



越秀地產股份有限公司

YUEXIU PROPERTY COMPANY LIMITED

Stock Code: 00123

WHERE **GOOD**  
**LIVING** STARTS



ANNUAL REPORT 2024





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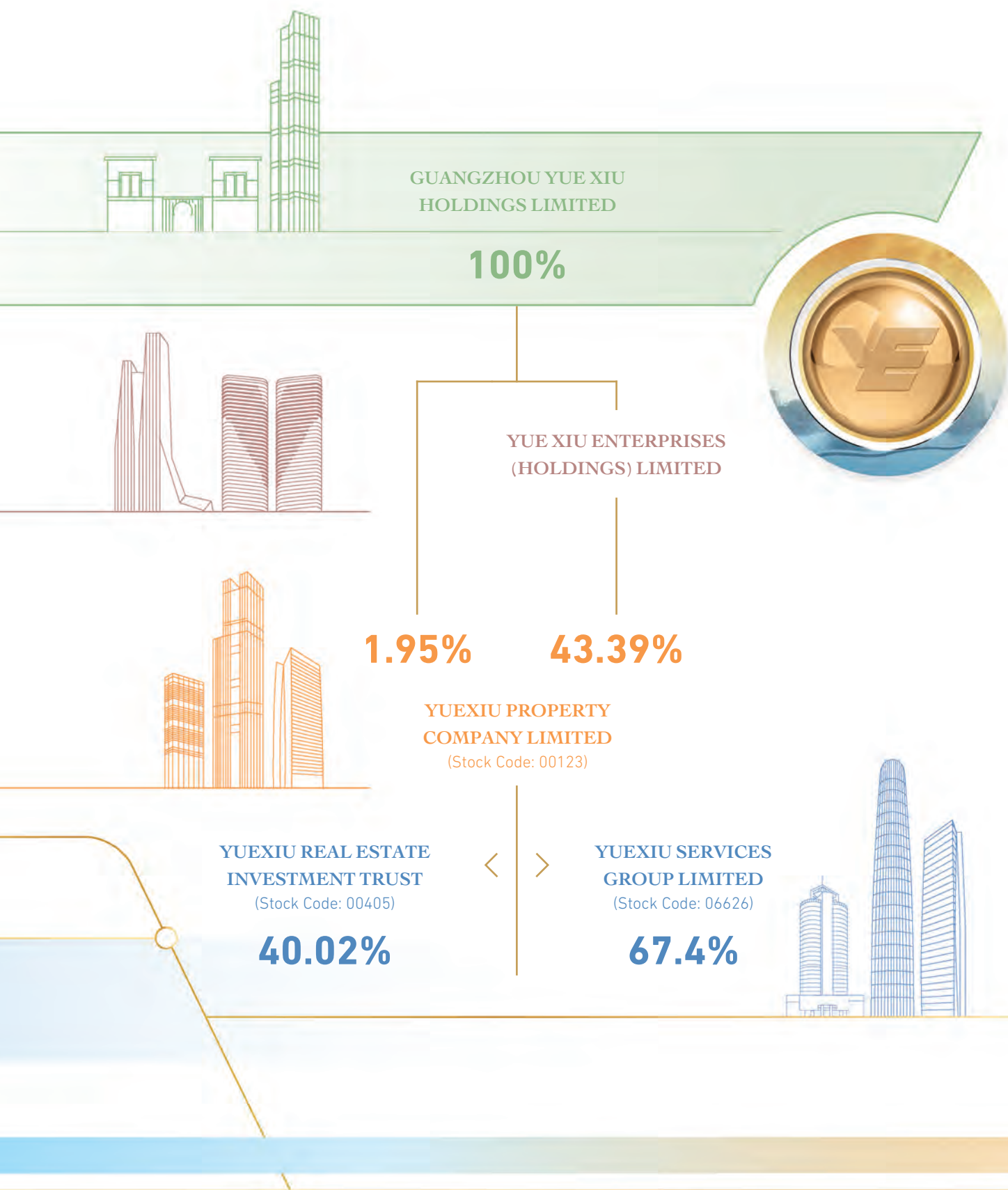


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# CORPORATE STRUCTURE

As at 31 December 2024





# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive directors

Mr Lin Zhaoyuan (Chairman)  
Mr Zhu Huisong  
Mr Jiang Guoxiong  
Mr He Yuping  
Ms Chen Jing  
Ms Liu Yan

### Non-executive directors

Mr Zhang Yibing  
Mr Su Junjie

### Independent non-executive directors & audit committee members

Mr Yu Lup Fat Joseph  
Mr Lee Ka Lun  
Mr Lau Hon Chuen Ambrose  
Mr Cheung Kin Sang

## COMPANY SECRETARY

Mr Yu Tat Fung

## AUDITOR

Ernst & Young  
*Certified Public Accountants*  
*Registered Public Interest Entity Auditor*

## PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited  
Hang Seng Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited  
Industrial and Commercial Bank of China (Asia) Limited  
Oversea-Chinese Banking Corporation Limited  
DBS Bank Ltd.  
China Construction Bank (Asia) Corporation Limited  
Agricultural Bank of China Limited

## WEBSITES TO ACCESS COMPANY INFORMATION

<http://www.yuexiuproperty.com>  
<http://www.irasia.com/listco/hk/yuexiuproperty>  
<http://www.hkexnews.hk>

## REGISTERED OFFICE

26th Floor  
Yue Xiu Building  
160 Lockhart Road  
Wanchai, Hong Kong

## SHARE REGISTRAR

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

## LISTING EXCHANGE

### Shares

The Stock Exchange of Hong Kong Limited  
  
Stock codes  
The Stock Exchange of Hong Kong Limited - 00123  
Reuters - 123.HK  
Bloomberg - 123 HK

## Notes and Bonds

The Stock Exchange of Hong Kong Limited  
HK\$2,300,000,000 6.10 per cent. Notes due 2029 (Code: 5846)  
U.S.\$650,000,000 2.80 per cent. Notes due 2026 (Code: 40547)  
U.S.\$150,000,000 3.80 per cent. Notes due 2031 (Code: 40548)

Chongwa (Macao) Financial Asset Exchange Co., Ltd.  
RMB1,396,000,000 3.80 per cent. Notes due 2026 (Code: MOXTB2305)  
RMB2,000,000,000 4.00 per cent. Notes due 2026 (Code: MOXLB2307)  
RMB1,210,000,000 4.00 per cent. Notes due 2026 (Code: MOXTB23083)  
RMB1,690,000,000 4.10 per cent. Notes due 2027 (Code: 84529)

### Shanghai Stock Exchange

RMB1,000,000,000 3.50 per cent. Corporate Bonds due 2026 (21 穗建02 Code: 188439)  
RMB1,500,000,000 2.10 per cent. Corporate Bonds due 2026 (21 穗建03 Code: 188730)  
RMB500,000,000 3.55 per cent. Corporate Bonds due 2026 (21 穗建04 Code: 188731)  
RMB1,500,000,000 2.39 per cent. Corporate Bonds due 2026 (21 穗建05 Code: 188802)  
RMB500,000,000 2.90 per cent. Corporate Bonds due 2025 (22 穗建01 Code: 185771)  
RMB1,500,000,000 3.38 per cent. Corporate Bonds due 2027 (22 穗建02 Code: 185774)  
RMB1,000,000,000 2.84 per cent. Corporate Bonds due 2025 (22 穗建03 Code: 185772)  
RMB1,150,000,000 3.35 per cent. Corporate Bonds due 2027 (22 穗建04 Code: 185773)  
RMB1,000,000,000 2.85 per cent. Corporate Bonds due 2025 (22 穗建05 Code: 185916)  
RMB1,000,000,000 3.37 per cent. Corporate Bonds due 2027 (22 穗建06 Code: 185917)  
RMB400,000,000 2.90 per cent. Corporate Bonds due 2025 (22 穗建07 Code: 185965)  
RMB700,000,000 3.43 per cent. Corporate Bonds due 2027 (22 穗建08 Code: 155866)  
RMB1,500,000,000 2.78 per cent. Corporate Bonds due 2025 (22 穗建09 Code: 137826)  
RMB1,090,000,000 3.09 per cent. Corporate Bonds due 2027 (22 穗建10 Code: 137827)  
RMB700,000,000 3.15 per cent. Corporate Bonds due 2026 (23 穗建01 Code: 138935)  
RMB1,200,000,000 3.50 per cent. Corporate Bonds due 2028 (23 穗建02 Code: 138936)  
RMB1,500,000,000 3.40 per cent. Corporate Bonds due 2028 (23 穗建04 Code: 115026)  
RMB900,000,000 2.98 per cent. Corporate Bonds due 2026 (23 穗建05 Code: 115478)  
RMB1,100,000,000 3.63 per cent. Corporate Bonds due 2033 (23 穗建06 Code: 115479)  
RMB600,000,000 3.03 per cent. Corporate Bonds due 2026 (23 穗建07 Code: 240203)  
RMB900,000,000 3.25 per cent. Corporate Bonds due 2028 (23 穗建08 Code: 240401)  
RMB500,000,000 2.25 per cent. Corporate Bonds due 2027 (24 穗建01 Code: 240622)  
RMB1,000,000,000 2.75 per cent. Corporate Bonds due 2034 (24 穗建02 Code: 240623)  
RMB200,000,000 2.15 per cent. Corporate Bonds due 2027 (24 穗建03 Code: 241516)  
RMB800,000,000 2.78 per cent. Corporate Bonds due 2034 (24 穗建04 Code: 241517)

## INVESTOR RELATIONS

For further information about  
Yuexiu Property Company Limited,  
please contact:  
Mr Michael Jiang  
Email: [ir@yuexiuproperty.com](mailto:ir@yuexiuproperty.com)

# FINANCIAL HIGHLIGHTS

## INCOME STATEMENT HIGHLIGHTS

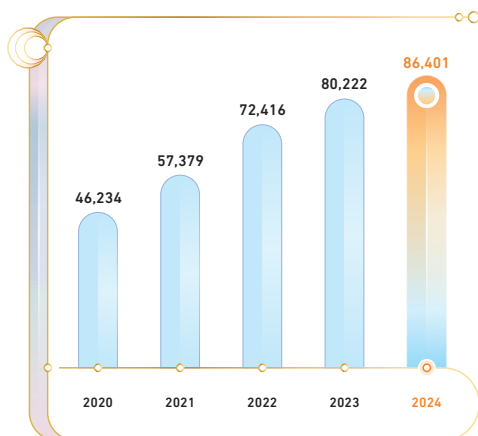
RMB'000	2024	For the year ended 31 December			
		2023	2022	2021	2020
Revenue	<b>86,400,562</b>	80,222,011	72,415,643	57,378,861	46,234,259
Gross profit	<b>9,053,918</b>	12,257,627	14,805,616	12,482,465	11,626,088
Profit attributable to equity holders	<b>1,040,055</b>	3,185,085	3,953,352	3,588,929	4,247,860
Basic earnings per share (RMB)	<b>0.2584</b>	0.8542	1.1932	1.1590	1.3718
Core net profit (refer to note on Page 28)	<b>1,593,276</b>	3,493,235	4,237,930	4,152,049	4,024,032
Dividends per share (RMB)	<b>0.173</b>	0.347	0.547	0.536	0.104

## BALANCE SHEET HIGHLIGHTS

RMB'000	2024	As of 31 December			
		2023	2022	2021	2020
Total cash (including cash and cash equivalents, time deposits, charged bank deposits, time deposits and other restricted deposits)	<b>50,049,249</b>	46,097,860	35,118,452	40,499,046	37,307,969
Total assets	<b>410,452,984</b>	401,178,728	346,351,976	313,854,885	263,196,000
Total liabilities	<b>306,373,816</b>	298,969,948	261,559,237	239,488,136	198,919,885
Shareholders' equity	<b>55,261,066</b>	55,628,905	47,429,623	46,236,070	43,747,657
Shareholders' equity per share (RMB)	<b>13.73</b>	13.82	15.32	14.93	14.13

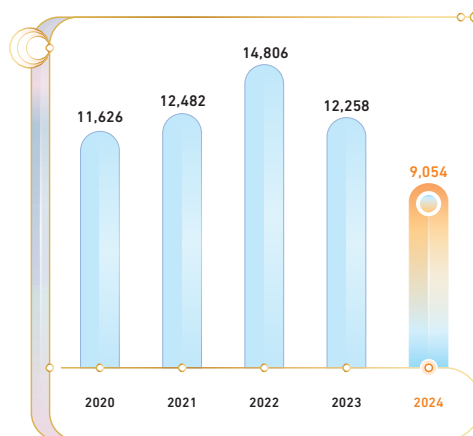
## REVENUE

(RMB million)



## GROSS PROFIT

(RMB million)

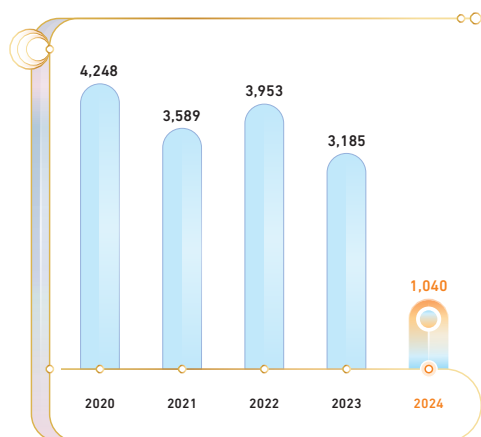




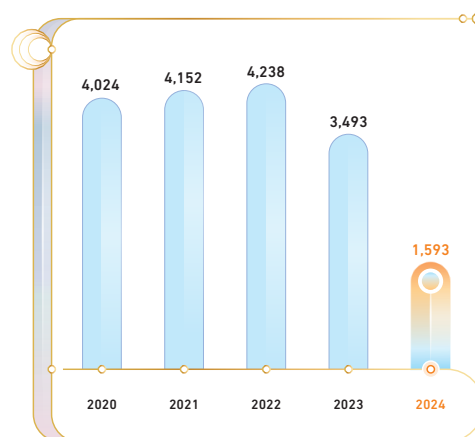
## FINANCIAL HIGHLIGHTS

## PROFIT ATTRIBUTABLE TO EQUITY HOLDERS CORE NET PROFIT

(RMB million)

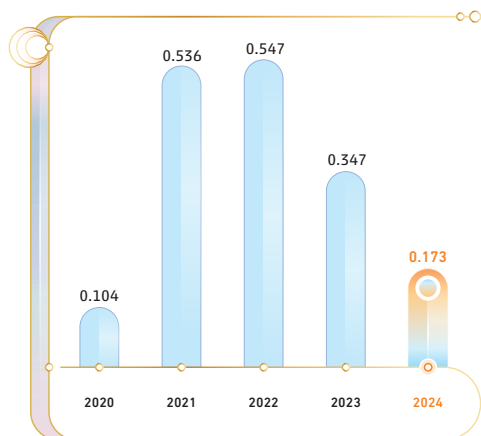


(RMB million)



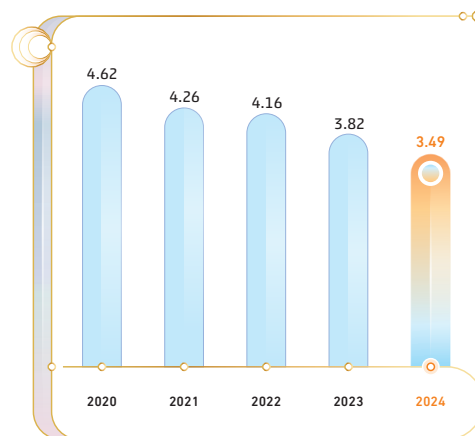
## DIVIDENDS PER SHARE

(RMB)



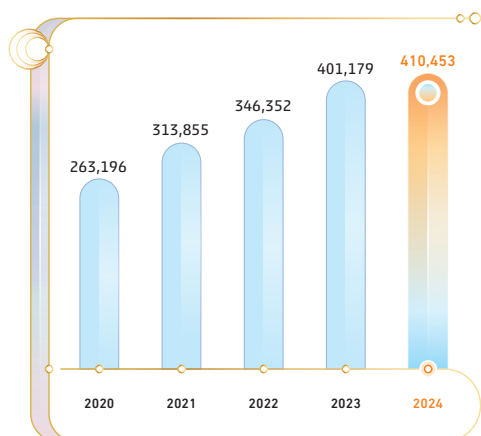
## WEIGHTED AVERAGE BORROWING INTEREST RATE

%



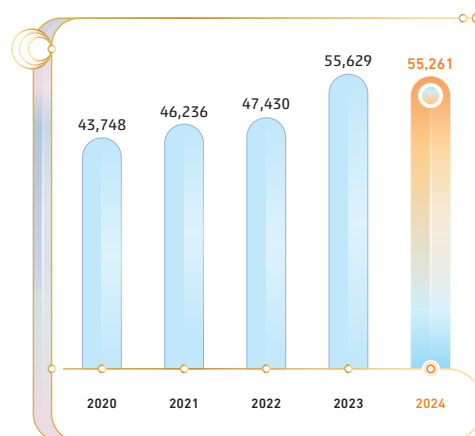
## TOTAL ASSETS

(RMB million)



## SHAREHOLDERS' EQUITY

(RMB million)



## SUSTAINABLE DEVELOPMENT

Yuxiu Property adheres to its brand mission of “Where Good Living Starts” and is unwaveringly advancing its sustainable development strategy. The Company is focusing on delivering outstanding products, services, brands, and teams, and becoming a pioneer in creating a better urban living experience. In 2024, we have continued to make new progress on the path of sustainable development and renamed the ESG Committee as the Sustainability Committee, steadily moving towards our phased sustainable development goals for 2030 and the grand mission of achieving net zero emissions by 2060 through our relentless efforts.

This Chapter aims to outline the key highlights of the Group’s sustainable development in 2024 and the latest progress made in various fields. For details of our sustainability strategy, governance policies, targets and indicators, and progress performance, please refer to the 2024 Sustainability Report of Yuxiu Property. An electronic version of the report can be downloaded from the SUSTAINABLE DEVELOPMENT section of the Company’s official website.

