IN JOINT VENTURES

There was no joint venture of the Group as at 31 December 2024 which, in the opinion of the executive directors, are material to the Group.

The movement of the investments in joint ventures during the year is as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
<b>At beginning of the year</b>	<b>772</b>	824
Share of results of joint ventures	<b>35</b>	(52)
<b>At end of the year</b>	<b>807</b>	772

Details of the Group's joint ventures as at 31 December 2024 and 31 December 2023 are as follows:

Name of entity	Place and date of establishment/ incorporation	Authorised/ registered/paid-in capital	Proportion of ownership interest		Principal activities
			2024	2023	
Shanghai Baoshen Digital Technology Co., Ltd.	PRC 18 April 2019	Registered and paid-in capital of RMB10,000,000	<b>47%</b>	47%	Technology development
Hainan Baochang Property Management Co., Ltd.	PRC 7 January 2020	Registered and paid-in capital of RMB10,000,000 and nil respectively	<b>51%</b>	51%	Property management

## 19 INVESTMENTS IN ASSOCIATES

There was no associate of the Group as at 31 December 2024 which, in the opinion of the executive directors, are material to the Group.

The movement of investments in associates during the year is as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
<b>At beginning of the year</b>	<b>54,516</b>	53,520
Share of results of associates	<b>3,176</b>	996
Dividends	<b>(6,833)</b>	—
<b>At end of the year</b>	<b>50,859</b>	54,516



**19 INVESTMENTS IN ASSOCIATES** (Continued)

Details of the Group's associates as at 31 December 2024 and 31 December 2023 are as follows:

Name of entity	Place and date of establishment/ incorporation	Authorised/ registered/paid-in capital	Proportion of ownership interest		Principal activities
			2024	2023	
Shanghai Huiping Business Management Co., Ltd	PRC 25 December 2020	Registered and paid-in capital of RMB1,000,000 and nil respectively	<b>49%</b>	49%	Commercial operation
Shanghai Yongbao Property Management Co., Ltd	PRC 13 April 2021	Registered and paid-in capital of RMB1,000,000 and nil respectively	<b>49%</b>	49%	Property management
Shanghai Yueshang Information Technology Co., Ltd (Note (a))	PRC 4 August 2021	Registered and paid-in capital of RMB29,626,000 and RMB29,626,000 respectively	<b>8.33%</b>	8.33%	Technology development

- (a) Mr. Hoi Wa Fong, an executive director of the Company, indirectly owns more than 20% of the voting rights in Shanghai Yueshang Information Technology Co., Ltd ("Shanghai Yueshang") and is able to exercise significant influence on the financial and operating policies of Shanghai Yueshang. Thus, Shanghai Yueshang is regarded as an associate of the Company

**20 INVENTORIES**

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
General merchandise for resale and consumable	<b>10,620</b>	9,602
	<b>10,620</b>	9,602

## 21 FINANCIAL INSTRUMENTS BY CATEGORY

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
<b>Financial assets</b>		
Financial assets at amortised cost		
Operating lease and trade receivables	413,173	412,357
Other receivables (excluding prepayments)	161,448	276,586
Cash and bank balances	4,131,562	3,881,880
	4,706,183	4,570,823
Financial assets at fair value through profit or loss	9,261	9,890
	4,715,444	4,580,713
<b>Financial liabilities</b>		
Financial liabilities at amortised costs		
Trade and other payables (excluding accrued payroll and other tax payables)	943,203	1,013,054
Lease liabilities	1,270,698	995,653
	2,213,901	2,008,707

## 22 OPERATING LEASE AND TRADE RECEIVABLES

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Operating lease receivables (Note (a))		
– Third parties	15,937	29,064
Trade receivables (Note (a))		
– Related parties (Note 33(d))	371,819	215,952
– Third parties	262,604	245,629
	634,423	461,581
Less: loss allowance (Note (b))	(237,187)	(78,288)
	413,173	412,357

**22 OPERATING LEASE AND TRADE RECEIVABLES** (Continued)

- (a) The Group's revenue is derived from provision of commercial operational services, residential property management services and lease of properties. Proceeds in respect of service rendering and rental income are to be received in accordance with the terms of relevant property service agreements and tenant contracts. Generally, no credit period is granted.

As at the respective balance sheet date, the ageing analysis of the operating lease and trade receivables due from related parties based on the demand note dates is as follows:

	As at 31 December 2024 RMB'000	2023 RMB'000
Within 1 year	<b>264,149</b>	215,952
1-2 years	<b>107,670</b>	—
	<b>371,819</b>	215,952

As at the respective balance sheet date, the ageing analysis of the operating lease and trade receivables due from third parties based on the demand note dates is as follows:

	As at 31 December 2024 RMB'000	2023 RMB'000
Within 1 year	<b>141,537</b>	177,401
1-2 years	<b>65,227</b>	53,313
2-3 years	<b>33,085</b>	25,213
Over 3 years	<b>38,692</b>	18,766
	<b>278,541</b>	274,693

- (b) The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9. As at 31 December 2024, a provision of RMB237,187,000 (2023: RMB78,288,000) was made against the gross amounts of operating lease and trade receivables (Note 3.1.2).
- (c) As at 31 December 2024 and 2023, the operating lease and trade receivables were denominated in RMB, and the fair values approximated their carrying amounts.