### REVIEW OF KEY ACHIEVEMENTS AND HIGHLIGHTS IN 2024

#### ENVIRONMENTAL ACHIEVEMENTS

<b>E</b> <b>Carbon emission intensity</b> Scope 1 + Scope 2: Public projects: reduce by <b>22.37%</b> compared to 2019 Residential projects: reduce by <b>3.91%</b> compared to 2019	<b>Coverage rate of Commercial Energy Management System</b> Approximately <b>74%</b>	<b>Water resource</b> Recovered condensate water reached <b>16,512</b> tonnes Rainwater collection volume reached <b>123,696</b> tonnes Water-saving faucet coverage rate reached over <b>80%</b>
<b>Zero carbon and zero energy consumption “Dual-Zero” buildings</b> <b>2</b>	<b>Proportion of green building for commercial projects</b> Approximately <b>90.3%</b>	<b>Proportion of projects adopted prefabricated construction</b> <b>72.4%</b>
<b>Conduct biodiversity assessments</b> 10 cities account for approximately <b>75.4%</b> of the total landbank	<b>Green power trading</b> <b>710,000</b> kWh	<b>Documents signed with e-signature</b> Up by <b>34%</b> year-on-year

#### SOCIAL ACHIEVEMENTS

<b>S</b> <b>Customer satisfaction</b> Residents: <b>88</b> points Tenants: <b>97.59</b> points	<b>Training coverage for employees</b> <b>100%</b>	<b>Production safety responsibility accidents resulting in death among employees and related parties</b> <b>0</b>
<b>Educational public welfare donations</b> RMB <b>50</b> million	<b>The number of employees participating in public welfare/volunteer activities</b> <b>3,316</b>	<b>Coverage rate of Responsible Marketing Training</b> <b>100%</b>

#### GOVERNANCE ACHIEVEMENTS

<b>G</b> <b>Coverage of anti-corruption training for employees</b> <b>100%</b>	<b>Supplier Integrity Agreement signing rate</b> <b>100%</b>	<b>Total number of suppliers</b> <b>24,075</b>
<b>Significant privacy breaches, thefts or losses of customer information</b> <b>0</b>	<b>Green loans as a percentage of total loans</b> <b>48.9%</b>	<b>Independent assurance of the Sustainability Report</b> Awarded for <b>2</b> consecutive years



## SUSTAINABLE DEVELOPMENT

## Sustainable Development Rating and Index Performance



**GRESB**  
Achieved Four Stars rating, with its score upgraded for two consecutive years



**Wind ESG Rating**  
Rated "A", ranking 8th in the industry



**HKQAA Sustainability Rating**  
Improved to "A"



**Greater Bay Area State-Owned Enterprises ESG Development Index**  
Ranked No. 9



**Hang Seng Sustainability Indexes**  
A constituent member of the Hang Seng ESG 50 Index  
A constituent member of the Hang Seng Corporate Sustainability Benchmark Index  
A constituent member of the Hang Seng Climate Change 1.5°C Target Index



**China ESG Listed Company Greater Bay Area Pioneer 50**  
Ranked No. 46



**S&P Corporate Sustainability Assessment**  
ESG scores: 49



**Women Workplace Index**  
Gold Employer

## Sustainability Awards and Recognitions



**Hong Kong Corporate Governance and ESG Excellence Awards 2024 - The Chamber of Hong Kong Listed Companies and the Centre for Governance and Financial Policy, Hong Kong Baptist University**  
Environmental, Social, and Governance Excellence Award



**2024 BDO ESG Awards - BDO**  
Theme Award  
A certificate of merit in Best in ESG Awards - Middle Market Capitalisation  
A certificate of merit in Best in Reporting Awards - Middle Market Capitalisation



**The Outstanding Award of ESG 2024 - Hong Kong Commercial Daily, PR ASIA Consultants and THINK ESG**  
The Outstanding Award of ESG



**Hong Kong Green and Sustainability Contribution Awards 2024 - Hong Kong Quality Assurance Agency**  
Mentor Pioneer Award for ESG Connect



**Hong Kong Green and Sustainable Finance Awards - Hong Kong Quality Assurance Agency**  
Outstanding Award for Green and Sustainable Bond Issuer  
Leadership Award for Green and Sustainable Finance Development  
Outstanding Award for Green and Sustainable Financial Strategy Expertise



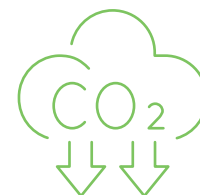
**Corporate Social Responsibility Plus Mark - Hong Kong Quality Assurance Agency**

## SUSTAINABLE DEVELOPMENT

## KEY MILESTONES FOR SUSTAINABLE DEVELOPMENT IN 2024

## 01 Review and update the “Dual-Carbon” goal

- > The carbon emission intensity per unit area for public projects to reduce by **40%** compared to 2019 levels by 2030
- > The carbon emission intensity per unit area for residential projects to reduce by **19%** compared to 2019 levels by 2030



## 02 Launch the “Dual-Zero” projects

Yuexiu Property Dual-Zero Exhibition Hall - Yuexiu R&D Center and Yuexiu iPARK Guangdong-Hong Kong Cloud Valley (越秀iPARK粵港雲谷) D6#

Successfully obtained “Dual-Zero” certification for zero carbon and zero energy consumption



“Dual-Zero” Exhibition Hall certification for zero carbon and zero energy consumption

Yuexiu iPARK Guangdong-Hong Kong Cloud Valley (越秀iPARK粵港雲谷) D6# certification for zero carbon and zero energy consumption

**DOUBLE ZERO**

## 03 Green power trading

Purchased a total of **710,000** kWh of green power certificates



## 04 Employee health and safety

0 production safety responsibility accidents resulting in death among employees and related parties, achieving the goal of zero production safety accidents

**TCFD**

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

## 05 The Task Force on Climate-related Financial Disclosures (TCFD)

Re-examined and comprehensively reviewed the climate risk categories, assessed the results according to climate risks, established several key financial indicators, and **quantified** the financial impact of climate risks and opportunities

**TNFD**

Taskforce on Nature-related Financial Disclosures

## 06 The Task Force on Nature-related Financial Disclosures (TNFD)

The Company actively implemented the TNFD framework, completed a biodiversity assessment across the entire value chain and in **10** significant project cities, clarified and identified the importance and impact of environmental assets and ecosystem services on our business

## 07 Sustainable finance

Established the Sustainable Finance Framework for the first time

Successfully issued the **first green dim sum bonds** with a coupon rate of 4.10%, raising RMB1.69 billion

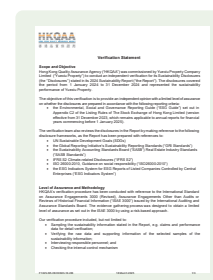
The proportion of bond and loan financing from sustainable finance further increased to **31.8%**



The Green and Sustainable Finance Certification of the Hong Kong Quality Assurance Agency (HKQAA)

## 08 Sustainable information disclosure

Engaged a third-party assurance agency to issue **an independent assurance report** for the Sustainability Report



Hong Kong Quality Assurance Agency (HKQAA) Independent Assurance Report. For details, please refer to the Sustainability Report of Yuexiu Property



## SUSTAINABLE DEVELOPMENT

### CLIMATE WISDOM AND ECOLOGICAL FOOTPRINT

#### The Task Force on Climate-related Financial Disclosures (TCFD)

Yuexiu Property deeply understands the profound impact of climate change on business operations. In accordance with the Climate Change Policy, we are committed to communicating our management approach and strategies for mitigating, adapting to, and building resilience against climate change to our stakeholders. Following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we disclose climate-related financial information through the four core pillars of "Governance", "Strategy", "Risk Management", and "Metrics and Targets". In 2024, we have conducted a quantitative study on the financial impacts of climate change, further deepening our understanding. Through carefully planned internal stakeholder interviews, we have gained profound insights into the potential impacts of climate risks and opportunities on our business. By adhering to the disclosure standards of IFRS S2 and the climate disclosure guidelines of the Hong Kong Stock Exchange, we are committed to achieving international and regional best practices.

#### The Task Force on Nature-related Financial Disclosures (TNFD)

Yuexiu Property deeply recognises that the survival and development of the Company are closely linked to natural resources, being both constrained by natural conditions and having a profound impact on the surrounding ecological environment. In 2024, guided by the TNFD recommended framework, Yuexiu Property completed a biodiversity assessment across its entire value chain and in ten significant project cities. At the value chain level, we systematically applied the LEAP methodology to analyse the natural dependencies and impacts of Yuexiu Property over short, medium, and long-term operational cycles. The Company assessed not only the direct ecological footprint of its business activities but also extended the analysis boundary to include the entire lifecycle of upstream and downstream processes. Through a multidimensional analysis, we established a monitoring system encompassing 22 themes of natural dependency and 11 themes of natural impact.

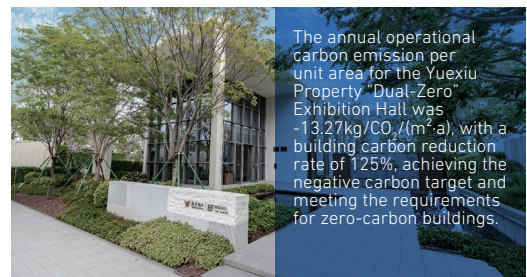


The Moon Lake Ecological Restoration Project at Yuexiu World Garden is set to be completed in 2024. The project aims to establish a complete, healthy, stable, and long-lasting clearwater ecological system.

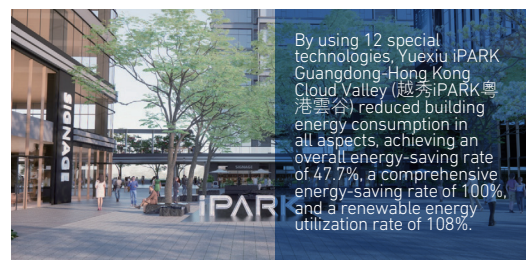
### SUSTAINABLE ARCHITECTURE AND ECO-OPERATIONAL EXCELLENCE

#### Zero-Carbon and Zero-Energy "Dual-Zero" Buildings

The response to the "Dual-Carbon" policy is a top priority for Yuexiu Property's strategy to address climate change. To achieve this goal, the Company is fully promoting the application of green building technologies, focusing on reducing carbon emissions during the design, construction, and operational phases. Yuexiu Property employs efficient building materials and energy-saving equipment, striving to ensure that the energy efficiency standards of its buildings meet or exceed national green building certification standards. The Company is committed to designing, developing, and operating Ultra-Low Energy, Near-Zero Energy, and Dual-Zero Energy Buildings. In 2024, Yuexiu Property leveraged buildings as a medium to implement the design principles of Zero-Energy and Zero-Carbon Buildings, took the lead in promoting the development of zero-carbon and zero-energy buildings, and successfully launched the two "Dual-Zero" projects of Yuexiu Property "Dual-Zero" Exhibition Hall and Yuexiu iPARK Guangdong-Hong Kong Cloud Valley (越秀iPARK粵港雲谷). These initiatives contribute to the establishment of a "Dual-Zero" Building technology system for Yuexiu Property's projects in the South China region, creating a replicable and scalable model for demonstration and leadership.



The annual operational carbon emission per unit area for the Yuexiu Property "Dual-Zero" Exhibition Hall was  $-13.27\text{kg}/\text{CO}_2/(\text{m}^2\cdot\text{a})$ , with a building carbon reduction rate of 125%, achieving the negative carbon target and meeting the requirements for zero-carbon buildings.



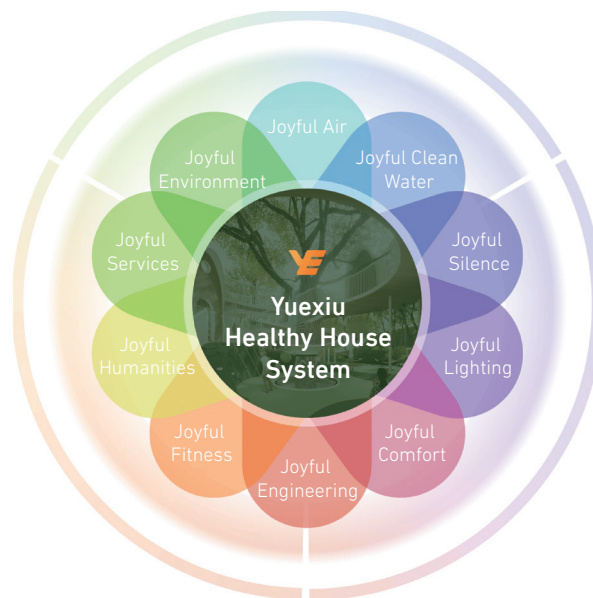
By using 12 special technologies, Yuexiu iPARK Guangdong-Hong Kong Cloud Valley (越秀iPARK粵港雲谷) reduced building energy consumption in all aspects, achieving an overall energy-saving rate of 47.7%, a comprehensive energy-saving rate of 100%, and a renewable energy utilization rate of 108%.











## SUSTAINABLE DEVELOPMENT

### Yuexiu Healthy House System

In order to carry on the concept of “YES My Life” YES Healthy Living System, Yuexiu Property applied its new-generation “Healthy House Technology System” in August 2024, focusing deeply on the healthy lifestyles of our customers and meticulously creating good houses and communities that integrate health, comfort, green technology, and smart safety, leading the future of healthy living towards “Net Zero”. This system incorporates advanced health concepts during the design phase, ensuring indoor air quality, natural lighting, and noise control through optimised architectural layouts and material selections, thereby enhancing living comfort. Environmentally friendly materials and efficient construction techniques are employed during the construction process to minimise environmental impact. In the operational phase, real-time monitoring and management of building energy consumption are achieved through proactive and intelligent systems, ensuring that the building remains highly energy-efficient during use.

Yuexiu Healthy House System encompasses **10** all-round Health Systems, featuring **72** Modules and **170** Details of Health Technology



<p>Joyful Air</p> 	<p>Ensure fresh indoor air, reduce harmful emissions, and improve the respiratory health of residents.</p>	<p>Joyful Engineering</p> 	<p>Refine the design of specific areas based on the basic requirements of ergonomics and daily use to enhance comfort and allow every inch of the home to exude a sense of thoughtful design warmth.</p>
<p>Joyful Clean Water</p> 	<p>Efficiently utilise and manage water resources to minimise waste, achieving water recycling through water-saving devices, rainwater harvesting systems, and greywater reuse systems. Meanwhile, integrate water purification, water softening, and end-use drinking water purification systems into one cohesive unit to create a more comprehensive and healthy water usage environment.</p>	<p>Joyful Fitness</p> 	<p>Construct a fitness system suitable for all age groups by establishing health spaces, fitness trails, children's activity areas, and elderly activity zones, and integrating them with lifestyle patterns, enabling residents to stay active anytime and anywhere.</p>
<p>Joyful Silence</p> 	<p>Reduce noise pollution to create a quiet and comfortable living and working environment that helps alleviate stress and anxiety.</p>	<p>Joyful Humanities</p> 	<p>Foster a dual sense of physical and mental well-being by creating comfortable natural landscape environments both indoors and outdoors, applying all-age friendly and caring designs and diversified communication space designs, thereby endowing community residents with richer emotional value.</p>
<p>Joyful Lighting</p> 	<p>Enhance the psychological comfort and health of residents through reasonable designs for better use of natural light.</p>	<p>Joyful Services</p> 	<p>Provide more comfortable, humanized and considerate services for community residents to help them lead a healthy life.</p>
<p>Joyful Comfort</p> 	<p>Ensure that indoor temperature and humidity are appropriately maintained by employing rational architectural layout and an efficient HVAC (heating, ventilation, and air conditioning) system, thereby enhancing residents' comfort.</p>	<p>Joyful Environment</p> 	<p>Reduce heat island intensity through design, by simulating the lighting environment, wind environment, and thermal environment in different seasons across various geographical regions where our projects are located, thereby creating a healthy and comfortable living experience.</p>



## SUSTAINABLE DEVELOPMENT

## SUSTAINABLE COMMUNITIES AND GOOD LIFE

## Community Sustainability Practices

As the concept of sustainability continues to deepen, urban communities have not only become advocates of green living but also key arenas for the practical implementation of sustainable development. In 2024, we proposed two innovative projects: the "Green Living Path" and the "Sustainable Development Badge". These projects aim to build a community ecosystem with greater participation and social value. We actively organise various community activities to strengthen community cohesion, with a particular focus on the well-being of the elderly. By providing a rich array of cultural, health, and recreational activities, we help them achieve a higher quality of life.

## Sustainable Development Badge

In order to further advance Yuexiu Property's "Towards Net Zero" strategy and enhance its level of sustainable development, the Group has established a "Sustainable Development Badge" recognition measure. The recognition aims to encourage teams or individuals who achieved excellent performance in the "Net Zero" program, and to recognise their outstanding contributions in green buildings, smart technology applications, low-carbon and environmentally friendly design, healthy home creation, and sustainable community development. Through this reward mechanism, we hope to encourage more employees, tenants, customers and residents to take an active part in the vision of sustainable corporate development, promote innovation, enhance the Company's green value, and ultimately achieve the "net zero" goal.

## Social Responsibility and Public Welfare

Yuexiu Property actively responds to the national rural revitalization strategy, treating "poverty alleviation and intellectual support" as one of the core tasks in fulfilling corporate social responsibility. The Company is dedicated to promoting educational equity and infrastructure improvement in rural areas. In collaboration with Marriott International, we have established an "International Hotel Training Base" in the Bailidujuan Administrative Area of Bijie City, Guizhou Province. In 2024, two batches of 96 trainees were received, providing international standard practical courses. The total training duration exceeded 10,000 hours, with an average of 112 hours per person. On the occasion of World Book Day 2024, the Commercial Management Trade Union of Yuexiu Property, in collaboration with Yuexiu Foundation, has launched a public welfare book donation activity titled "Spreading the Fragrance of Books in Bailidujuan", specifically collecting and donating more than 50,000 books to "one library, one school" in the Bailidujuan Administrative Area in Bijie, Guizhou (Bailidujuan Community Library and Zaigong Primary School at Pengcheng Sub-district of Bailidujuan), to support rural revitalisation with love and knowledge and provide more reading opportunities for local children and communities.



Green Living Path



Sustainable Development Badge



On the occasion of World Book Day 2024, the Commercial Management Trade Union of Yuexiu Property, in collaboration with Yuexiu Foundation, has launched a public welfare book donation activity titled "Spreading the Fragrance of Books in Bailidujuan".

## SUSTAINABLE DEVELOPMENT

### SUSTAINABLE GOVERNANCE AND THE CULTIVATION OF TALENT

#### CORPORATE GOVERNANCE AND INNOVATION SYNERGY

Yuexiu Property places a high emphasis on corporate governance and innovation synergy, ensuring not only the long-term stable development of the Company but also creating a more transparent, secure, and sustainable business environment for all stakeholders. We are committed to adhering to the highest standards of business ethics, actively preventing and combating corrupt practices, and ensuring the Company can swiftly respond and recover from various challenges through effective risk management strategies. Regarding privacy protection and information security, we implement stringent data protection measures to ensure the security of customer and employee information, and there were no significant privacy breaches, thefts or losses of customer information in 2024. In supply chain management, we adhere to responsible procurement policies, building long-term, trust-based relationships with suppliers to jointly promote sustainable development. In 2024, we amended the Management Measures on Bidding and Procurement to include ESG management in our supply chain bidding and procurement duties. Through these efforts, we aim to establish a responsible, transparent, and efficient corporate image, contributing to the sustainable development of society.



In 2024, Yuexiu Property was successfully awarded the Gold Employer Certification in the "Women Workplace Index".

#### HUMAN CAPITAL AND HARMONIOUS WORKPLACE

Yuexiu Property has been committed to creating a healthy, equal, and pleasant working environment for our staff, and have established a talent development strategy system for Yuexiu Property to invest resources in the sustainable development of employees, striving to build a diverse and inclusive team that leads the industry. Yuexiu Property is committed to creating a safe and healthy working environment for its employees and has incorporated the completion of health and safety management indicators into the annual performance appraisal system, linking it to the remuneration of senior management. In 2024, there were no production safety responsibility accidents resulting in death among employees and related parties, successfully achieving the goal of zero production safety accidents. In 2024, we continued to strengthen the protection of employees' rights and interests and fully implemented the "Three Completions and Four Possessions" welfare system to promote diversity and equality. The Company regularly hosts women's leadership seminars and exchange activities, encouraging female employees to participate in decision-making and innovative projects, creating an inclusive and supportive work environment. In 2024, Yuexiu Property was successfully awarded the Gold Employer Certification "Women Workplace Index".

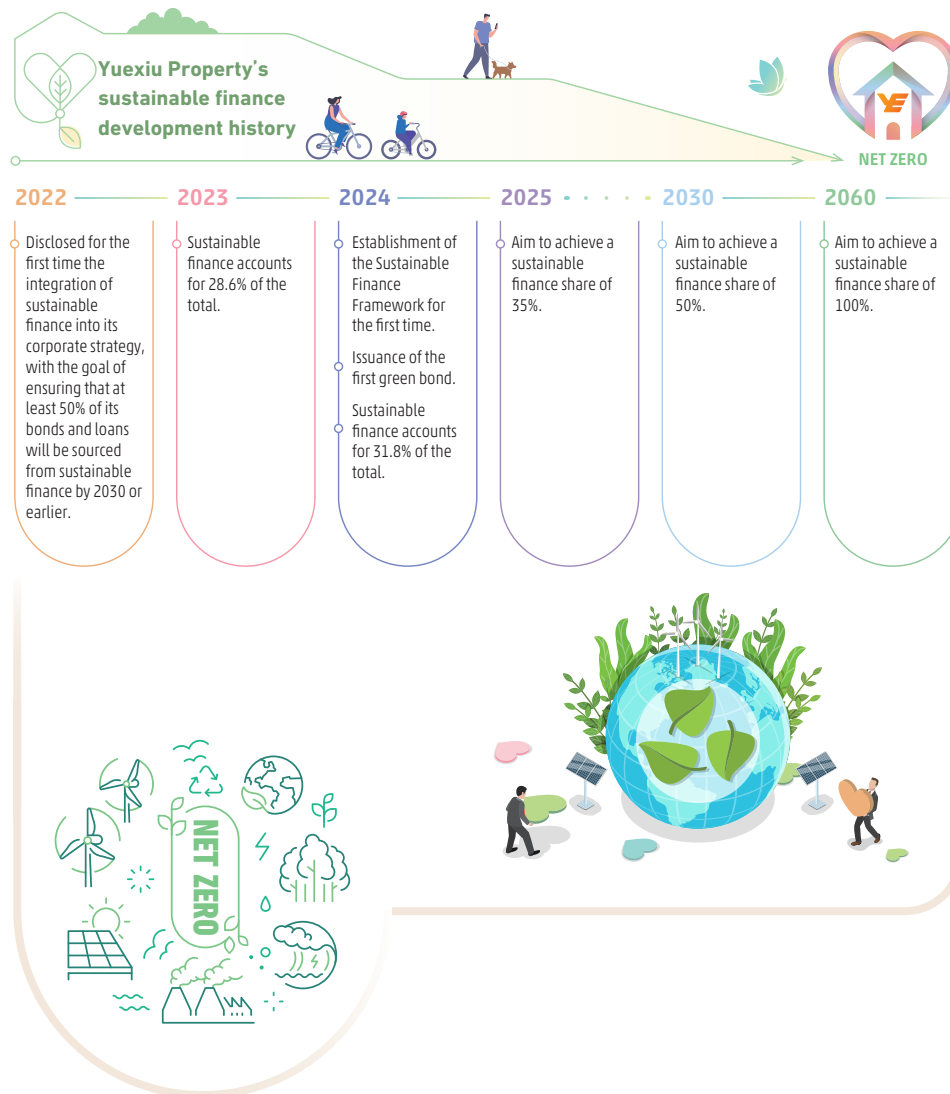


## SUSTAINABLE DEVELOPMENT

## SUSTAINABLE FINANCE AND INTELLIGENT EMPOWERMENT

## Sustainable Finance

Yuexiu Property remains committed to a sustainable development model that prioritises both quality and efficiency, while actively expanding its financing channels and leveraging its strengths in sustainability performance to promote the utilisation of sustainable finance. In 2024, we established the Sustainable Finance Framework for the first time, planning to utilise funds raised through sustainable financing transactions for our eligible green projects, and successfully issued the first green dim sum bonds in July 2024, raising RMB1.69 billion. By the end of 2024, the proportion of bond and loan financing from sustainable finance reached 31.8%.



## Intelligent Empowerment

Yuexiu Property has taken solid strides in its digital transformation journey by establishing a robust digital decision-making system to drive digital innovation across key business areas. In 2023, the Company established its highest-level digital governance body, the Digital Management Committee. This committee oversees the advancement and refinement of the Company's digital governance framework, coordinates the planning and implementation of digital strategies, promotes digital transformation in core business domains, and strengthens the management systems for data assets, software intellectual property, and information security to ensure compliance and safeguard data integrity. We actively explore corporate digital transformation by embedding artificial intelligence technology into office systems to enhance efficiency and decision-making capabilities against the backdrop of the rapid development of artificial intelligence. In February 2025, Yuexiu Property's "Ywork.me" platform launched an AI assistant fully integrated with the DeepSeek model, with the aim of redefining workplace productivity and significantly enhancing employee efficiency.



## KEY EVENTS OF THE YEAR

01

The Group improved its position in the industry in terms of contracted sales value, with the aggregate contracted sales value of approximately RMB114.54 billion for the year, climbing to the 8th place in the industry.

02

The Group newly acquired 24 land parcels in 8 cities during the year, with a total GFA of 2.71 million sq.m., all located in tier-1 and tier-2 cities, including the landbank of approximately 0.54 million sq.m., 0.30 million sq.m. and 1.10 million sq.m. newly acquired in Beijing, Shanghai and Guangzhou, respectively. As at the end of the year, the total landbank of the Group was approximately 19.71 million sq.m..

03

In active response to the government's policy of revitalising land stock, the Group achieved a new breakthrough in optimising its existing landbank, with 3 land parcels in Guangzhou successfully repossessed in 2024, thus revitalising capital of approximately RMB13.5 billion in total.

04

The Group's "Three Red Lines" indicators all continued to remain in "green lights". The total liabilities/total assets ratio (excluding unearned revenue), net gearing ratio and cash to short-term debt ratio amounted to 68.1%, 51.7% and 2.1 times, respectively. Due to a healthy and sound financial performance, the Group continued to maintain its credit rating of "investment grade" granted by Fitch. With diversified financing channels, the Group continued to optimise its debt structure and capital costs, with a weighted average borrowing interest rate of 3.49% per annum, representing a year-on-year decrease of 33 basis points, the leading level in the industry.

05

The Group continued to deepen refined management and strengthened large-scale production synergies, resulting in significant improvement in development and operational efficiency. The Group steadily and deeply pushed forward refined construction, actively promoted the integration of design and construction, and refined the production processes of its projects. The functions of the "Yue Smart Manufacturing" BIM platform have been continuously optimised and upgraded, effectively enhancing production efficiency and project quality.

## KEY EVENTS OF THE YEAR

06

The Group's solid operating results and promising development prospects were well recognized by the capital market. During the year, 3 domestic and overseas securities brokerage firms and investment banks covered the Group for the first time, bringing the total to 40, and 11 of which, including Citibank, CICC, DBS, Daiwa, ABC International, CCB International, China Securities, BOCOM International, Haitong Securities, Kaiyuan Securities and HSBC Securities, ranked the Group as "Top Pick", highlighting the attention and recognition of capital market to the Group.

07

The Group continued to improve its ESG management, further promoted sustainable development, and successfully issued its first green dim sum bonds of RMB1.69 billion during the year. Yuexiu iPARK Guangdong-Hong Kong Cloud Valley (越秀iPARK粵港雲谷) became the first industrial park project in South China Region to obtain "Dual Zero" certification for zero carbon and zero energy consumption. The Company was included in the "Hang Seng ESG 50 Index" and the "Hang Seng Corporate Sustainability Benchmark Index". Its HKQAA Sustainability Rating was raised to "A".

08

During the year, the Group won the Outstanding Listed Company Award from The Hong Kong Institute of Financial Analysts and Professional Commentators Limited and the Listed Company Awards of Excellence from the Hong Kong Economic Journal. In addition, the Group was selected as 2024 TOP 10 China Real Estate Developers in Comprehensive Strength by China Real Estate Association and Shanghai E-house Real Estate Research Institute and Influential Real Estate Enterprise for the Year 2024 by Guandian Index Academy during the year, indicating the market's sustained recognition of the Group's operation ability and brand value.

09

During the year, the Group released the "4×4 High-Quality Product Concept" and the standard manuals for the four major product lines, "Mansion", "Grand Mansion", "Tian" and "Starry", with its product competitiveness reaching a new level. In 2024, the Group was awarded the TOP 10 real estate companies in China in terms of product competitiveness for the first time. The two product lines of "Yue Series" and "Tian Series" were selected into the Top 10 Luxury Residential Product Line and Top 10 Luxury Boutique Product Line in China, respectively, while Guangzhou Yuexiu Naturalistic Mansion | Para Lake, Guangzhou Yuexiu Wonder City | Hezhen and Zhengzhou Yuexiu Joy Bay were selected into the Top 10 Luxury Projects, Top 10 Affordable Luxury Projects and Top 10 Quality Works in China, respectively.

10

As the customer satisfaction has been steadily increasing, the Group took the initiative to improve the research standard, insisted on its commitment to quality, comprehensively strengthened the acceptance management, and continuously increased the degree of openness to property owners, with the overall customer satisfaction ranking the 6th in the industry.









# CHAIRMAN'S STATEMENT

## CHAIRMAN'S STATEMENT



**MR**  
**LIN ZHAOYUAN**  
**CHAIRMAN**

### I. BUSINESS REVIEW

#### **Economic and Market Environment**

In 2024, the global economy recovered slowly amid uncertainties, due to the sustained impact of multiple factors including high inflation, high interest rates and geopolitical conflicts. Despite challenges such as increased pressure from the external environment and insufficient domestic demand, China's economy showed an overall steady and progressive trend with the support of targeted macroeconomic policies, recording a year-on-year GDP growth of 5.0%, which is among the highest in the world, and major economic indicators remained generally stable, demonstrating strong resilience and vitality.

In 2024, the real estate market witnessed a sustained relaxation of policies as the government intensified efforts to reverse the downturn and stabilise the market, reflected by the ongoing optimisation of policies and measures to support steady and healthy market development. For instance, relaxation of purchase quotas and loan restrictions, payment ratios reduction, lower loan interest rates and improvement of housing provident fund policies, have together infused new vitality into the market.





The real estate market as a whole exhibited a volatile trend in 2024. In the first half, sales performance was relatively subdued due to factors such as insufficient confidence in the market and a strong wait-and-see sentiment among home buyers. In the second half, the market began to pick up as the effects of policies gradually emerged, particularly in the fourth quarter when sales gradually stabilised and rebounded, driven by the “trade-in for new” and other optimised policies for the real estate industry. According to the National Bureau of Statistics, the area and value of national commodity housing sales for the full year reported a year-on-year decline of 12.9% and 17.1%, respectively, of which the area and value of residential sales decreased by 14.1% and 17.6%, respectively. The investment in real estate development decreased by 10.6% year-on-year, of which residential investment decreased by 10.5%. The GFA of residential projects newly commencing construction decreased by 23.0%, indicating that the market is still in a bottom-out phase, and that market confidence and expectations are yet to be restored.

The land markets exhibited a marked differentiation in 2024. Tier-1 cities and core tier-2 cities, due to their high market potential and strong investment attractiveness, recorded better sales performance with active land transactions and intense competition for premium land parcels. As for tier-3 and tier-4 cities, the land markets remained sluggish, with higher rates of abortive auction. Property developers adopted a more prudent approach to land acquisition and focused on core areas within high-tier cities.



## CHAIRMAN'S STATEMENT

In 2024, in the face of the complex and ever-changing economic situation and profound adjustments in the real estate market, by adhering to the annual work theme of "overcoming difficulties for stable performance, and improving capabilities through refined management", the Group actively adapted to the evolving market, timely adjusted its investment and marketing strategies, accelerated the sales of property inventory, while at the same time optimising business layout and strengthening refined management to maintain stable operations. As a result, the position and influence of the Group in the industry have been further enhanced.

### Operating Results

In 2024, the Group realised revenue of approximately RMB86.40 billion, representing a year-on-year increase of 7.7%. Gross profit margin was approximately 10.5%, representing a year-on-year decrease of 4.8 percentage points. Profit attributable to equity holders was approximately RMB1.04 billion, representing a year-on-year decrease of 67.3%. Core net profit was approximately RMB1.59 billion, representing a year-on-year decrease of 54.4%. Unrecognised sales value as of 31 December 2024 was RMB170.05 billion, representing a decrease of 14.7% as compared to that as of the beginning of the year.

The Board resolved not to declare final dividend for 2024 and the total dividend for the full year was HKD0.189 per share (equivalent to RMB0.173 per share). The payout ratio was approximately 44% of the core net profit.

### Contracted Sales

In 2024, in response to the continued downward pressure in the market, the Group adopted a flexible and targeted approach to further implement the marketing strategy featuring "one project, one policy". The Group also accelerated destocking and improved the destocking appraisal mechanism, with comprehensive efforts in digital marketing. Despite the challenging market environment, the Group has further improved its market position, as it became a top-10 player in China in terms of annual sales for the first time, ranking 8th, according to CRIC. In 2024, the Group recorded contracted sales value (including contracted sales of projects of joint ventures and associates) of approximately RMB114.54 billion.

The Group's development strategic layout focuses on the Greater Bay Area, Eastern China, Central and Western China and Northern China, and keeps strengthening its presence in tier-1 cities and major tier-2 cities. The Group achieved contracted sales value of approximately RMB48.84 billion in the Greater Bay Area for the full year, accounting for approximately 42.7% of the Group's contracted sales value. In particular, Guangzhou contributed contracted sales value of approximately RMB43.37 billion, accounting for approximately 37.9% of the Group's contracted sales value. Eastern China contributed contracted sales value of approximately RMB33.14 billion for the full year, accounting for approximately 28.9% of the Group's contracted sales value. In particular, Hangzhou contributed contracted sales value of approximately RMB22.10 billion for the full year. Central and Western China contributed contracted sales value of approximately RMB19.60 billion for the full year, accounting for approximately 17.1% of the Group's contracted sales value. In particular, Chengdu contributed contracted sales value of approximately RMB6.80 billion for the full year. Northern China contributed contracted sales value of approximately RMB12.96 billion for the full year, accounting for approximately 11.3% of the Group's contracted sales value. In particular, Beijing contributed contracted sales value of approximately RMB8.73 billion for the full year.

## CHAIRMAN'S STATEMENT

### High-quality Landbank Acquisitions

In 2024, in view of the continued differentiation of the land markets, the Group concentrated its investment on tier-1 and major tier-2 cities. The Group adopted a targeted investment strategy and seized the favorable window of land auctions to acquire a number of quality land parcels at low premiums, adding 24 new land parcels in Beijing, Shanghai, Guangzhou, Hangzhou, Hefei, Chengdu, Xi'an and other cities, with a total gross floor area ("GFA") of approximately 2.71 million sq.m.. Among those, the Group acquired a total of 3, 5 and 8 premium land parcels in Beijing, Shanghai and Guangzhou, respectively, increasing approximately 0.54 million sq.m., 0.30 million sq.m. and 1.10 million sq.m. of landbank, respectively. Thus, new landbank in tier-1 cities accounted for over 70% of the total.

In active response to the government's policy of revitalising land stock, 3 land parcels in Guangzhou of the Group were successfully repossessed, thus revitalising capital of approximately RMB13.5 billion in total, and further optimising its landbank structure.

As of 31 December, with established operations in 27 cities across the country, the total landbank of the Group amounted to approximately 19.71 million sq.m., 96% of which are located in tier-1 cities and tier-2 cities. The quality and structure of the landbank continued to optimise, which could meet the Group's sustainable development needs in the future. The Group's landbank in Beijing, Shanghai and Guangzhou amounted to 1.00 million sq.m., 0.86 million sq.m. and 6.52 million sq.m. respectively.

### "Coordinated Residential and Commercial Development"

The Group continued to promote the strategy of "Coordinated Residential and Commercial Development" and continuously improved the operation capabilities for commercial properties. In the face of challenges brought about by the ongoing downturn in the commercial property market, the Group actively addressed these challenges by formulating flexible leasing strategies and innovating operating models. This has effectively improved the property occupancy rates and optimised tenant structures, thereby further enhancing the market competitiveness of its commercial properties.

The Group recorded a rental income from commercial properties directly held by it of approximately RMB668 million for the full year, representing a year-on-year increase of 37.1%, and Yuexiu Real Estate Investment Trust ("Yuexiu REIT"), in which the Group holds 40.02% of unit interests as at 31 December 2024, recorded revenue of approximately RMB2,032 million, representing a year-on-year decrease of 2.7%. Net income from properties reached approximately RMB1,445 million, representing a year-on-year decrease of 2.1%. Revenue from Yuexiu REIT's office buildings, retail malls, hotels and serviced apartments, and wholesale markets accounted for 56.6%, 8.2%, 25.0% and 10.2% of total revenue, respectively.

Yuexiu Services Group Limited ("Yuexiu Services"), in which the Group holds 67.4% interest as at 31 December 2024, recorded revenue of approximately RMB3,868 million for the full year, representing a year-on-year increase of 20.0%. The management scale of Yuexiu Services has steadily increased, with contracted GFA of 88.73 million sq.m. and GFA under management of 69.31 million sq.m.. By providing basic property management services for landmark projects such as the Hong Kong-Zhuhai-Macao Bridge, the CPPCC Guangdong Provincial Committee and the Hubei branch of China Mobile, Yuexiu Services has significantly enhanced its brand influence. The revenue from community value-added services amounted to approximately RMB1,217 million, representing a year-on-year increase of 30.6%.

The Group's healthcare business also recorded a year-on-year increase in revenue, of which 7,265 beds are available for operation. A significant increase in occupancy rates was also recorded, placing the Group's healthcare business at the forefront of the industry.

## CHAIRMAN'S STATEMENT

### Value Creation through Refined Management

The Group continued to deepen refined management, created high-quality products with a customer-centric principle, released the "4 × 4 High-Quality Product Concept" and the standard manuals for the four major product lines, "Mansion", "Grand Mansion", "Tian" and "Starry", built physical display areas for projects in strict accordance with the standards to comprehensively enhance the display effect, and continuously improved the customer research system to effectively boost sales.

The Group actively promoted the integration of design and construction and refined the production processes of its projects. The functions of the "Yue Smart Manufacturing" BIM platform have been continuously optimised and upgraded, effectively enhancing production efficiency and project quality. At the same time, the Group focused on improving its integrated design and construction business implementation capabilities to provide strong support for business upgrades. The performance excellence rate of suppliers has steadily increased, effectively ensuring the smooth delivery of high-quality products. Additionally, the Group achieved cost reduction and efficiency enhancement through various measures, including precise cost allocation, expanding the scope of centralised materials procurement to reduce procurement costs, and streamlining processes to cut unnecessary costs.

The Group continuously optimised the allocation of talents, and enriched the mid-level and executive teams as well as key professional positions through internal training and external recruitment. The Group optimised the performance appraisal mechanism and defined more detailed evaluation criteria for value creation by employees, which formed parts of our refined management for better performance.

### Prudent and Safe Financial Position

The Group has a healthy financial position as well as sufficient and safe liquidity. As of the end of December, the Group's cash and cash equivalents, time deposits, charged bank deposits, time deposits and other restricted deposits amounted to approximately RMB50.05 billion, representing an increase of 8.6% as compared to that as of the beginning of the year. With the total liabilities/total assets ratio (excluding unearned revenue) of 68.1%, the net gearing ratio of 51.7%, and the cash to short-term debt ratio of 2.1 times, the "Three Red Lines" indicators of the Group remained in "green lights", and the financial indicators were healthy and safe. The Group continued to maintain its credit rating of investment grade at BBB- by Fitch.