## 23 PREPAYMENTS AND OTHER RECEIVABLES

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Other receivables		
– Payments on behalf of tenants or residents (Note (a))	21,254	10,877
– Related parties (Note 33(d))	11,704	7,731
– Deposit paid to a related company (Note (b) and Note 33(d))	198,000	198,000
– Deposit paid to a third party (Note (c))	3,013	83,687
– Others	15,930	4,202
	<b>249,901</b>	304,497
Less: loss allowance	<b>(88,453)</b>	(27,911)
	<b>161,448</b>	276,586
Prepayments		
– Third parties (Note (d))	37,186	30,702
– Related parties (Note 33(d))	24,949	21,651
	<b>62,135</b>	52,353
	<b>223,583</b>	328,939

- (a) Amounts mainly represented the payments of utility fees on behalf of tenants or residential communities.
- (b) Amounts represented a refundable deposit paid to a related company which is part of Remaining Powerlong Group for the exclusive sales right of car park spaces in the PRC held by this related company.
- (c) Amounts represented a refundable deposit paid to a third party for the exclusive sales right of shops in the PRC held by this third party.
- (d) Amounts mainly represented the prepaid utility expenses.
- (e) The balances of prepayments and other receivables were all denominated in RMB.

## 24 CASH AND BANK BALANCES

	As at 31 December 2024 RMB'000	2023 RMB'000
Cash at banks and in hand (Note (a))	<b>4,131,562</b>	3,881,880
Restricted cash – others	<b>(22,769)</b>	(15,158)
Cash and cash equivalents	<b>4,108,793</b>	3,866,722

(a) Cash and bank balances were denominated in the following currencies:

	As at 31 December 2024 RMB'000	2023 RMB'000
RMB	<b>4,110,047</b>	3,870,606
HK\$	<b>21,503</b>	11,274
US\$	<b>12</b>	–
	<b>4,131,562</b>	3,881,880

## 25 SHARE CAPITAL AND SHARE PREMIUM

	Number of ordinary shares	Share capital HK\$'000	RMB'000	Share premium RMB'000	Total RMB'000	Shares held for Shares Award Scheme RMB'000
<b>Authorised</b>						
As at 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	2,000,000,000	20,000	17,905	–	17,905	–
<b>Issued</b>						
As at 31 December 2023 and 1 January 2024	642,900,000	6,429	5,747	961,459	967,206	(44)
Issue of ordinary shares (Note(a))	–	–	–	12,021	12,021	44
Vesting of awarded shares	–	–	–	25,173	25,173	–
<b>As at 31 December 2024</b>	642,900,000	6,429	5,747	998,653	1,004,400	–
<b>Issued</b>						
As at 31 December 2022 and 1 January 2023	642,900,000	6,429	5,747	1,038,193	1,043,940	(95)
Dividends	–	–	–	(172,906)	(172,906)	–
Vesting of awarded shares	–	–	–	96,172	96,172	51
<b>As at 31 December 2023</b>	642,900,000	6,429	5,747	961,459	967,206	(44)

(a) The 5,625,000 unvested awarded shares granted under the Share Award Scheme did not vest in the relevant grantee and the award thereof lapsed on 1 November 2024. As there was no immediate plan to grant any further award of shares to any eligible participants under the Share Award Scheme, the Company instructed the trustee to sell the unvested awarded shares on the open market.

## 26 OTHER RESERVES

	Statutory reserves RMB'000 (Note (a))	Shares Award Scheme and Shares Incentive Scheme – value of employee service RMB'000 (Note (b))	Total reserves RMB'000
<b>Balance at 1 January 2024</b>	<b>23,617</b>	<b>96,606</b>	<b>120,223</b>
Shares Award Scheme and Shares Incentive Scheme – value of employee services (Note 27)	–	(65,181)	(65,181)
Vesting of awarded shares	–	(25,173)	(25,173)
<b>Balance at 31 December 2024</b>	<b>23,617</b>	<b>6,252</b>	<b>29,869</b>
<b>Balance at 1 January 2023</b>	23,617	147,709	171,326
Shares Award Scheme and Shares Incentive Scheme – value of employee services (Note 27)	–	45,120	45,120
Vesting of awarded shares	–	(96,223)	(96,223)
<b>Balance at 31 December 2023</b>	23,617	96,606	120,223

### (a) Statutory reserves

Pursuant to the relevant laws and regulations in the PRC and the provision of the articles of association of the Group's subsidiaries, the Group's subsidiaries which are registered in the PRC shall appropriate certain percentage of profit after tax (after offsetting any accumulated losses brought forward from prior years) calculated under the accounting principles generally applicable to the PRC enterprises to reserve funds. Depending on the natures, the reserve funds can be used to set off accumulated losses of the subsidiaries or distribute to owners in form of bonus issue.