In light of the ongoing downturn in the real estate market, the Group, on the one hand, accelerated cash collection, with the cash collection rate of contracted sales further rose to 87% for the year, achieving net cash inflows from operating activities; on the other hand, the Group diversified financing channels and optimised its debt structure to further reduce the average financing cost year-on-year, and the Group's weighted average borrowing interest rate decreased by 33 basis points year-on-year to 3.49% per annum for the full year. Throughout the year, the Group successfully issued a total of RMB2.5 billion of onshore corporate bonds at a weighted average borrowing interest rate of approximately 2.61% per annum, and successfully issued its onshore private placement notes of RMB1.8 billion at a weighted average borrowing interest rate of approximately 2.27% per annum. The Group also successfully issued its offshore dim sum bonds of RMB2.39 billion at a weighted average borrowing interest rate of approximately 4.07% per annum, including green dim sum bonds of RMB1.69 billion at a weighted average borrowing interest rate of approximately 4.10% per annum. The Group maintained a leading position among the industry in terms of financing costs.



## CHAIRMAN'S STATEMENT

### Sustainable Development

The Group continued to improve its ESG management system, including establishing several working groups under the ESG Committee (now renamed as Sustainability Committee) of the Board, such as Climate Change Response Working Group, Green Office Working Group, "Dual Carbon" Working Group and Green Supply Chain Working Group, to comprehensively promote the implementation of the ESG strategies of the Board. The Group is committed to achieving net-zero emissions along the value chain by 2060 and plans to reach its carbon peaking target by 2030, in active response to the "dual carbon" strategy of China.

In 2024, the Group's sustainable development initiatives and ESG performance were highly recognised by international and global renowned rating agencies. The Group was selected as a constituent stock of the "Hang Seng ESG 50 Index", the "Hang Seng Corporate Sustainability Benchmark Index" and the "Hang Seng Climate Change 1.5°C Target Index". Its HKQAA Sustainability Rating raised to "A", its "Global Real Estate Sustainability Benchmark" (GRESB) rating reached "four-star", and its ESG score under the S&P Global Corporate Sustainability Assessment (CSA) improved to 49. The Group also won honours from the "Hong Kong Corporate Governance and ESG Excellence Awards" and the "BD0 ESG Awards".

The Group actively practised the green development philosophy and is committed to developing ultra-low-energy consumption buildings, near-zero energy consumption buildings and "Dual Zero" energy consumption buildings. In 2024, the Group successfully launched Yuexiu iPARK Guangdong-Hong Kong Cloud Valley (越秀iPARK粵港雲谷), the first industrial park project in South China Region to obtain "Dual Zero" certification for zero carbon and zero energy consumption. By using 12 special technologies covering the energy-saving technology which combined active and passive strategies, the utilisation of renewable energy and the application of new product technologies, the project reduced building energy consumption in all aspects, achieving zero carbon emissions and zero energy consumption operation of the buildings.

In the field of sustainable finance, the Group established a sustainable financing framework for the first time in 2024 and successfully issued its first green dim sum bonds in July with a term of three years and a coupon rate of 4.10%, raising RMB1.69 billion. The green bonds also obtained the Green and Sustainable Finance Certification from the Hong Kong Quality Assurance Agency. Through such issuance, the Group not only demonstrated its active exploration in the field of sustainable finance, but also provided strong support for the low-carbon transition of the real estate industry.

## II. BUSINESS OUTLOOK

Looking ahead to 2025, as global inflation continues to slow down, the United States, Europe and other major economies will be in a cycle of interest rate cuts. Although the geopolitics and US trade tariff policies gave rise to additional economic uncertainties, the global economic growth is expected to recover moderately amid fluctuations. The Central Government Work Report in 2025 emphasised "continuous efforts to promote the stabilisation and recovery of the real estate market", proposed "stabilising the property market" for the first time and incorporated it into the overall requirements and policy orientations for economic and social development, highlighting the positioning of real estate as an economic "stabiliser" and indicating that the stability of the real estate market is directly related to the macro-economy. In 2025, the Chinese government will continue to implement proactive measures to stabilise macro-economic growth, with a view to vigorously boosting consumption, raising investment returns, and expanding domestic demand on all fronts. With "boosting demand + optimising supply + financial coordination" as the core of its policies, the real estate industry will stabilise and reverse the downturn through measures such as reduction of restrictive measures on city-specific basis, tax reduction, credit expansion, affordable housing expansion, urban village renovation, repossession of existing housing and land resources and promoting "good houses". As such, it is expected that the real estate market will see emerging opportunities for recovery.

## CHAIRMAN'S STATEMENT

### Achieving Annual Operation Targets

In 2025, centring on the work theme of "stabilising performance, seeking breakthroughs, refining management and enhancing capabilities", the Group will make every effort to achieve the annual sales and various operating targets for 2025 by focusing on accelerating sales and destocking, improving its operation capabilities for commercial projects, promoting organisational changes, and strengthening refined management.

In response to the changes of the market, the Group will continue to implement the "one project, one policy" targeted sales strategy and pricing strategy to facilitate sales and cash collection; promote digital marketing to further increase the proportion of its own sales channels, thus ensuring the achievement of its full year sales target and cash collection rate. The Group will improve its customer research system based on a customer-centric principle, establish a product innovation management mechanism, comprehensively promote the integration of design and construction, continue to enhance product competitiveness and fully implement the "quality products convention". In addition, the Group will keep strengthening its capabilities in investment, operation, product and service, aiming to improve operation efficiency, achieve cost-efficiency and promote refined management in an all-round manner.

### Adhering to the Prudent Investment Strategies

In 2025, the Group will continue to adhere to the prudent investment strategies of "targeted investments" and "investment based on sales cash inflows", support targeted investments by strengthening its investment research system, and concentrate on core cities and core locations for continuous in-depth cultivation. The Group will optimise its resources allocation, focusing on its investment in tier-1 cities and quality tier-2 provincial capital cities. The Group will prioritise projects with economic benefits, with particular focus on projects with high certainty in profitability and fast recovery of cash flow. It will also make greater efforts to promote the replacement of existing resources, thereby continuously optimising its landbank structure.

### Constantly Promoting the "Coordinated Residential and Commercial Development" Strategy

Continuously upholding the strategy of "Coordinated Residential and Commercial Development", the Group will steadily increase the support and contribution of commercial properties to its financial results. The Group will keep strengthening the tenant acquisition and operation capabilities of commercial projects to create a new driver for its performance growth, with a focus on improving the occupancy rates of the office buildings, retail buildings, hotels & apartments, wholesale markets and other projects, while at the same time optimising tenant structure and quality to ensure a stable rental level. Meanwhile, the Group will promote the high-quality opening of 7 commercial projects, including Office Building T5 and hotels of Wuhan International Financial City and Xi'an ICC, to further drive brand upgrades and deliver steady growth in commercial operations.

The Group will continue to secure the stable development of its property management and services business, comprehensively improve its service capabilities and further develop its four major business segments (namely residential buildings, commercial buildings, mass transportation and public premises). On the one hand, the Group will expand its business scale with targeted and in-depth cultivation, focusing on advantageous business segments and strategically compatible business segments. On the other hand, it will practise the concept of "Quality Services" to improve the satisfaction of property owners. The Group will prioritise the enhancement of its community value-added services business to achieve new breakthroughs in operating activities.

For the healthcare segment, the Group will continue to enhance its operating capabilities, diversify sales channels, improve the overall occupancy rate and service brand, and actively explore new drivers for business growth and enhance synergies among business segments, to promote the sustainable development of the healthcare segment.

## CHAIRMAN'S STATEMENT

### Deepening and Facilitating the Refined Management

The Group will further promote the construction of a company with "Quality Products, Quality Services, Strong Brand, Capable Service Team", and facilitate the cultivation of system development and service operation capability targeting "product competitiveness and service quality", to support the market position of the Company with a strong quality brand.

The Group will continue to strengthen its customer research capability to gain insights into cities and customers, constantly enhance product standardisation and the integration of design and construction to achieve efficient development and control the cost of construction management, and cut unnecessary costs with precise cost allocation, thereby continuously optimising finance cost. The Group will promote organisational development with a focus on "empowerment, efficiency enhancement and cost reduction", and build a flat and efficient team to enhance employee performance. Additionally, the Group is committed to fostering internal and external versatile talents and leaders, with an optimised performance evaluation system to encourage value creation.

### Adhering to Prudent and Safe Financial Policies

The Group will continue to keep the "Three Red Lines" indicators staying in "green lights" and maintain its credit rating of investment grade by Fitch. The Group will continue to improve its operational and financial risk monitoring system, strengthen the dynamic risk warning and prevention mechanism, focus on strengthening liquidity risk management and optimise cash collection processes, to ensure sustainable net cash inflows from operating activities. Based on business development needs, the Group will reasonably control the level of interest-bearing liabilities to further reduce financing costs and maintain the smooth and diversified channels of domestic and overseas financing. In addition, the Group will strengthen the overall management of onshore and offshore funds, improve fund utilisation efficiency and continuously optimise debt structure to achieve effective allocation of financial resources and controllable risks, thereby ensuring sufficient and secure liquidity.

### Acknowledgements

2025 marks the final year of China's 14th Five-Year Plan. With the approach of "Refined Management" and the ambition to become a company with "Quality Products, Quality Services, Strong Brand, Capable Service Team" as the internal development driving forces, the Group will actively respond to market challenges. Adhering to the high-quality and sustainable development under the new environment and competition pattern of the industry, the Group will continue to deliver value for shareholders. With respect to the Group's achievements in operating results and development in a variety of businesses, I would like to take this opportunity to extend my gratitude to the Board of Directors for their strong leadership and all our staff for their relentless endeavours, as well as to express my deepest appreciation to our shareholders, customers, and business partners for their continued full trust and dedicated support.



The background of the slide features a photograph of several modern, glass-clad high-rise buildings at dusk. The buildings are illuminated from within, and their reflections are visible in a body of water in the foreground. The sky is a deep blue with some light clouds. In the top left corner, there are green leaves of a tree. Overlaid on the image are several decorative orange lines and shapes, including a large circle that frames the title text.

# MANAGEMENT DISCUSSION AND ANALYSIS





## MANAGEMENT DISCUSSION AND ANALYSIS

### REVENUE AND GROSS PROFIT

In 2024, the Group realised revenue of approximately RMB86.40 billion (2023: RMB80.22 billion), representing a year-on-year increase of 7.7%. The gross profit was approximately RMB9.05 billion (2023: RMB12.26 billion), representing a year-on-year decrease of 26.1%, and the gross profit margin was approximately 10.5%, representing a year-on-year decrease of 4.8 percentage points.

### PROFIT ATTRIBUTABLE TO EQUITY HOLDERS

In 2024, profit attributable to equity holders of the Group was approximately RMB1.04 billion (2023: RMB3.19 billion), representing a year-on-year decrease of 67.3%. The core net profit <sup>(note)</sup> was approximately RMB1.59 billion (2023: RMB3.49 billion), representing a year-on-year decrease of 54.4%.

### CONTRACTED SALES

In 2024, the Group recorded aggregate contracted sales value (including sales of projects of joint ventures and associates) of approximately RMB114.54 billion, representing a year-on-year decrease of 19.4%. The aggregate contracted sales GFA (including sales of projects of joint ventures and associates) amounted to approximately 3.92 million sq.m., representing a year-on-year decrease of 11.9%, while the average selling price was approximately RMB 29,200 per sq.m..

In terms of regional composition, with respect to the value of the aggregate contracted sales for 2024, the Greater Bay Area accounted for approximately 42.7%, Eastern China Region accounted for approximately 28.9%, Central and Western China Region accounted for approximately 17.1%, and Northern China Region accounted for approximately 11.3%.

note: To supplement our consolidated financial statements, which are prepared and presented in accordance with GAAP, we use the following non-GAAP financial measure: core net profit. Core net profit represents profit attributable to equity holders excluding net foreign exchange gains/(losses) recognised in the consolidated statement of profit or loss, net fair value gains/(losses) on investment properties held on a continuing basis (excluding investment properties disposed during the year) and the related tax effect, and impairment of intangible assets. We believe that this non-GAAP measure is broadly used by management and investors to ascertain the Group's profitability and provide opportunities for investors to have a better understanding on the Group's operational efficiency. This non-GAAP financial measure presented here do not have standardized meanings prescribed by GAAP and may not be comparable to similarly titled financial measure presented by other companies. Other companies may calculate their similarly titled financial measure differently, limiting their usefulness as comparative measure to our data.

## MANAGEMENT DISCUSSION AND ANALYSIS

Contracted sales of the Group in 2024 are summarised as follows:

City	GFA (sq.m.)	Value (RMB million)	ASP (RMB/sq.m.)
Guangzhou	1,190,000	43,369	36,400
Shenzhen	16,400	1,275	77,700
Foshan	126,600	2,237	17,700
Dongguan	20,200	354	17,500
Jiangmen	69,600	433	6,200
Zhongshan	97,200	1,176	12,100
<b>Subtotal (Greater Bay Area)</b>	<b>1,520,000</b>	<b>48,844</b>	<b>32,100</b>
Shanghai	64,000	6,600	103,100
Hangzhou	601,000	22,096	36,800
Suzhou	73,700	1,176	16,000
Nantong	13,800	249	18,000
Nanjing	104,300	2,667	25,600
Ningbo	20,700	352	17,000
<b>Subtotal (Eastern China Region)</b>	<b>877,500</b>	<b>33,140</b>	<b>37,800</b>
Wuhan	119,700	2,408	20,100
Xiangyang	49,100	380	7,700
Hefei	96,300	1,640	17,000
Zhengzhou	256,800	3,638	14,200
Changsha	107,400	1,200	11,200
Chenzhou	300	2	6,700
Chongqing	71,900	993	13,800
Chengdu	283,600	6,796	24,000
Xi'an	102,000	2,540	24,900
<b>Subtotal (Central and Western China Region)</b>	<b>1,087,100</b>	<b>19,597</b>	<b>18,000</b>
Beijing	136,900	8,729	63,800
Shenyang	4,900	43	8,800
Qingdao	212,800	3,416	16,100
Yantai	16,900	118	7,000
Ji'nan	65,800	654	9,900
<b>Subtotal (Northern China Region)</b>	<b>437,300</b>	<b>12,960</b>	<b>29,600</b>
<b>Total</b>	<b>3,921,900</b>	<b>114,541</b>	<b>29,200</b>



## MANAGEMENT DISCUSSION AND ANALYSIS

### RECOGNISED SALES

In 2024, the value of the recognised sales (including the sales of investment properties) and GFA of the recognised sales were approximately RMB80.76 billion and 3.06 million sq.m., respectively, representing a year-on-year increase of 6.7% and a year-on-year decrease of 3.1%, respectively, and the average selling price was approximately RMB26,400 per sq.m..

Recognised sales of the Group in 2024 are summarised as follows:

City	GFA (sq.m.)	Value (RMB million)	ASP (RMB/sq.m.)
Guangzhou	1,114,100	38,385	34,500
Shenzhen	75,100	5,464	72,800
Dongguan	47,800	1,105	23,100
Foshan	199,600	3,751	18,800
Jiangmen	34,100	209	6,100
Zhongshan	75,600	979	12,900
<b>Subtotal (Greater Bay Area)</b>	<b>1,546,300</b>	<b>49,893</b>	<b>32,300</b>
Shanghai	27,300	1,772	64,900
Hangzhou	174,700	5,857	33,500
Nanjing	105,000	2,534	24,100
Ningbo	21,800	344	15,800
Suzhou	201,400	3,334	16,600
<b>Subtotal (Eastern China Region)</b>	<b>530,200</b>	<b>13,841</b>	<b>26,100</b>
Wuhan	21,000	447	21,300
Hefei	73,400	1,357	18,500
Zhengzhou	265,700	3,333	12,500
Changsha	85,300	1,048	12,300
Chenzhou	14,300	79	5,500
Chongqing	154,700	2,183	14,100
Chengdu	168,800	3,531	20,900
<b>Subtotal (Central and Western China Region)</b>	<b>783,200</b>	<b>11,978</b>	<b>15,300</b>
Beijing	38,000	2,433	64,000
Shenyang	5,400	50	9,300
Qingdao	47,000	299	6,400
Yantai	1,100	2	1,800
Ji'nan	110,900	2,266	20,400
<b>Subtotal (Northern China Region)</b>	<b>202,400</b>	<b>5,050</b>	<b>25,000</b>
<b>Total</b>	<b>3,062,100</b>	<b>80,762</b>	<b>26,400</b>

## MANAGEMENT DISCUSSION AND ANALYSIS

## UNRECOGNISED SALES

As of 31 December 2024, the unrecognised sales value amounted to approximately RMB170.05 billion, representing a decrease of 14.7% as compared to that as of the beginning of the year, and the unrecognised sales GFA was approximately 4.57 million sq.m., representing a decrease of 15.6% as compared to that as of the beginning of the year. The average selling price was approximately RMB37,200 per sq.m., representing an increase of 1.1% as compared to that as of the beginning of the year.

## LANDBANK

In 2024, the Group has newly acquired 24 land parcels located in Beijing, Shanghai, Guangzhou, Hangzhou, Hefei, Chengdu, Xi'an and Zhongshan with a total GFA of approximately 2.71 million sq.m..

The land parcels newly acquired in 2024 are summarised as follows:

No.	Project	Equity Holding	Total GFA (sq.m.)
1	Guangzhou World Grand Land III	52.51%	50,700
2	Guangzhou Guangzhou Avenue Central Land	95.48%	29,900
3	Guangzhou Pazhou South TOD II	19.10%	583,700
4	Guangzhou Osmanthus Mansion	95.48%	94,100
5	Guangzhou Jiangwan High Tide	95.48%	93,000
6	Guangzhou Acme Mansion	95.48%	64,900
7	Guangzhou Gemstone Mansion	95.48%	43,200
8	Guangzhou Wonder City	51.39%	136,500
9	Zhongshan Yuexiu Glamorous Mansion	48.45%	197,500
10	Shanghai Jing'an Tianyue (previous name: Shanghai Jing'an Zhongxing Land)	95.00%	32,300
11	Shanghai Changning Land	66.50%	39,200
12	Shanghai Pudong Yangsi Land	27.55%	152,200
13	Shanghai Yangpu Tianyue (previous name: Shanghai Yangpu Land)	95.00%	26,600
14	Shanghai Yangpu Changbai Land	46.55%	50,100
15	Hangzhou River Inherit	31.04%	90,200
16	Hangzhou View Emerald	39.94%	131,200
17	Hefei Grand Mansion (previous name: Hefei Binhu Science City Land)	99.64%	114,700
18	Chengdu Abundant Mansion (previous name: Chengdu Wuhou Land)	48.45%	77,900
19	Chengdu Joy Gather (previous name: Chengdu Chenghua Land III)	99.17%	49,900
20	Chengdu Present Sands	27.73%	51,600
21	Xi'an Gemstone Joy	13.59%	67,100
22	Beijing Grand Mansion	99.64%	143,500
23	Beijing Shining Star	32.84%	207,100
24	Beijing Changping Xiaoshahe Land	74.73%	184,900
	<b>Total</b>		<b>2,712,000</b>

## MANAGEMENT DISCUSSION AND ANALYSIS

As of 31 December 2024, the landbank of the Group reached approximately 19.71 million sq.m., located in 25 cities in China and the structure and regional layout of the landbank continued to improve. Geographically, Greater Bay Area, Eastern China, Central and Western China, Northern China accounted for approximately 36.5%, 22.4%, 28.8% and 12.3%, respectively.