### (b) Shares Award Scheme and Shares Incentive Scheme reserves

#### Shares Award Scheme

On 24 November 2020, the Company's shareholders approved and adopted a shares award scheme ("Shares Award Scheme") (Note 27) and the Company has appointed Tricor Trust (Hong Kong) Limited as the trustee (the "Trustee") to assist with the administration of the awarded shares and Elitelong Holdings Limited, a wholly-owned subsidiary of the Trustee, as nominee. On 4 December 2020, the Board of the Company approved a new issuance of 11,250,000 ordinary shares to the Elitelong Holdings Limited.

Elitelong Holdings Limited was set up as a special vehicle for the purpose of holding the ordinary shares allotted and issued by the Company. As the Company has the power to direct the relevant activities of Elitelong Holdings Limited and can derive benefits from the contributions of the grantees, therefore, Elitelong Holdings Limited is consolidated by the Company and the 11,250,000 shares of the Company that it held are presented as a deduction in equity as shares held for the Shares Award Scheme reserve.

#### Shares Incentive Scheme

On 19 July 2019, 8,778 shares were issued and allotted to Huihong Management (PTC) Limited ("Huihong Management") at par value as to 10% of the Company's equity interest before the listing of the Company. Huihong Management was incorporated in the BVI as a special purpose vehicle to hold shares to be granted to eligible grantees under a share incentive scheme ("Share Incentive Scheme") to be adopted at least six months after the Listing, which is consolidated by the Company.

On 10 December 2019, the Company increased its authorized share capital to HK\$20,000,000 by the creation of 1,962,000,000 additional shares of nominal value of HK\$0.01 each. Pursuant to the written resolutions passed by the shareholders on 10 December 2019, the Company was authorized to capitalise HK\$4,499,122.22 standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par 449,912,222 shares for issue and allotment to the respective shareholders. Accordingly, the numbers of shares held by Huihong Management increased from 8,778 to 45,000,000, i.e. 10% of the Company's equity interest before the listing.

## 27 SHARES AWARD SCHEME AND SHARES INCENTIVE SCHEME

### Shares Award Scheme

On 24 November 2020, as the grant date, the Company has resolved to award an aggregate of 11,250,000 awarded shares ("Awarded Shares") to Mr. Chen. Such Awarded Shares have been issued to a trustee which hold on trust for Mr. Chen Deli pursuant to the terms of the trust deed. These Awarded Shares shall then transfer to Mr. Chen after the relevant vesting conditions are fulfilled.

Under the terms of the Shares Award Scheme, when the vesting conditions are fulfilled, the Awarded Shares shall be vested 50% in June 2023 and 50% in June 2025 respectively.

In June 2023, 5,625,000 Awarded Shares were vested.

On 1 November 2024, Mr. Chen resigned from his position as an executive Director and the chief executive officer of the Company. Under the terms of the Shares Award Scheme, the remaining 5,625,000 Awarded Shares which were not yet vested as at that date will no longer be transferred to Mr. Chen.

The Awarded Shares have an aggregate nominal value of HK\$112,500 and a fair value of HK\$226,688,000 based on the price of HK\$20.15 on grant date (equivalent to approximately RMB192,446,000). For the year ended 31 December 2024, an expense of RMB16,881,000 was recognised in relation to the Shares Award Scheme (2023: RMB34,837,000), an expense of RMB84,405,000 was reversed in relation to the cancellation of unvested award of 5,625,000 Awarded Shares due to the resignation of Mr. Chen (2023: RMB nil).

### Shares Incentive Scheme

On 21 September 2022, as the grant date, the Company has resolved to transfer, and the eligible grantees have to subscribe for 25,000,000 shares from Huihong Management, at the subscription price of RMB1.1111 per share upon the terms and subject to the conditions under the Shares Incentive Scheme. These shares ("Incentive Shares") shall then transfer to eligible grantees after the relevant vesting conditions are fulfilled.

The Incentive Shares represent approximately 3.89% of the total number of shares in issue as of 31 December 2024 (2023: 3.89%).

Under the terms of the Shares Incentive Scheme, when the vesting conditions are fulfilled, the Incentive Shares shall be vested 100% not later than 31 December 2024. As at 31 December 2024, total number of 21,428,000 shares (2023: 12,463,000 shares) were subscribed by and transferred to the grantees.

For the year ended 31 December 2024, an expense of RMB2,344,000 was recognised in relation to the Shares Incentive Scheme (2023: RMB10,283,000).