The landbank of the Group is summarised as follows:

No.	Project	LANDBANK		
		GFA (sq.m.)	PUD GFA (sq.m.)	PFD GFA (sq.m.)
1	Guangzhou Tianhe Grand Mansion	185,500	185,500	—
2	Guangzhou Naturalistic Mansion	128,500	128,500	—
3	Guangzhou World Grand Land II	153,800	300	153,500
4	Guangzhou World Grand Land III	50,700	50,700	—
5	Guangzhou Guangzhou Avenue Central Land	29,900	—	29,900
6	Guangzhou Pazhou South TOD	261,400	261,400	—
7	Guangzhou Pazhou South TOD II	583,700	269,400	314,300
8	Guangzhou Pazhou Shade	69,400	69,400	—
9	Guangzhou Pazhou West Land	49,100	49,100	—
10	Guangzhou River Mansion	34,100	34,100	—
11	Guangzhou Osmanthus Mansion	94,100	94,100	—
12	Guangzhou Galaxy Bay	91,800	91,800	—
13	Guangzhou Jiangwan High Tide	93,000	—	93,000
14	Guangzhou Jiangwan Grand Mansion	189,400	189,400	—
15	Guangzhou Acme Mansion	64,900	64,900	—
16	Guangzhou Joy Cloud	108,200	108,200	—
17	Guangzhou Joy Lake	201,900	201,900	—
18	Guangzhou Joy Golden Sands	183,700	183,700	—
19	Guangzhou Baiyun Starry City	170,900	9,400	161,500
20	Guangzhou Baiyun Guanglong Land II	90,600	—	90,600
21	Guangzhou Oasis Mansion	93,500	93,500	—
22	Guangzhou Gemstone Mansion	43,200	43,200	—
23	Guangzhou Wonder City	136,500	103,100	33,400
24	Guangzhou University Grow-up City	311,300	205,000	106,300
25	Guangzhou University Town Starry City	60,800	60,800	—
26	Guangzhou University Town Grand Mansion	241,900	241,900	—

## MANAGEMENT DISCUSSION AND ANALYSIS

No.	Project	LANDBANK		
		GFA (sq.m.)	PUD GFA (sq.m.)	PFD GFA (sq.m.)
27	Guangzhou Voyage TOD	3,900	3,900	—
28	Guangzhou Mountain Living	131,300	131,300	—
29	Nansha Southern Le Sand	438,700	21,600	417,100
30	Nansha Tianyu Square	53,300	53,300	—
31	Nansha Flourishing Bay	214,700	214,700	—
32	Nansha Ocean One	37,700	37,700	—
33	Nansha Golden Bay	120,500	120,500	—
34	Nansha Joy Bay	58,100	58,100	—
35	Nansha Bay City	491,100	225,000	266,100
36	Nansha Qingsheng Industrial Park	153,700	75,900	77,800
37	Nansha Hong Kong People's Community	478,200	80,000	398,200
38	Guangzhou Galaxy TOD	475,800	192,800	283,000
39	Zengcheng Joy Mountain	86,100	86,100	—
40	Conghua Glade Village	55,800	32,100	23,700
41	Nanhai Imperial Pearl	7,400	7,400	—
42	Dongguan Joy Bay	67,800	67,800	—
43	Jiangmen Starry Guanlan	185,600	185,600	—
44	Zhongshan Yuexiu Emphyrean	44,700	44,700	—
45	Zhongshan Yuexiu Glamorous Mansion	197,500	197,500	—
46	Hong Kong Yau Tong Project	68,800	68,800	—
47	Haikou Simapo Island Project	100,500	—	100,500
	<b>Subtotal (Greater Bay Area)</b>	<b>7,193,000</b>	<b>4,644,100</b>	<b>2,548,900</b>
48	Shanghai Jing'an Yue	18,500	18,500	—
49	Shanghai Jing'an Tianyue (previous name: Shanghai Jing'an Zhongxing Land)	32,300	32,300	—
50	Shanghai Yue Bund (previous name: Shanghai Hongkou Land)	38,300	38,300	—
51	Shanghai Grand Mansion (previous name: Shanghai Putuo Land)	106,200	106,200	—
52	Shanghai Changning Land	39,200	—	39,200



## MANAGEMENT DISCUSSION AND ANALYSIS

No.	Project	LANDBANK		
		GFA (sq.m.)	PUD GFA (sq.m.)	PFD GFA (sq.m.)
53	Shanghai Pudong Yangsi Land	152,200	152,200	—
54	Shanghai City Gather	125,200	125,200	—
55	Shanghai Yangpu Tianyue (previous name: Shanghai Yangpu Land)	26,600	26,600	—
56	Shanghai Yangpu Changbai Land	50,100	50,100	—
57	Shanghai Ubran Prism	270,000	270,000	—
58	Hangzhou Starry City	196,100	—	196,100
59	Hangzhou Villa Layer	156,500	156,500	—
60	Hangzhou Celestial Ocean	236,600	236,600	—
61	Hangzhou River Inherit	90,200	90,200	—
62	Hangzhou View Emerald	131,200	131,200	—
63	Hangzhou Tide Joy City	258,000	258,000	—
64	Hangzhou Silk Villa	95,000	95,000	—
65	Hangzhou Jadeite	205,300	205,300	—
66	Hangzhou Infinite Island	405,100	405,100	—
67	Hangzhou Tingcui Mansion	194,100	194,100	—
68	Hangzhou Infinite Affluent	481,200	481,200	—
69	Hangzhou Twinkle Mansion	136,400	136,400	—
70	Hangzhou Joy Paragon	67,900	67,900	—
71	Hangzhou Joy Mansion	74,200	74,200	—
72	Suzhou Taicang Never Land	496,700	182,500	314,200
73	Nantong Luminous Mansion	91,000	91,000	—
74	Nanjing Grand Mansion	89,100	89,100	—
75	Nanjing Art Cloud	69,300	69,300	—
76	Nanjing Art Times	40,300	40,300	—
77	Nanjing Wonderland	45,200	45,200	—
	<b>Subtotal (Eastern China Region)</b>	<b>4,418,000</b>	<b>3,868,500</b>	<b>549,500</b>
78	Wuhan International Financial City	165,900	165,900	—
79	Wuhan Yuxiu Literary Luxe	120,400	120,400	—
80	Wuhan Hanyang Starry Winking	277,100	—	277,100

## MANAGEMENT DISCUSSION AND ANALYSIS

No.	Project	LANDBANK		
		GFA (sq.m.)	PUD GFA (sq.m.)	PFD GFA (sq.m.)
81	Xiangyang Joy Cloud	142,500	142,500	—
82	Hefei Starry Junnan	113,600	113,600	—
83	Hefei Central Luxury	98,800	98,800	—
84	Hefei Naturalistic Mansion (previous name: Hefei Binhu Land)	55,000	55,000	—
85	Heifei Grand Mansion (previous name: Hefei Binhu Science City Land)	114,700	114,700	—
86	Hefei Joy Yunting	215,200	215,200	—
87	Hefei Joy Winking	112,400	112,400	—
88	Zhengzhou Yuexiu Future Mansion	207,200	207,200	—
89	Zhengzhou Joy Bay	544,900	228,800	316,100
90	Changsha Scenery Culture	117,600	117,600	—
91	Changsha Smart Science City	108,900	108,900	—
92	Changsha Mountain Mansion	134,400	134,400	—
93	Changsha Starry City	148,500	148,500	—
94	Changsha Joy Star	255,600	180,300	75,300
95	Chenzhou Starry City	676,600	159,600	517,000
96	Chongqing Avant Garde	103,900	103,900	—
97	Chongqing Galaxy Garden	289,400	35,900	253,500
98	Chengdu Abundant Mansion (previous name: Chengdu Wuhou Land)	77,900	77,900	—
99	Chengdu Joy Cloud	135,800	135,800	—
100	Chengdu Joy Gather (previous name: Chengdu Chenghua Land III)	49,900	49,900	—
101	Chengdu Casa Style	88,500	88,500	—
102	Chengdu Present Sands	51,600	—	51,600
103	Chengdu Lakeside Life	175,900	175,900	—
104	Xi'an Oriental Mansion	370,100	370,100	—

## MANAGEMENT DISCUSSION AND ANALYSIS

No.	Project	LANDBANK		
		GFA (sq.m.)	PUD GFA (sq.m.)	PFD GFA (sq.m.)
105	Xi'an ICC (previous name: Xi'an Gaoxin Land I)	162,800	162,800	—
106	Xi'an Citypark Mansion	187,300	187,300	—
107	Xi'an Goblet Shade (previous name: Xi'an Gaoxin Land III)	295,400	295,400	—
108	Xi'an Gemstone Joy	67,100	—	67,100
	<b>Subtotal (Central and Western China Region)</b>	<b>5,664,900</b>	<b>4,107,200</b>	<b>1,557,700</b>
109	Beijing Grand Mansion	143,500	—	143,500
110	Beijing Fragrant Shade	167,800	167,800	—
111	Beijing Yuxiu Melody	170,200	170,200	—
112	Beijing Shining Star	207,100	207,100	—
113	Beijing Changping Xiaoshahe Land	184,900	—	184,900
114	Beijing Hill Mansion	125,800	125,800	—
115	Shenyang Hill Lake	506,900	47,800	459,100
116	Qingdao Grand Mansion	134,500	134,500	—
117	Qingdao Magnificent Bay	30,600	30,600	—
118	Qingdao Inner Peace	309,100	106,900	202,200
119	Qingdao Starry City	141,100	500	140,600
120	Qingdao Yuxiu Starry City (previous name: Qingdao Pingdu Southern New Town Land II)	268,900	—	268,900
121	Yantai Joy Mansion	41,100	41,100	—
	<b>Subtotal (Northern China Region)</b>	<b>2,431,500</b>	<b>1,032,300</b>	<b>1,399,200</b>
	<b>Total</b>	<b>19,707,400</b>	<b>13,652,100</b>	<b>6,055,300</b>

## MANAGEMENT DISCUSSION AND ANALYSIS

**Construction progress**

The Group strived to accelerate development efficiency and turnover rate. During the year, project development was in line with the Group's schedule. New commencement of construction and completion projects are summarised as follows:

	2024 Actual GFA (sq.m.)	2025 Planned GFA (sq.m.)
<b>Construction progress</b>		
New commencement of construction	3,708,200	<b>2,726,500</b>
Completion*	<u>7,774,200</u>	<u><b>7,775,200</b></u>

\* Completion for consolidation GFA in 2024(A) and 2025(E) are 5.08 million sq.m. and 5.95 million sq.m. respectively.

**OTHER GAINS AND LOSSES**

Other losses, net for 2024 amounted to approximately RMB1,395 million, mainly including the gain on disposal of the ICC project of approximately RMB868 million (please refer to the announcements of the Company dated 9 September 2024, 25 October 2024, 28 November 2024 and 4 December 2024 for details of the ICC project), net losses on revaluation of investment properties for the year of approximately RMB727 million, impairment losses of long-term assets of approximately RMB1,628 million (mainly including: impairment provision of RMB713 million for a project in Hainan due to planning adjustments, and impairment provisions of RMB492 million and RMB186 million respectively for a self-owned residential building in Nansha and a hotel in Wuhan due to market reasons) and other miscellaneous income, net of approximately RMB92 million. In 2023, the Group's other losses, net amounted to approximately RMB1,348 million, mainly including net losses on revaluation of investment properties of approximately RMB1,502 million and other miscellaneous income, net of approximately RMB154 million.

As at 31 December 2024, the Group owned investment properties under lease of approximately 1,074,000 sq.m. in total, of which office buildings, commercial properties, car parks and others accounted for approximately 44.0%, 44.8% and 11.2%, respectively. The Group recorded rental income of approximately RMB668 million in 2024, representing an increase of 37.1% year-on-year, mainly due to the increase in the rental income of Guangzhou ICC Wuhan International Financial City.

In 2024, the Group recorded net losses on revaluation of investment properties for the year of approximately RMB727 million, mainly including: losses on revaluation of the self-owned properties in Luogang and Chentougang, Guangzhou for the year of approximately RMB236 million due to increased construction cost; net losses on revaluation of Wuhan International Financial City for the year of approximately RMB1,011 million due to the impact of the market environment; and gains on revaluation of an industrial park in Nansha for the year of approximately RMB329 million and gains on revaluation of an office building in Nansha for the year of approximately RMB219 million.



## MANAGEMENT DISCUSSION AND ANALYSIS

### SELLING AND MARKETING EXPENSES

In 2024, the Group's selling and marketing expenses were approximately RMB2,719 million, representing an increase of 10.9% year-on-year, which was mainly because the Group adopted more diversified marketing strategies to further facilitate properties sales. Selling and marketing expenses accounted for 3.1% of the revenue for the year, which was in line with that of last year.

### ADMINISTRATIVE EXPENSES

The Group's administrative expenses amounted to approximately RMB1,489 million, representing a decrease of 17.2% year-on-year, which was mainly because the Group continued to strengthen control over expenses and strictly followed the annual expenses budget. The administrative expenses accounted for 1.7% of the revenue for the year, down by 0.5 percentage point from 2.2% for last year.

### FINANCE COSTS

In 2024, the finance costs of the Group amounted to approximately RMB880 million, mainly including interest expense of RMB1,001 million and net gains related to foreign exchange of RMB121 million. Finance costs for the year increased by RMB207 million as compared to 2023, which was mainly due to an increase in interest expenses of RMB149 million and a decrease in net gains related to foreign exchange of RMB58 million. As the overall financing environment has remained moderate since 2024, the Group's weighted average borrowing interest rate for the year declined to 3.49% from 3.82% for 2023.

### SHARE OF PROFIT FROM ASSOCIATES

In 2024, the overall net profits from associates attributable to the Group was approximately RMB1,021 million (2023: net profits of approximately RMB702 million), mainly including net gains on the investments in cooperative projects of approximately RMB1,083 million and losses on the investment in Yuexiu REIT of approximately RMB62 million.

In 2024, the total distributable amount of Yuexiu REIT amounted to approximately RMB315 million, representing a decrease of 23.2% on a year-on-year basis, and the cash distribution attributable to the Group amounted to approximately RMB126 million.

### BASIC EARNINGS PER SHARE

In 2024, basic earnings per share attributable to the equity holders of the Company (calculated based on the weighted average number of ordinary shares outstanding) were RMB0.2584 (2023: RMB0.8542).

By the end of 2023, the Company completed the Rights Issue of 928,936,826 rights shares at the subscription price of HKD9.00 per rights share on the basis of 30 rights shares for every 100 shares held by qualifying shareholders on the record date (i.e. 10 May 2023).

The weighted average number of 3,728,632,295 ordinary shares for the full year of 2023 was derived from ordinary shares outstanding as at 1 January 2023 after taking into account the effects of the Rights Issue abovementioned.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINAL DIVIDEND

The Board resolved not to declare final dividend for 2024 (2023: HKD0.148 per share which was equivalent to RMB0.134 per share), total dividend for the year ended 31 December 2024 amounted to HKD0.189 per share which was equivalent to RMB0.173 per share.

Dividend payable to shareholders will be paid in Hong Kong dollars. The exchange rate adopted by the Company for its dividend payable is the average of central parity rates of HKD against RMB announced by the People's Bank of China ("PBOC") for the last five consecutive business days preceding the date of dividend resolved/proposed by the Board.

### LIQUIDITY AND FINANCIAL RESOURCES

Cash receipts from operating activities and committed banking facilities are the Group's main sources of liquidity. The Group has always adhered to prudent financial management principles, emphasised on funding management and risk control, established an ongoing monitoring system to respond to market changes, ensured healthy and adequate liquidity and secured the business development. While continuing to maintain a good relationship with commercial banks in Chinese Mainland and Hong Kong, the Group also explores other funding channels, optimises the capital structure and lowers the funding costs, enhances the ability to protect its resources, and enhances its risk resistance capabilities.

In 2024, the Group obtained new borrowings of approximately RMB41.69 billion, including onshore borrowings of approximately RMB30.50 billion and offshore borrowings of approximately RMB11.19 billion. During the year, the sell-back period for two tranches of corporate bonds issued by a subsidiary of the Company on the Shanghai Stock Exchange commenced, with the sell-back amounts calculated at par value amounting to RMB1.16 billion and RMB0.193 billion, respectively. Meanwhile, the subsidiary of the Company has fully resold the sell-back portions of the aforementioned two tranches of corporate bonds during the year. As at 31 December 2024, total borrowings amounted to approximately RMB103.89 billion (31 December 2023: RMB104.37 billion), cash and cash equivalents, time deposits, charged bank deposits, time deposits and other restricted deposits amounted to approximately RMB50.05 billion, and the net gearing ratio was 51.7%, which was calculated as net debt (i.e., total borrowings less cash and cash equivalents, time deposits, charged bank deposits, time deposits and other restricted deposits) divided by total equity. Borrowings due within one year accounted for approximately 22% of the total borrowings (31 December 2023: 22%), fixed-rate borrowings accounted for approximately 44% of the total borrowings (31 December 2023: 44%). The Group's weighted average borrowing interest rate for the year decreased by 33 basis points to 3.49% from 3.82% for 2023.

As at 31 December 2024, among the Group's total borrowings, approximately 51% was RMB denominated bank borrowings and other borrowings (31 December 2023: 54%), 11% was Hong Kong dollar denominated bank borrowings (31 December 2023: 10%), 7% was Hong Kong dollar and US dollar denominated medium-to-long term notes (31 December 2023: 7%), and 31% was RMB denominated medium-to-long term notes (31 December 2023: 29%).

### WORKING CAPITAL

As at 31 December 2024, the Group's working capital (current assets less current liabilities) amounted to approximately RMB120.28 billion (31 December 2023: approximately RMB128.08 billion). The Group's current ratio (current assets divided by current liabilities) was 1.5 times (31 December 2023: 1.6 times). Cash and cash equivalents and current portion of time deposits amounted to approximately RMB30.20 billion (31 December 2023: RMB29.27 billion). Charged bank deposits amounted to approximately RMB17.56 billion (31 December 2023: RMB16.83 billion). Undrawn committed bank facilities amounted to approximately RMB61.91 billion.

## MANAGEMENT DISCUSSION AND ANALYSIS

## CAPITAL AND FINANCIAL STRUCTURE ANALYSIS

Set out below is a summary of the Group's debts:

	As at	
	31 December 2024 RMB'000	31 December 2023 RMB'000
Borrowings and notes		
Denominated in RMB	85,024,128	86,572,838
Denominated in HKD	13,124,046	12,144,144
Denominated in USD	5,740,529	5,653,881
Total borrowings and notes	103,888,703	104,370,863
Bank overdrafts	39	35
Total debts	103,888,742	104,370,898
<b>Ageing analysis:</b>		
Within one year	23,268,833	22,975,869
In the second year	34,277,646	22,785,857
In the third to fifth year	33,645,363	46,005,776
Beyond five years	12,696,900	12,603,396
Total borrowings	103,888,742	104,370,898
Lease liabilities	787,711	839,021
Less: Cash and cash equivalents and current portion of time deposits	(30,195,576)	(29,265,250)
Net borrowings	74,480,877	75,944,669
Total equity	104,079,168	102,208,780
Total capital	178,560,045	178,153,449
Gearing ratio (net borrowings divided by total capital)	41.7%	42.6%



## MANAGEMENT DISCUSSION AND ANALYSIS

### INTEREST RATE EXPOSURE

The Group's interest rate exposure is mainly derived from floating rate loans and deposits denominated in Renminbi, Hong Kong dollars and US dollars. As of 31 December 2024, among the total borrowings of the Group, approximately 45% was floating rate bank loans denominated in Renminbi, approximately 11% was floating rate bank loans denominated in Hong Kong dollars, approximately 6% was fixed rate bank loans and other borrowings denominated in Renminbi, approximately 31% was fixed rate bonds denominated in Renminbi, and approximately 7% was fixed rate notes denominated in US dollars and Hong Kong dollars. The weighted average borrowing interest rate for the full year of 2024 was approximately 3.49% per annum, decreased by 33 basis points from 3.82% per annum for the same period of 2023.