**27 SHARES AWARD SCHEME AND SHARES INCENTIVE SCHEME** (Continued)**Shares Incentive Scheme** (Continued)

Awards vested and forfeited of the Group's shares under the Shares Award Scheme and Shares Incentive Scheme are as follows:

**For the year ended 31 December 2024**

Category of Grantees	Date of grant	Number of unvested shares as at 1 January 2024	Aggregated awards vested during the year	Aggregated awards forfeited during the year	Aggregated awards revoked during the year	Number of unvested shares as at 31 December 2024
Senior executive	24 November 2020	5,625,000	–	–	5,625,000	–
Employees	21 September 2022	14,095,000	8,965,000	–	–	5,130,000
		19,720,000	8,965,000	–	5,625,000	5,130,000

**For the year ended 31 December 2023**

Category of Grantees	Date of grant	Number of unvested shares as at 1 January 2023	Aggregated awards vested during the year	Aggregated awards forfeited during the year	Aggregated awards revoked during the year	Number of unvested shares as at 31 December 2023
Senior executive	24 November 2020	11,250,000	5,625,000	–	–	5,625,000
Employees	21 September 2022	14,095,000	–	–	–	14,095,000
		19,720,000	5,625,000	–	–	19,720,000

**28 DIVIDEND**

No final dividend for the year ended 31 December 2024 and no interim dividend for the six months ended 30 June 2024 were paid, declared or proposed, nor has any dividend been proposed since the end of the reporting period.

The 2022 final dividend of HK\$96,435,000 (equivalent to approximately RMB87,924,000) and the 2023 interim dividend of HK\$96,435,000 (equivalent to approximately RMB88,910,000) were paid in 2023.

**29 LEASES****(a) Amounts recognised in the consolidated statement of financial position**

	As at 31 December 2024 RMB'000	2023 RMB'000
Leased in properties for sub-lease to tenants – Leased commercial properties (Note 16)	972,085	749,749
Lease liabilities – Current – Non-current	82,909 1,187,789	64,550 931,103
	1,270,698	995,653



**29 LEASES** (Continued)**(b) Amounts recognised in the consolidated statements of profit or loss and other comprehensive income**

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Depreciation charge		
Commercial properties (Note 16)	<b>102,893</b>	73,544
Interest expense (included in finance costs (Note 10))	<b>70,673</b>	43,677
Variable lease payments (included in cost of services (Note 7))	<b>33,311</b>	19,280
Short-term lease expenditure for car parks and common areas and advertising spaces (Note 7 and note (i))	<b>261,903</b>	205,733
Cash outflows for lease payments (including principal elements and relevant interest expense)	<b>120,857</b>	75,089

(i) As at 31 December 2024 and 2023, the Group did not have any commitment related to the short-term leases.

**(c) A maturity analysis of lease liabilities is show in the table below during the year:**

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Leases are payable:		
Within one year	<b>150,913</b>	119,361
More than one year but not more than two years	<b>129,894</b>	85,484
More than two years but not more than five years	<b>311,357</b>	249,522
More than five years	<b>1,357,580</b>	1,119,707
Minimum lease payments	<b>1,949,744</b>	1,574,074
Future finance charges	<b>(679,046)</b>	(578,421)
Total lease liabilities	<b>1,270,698</b>	995,653
The present value of lease liabilities is as follows:		
Within one year	<b>82,909</b>	64,550
More than one year but not more than two years	<b>65,317</b>	31,118
More than two years but not more than five years	<b>134,737</b>	106,348
More than five years	<b>987,735</b>	793,637
	<b>1,270,698</b>	995,653

**30 TRADE AND OTHER PAYABLES**

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Trade payables		
– Related parties (Note 33(d))	510	595
– Third parties	153,773	173,923
	<b>154,283</b>	174,518
Other payables		
– Related parties (Note 33(d))	136,050	141,117
– Receipts on behalf of tenants or residents (Note (a))	73,735	84,243
– Payables for promotion fees on behalf of owners of the commercial properties (Note (b))	35,473	66,985
– Deposits received (Note (c))	535,312	534,787
– Others	8,350	11,404
	<b>788,920</b>	838,536
Accrued payroll	68,508	71,389
Other tax payables	17,202	12,923
	<b>1,028,913</b>	1,097,366

- (a) Amounts represented the receipts on behalf of tenants or residents to settle the bills of utilities charges.
- (b) The balance represented the receipts on behalf of owners of commercial properties to settle the expenses relating to promotion and marketing activities of car parks, common areas and advertising spaces.
- (c) Amounts mainly represented deposits received from tenants as performance securities in relation to tenant agreements or property management service agreements.
- (d) As at 31 December 2024 and 2023, the carrying amounts of trade and other payables approximated their fair values.

**30 TRADE AND OTHER PAYABLES** (Continued)

- (e) As at the respective balance sheet date, the ageing analysis of the trade payables (including amounts due to related parties) based on invoice dates is as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Within 1 year	<b>138,993</b>	161,689
1 to 2 years	<b>6,175</b>	9,931
2 to 3 years	<b>6,755</b>	1,940
over 3 year	<b>2,360</b>	958
	<b>154,283</b>	174,518

Generally, no credit period is granted.