With respect to US dollar interest rates, from early 2022 to July 2023, the Federal Reserve has significantly raised interest rates to control high inflation. Subsequently, it halted these interest rate hikes and commenced three rounds of interest rate cuts starting from September 2024. Currently, inflation has moderated but the decline has not yet met the expectation of 2%. The new tariff policies introduced by the US President have brought significant uncertainties to the world and fueled further inflation in the US in the second half of the year. As such, the market expects higher risks of a mild recession in the US. Although the US economic performance remains robust with a relatively low unemployment rate, there are market concerns that the economy may decline sharply in the future. The Federal Reserve is expected to restart interest rate cuts in the second half of 2025, with two rate cuts of 25 basis points each during the year. However, the timing and size of the interest rate cuts will ultimately depend on the US inflation data and the impact of subsequent policies of the US government on the economy and the geopolitical situation.

With respect to Hong Kong dollar interest rates, they are expected to follow the downward trend of US dollar interest rates in the future. The Group did not arrange interest-rate hedging instruments during the reporting year. The Group continuously tracks the IRS and CCS quotes of market interest rates to arrange for interest rate risk hedging when necessary and at reasonable costs.

With respect to Renminbi interest rates, in recent years, the PBOC has been implementing a relatively easing monetary policy to stimulate economic recovery and enhance the management and control of the domestic property market exposure. Since 2025, the primary risks to China have been the significant increase in tariffs on Chinese goods imported by the US and the ongoing crackdown on Chinese companies in the technology sector. It is expected that the central government will continue to introduce policies to support economic recovery, thereby stabilising the financial market and controlling the risk of significant fluctuations in exchange rates.

The Group will continue to pay close attention to changes in domestic and foreign interest rate market and continuously optimise its debt structure to manage its interest rate exposure.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FOREIGN EXCHANGE RISK

Since the main business operations of the Group are conducted in Chinese Mainland, its income and assets are denominated primarily in Renminbi. The Group has foreign currency denominated financing and is thus exposed to foreign exchange risk. Since 2016, the Group has actively adopted various measures to enhance the management and control of the foreign exchange exposure. As at 31 December 2024, among the borrowings denominated in foreign currencies, approximately HKD11.88 billion (equivalent to approximately RMB11.00 billion) was bank borrowings denominated in Hong Kong dollar, approximately USD0.80 billion (equivalent to approximately RMB5.74 billion) was notes denominated in US dollars, and approximately HKD2.29 billion (equivalent to approximately RMB2.12 billion) was notes denominated in Hong Kong dollars. Approximately 18% of the total borrowings of the Group was borrowings denominated in foreign currencies, among which, financial products were purchased to manage part of foreign exchange exposures with respect to the borrowings denominated in foreign currencies equivalent to approximately RMB6.97 billion. The Group currently has limited foreign exchange exposure with controllable exchange rate risks.

In 2024, China's economic recovery was slower than expected due to challenges faced by its domestic economy, such as the under-performance of the stabilisation in real estate market and domestic consumption, putting pressure on the RMB exchange rates. During the year, the US imposed a 20% tariff on goods imported from China and continued crackdowns and embargoes on certain Chinese technology companies, posing further challenges to China. China is expected to hit back and introduce more policies to support economic growth and stabilise finance and exchange rates.

Since 2025, the exchange rate of RMB against US dollar has continued to fluctuate and slightly weakened. It is expected that the RMB-US dollar exchange rate will continue to fluctuate sharply in both directions during the year, and the Chinese economy may improve significantly in the second half of the year under the strong support of national policies. Combined with the potential slowdown of the US economy and resumption of interest rate cuts by the Federal Reserve in the second half of the year, the RMB exchange rate would be supported. It is expected that the exchange rate of RMB against US dollar will stabilise by the end of the year.

The Group will continue to keep track of developments in the foreign exchange market, appropriately adopt financial instruments to manage its foreign exchange exposure, and optimise its debt structure to manage its foreign exchange exposure.

### COMMITMENTS FOR PROPERTY, PLANT AND EQUIPMENT

As at 31 December 2024, the Group did not have contractual commitments in respect of purchases of property, plant and equipment (31 December 2023: nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### CONTINGENT LIABILITIES

The Group provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. Such guarantees shall terminate upon issuance of the relevant property ownership certificates. As of 31 December 2024, the total contingent liabilities relating to these guarantees amounted to approximately RMB44.11 billion (31 December 2023: RMB42.36 billion).

As at 31 December 2024, certain subsidiaries of the Group provided guarantee up to a limit of approximately RMB6,554 million (31 December 2023: RMB9,316 million) in respect of loans borrowed by joint ventures and associates of the Group, among which, guarantee of approximately RMB725 million (31 December 2023: RMB2,385 million) was utilised and guarantee of approximately RMB5,829 million (31 December 2023: RMB6,931 million) was not utilised yet.

### EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2024, the Group had approximately 15,180 employees (30 June 2024: 18,800 employees). The Group offers its employees reasonable remuneration in accordance with industry practice. Salary increment and promotion of employees are based on performance and achievements. In the meantime, the Group provides employees with other benefits, such as mandatory provident funds, medical insurance, educational allowances and professional training. The Group adopted the Share Incentive Scheme on 2 December 2016 and the Share Award Scheme on 17 March 2017. Both schemes will (i) provide the selected participants (including senior management, middle management and other employees) with an opportunity to acquire a proprietary interest in the Company; (ii) encourage and retain such individuals to work with the Company and the Group; and (iii) provide additional incentive for them to achieve performance goals and promote the pursuit of long-term interests of the Group, the Company and its shareholders, with a view to achieving the objective of aligning the interests of the selected participants with those of the shareholders of the Company. Details of the Share Incentive Scheme and Share Award Scheme have been respectively disclosed in the announcements dated 2 December 2016 and 17 March 2017.

### CORPORATE GOVERNANCE

The Company has complied with the code provisions as set out in the Corporate Governance Code throughout the year ended 31 December 2024.

### REVIEW OF ANNUAL RESULTS

The annual results have been reviewed by the audit committee of the Company. The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2024 have been agreed by the Group's auditors, Ernst & Young, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

## MANAGEMENT DISCUSSION AND ANALYSIS

### SUSTAINABILITY POLICY

The Board of the Group attaches great importance to sustainability management. In accordance with the requirements of the Environmental, Social and Governance Reporting Guide of The Stock Exchange of Hong Kong Limited, Yuexiu Property has established an effective sustainability management system, improved the Group's sustainability governance structure and strengthened the supervision and participation of the Board in the Group's sustainability affairs. The Board, as the highest governing body of the Group, takes the full responsibility for sustainability affairs of Yuexiu Property. In March 2022, the Sustainability Committee (formerly known as Environmental, Social and Governance Committee) chaired by the Chairman of the Board and staffed by the general manager and independent directors of the Company was established and the responsibilities of the Sustainability Committee are listed in the Corporate Governance Report. In addition, a Sustainability Leading Group (formerly known as ESG Leading Group) is formed under the committee, with the general manager as the leader and the relevant functional lines or regional leaders as the group members, and is responsible for coordinating and supervising the implementation of sustainability management, and periodically reporting sustainability performance to the Sustainability Committee.

### CONTINUING DISCLOSURE REQUIREMENTS UNDER RULE 13.21 OF THE LISTING RULES

Certain loan agreements of the Company and its subsidiaries ("Loan Agreements") include a condition that imposes one or more of the following specific performance obligations on Yue Xiu Enterprises (Holdings) Limited, the controlling shareholder of the Company, or (as the case may be) Guangzhou Yue Xiu Holdings Limited, the ultimate controlling shareholder of the Company:

- (i) the controlling shareholder remains to be the single largest beneficial shareholder of the Company;
- (ii) the controlling shareholder maintains a shareholding interest of not less than 35% or 30% in the issued voting shares of the Company;
- (iii) the controlling shareholder maintains effective management control over the Company.

As at 31 December 2024, the aggregate balance of the loans provided was HKD11,922,000,000. The Loan Agreements will expire during the period from 3 February 2025 to 11 November 2027.

Breach of the above specific performance obligations will constitute an event of default. Upon the occurrence of such event of default, the relevant bank may declare the relevant facility to be terminated and all the indebtedness under the relevant facility would become due and payable.



## MANAGEMENT DISCUSSION AND ANALYSIS

On 20 January 2021, Westwood Group Holdings Limited ("Westwood"), an indirect wholly-owned subsidiary of the Company, issued USD600 million 2.80 per cent. guaranteed notes due 2026 (the "2026 Notes") and USD150 million 3.80 per cent. guaranteed notes due 2031 to investors under the USD3,000 million Guaranteed MTN Programme (updated on 11 January 2021). On 26 January 2021, Westwood issued USD50 million 2.80 per cent. guaranteed notes due 2026 to investors (to be consolidated and form a single series with the 2026 Notes). Pursuant to the terms and conditions of the programme, Guangzhou Yue Xiu Holdings Limited is required to maintain control (as defined in the announcements dated 13 January 2021 and 21 January 2021) of the Company. Breach of the above obligation will cause a default under the terms and conditions whereby the noteholders are entitled to exercise their change of control put options.

On 16 January 2023, Joy Delight International Limited ("Joy Delight"), an indirect wholly-owned subsidiary of the Company, issued CNY2,000 million 4.00 per cent. guaranteed notes due 2026 to investors. Pursuant to the terms and conditions of the notes, Guangzhou Yue Xiu Holdings Limited is required to maintain control (as defined in the announcement dated 10 January 2023) of the Company. Breach of the above obligation will cause a default under the terms and conditions whereby the noteholders are entitled to exercise their change of control put options.

On 12 May 2023, Joy Delight issued CNY1,396 million 3.80 per cent. guaranteed notes due 2026 to investors. Pursuant to the terms and conditions of the notes, Guangzhou Yue Xiu Holdings Limited is required to maintain control (as defined in the announcement dated 8 May 2023) of the Company. Breach of the above obligation will cause a default under the terms and conditions whereby the noteholders are entitled to exercise their change of control put options.

On 15 November 2023, Joy Delight issued CNY510 million 4.00 per cent. guaranteed notes due 2026 (which were upsized on 19 January 2024 such that the aggregate principal amount of such notes reached CNY1,210 million) to investors. Pursuant to the terms and conditions of the notes, Guangzhou Yue Xiu Holdings Limited is required to maintain control (as defined in the announcement dated 9 November 2023) of the Company. Breach of the above obligation will cause a default under the terms and conditions whereby the noteholders are entitled to exercise their change of control put options.

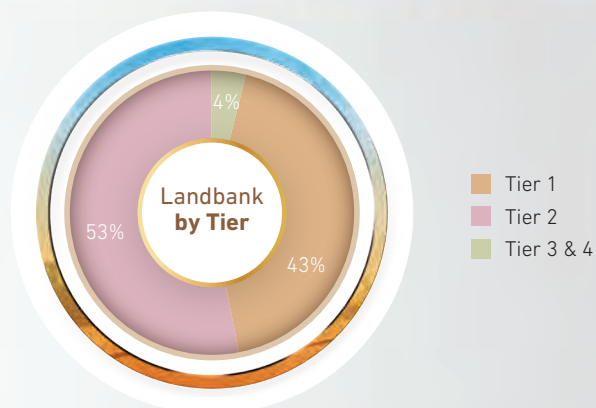
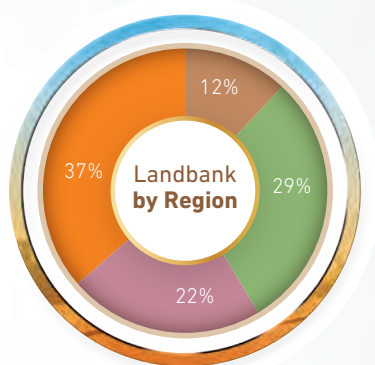
On 15 July 2024, Joy Delight issued CNY1,690 million 4.10 per cent. guaranteed green notes due 2027 to investors. Pursuant to the terms and conditions of the notes, Guangzhou Yue Xiu Holdings Limited is required to maintain control (as defined in the announcement dated 8 July 2024) of the Company. Breach of the above obligation will cause a default under the terms and conditions whereby the noteholders are entitled to exercise their change of control put options.

These obligations have been duly complied with for the year ended 31 December 2024.

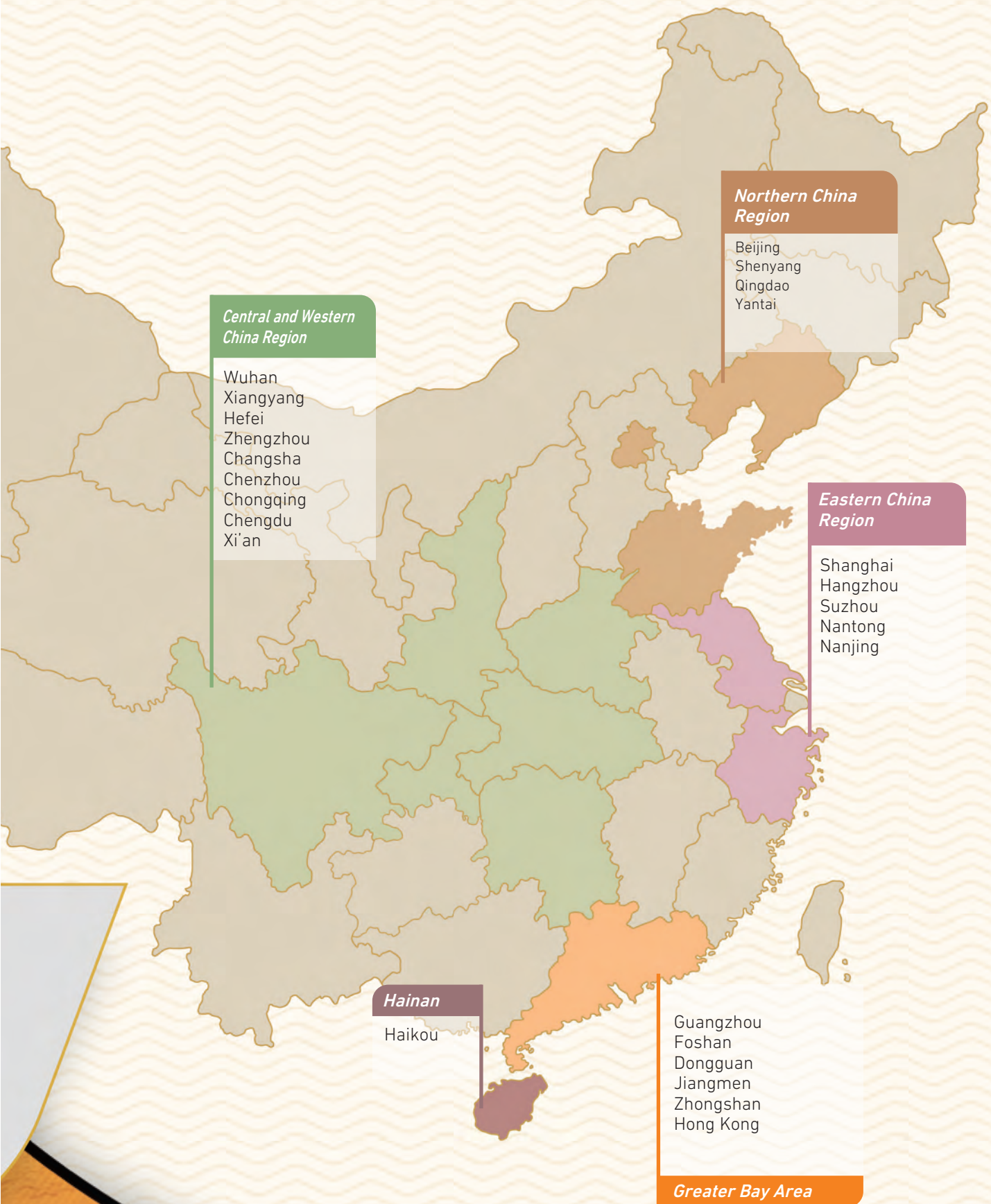
## PROPERTY DEVELOPMENT

REGION		GFA (sq.m.)
<b>Greater Bay Area</b>	<b>36.0%</b>	<b>7,092,500</b>
Guangzhou		6,520,700
Foshan		7,400
Dongguan		67,800
Jiangmen		185,600
Zhongshan		242,200
Hong Kong		68,800
<b>Eastern China Region</b>	<b>22.4%</b>	<b>4,418,000</b>
Shanghai		858,600
Hangzhou		2,727,800
Suzhou		496,700
Nantong		91,000
Nanjing		243,900
<b>Central and Western China Region</b>	<b>28.8%</b>	<b>5,664,900</b>
Wuhan		563,400
Xiangyang		142,500
Hefei		709,700
Zhengzhou		752,100
Changsha		765,000
Chenzhou		676,600
Chongqing		393,300
Chengdu		579,600
Xi'an		1,082,700
<b>Northern China Region</b>	<b>12.3%</b>	<b>2,431,500</b>
Beijing		999,300
Shenyang		506,900
Qingdao		884,200
Yantai		41,100
<b>Hainan</b>	<b>0.5%</b>	<b>100,500</b>
Haikou		100,500
<b>Total</b>		<b>19,707,400</b>

- Greater Bay Area
- Eastern China Region
- Central and Western China Region
- Northern China Region



## PROPERTY DEVELOPMENT





## PROPERTY DEVELOPMENT

## GREATER BAY AREA



### GUANGZHOU TIANHE GRAND MANSION

Location: Tianhe District, Guangzhou  
 Site area: 46,100 sq.m.  
 Total GFA: 185,500 sq.m.  
 Intended use: Residential  
 Project phase: Under construction  
 Estimated completion time: 2025  
 Proportion of the Group's interest: 95.48%

### GUANGZHOU NATURALISTIC MANSION

Location: Tianhe District, Guangzhou  
 Site area: 68,700 sq.m.  
 Total GFA: 128,500 sq.m.  
 Intended use: Residential  
 Project phase: Under construction  
 Estimated completion time: 2027  
 Proportion of the Group's interest: 95.48%



### GUANGZHOU GUANGZHOU AVENUE CENTRAL LAND

Location: Yuexiu District, Guangzhou  
 Site area: 5,700 sq.m.  
 Total GFA: 29,900 sq.m.  
 Intended use: Residential  
 Project phase: Under construction  
 Estimated completion time: 2027  
 Proportion of the Group's interest: 95.48%





## PROPERTY DEVELOPMENT

**GUANGZHOU PAZHOU SOUTH TOD II**

Location: Haizhu District, Guangzhou

Site area: 166,300 sq.m.

Total GFA: 583,700 sq.m.

Intended use: Residential/Commercial

Project phase: Under construction

Estimated completion time: 2026

Proportion of the Group's interest: 19.10%

**GUANGZHOU JIANGWAN HIGH TIDE**

Location: Haizhu District, Guangzhou

Site area: 14,500 sq.m.

Total GFA: 93,000 sq.m.

Intended use: Residential

Project phase: Under construction

Estimated completion time: 2026

Proportion of the Group's interest: 95.48%

**GUANGZHOU JIANGWAN  
GRAND MANSION**

Location: Haizhu District, Guangzhou

Site area: 63,500 sq.m.

Total GFA: 189,400 sq.m.