- (f) Trade and other payables (excluding accrued payroll and other tax payables) were denominated in the following currencies:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
RMB	<b>943,203</b>	1,013,054

**31 DEFERRED INCOME TAX**

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Deferred tax assets:		
– Deferred tax assets to be recovered after more than 12 months	76,789	65,446
– Deferred tax assets to be recovered within 12 months	81,409	26,681
	<b>158,198</b>	92,127
Deferred income tax liabilities:		
– Deferred tax liabilities to be recovered after more than 12 months	(522)	(1,035)
– Deferred tax liabilities to be recovered within 12 months	(200)	(200)
	<b>(722)</b>	(1,235)
	<b>157,476</b>	90,892

The net movements on the deferred taxation are as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
At beginning of the year	90,892	68,473
Tax credited to profit and loss	66,584	22,419
At end of the year	<b>157,476</b>	90,892

## Notes to the Consolidated Financial Statements

### 31 DEFERRED INCOME TAX (Continued)

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:

	Deferred tax assets – allowance on doubtful debts RMB'000	Deferred tax assets – lease RMB'000	Deferred tax assets – tax losses RMB'000	Deferred tax liabilities/assets – financial assets at fair value through profit or loss RMB'000	Deferred tax liabilities – leased commercial properties and leased in properties for operation RMB'000	Deferred tax liabilities – fair value of intangible assets RMB'000	Total RMB'000
<b>As at 1 January 2024</b>	<b>26,550</b>	<b>248,913</b>	<b>3,695</b>	<b>106</b>	<b>(187,437)</b>	<b>(935)</b>	<b>90,892</b>
Credited/(charged) to the income tax expenses	54,859	68,761	(1,750)	157	(55,584)	141	66,584
<b>At 31 December 2024</b>	<b>81,409</b>	<b>317,674</b>	<b>1,945</b>	<b>263</b>	<b>(243,021)</b>	<b>(794)</b>	<b>157,476</b>
<b>As at 1 January 2023</b>	14,463	238,911	4,348	(206)	(187,968)	(1,075)	68,473
Credited/(charged) to the income tax expenses	12,087	10,002	(653)	312	531	140	22,419
<b>At 31 December 2023</b>	<b>26,550</b>	<b>248,913</b>	<b>3,695</b>	<b>106</b>	<b>(187,437)</b>	<b>(935)</b>	<b>90,892</b>

As at 31 December 2024, the Group did not recognise deferred tax assets in respect of cumulative taxes losses of RMB113,921,000 (2023: RMB34,597,000), as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses shall expire in five years from year of occurrence under current tax legislation.

Unused tax losses for which no deferred tax asset was recognised as follows:

Expiry year	As at 31 December 2024 RMB'000	2023 RMB'000
2024	–	1,884
2025	13,944	13,944
2026	18,948	13,984
2027	4,785	4,785
2028	76,244	–
	<b>113,921</b>	<b>34,597</b>

Deferred income tax liabilities of RMB226,580,000 have not been recognised for the withholding taxes and other taxes that would be payable on the unremitted earnings of certain subsidiaries incorporated in the PRC (2023: RMB152,798,000). Unremitted earnings totalled RMB2,265,801,000 as at 31 December 2024 (2023: RMB1,527,980,000), as the Group does not have a plan to distribute these earnings out of the PRC in the foreseeable future.

**32 CASH FLOW INFORMATION****(a) Cash generated from operations**

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Profit before income tax	<b>330,940</b>	611,688
Adjustments for:		
Depreciation and amortisation (Note 7)	<b>117,325</b>	86,172
Impairment losses on financial assets (Note 3.1.2)	<b>219,441</b>	48,344
Share of results of joint ventures (Note 18)	<b>(35)</b>	52
Share of results of associates (Note 19)	<b>(3,176)</b>	(996)
Fair value losses on financial assets at fair value through profit or loss – net (Note 15)	<b>629</b>	1,248
Shares Award Scheme and Shares Incentive Scheme – value of employee services (Note 27)	<b>(65,181)</b>	45,120
Foreign exchange losses (Note 9)	<b>3,233</b>	1,322
Finance costs (Note 10)	<b>70,673</b>	42,470
	<b>673,849</b>	835,420
Changes in working capital:		
Inventories	<b>(1,018)</b>	(9,602)
Restricted cash as guarantee for operating activities	<b>(7,611)</b>	(13,266)
Operating lease and trade receivables	<b>(159,950)</b>	(202,607)
Prepayments and other receivables	<b>48,956</b>	32,577
Trade and other payables	<b>(68,453)</b>	(10,135)
Contract liabilities and advances from lessees	<b>(11,012)</b>	49,709
	<b>474,761</b>	682,096