Intended use: Residential/Commercial

Project phase: Under construction

Estimated completion time: 2027

Proportion of the Group's interest: 52.42%

## PROPERTY DEVELOPMENT

## GREATER BAY AREA

**GUANGZHOU ACME MANSION**

Location: Baiyun District, Guangzhou

Site area: 47,400 sq.m.

Total GFA: 64,900 sq.m.

Intended use: Residential

Project phase: Under construction

Estimated completion time: 2026

Proportion of the Group's interest: 95.48%

**GUANGZHOU WONDER CITY**

Location: Panyu District, Guangzhou

Site area: 26,400 sq.m.

Total GFA: 136,500 sq.m.

Intended use: Residential

Project phase: Under construction

Estimated completion time: 2026

Proportion of the Group's interest: 51.39%

**NANSHA BAY CITY**

Location: Nansha District, Guangzhou

Site area: 170,400 sq.m.

Total GFA: 491,100 sq.m.

Intended use: Residential/Commercial

Project phase: Under construction

Estimated completion time: 2026

Proportion of the Group's interest: 95.48%

## PROPERTY DEVELOPMENT

**DONGGUAN JOY BAY**

Location: Shatian Town, Dongguan

Site area: 66,100 sq.m.

Total GFA: 67,800 sq.m.

Intended use: Residential/Commercial

Project phase: Under construction

Estimated completion time: 2025

Proportion of the Group's interest: 48.69%

**JIANGMEN STARRY GUANLAN**

Location: Pengjiang District, Jiangmen

Site area: 188,400 sq.m.

Total GFA: 185,600 sq.m.

Intended use: Residential/Commercial

Project phase: Under construction

Estimated completion time: 2026

Proportion of the Group's interest: 95.00%

**ZHONGSHAN YUEXIU  
GLAMOROUS MANSION**

Location: Huoju Development Zone, Zhongshan

Site area: 45,000 sq.m.

Total GFA: 197,500 sq.m.

Intended use: Residential

Project phase: Under construction

Estimated completion time: 2026

Proportion of the Group's interest: 48.45%



## PROPERTY DEVELOPMENT

## EASTERN CHINA REGION

**SHANGHAI JING'AN YUE**

Location: Jing'an District, Shanghai

Site area: 4,300 sq.m.

Total GFA: 18,500 sq.m.

Intended use: Residential/Commercial

Project phase: Under construction

Estimated completion time: 2025

Proportion of the Group's interest: 95.00%

**SHANGHAI JING'AN TIANYUE**

Location: Jing'an District, Shanghai

Site area: 8,200 sq.m.

Total GFA: 32,300 sq.m.

Intended use: Residential

Project phase: Under construction

Estimated completion time: 2026

Proportion of the Group's interest: 95.00%

**SHANGHAI YUE BUND**

Location: Hongkou District, Shanghai

Site area: 10,800 sq.m.

Total GFA: 38,300 sq.m.

Intended use: Residential

Project phase: Under construction

Estimated completion time: 2026

Proportion of the Group's interest: 46.55%



## PROPERTY DEVELOPMENT

**HANGZHOU SILK VILLA**

Location: Gongshu District, Hangzhou

Site area: 42,300 sq.m.

Total GFA: 95,000 sq.m.

Intended use: Residential

Project phase: Under construction

Estimated completion time: 2026

Proportion of the Group's interest: 33.67%

**HANGZHOU INFINITE ISLAND**

Location: Yuhang District, Hangzhou

Site area: 221,800 sq.m.

Total GFA: 405,100 sq.m.

Intended use: Residential/Commercial

Project phase: Under construction

Estimated completion time: 2025

Proportion of the Group's interest: 51.00%

**NANJING WONDERLAND**

Location: Yuhuatai District, Nanjing

Site area: 13,200 sq.m.

Total GFA: 45,200 sq.m.

Intended use: Residential

Project phase: Under construction

Estimated completion time: 2025

Proportion of the Group's interest: 100.00%

## PROPERTY DEVELOPMENT

# CENTRAL AND WESTERN CHINA REGION



## WUHAN YUEXIU LITERARY LUXE

Location: Qiaokou District, Wuhan

Site area: 18,900 sq.m.

Total GFA: 120,400 sq.m.

Intended use: Residential/Commercial

Project phase: Under construction

Estimated completion time: 2025

Proportion of the Group's interest: 99.17%

## HEFEI CENTRAL LUXURY

Location: Baohe District, Hefei

Site area: 31,900 sq.m.

Total GFA: 98,800 sq.m.

Intended use: Residential

Project phase: Under construction

Estimated completion time: 2025

Proportion of the Group's interest: 99.64%



## ZHENGZHOU YUEXIU FUTURE MANSION

Location: Economic and Technological Development Zone, Zhengzhou

Site area: 103,600 sq.m.

Total GFA: 207,200 sq.m.

Intended use: Residential

Project phase: Under construction

Estimated completion time: 2025

Proportion of the Group's interest: 48.45%



## PROPERTY DEVELOPMENT

**CHANGSHA MOUNTAIN MANSION**

Location: Yuelu District, Changsha

Site area: 84,800 sq.m.

Total GFA: 134,400 sq.m.

Intended use: Residential

Project phase: Under construction

Estimated completion time: 2025

Proportion of the Group's interest: 95.00%

**CHENGDU ABUNDANT MANSION**

Location: Wuhou District, Chengdu

Site area: 22,900 sq.m.

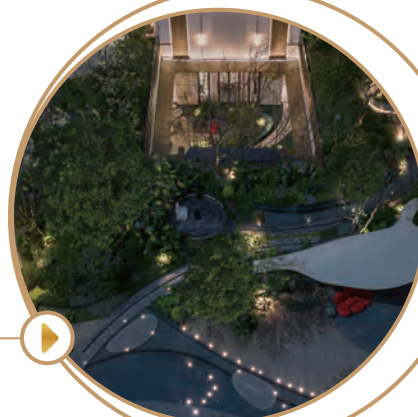
Total GFA: 77,900 sq.m.

Intended use: Residential

Project phase: Under construction

Estimated completion time: 2025

Proportion of the Group's interest: 48.45%

**XI'AN GOBLET SHADE**

Location: Yanta District, Xi'an

Site area: 73,900 sq.m.

Total GFA: 295,400 sq.m.

Intended use: Residential

Project phase: Under construction

Estimated completion time: 2025

Proportion of the Group's interest: 50.35%



## PROPERTY DEVELOPMENT

# NORTHERN CHINA REGION

**BEIJING GRAND MANSION**

Location: Haidian District, Beijing  
Site area: 42,500 sq.m.  
Total GFA: 143,500 sq.m.  
Intended use: Residential  
Project phase: Under construction  
Estimated completion time: 2026  
Proportion of the Group's interest: 99.64%

**BEIJING FRAGRANT SHADE**

Location: Haidian District, Beijing  
Site area: 73,900 sq.m.  
Total GFA: 167,800 sq.m.  
Intended use: Residential  
Project phase: Under construction  
Estimated completion time: 2026  
Proportion of the Group's interest: 48.45%

**BEIJING SHINING STAR**

Location: Changping District, Beijing  
Site area: 61,500 sq.m.  
Total GFA: 207,100 sq.m.  
Intended use: Residential  
Project phase: Under construction  
Estimated completion time: 2025  
Proportion of the Group's interest: 32.84%





## PROPERTY DEVELOPMENT

**QINGDAO GRAND MANSION**

Location: Laoshan District, Qingdao

Site area: 39,100 sq.m.

Total GFA: 134,500 sq.m.

Intended use: Residential

Project phase: Under construction

Estimated completion time: 2025

Proportion of the Group's interest: 51.00%

**QINGDAO INNER PEACE**

Location: Licang District, Qingdao

Site area: 203,800 sq.m.

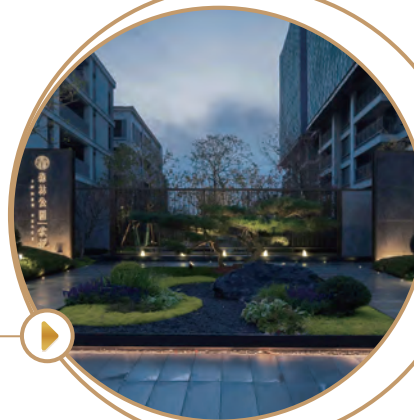
Total GFA: 309,100 sq.m.

Intended use: Residential/Commercial

Project phase: Under construction

Estimated completion time: 2025

Proportion of the Group's interest: 22.50%

**YANTAI JOY MANSION**

Location: Laishan District, Yantai

Site area: 41,000 sq.m.

Total GFA: 41,100 sq.m.

Intended use: Residential/Commercial

Project phase: Under construction

Estimated completion time: 2026

Proportion of the Group's interest: 49.00%

## INVESTOR RELATIONS REPORT

The Group attaches great importance to an effective two-way communication with investors, and believes that maintaining a good relationship with investors and improving the transparency of the Company's information will help build and enhance confidence from the market in the Group. The Group has set up an investor relations management team to act as an important communication role between the Group on one side and shareholders, investors and analysts on the other side. In 2024, the Group maintained good interaction with investors on the premise of following the laws and regulations for listed companies and ensuring that investors have equal access to information.

An appropriate transparency has been maintained in information disclosure. In particular, the Group constantly optimized the contents of its interim and annual report, announcement, results presentation, press release, etc., and proactively published announcement on unaudited monthly sales and land acquisition, so as to update the capital market with the Company's latest business developments in a timely manner.

An efficient and quality communication has been maintained with investors. The Company announced its annual and interim results via "onsite + telephone conference", maintained a smooth communication with investors around the world, as well as held general meetings, roadshows, investor conferences and one-on-one meetings by using telephone and third-party conference software, through which, investors were empowered by convenient and effective communication channels and enabled to comprehensively understand the Group's operations and development strategies in a timely manner, thus improving the effect of these activities.

The Group is committed to promoting the quality of investor communication. Management of the Group actively participated in multiple offline roadshows and reverse roadshows while maintaining the smooth running of online investor relations activities, which enabled investors to directly and deeply understand the Group's business development and future strategies. Besides, the Group has set up investor relations emails, hotlines and other channels to maintain smooth daily communication and exchanges with investors and facilitate updating investors with the latest developments of the Group.



## INVESTOR RELATIONS REPORT

While communicating the Group's business information to the outside world, the Group also pays attention to feedbacks from the capital market and business traction, so as to convey investor feedbacks to management of the Group timely and accurately with conducting relevant research and analysis, thereby promoting the Group to improve its corporate governance level and facilitate good interaction between investors and the management, and eventually create greater value for shareholders.

### Key Investor Relations Activities in 2024

<b>January</b>	UBS Greater China Strategy Forum
<b>March</b>	2023 Annual Results Presentation of Yuexiu Property 2023 Annual Results Roadshow of Yuexiu Property
<b>June</b>	CES Strategy Forum BofAML Strategy Forum Citibank Strategy Forum
<b>July</b>	SWSC Strategy Forum
<b>August</b>	2024 Interim Results Presentation of Yuexiu Property 2024 Interim Results Roadshow of Yuexiu Property
<b>September</b>	HS Strategy Forum
<b>November</b>	Citibank Investment Strategy Forum CITIC Securities Strategy Forum
<b>November</b>	SWSC Strategy Forum

## AWARDS AND RECOGNITIONS



### Ranked 9th in the 2024 TOP 500 China Real Estate Developers in Comprehensive Strength

China Real Estate Association, Shanghai E-house Real Estate Research Institute

### Influential Real Estate Enterprise for the Year 2024

Guandian Index Academy

### Outstanding Listed Company Award 2024

The Hong Kong Institute of Financial Analysts and Professional Commentators Limited

### Listed Company Awards of Excellence 2024

Hong Kong Economic Journal

### TOP 10 real estate companies in China in terms of product competitiveness

CRIC Research Center

### 2024 BDO ESG Awards

BDO

### The Outstanding Award of ESG for the Year 2024

Hong Kong Commercial Daily, PR ASIA Consultants, THINK ESG

### 2024 China Top 5 Real Estate Enterprises Digital Power

CRIC Research Center



## DIRECTORS' PROFILES

### EXECUTIVE DIRECTORS

**Mr Lin Zhaoyuan**, aged 55, was appointed as Chairman of the Company in August 2018. Mr Lin has been an executive director of the Company since November 2015. He had been the vice chairman of the Board and the general manager of the Company. He is also a director, vice chairman and general manager of Guangzhou Yue Xiu Holdings Limited ("Guangzhou Yue Xiu"), the ultimate holding company of the Company, and Yue Xiu Enterprises (Holdings) Limited ("YXE"), and chairman of the board of Guangzhou City Construction & Development Co. Ltd. ("GCCD"), chairman and a non-executive director of Yuexiu Financial Holdings Limited ("YFHL") and a non-executive director of Chong Hing Bank Limited ("Chong Hing Bank"). Mr Lin holds a Bachelor's degree of economics and a master of business administration degree of Sun Yat-sen University and the qualification of mechanical engineer. He had been chairman of the board of Guangzhou Paper Group Limited ("Guangzhou Paper Group"), an assistant to general manager and a deputy general manager of Guangzhou Yue Xiu and YXE, and chairman and a non-executive director of Yuexiu REIT Asset Management Limited (the manager of Yuexiu Real Estate Investment Trust ("Yuexiu REIT") (Stock Code: 405), which is listed on The Stock Exchange of Hong Kong Limited ("Stock Exchange")). Mr Lin has extensive experience in corporate management, sound and efficient management, cost control and corporate restructuring and development and is forward-looking and innovative in corporate operations and management.

**Mr Zhu Huisong**, aged 50, was appointed as the vice chairman of the Board and the general manager of the Company in December 2024. Mr Zhu has been an executive director of the Company since April 2023. He had been the co-general manager of the Company. He has over 10 years of senior management experience in business operations of the Group. From January 2008 to October 2009, Mr Zhu served in GCCD and held the last position as the supervisor of the general office of GCCD. From October 2009 to September 2011, he served successively as the vice department head and the department head of the general department of Guangzhou Yuexiu City Construction International Finance Centre Co., Ltd.\* (廣州越秀城建國際金融中心有限公司). From October 2011 to November 2012, he served as a senior manager of the general office of GCCD. From November 2012 to November 2018, he served in a number of regional companies of the Group in Shandong and held the last position as the general manager. From November 2018 to April 2020, he acted successively as the general manager of the regional companies of the Group in Northern China and Eastern China. From April 2020 to March 2023, he acted as the chairman of the regional companies of the Group in Northern China. From April 2020 to April 2024, he acted as the chairman of the board of directors of the regional companies of the Group in Eastern China. Mr Zhu has also been acting as (i) a director and the co-general manager of GCCD; and (ii) the chairman of the board of directors of Guangzhou Yuexiu Xingye Property Agent Co. Ltd.\* (廣州越秀興業地產代理有限公司) since April 2023 and May 2023, respectively. Since April 2024, he has been the chairman and non-executive director of Yuexiu Services Group Limited ("Yuexiu Services") (Stock Code: 6626), which is listed on the Stock Exchange. As an executive director and the general manager of the Company, Mr Zhu is responsible for overseeing the overall management, formulation and implementation of business strategies of the Group. Mr Zhu obtained a higher education certificate in financial accounting from Guangdong University of Petrochemical Technology\* (廣東石油化工高等專科學校) in the People's Republic of China (the "PRC") in July 1996. He further obtained a bachelor's degree in administrative management through correspondence learning from Guangdong Polytechnic Normal College\* (廣東技術師範學院) (currently known as Guangdong Polytechnic Normal University\* (廣東技術師範大學)) in the PRC in January 2008. Mr Zhu completed a postgraduate course in professional business management from the postgraduate school of Ocean University of China (中國海洋大學) in 2021. Since November 2003, Mr Zhu has been a qualified intermediate economist specialising in commercial economy in the PRC. Mr Zhu has also qualified as a senior economist specialising in construction and real estate economics in the PRC in 2023. Mr Zhu has extensive experience in corporate investment decision-making, operational management, and real estate project operations.

## DIRECTORS' PROFILES

**Mr Jiang Guoxiong**, aged 52, was appointed as an executive Director and the co-general manager of the Company in December 2024. Mr Jiang has been the deputy general manager of the Company since July 2021. He has been the deputy general manager and a director of GCCD since July 2021 and January 2022, respectively. Since February 2023, he has been serving as the chairman of the board of directors of the regional companies of the Group in Central and Western China. Since April 2024, he has also been serving as the chairman of the board of directors of the regional companies of the Group in Eastern China and its commercial division. From July 1991 to November 2015, Mr Jiang served successively as a finance department accountant, deputy department head, department head and chief financial officer at Guangzhou Paper Mill\* (廣州造紙廠) (currently known as Guangzhou Paper Group Co., Ltd.\* (廣州造紙集團有限公司)) and the business director of the finance division of Guangzhou Paper Limited\* (廣州造紙有限公司) (currently known as Guangzhou Paper Co., Ltd.\* (廣州造紙股份有限公司)). From November 2015 to March 2023, he served successively as the general manager of the finance department, process information department, operations management centre, IT shared centre and digital intelligence development centre at GCCD. He joined the Company as the assistant to the general manager in March 2019 and also served as the assistant to the general manager at GCCD from April 2019 to July 2021. From November 2020 to December 2024, he successively served as the chairman of the board of directors and general manager of the regional companies of the Group in Central China, and Western and Southern China, as well as the general manager of the regional companies of the Group in Central and Western China. Mr Jiang obtained an undergraduate degree in accounting from Jinan University in the PRC in June 2008. He also obtained the qualification of intermediate accountant in the PRC in May 2000. As an executive Director and the co-general manager of the Company, Mr Jiang is responsible for overseeing the overall management, formulation and implementation of the business strategies of the Group. Mr Jiang holds positions in various subsidiaries of the Group and has extensive experience in corporate investment decision-making, financial management, and operations management.

**Mr He Yuping**, aged 52, was appointed as an executive director of the Company in April 2023. He has over 15 years of senior management experience in business development, legal compliance and risk management in the group of Guangzhou Yue Xiu. From January 2003 to August 2003, Mr He served in GCCD and held the last position as the senior supervisor of the enterprise management department. From August 2003 to April 2004, he served as a deputy general manager of the enterprise management (investment) department of Guangzhou Yue Xiu. From April 2004 to November 2008, he practised as a lawyer in Guangdong Eastern Kunlun Law Firm\* (廣東東方昆侖律師事務所). From July 2014 and January 2018 to August 2020, he acted as the general manager of the development department of Guangzhou Yue Xiu and YXE, respectively. Since November 2008 and January 2018, Mr He served as the general manager of the legal compliance and risk management department of Guangzhou Yue Xiu and YXE, respectively. From July 2015 and February 2017, he has acted as the company secretary of the board of directors and the chief legal adviser of Guangzhou Yue Xiu, respectively. Since October 2022, Mr He has acted as the chief compliance officer of Guangzhou Yue Xiu and YXE. Over the years, Mr He has taken up senior management roles in the group of Guangzhou Yue Xiu, including directorships in a number of subsidiaries of Guangzhou Yue Xiu, responsible for overseeing the strategic planning and overall operations and management. Since May 2018, he has been a director of Guangzhou Yuexiu Capital Holdings Group Co., Ltd.\* (廣州越秀資本控股集團股份有限公司) (formerly known as Guangzhou Yuexiu Financial Holdings Group Co., Ltd. (廣州越秀金融控股集團股份有限公司) ("GZYCHL"), an associate (as defined under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules")) of Guangzhou Yue Xiu, the shares of which are listed on the Shenzhen Stock Exchange (Stock Code: 000987.SZ). Mr He has also been acting as the chairman of the board of directors of Guangzhou Yuexiu Dairy Group Co., Ltd.\* ("Yuexiu Dairy") (廣州越秀乳業集團有限公司) and Liaoning Yuexiu Huishan Holdings Co., Ltd.\* ("Liaoning Huishan") (遼寧越秀輝山控股股份有限公司). As an executive director of the Company, Mr He is responsible for overseeing the overall management, formulation and implementation of business strategies of the Group. Mr He obtained a bachelor's degree in laws and a master's degree in laws both majoring in economic law from The Southwest University of Political Science & Law\* (西南政法大學) in the PRC in July 1995 and July 1998, respectively. He further obtained a master of business administration programme from China Europe International Business School in October 2013.