**32 CASH FLOW INFORMATION** (Continued)**(b) Reconciliation of liabilities arising from financing activities**

The table below details changes in the Group's liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Lease liabilities RMB'000 (Note 29(a))	Total RMB'000
<b>As at 1 January 2024</b>	<b>995,653</b>	<b>995,653</b>
<b>Cash flows</b>		
– Outflow from financing activities	(120,857)	(120,857)
<b>Non-cash changes</b>		
– Acquisition – leases	325,229	325,229
– Finance expense recognised	70,673	70,673
<b>As at 31 December 2024</b>	<b>1,270,698</b>	<b>1,270,698</b>
<b>As at 1 January 2023</b>	955,644	955,644
<b>Cash flows</b>		
– Outflow from financing activities	(75,089)	(75,089)
<b>Non-cash changes</b>		
– Acquisition – leases	71,421	71,421
– Finance expense recognised	43,677	43,677
<b>As at 31 December 2023</b>	995,653	995,653

**33 RELATED PARTY TRANSACTIONS****(a) Transactions with related parties**

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Revenue arising from provision of services (Note (ii))		
– Entities controlled by Mr. Hoi	<b>230,611</b>	368,313
– Entities jointly controlled by Mr. Hoi	<b>26,182</b>	24,705
	<b>256,793</b>	393,018
Office leasing expenditure		
– Entities controlled by Mr. Hoi	<b>3,196</b>	2,292
Short-term lease expenditure for car parks, common areas and advertising spaces		
– Entities controlled by Mr. Hoi	<b>243,883</b>	198,001
– Entities jointly controlled by Mr. Hoi	<b>3,811</b>	485
	<b>247,694</b>	198,486
Purchase of low-value consuming goods and others		
– Entities controlled by Mr. Hoi	<b>852</b>	1,251
Purchase of information technology services		
– Entities jointly controlled by Mr. Hoi	<b>7,351</b>	14,338

- (i) All of the transactions above were carried out in the normal course of the Group's business and on terms as agreed between the transacting parties.
- (ii) The provision of services mainly comprised of revenue from commercial operational services and residential properties management services.



**33 RELATED PARTY TRANSACTIONS** (Continued)**(b) Free trademark license agreement**

On 8 August 2019, a trademark licencing agreement was entered into between the Group and Powerlong Group Development Co., Ltd. (寶龍集團發展有限公司, "Powerlong Group Development"), pursuant to which Powerlong Group Development agreed to irrevocably and unconditionally grant to the Group the right to (i) use; and/or (ii) sub-license to a third party due to operational needs arising from its usual and ordinary course of business and other activities, certain trademarks registered in the PRC for a perpetual term commencing from the date of the trademark licensing agreement on a royalty-free basis.

**(c) Key management compensation**

Compensations for key management other than those for directors and supervisors as disclosed in Note 35 is set out below.

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Salaries and other short-term employee benefits	<b>2,828</b>	3,431

**(d) Balances with related parties**

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Trade receivables		
– Entities controlled by Mr. Hoi	<b>350,580</b>	211,748
– Entities jointly controlled by Mr. Hoi	<b>21,239</b>	4,204
	<b>371,819</b>	215,952
Prepayments (trade) (Note(i))		
– Entities jointly controlled by Mr. Hoi	<b>24,949</b>	21,651
	<b>24,949</b>	21,651
Other receivables		
– Entities controlled by Mr. Hoi	<b>207,074</b>	204,974
– Entities jointly controlled by Mr. Hoi	<b>2,630</b>	757
	<b>209,704</b>	205,731
Trade payables		
– Entities controlled by Mr. Hoi	<b>510</b>	595
	<b>510</b>	595

### 33 RELATED PARTY TRANSACTIONS (Continued)

#### (d) Balances with related parties (Continued)

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Other payables (trade)		
– Entities controlled by Mr. Hoi	129,632	129,490
– Entities jointly controlled by Mr. Hoi	6,418	11,627
	136,050	141,117
Contract liabilities		
– Entities controlled by Mr. Hoi	6,546	39,524
– Entities jointly controlled by Mr. Hoi	4,665	3,373
	11,211	42,897

(i) The prepayments were in relation to a cooperation in information technology development with a joint venture of the Group.

Trade receivables, other receivables, trade payables, other payables and contract liabilities due from/to related parties were unsecured, interest-free and repayable on demand.

**34 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY**

		As at 31 December 2024	2023
	Notes	RMB'000	RMB'000
<b>Assets</b>			
<b>Non-current assets</b>			
Interests in subsidiaries		<b>306,747</b>	306,747
<b>Current assets</b>			
Cash and cash equivalents		<b>21,386</b>	12,166
Other receivables		<b>1,291,538</b>	1,294,799
Prepayments		<b>248</b>	243
		<b>1,313,172</b>	1,307,208
<b>Total assets</b>		<b>1,619,919</b>	1,613,955
<b>Equity</b>			
<b>Capital and reserves attributable to shareholders of the Company</b>			
Share capital and premium	25	<b>1,004,400</b>	967,206
Other reserves	34(a)	<b>312,999</b>	403,353
Shares held for shares award scheme		—	(44)
Accumulated losses	34(a)	<b>(167,270)</b>	(226,845)
<b>Total equity</b>		<b>1,150,129</b>	1,143,670
<b>Current liabilities</b>			
Other payables to third parties		<b>4,153</b>	8,869
Other payables to subsidiaries		<b>465,637</b>	461,416
		<b>469,790</b>	470,285
<b>Total liabilities</b>		<b>469,790</b>	470,285
<b>Total equity and liabilities</b>		<b>1,619,919</b>	1,613,955

The statement of financial position of the Company was approved by the Board of Directors on 26 March 2025 and was signed on its behalf by:

**Hoi Wa Fong**  
Director

**Hoi Wa Lam**  
Director

**34 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY**

(Continued)

**(a) Reserve movements of the Company**

	Other reserves RMB'000	Accumulated losses RMB'000	Total RMB'000
<b>As at 1 January 2024</b>	<b>403,353</b>	<b>(226,845)</b>	<b>176,508</b>
Shares Award Scheme and Shares Incentive Scheme – value of employee service (Note 27)	<b>(65,181)</b>	–	<b>(65,181)</b>
Vesting of awarded shares	<b>(25,173)</b>	–	<b>(25,173)</b>
Profit for the year	–	<b>59,575</b>	<b>59,575</b>
<b>As at 31 December 2024</b>	<b>312,999</b>	<b>(167,270)</b>	<b>145,729</b>
<b>As at 1 January 2023</b>	454,456	(174,677)	279,779
Shares Award Scheme and Shares Incentive Scheme – value of employee service (Note 27)	45,120	–	45,120
Vesting of awarded shares	(96,223)	–	(96,223)
Loss for the year	–	(52,168)	(52,168)
<b>As at 31 December 2023</b>	403,353	(226,845)	176,508

### 35 DIRECTORS' BENEFITS AND INTERESTS

#### (a) Directors' emoluments

The emoluments, except for the director's fee, of Mr. Hoi Wa Fong, an executive director of the Company in relation to his services rendered to the Group for the years ended 31 December 2024 and 2023 were borne by a related party of the Group. The emolument was not allocated to the Group as the management of the Company considers that there is no reasonable basis of allocation (2023: same).

The directors received emoluments from the Group (in their role as senior management and employees before their appointment as directors respectively) for the year ended 31 December 2024 are as follows:

Name	Fees RMB'000	Salaries RMB'000	Contributions to retirement benefit scheme RMB'000	Other allowance and benefits in kind RMB'000	Share-based payments RMB'000	Bonus RMB'000	Total RMB'000
<b>Executive Directors</b>							
Mr. Hoi Wa Fong	240	–	–	–	–	–	240
Mr. Chen Deli (Note (i))	200	1,000	121	–	–	–	1,321
<b>Non-executive Directors</b>							
Ms. Hoi Wa Fan	167	–	–	–	–	–	167
Ms. Hoi Wa Lam	167	–	–	–	–	–	167
Mr. Zhang Yunfeng (Note(ii))	96	–	–	–	–	–	96
<b>Independent Non-executive Directors</b>							
Ms. Ng Yi Kum, Estella	279	–	–	–	–	–	279
Mr. Chan Wai Yan, Ronald	279	–	–	–	–	–	279
Dr. Lu Xiongwen	279	–	–	–	–	–	279
	1,707	1,000	121	–	–	–	2,828

(i) Mr. Chen Deli had tendered his resignation as an executive director and the chief executive officer of the Company with effect from 1 November 2024. Thereafter, Mr. Chen Deli had ceased to hold any position in the Company.

(ii) Mr. Zhang Yunfeng had tendered his resignation as a non-executive director of the Company with effect from 27 August 2024. Thereafter, Mr. Zhang Yunfeng had ceased to hold any position in the Company.

## Notes to the Consolidated Financial Statements

### 35 DIRECTORS' BENEFITS AND INTERESTS (Continued)

#### (a) Directors' emoluments (Continued)

The directors received emoluments from the Group (in their role as senior management and employees before their appointment as directors respectively) for the year ended 31 December 2023 are as follows:

Name	Fees RMB'000	Salaries RMB'000	Contributions to retirement benefit scheme RMB'000	Other allowance and benefits in kind RMB'000	Share-based payments RMB'000	Bonus RMB'000	Total RMB'000
<b>Executive Directors</b>							
Mr. Hoi Wa Fong	240	–	–	–	–	–	240
Mr. Chen Deli	240	1,200	143	–	34,837	300	36,720
<b>Non-executive Directors</b>							
Ms. Hoi Wa Fan	161	–	–	–	–	–	161
Ms. Hoi Wa Lam	161	–	–	–	–	–	161
Mr. Zhang Yunfeng	181	–	–	–	484	–	665
<b>Independent Non-executive Directors</b>							
Ms. Ng Yi Kum, Estella	269	–	–	–	–	–	269
Mr. Chan Wai Yan, Ronald	269	–	–	–	–	–	269
Dr. Lu Xiongwen	269	–	–	–	–	–	269
	1,790	1,200	143	–	35,321	300	38,754

During the years ended 31 December 2024 and 2023, no remuneration was paid by the Group to the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. Neither the Chief Executive Officer nor any of the directors waived any emoluments for the years ended 31 December 2024 and 2023.

### 35 DIRECTORS' BENEFITS AND INTERESTS (Continued)

#### (b) Directors' retirement benefits and termination benefits

During the year ended 31 December 2024, there were no termination benefits nor additional retirement benefit received by the directors except for the attributions to a retirement benefit scheme in accordance with the rules and regulations in the PRC (2023: nil).

#### (c) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2024, the Group did not pay consideration to any third parties for making available directors' services (2023: nil).

#### (d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the year ended 31 December 2024, there were no loans, quasi-loans and other dealings entered into by the Company or subsidiaries undertaking of the Company, where applicable, in favor of directors (2023: nil).

#### (e) 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 as at 31 December 2024 or at any time during the year ended 31 December 2024 (2023: nil).

### 36 CONTINGENCIES

As at 31 December 2024, the Group did not have any significant contingent liabilities (2023: nil).

### 37 COMMITMENTS

As at 31 December 2024, the Group's future aggregate minimum lease payments under non-cancellable short-term leases arrangements were RMB nil (2023: nil).

### 38 EVENTS AFTER THE REPORTING PERIOD

As set out in the Company's announcement dated 7 March 2025, a liquidation application has been filed in a British Virgin Islands court against Powerlong BVI Holdings, the direct holding company of the Company. The hearing date of the liquidation application has been re-scheduled from 28 April 2025 to 12 May 2025. The Company will closely monitor the development in relation to the liquidation application.

# Five-Year Financial Summary

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 December				
	2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000	2020 RMB'000
<b>Assets</b>					
Non-current assets	<b>1,261,438</b>	980,199	929,602	809,983	801,365
Current assets	<b>4,779,072</b>	4,632,939	4,283,665	4,262,423	3,719,058
<b>Total assets</b>	<b>6,040,510</b>	5,613,138	5,213,267	5,072,406	4,520,423
<b>Equity and liabilities</b>					
<b>Total equity</b>	<b>3,224,808</b>	3,057,539	2,736,129	2,470,736	2,165,903
<b>Liabilities</b>					
Non-current liabilities	<b>1,188,511</b>	932,338	902,866	716,189	665,978
Current liabilities	<b>1,627,191</b>	1,623,261	1,574,272	1,885,481	1,688,542
<b>Total liabilities</b>	<b>2,815,702</b>	2,555,599	2,477,138	2,601,670	2,354,520
<b>Total equity and liabilities</b>	<b>6,040,510</b>	5,613,138	5,213,267	5,072,406	4,520,423



## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Year ended 31 December				
	2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000	2020 RMB'000
<b>Revenue</b>	<b>2,617,305</b>	2,635,746	2,549,258	2,463,996	1,921,238
Cost of services	<b>(1,783,353)</b>	(1,748,725)	(1,714,836)	(1,642,166)	(1,326,692)
<b>Gross profit</b>	<b>833,952</b>	887,021	834,422	821,830	594,546
Selling and marketing expenses	<b>(128,476)</b>	(78,589)	(54,561)	(43,741)	(36,334)
Administrative expenses	<b>(174,375)</b>	(222,944)	(214,187)	(205,973)	(134,407)
Other income and other gains/(losses) – net	<b>35,894</b>	55,734	79,014	35,803	32,613
Impairment losses on financial assets – net	<b>(219,441)</b>	(48,344)	(27,956)	(22,729)	(22,846)
Fair value gains/(losses) on financial assets – net	<b>(629)</b>	(1,248)	580	245	–
<b>Operating profit</b>	<b>346,925</b>	591,630	617,312	585,435	433,572
Finance income/(costs) – net	<b>(19,196)</b>	19,114	(4,341)	21,805	(10,647)
Share of results of joint ventures	<b>35</b>	(52)	(2,352)	665	(3,009)
Share of results of associates	<b>3,176</b>	996	2,778	742	–
<b>Profit before income tax</b>	<b>330,940</b>	611,688	613,397	608,647	419,916
Income tax expenses	<b>(106,555)</b>	(159,297)	(174,284)	(169,935)	(112,550)
<b>Profit for the year</b>	<b>224,385</b>	452,391	439,113	438,712	307,366
<b>Total comprehensive income for the year</b>	<b>224,385</b>	452,391	439,113	438,712	307,366
<b>Profit and total comprehensive income attributable to:</b>					
Shareholders of the company	<b>216,016</b>	452,952	443,075	438,144	305,064
Non-controlling interests	<b>8,369</b>	(561)	(3,962)	568	2,302
	<b>224,385</b>	452,391	439,113	438,712	307,366

# 2024 年報

寶龍商業管理控股有限公司

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