## DIRECTORS' PROFILES

**Ms Chen Jing**, aged 53, was appointed as executive director of the Company in July 2017. Ms Chen is the chief financial officer of Guangzhou Yue Xiu and YXE, a director of GCCD, a non-executive director of YFHL and Chong Hing Bank and an executive director of Yuexiu Transport Infrastructure Limited ("Yuexiu Transport") (Stock Code: 1052), which is listed on the Stock Exchange and a director of Guangzhou Yuexiu Agriculture and Animal Husbandry Food Technology Co., Ltd.. She is also a director of each of Bosworth International Limited, Greenwood Pacific Limited, Morrison Pacific Limited, Superb Master Ltd. and Goldstock International Limited, all being wholly-owned subsidiaries of YXE holding shares of the Company. Ms Chen graduated from Xi'an Jiaotong University in audit studies, and holds a master of business administration degree of the School of Management and Economics of the Beijing Institute of Technology and the qualification of auditor and certified internal auditor. Ms Chen joined Guangzhou Yue Xiu in July 2004 and was the deputy general manager of the supervisory (audit) office, the general manager of the audit department, the chairman of the board of directors of Yue Xiu Securities Holdings Limited, the general manager of the finance department of Guangzhou Yue Xiu and YXE and a director of Yuexiu Dairy and the chief financial officer of the Company. Ms Chen has participated in establishing systems to monitor the major risks and finance of Guangzhou Yue Xiu. Ms Chen is well versed in risk and internal control management, financial management of listed companies and has extensive experience in establishing a sound system for risk management and internal control, financial management for enterprises. Prior to joining Guangzhou Yue Xiu, Ms Chen worked in school of business of the Hubei University and Hisense Kelon Electrical Holdings Company Limited.

**Ms Liu Yan**, aged 46, was appointed as executive director of the Company in August 2018. Ms Liu is the chief operating officer and chief human resources officer of Guangzhou Yue Xiu and YXE. She is also a director of GCCD and Guangzhou Paper Group, and the vice chairman of Guangzhou Yuexiu Shared Services Co., Ltd.\* (廣州越秀共享服務有限公司). Ms Liu is also the chairman and an executive director of Yuexiu Transport (Stock Code: 1052), which is listed on the Stock Exchange. Ms Liu graduated from Nankai University with a Master's degree in law and an Executive Master of business administration degree from Shanghai Jiao Tong University. She obtained the qualification of Intermediate Economics (Human Resources Management). Ms Liu joined Guangzhou Yue Xiu in July 2002 and was a director of GZYCHL, Guangzhou Yuexiu Capital Holdings Company Limited (廣州越秀資本控股集團有限公司) (formerly known as Guangzhou Yuexiu Financial Holdings Co., Ltd.\* (廣州越秀金融控股集團有限公司)), Guangzhou Yuexiu Financial Leasing Co., Limited, Shanghai Yuexiu Finance Leasing Co., Limited, Yuexiu Dairy, Liaoning Huishan, and the director of human resources of Guangzhou Yue Xiu and YXE. She has led the implementation of several major projects for Guangzhou Yue Xiu on operation management, lean management, establishment of systems and regimes, as well as changes in human resources. She has extensive work experience in operation management, organisational management and human resources management, etc. in large business enterprises.

## DIRECTORS' PROFILES

### NON-EXECUTIVE DIRECTORS

**Mr Zhang Yibing**, aged 58, was appointed as non-executive director of the Company in March 2022. Mr Zhang is currently the deputy general manager and the general counsel of Guangzhou Metro Group Co., Ltd.\* (廣州地鐵集團有限公司). Mr Zhang holds a postgraduate qualification in Economics (Economic Management) of the Graduate School of the Party School of the Central Committee of the Communist Party of China. Mr Zhang has held various positions, including the deputy director of the Social Development Department of Guangzhou Municipal Development and Reform Commission, the director of the Personnel Department of Guangzhou Municipal Development and Reform Commission, the director of the Urban Development Department of Guangzhou Municipal Development and Reform Commission (also the director of the Municipal Metro Capital Office), the director of the Rail Transportation Department of Guangzhou Municipal Development and Reform Commission (also the director of the Municipal Metro Capital Office), and the deputy general manager and director of Guangzhou Railways Investment Construction Group Co., Ltd.\* (廣州鐵路投資建設集團有限公司). Mr Zhang has excellent communication, co-ordination and business development capabilities as well as expertise in administration and capital management. He also has extensive experience in business management. Mr Zhang is involved in the management of metro property business, with a focus on land resumption, project development and commercial property operation, and has strong overall co-ordination capability in real estate project development and management.

**Mr Su Junjie**, aged 55, was appointed as non-executive director of the Company in September 2024. Mr Su is currently the chairman and the general manager of Guangzhou Asset Management Co., Ltd.\* (廣州資產管理有限公司) ("Guangzhou Asset Management"), an indirect subsidiary of Guangzhou Yue Xiu. Mr Su holds a Bachelor's degree in Economics majoring in Statistics and a Master's degree in Economics majoring in Finance from Dongbei University of Finance and Economics in China. Mr Su joined Agricultural Bank of China Limited, Dalian Zhongshan Sub-Branch from August 1992 to February 2000 and his last positions were deputy director of sub-office and deputy manager of the marketing department. He joined China Great Wall Asset Management Co., Ltd.\* (中國長城資產管理股份有限公司) (formerly known as China Great Wall Asset Management Corporation\* (中國長城資產管理公司)) from February 2000 to February 2023 and had held various positions, including deputy director of the New Finance Research and Development Centre, assistant to general manager of the Strategic Development Department, deputy general manager of the Investment and Investment Banking Department, general manager of the Mergers and Acquisitions and Business Restructuring Department, deputy general manager of the Sichuan Branch and general manager of the Shanghai Branch. He joined Guangzhou Asset Management in May 2023 and has been the general manager since July 2023 and the chairman and general manager since February 2025, in charge of its overall management.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr Yu Lup Fat Joseph**, aged 77, has been an independent non-executive director of the Company since 1992. He is also an independent non-executive director of YFHL and Chong Hing Bank. Mr Yu holds a master's degree in applied finance from Macquarie University in Australia and a diploma of management studies from the University of Hong Kong. Mr Yu has over 40 years of experience in investment, banking and finance.

**Mr Lee Ka Lun**, aged 70, has been an independent non-executive director of the Company since 2000. He is also an independent non-executive director of YFHL and Chong Hing Bank. He is an accountant by profession. Mr Lee is a Fellow of the Association of Chartered Certified Accountants in the United Kingdom and has over 20 years of experience in banking and auditing. He is an independent non-executive director of Chow Sang Sang Holdings International Limited (Stock Code: 116) and Ever Harvest Group Holdings Limited (Stock Code: 1549). The shares of the companies mentioned above are listed on the Stock Exchange. He served as an independent non-executive director of Medicskin Holdings Limited (Stock Code: 8307) and Best Mart 360 Holdings Limited (Stock Code: 2360) until 15 November 2022 and 28 September 2023 respectively.



## DIRECTORS' PROFILES

**Mr Lau Hon Chuen, GBS, JP, alias Ambrose Lau**, aged 77, has been an independent non-executive director of the Company since 2004. He obtained a bachelor of laws degree from the University of London and is a Solicitor of the High Court of Hong Kong, a China-Appointed Attesting Officer and a Notary Public. Mr Lau is the Senior Partner of Messrs. Chu & Lau, Solicitors & Notaries. Mr Lau is currently an independent non-executive director of Glorious Sun Enterprises Limited (Stock Code: 393), Yuexiu Transport (Stock Code: 1052) and Joy City Property Limited (Stock Code: 207). The shares of the companies mentioned above are listed on the Stock Exchange. He is also a Director of Bank of China Group Insurance Company Limited, BOC Group Life Assurance Company Limited, Nanyang Commercial Bank, Limited, OCBC Wing Hang Bank Limited, Sun Hon Investment & Finance Limited, Wydoff Limited, Wytex Limited, Trillions Profit Nominee & Secretarial Services Limited, Helicoin Limited, Wyman Investments Limited and Cinda Financial Holdings Co., Limited. Mr Lau served as the Chairman of the Central and Western District Board between 1988 and 1994, the President of the Law Society of Hong Kong in 1992-1993, a Member of the Bilingual Laws Advisory Committee between 1988 and 1997 and a Member of the Legislative Council of Hong Kong from 1995 to 2004 (between 1997 and 1998 he was a member of the Provisional Legislative Council). He served as a Standing Committee Member of the 10th, 11th and 12th National Committee of the Chinese People's Political Consultative Conference.

**Mr Cheung Kin Sang**, aged 66, was appointed as an independent non-executive director of the Company in April 2023. He has over 40 years of corporate and commercial banking experience with diversified industry, product and institutional exposure. From July 2009 to December 2022, Mr Cheung worked with DBS Bank Ltd., Hong Kong Branch and DBS Bank (Hong Kong) Limited (collectively, "DBS") where he served as the managing director and the head of institutional banking group in Hong Kong from June 2011 until his retirement in December 2022. He was also the alternate chief executive of DBS Bank (Hong Kong) Limited from December 2012 to December 2022. He had worked in DBS for over 13 years, during which he was responsible for growing DBS's franchise in the corporate and commercial banking businesses in Hong Kong. Prior to joining DBS, he was the regional general manager of North East Asia and the general manager of Hong Kong Branch of OCBC Bank. Prior to such appointments, he held senior positions in corporate commercial banking and risk management with major international banks including Citibank, ABN-AMRO and Rabobank. Mr Cheung obtained a bachelor of social sciences degree from The University of Hong Kong in November 1981. Currently, Mr Cheung is the chairman of the Board of Governors of World Green Organisation, a member of The Hong Kong Academy of Finance, and a member of the Advisory Committee on Accounting and Finance of The Hong Kong Polytechnic University. He was a member of the Advisory Board and the Investment Committee to Hong Kong Export Credit Insurance Corporation from January 2011 to December 2016 and a member of Industry Training Advisory Committee of the Hong Kong Qualifications Framework for the banking industry until December 2023. Mr Cheung is an independent non-executive director of K. Wah International Holdings Limited (Stock Code: 173) and Dah Sing Banking Group Limited (Stock Code: 2356). The shares of the companies mentioned above are listed on the Stock Exchange. Mr Cheung is also an independent non-executive director of Dah Sing Bank, Limited, a subsidiary of Dah Sing Banking Group Limited.

## CORPORATE GOVERNANCE REPORT

The Company recognises the importance of good corporate governance to the healthy growth of the Group and has devoted considerable efforts to identifying and formulating corporate governance practices appropriate to the conduct and growth of its business.

The Company's corporate governance practices are based on the principles and code provisions ("Code Provisions") as set out in the Corporate Governance Code ("CG Code") contained in Appendix C1 to The Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange").

Throughout the year ended 31 December 2024 (the "Reporting Year"), the Company has complied with the Code Provisions.

The Company periodically reviews its corporate governance practices to ensure that these continue to meet the requirements of the CG Code.

The Board of Directors ("Board") of the Company plays a crucial role in sustaining high standards of corporate governance, transparency and accountability of the Group's operations.

The key corporate governance principles and practices of the Company are summarised below:

### THE BOARD

#### Responsibilities

The overall management of the Group's business is vested in the Board, which assumes the responsibility for leadership and control of the Group and is collectively responsible for promoting the success of the Group by directing and supervising its affairs in the interests of the Group.

The Board has delegated the supervision of the day-to-day management of the Group's business to the executive directorate, and focuses its attention on matters affecting the Group's overall strategic policies and finances, including: the approval and monitoring of all policy matters, overall business strategies and budgets, corporate governance, internal control and risk management systems, financial statements, dividend policy, major financial arrangements and major investments, treasury policies, appointment of directors and senior management and other significant financial and operational matters.

The Board attaches great importance to sustainability management, undertakes overall responsibility for the sustainability affairs of the Company and oversees the sustainability direction and strategies of the Company. It regularly discusses and reviews the Company's sustainability risks and opportunities. To further promote the deep integration of the Company's strategy and sustainable development, to lead the Company to achieve long-term sound development and proactively promote the more comprehensive, broad and in-depth influence of the Company in sustainable development, the Environmental, Social and Governance Committee was renamed as the Sustainability Committee with effect from 17 April 2025. The Sustainability Committee is responsible for managing and supervising the sustainability impact of the Company, and reports the sustainability-related performance to the Board on a regular basis. It updates the Company's sustainability issues every year and conducts materiality assessment of the sustainability issues through stakeholders study, questionnaire survey, expert assessment, discussion within the Board, etc. The Board has established, reviewed and discussed the relevant targets for greenhouse gas emissions, waste disposal, energy use and water resource utilization, and will continue to evaluate and pay attention to their progress.

All directors have full and timely access to all relevant information as well as the advice and services of the company secretary or external legal advisors, where appropriate, with a view to ensuring compliance of all Board procedures, applicable rules and regulations.

Each director is able to seek independent professional advice in appropriate circumstances at the Company's expense, upon request to the Board.

## CORPORATE GOVERNANCE REPORT

### Composition

The composition of the Board ensures a balance of skills and experience appropriate to the requirements of the business of the Group and to the exercise of independent judgment. The Board comprised six executive directors, two non-executive directors and four independent non-executive directors as at 31 December 2024.

For a list of directors during the year ended 31 December 2024 and up to the date of this annual report, please refer to page 79 of the Report of the Directors. The latest list of directors is also available on the Company's website ([www.yuexiuproperty.com](http://www.yuexiuproperty.com)) and the Stock Exchange's website.

Mr Su Junjie and Mr Jiang Guoxiong, who were appointed to the Board on 20 September 2024 and 31 December 2024 respectively, had obtained legal advice from external law firm as required under Rule 3.09D of the Listing Rules on 10 September 2024 and 31 December 2024 respectively. Each of them has confirmed his understanding of the obligations as a Director of the Company.

Selection of Board members is based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision is based on merit and contribution that the selected Board members could bring to the Board, with due regard to the benefits of diversity on the Board. The Board diversity policy is available on the website of the Company. The Board will review and monitor the implementation of the policy to ensure its effectiveness and application from time to time.

None of the members of the Board is related to one another.

During the Reporting Year, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise. The number of independent non-executive directors on the Board meets one-third requirement under the Listing Rules throughout the Reporting Year.

The Company has received written annual confirmation from each independent non-executive director of his independence pursuant to the requirements of the Listing Rules. The Company considered all independent non-executive directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

Through active participation in Board meetings, taking the lead in managing issues involving potential conflict of interests and serving on Board committees, all independent non-executive directors made valuable contributions to the effective direction of the Company.

Mr Cheung Kin Sang and Mr Su Junjie have entered into a letter of appointment with the Company for an initial fixed term of three years commencing on 21 April 2023 and 20 September 2024 respectively, unless and until terminated by not less than three months' prior notice in writing given by either of them or the Company to the other. Other than Mr Cheung and Mr Su, none of the independent non-executive directors and non-executive directors of the Company has been appointed for a specific term. However, in accordance with the Company's Articles of Association, all directors of the Company, including independent non-executive directors, are subject to retirement by rotation at least once every three years. All the independent non-executive directors of the Company retired by rotation, offered themselves for re-election, and were re-elected during the past three years.

Shareholders may propose a candidate for election as director in accordance with the Articles of Association of the Company. The procedures for such proposal are available on the websites of the Company and the Stock Exchange.

## CORPORATE GOVERNANCE REPORT

### Training for Directors

On appointment to the Board, each director receives a comprehensive induction package covering business operations, policies and procedures of the Group as well as the general, statutory and regulatory obligations of being a director to ensure that he/she is fully sufficiently aware of his/her responsibilities under the Listing Rules and other relevant regulatory requirements.

The directors are regularly briefed on the amendments to or updates on the relevant laws, rules and regulations. In addition, all directors and senior executives are encouraged to participate in continuous professional development relating to the Listing Rules, the Companies Ordinance and corporate governance practices to continuously update and further improve their relevant knowledge and skills. From time to time, directors are provided with training materials to develop and refresh their professional knowledge and skills.

During the Reporting Year, the Company arranged training programmes and provided training materials to the Directors with an emphasis on new quality productive forces, economic situation and policy, marketing flow and integrity lectures for financial services practitioners. According to the records maintained by the Company, the Directors received trainings in the following areas:

Directors	Corporate Governance/Updates on Laws, Rules and Regulations	
	Read Materials	Attended Seminars/Briefings
<i>Executive Directors</i>		
Lin Zhaoyuan	√	√
Lin Feng (resigned on 24 April 2024)	—	—
Zhu Huisong	√	√
Jiang Guoxiong (appointed on 31 December 2024)	—	—
He Yuping	√	√
Chen Jing	√	√
Liu Yan	√	√
<i>Non-Executive Directors</i>		
Zhang Yibing	√	√
Su Junjie (appointed on 20 September 2024)	√	√
<i>Independent Non-Executive Directors</i>		
Yu Lup Fat Joseph	√	√
Lee Ka Lun	√	√
Lau Hon Chuen Ambrose	√	√
Cheung Kin Sang	√	√



## CORPORATE GOVERNANCE REPORT

## Board Meetings

## Number of Meetings and Directors' Attendance

In the Reporting Year, the Board held 4 meetings. The attendance record of each member of the Board is set out below:

Directors	Attendance/ Number of Meetings		
	Board Meetings	Annual General Meeting	General Meeting
<i>Executive Directors</i>			
Lin Zhaoyuan	4/4	1/1	1/1
Lin Feng (resigned on 24 April 2024)	1/1	—	—
Zhu Huisong	4/4	1/1	1/1
Jiang Guoxiong (appointed on 31 December 2024)	—	—	—
He Yuping	4/4	1/1	1/1
Chen Jing	4/4	1/1	1/1
Liu Yan	4/4	1/1	1/1
<i>Non-Executive Directors</i>			
Zhang Yibing	4/4	1/1	1/1
Su Junjie (appointed on 20 September 2024)	1/1	—	—
<i>Independent Non-Executive Directors</i>			
Yu Lup Fat Joseph	4/4	1/1	1/1
Lee Ka Lun	4/4	1/1	1/1
Lau Hon Chuen Ambrose	4/4	1/1	1/1
Cheung Kin Sang	4/4	1/1	1/1

## Practices and Conduct of Meetings

Notices of regular Board meetings are served to all directors at least 14 days before the meetings. For other Board and Board committee meetings, reasonable notice is generally given.

Board papers together with all appropriate, complete and reliable information are sent to all directors at least three days before each Board meeting or Board committee meeting to keep the directors apprised of the latest developments and financial position of the Group and to enable them to make informed decisions. The Board and each director also have separate and independent access to the senior management as and when they think appropriate.

Minutes of all Board meetings and Board committee meetings are kept by the Company Secretary. Draft minutes are normally circulated to directors for comment within a reasonable time after each meeting and the final version is open for directors' inspection.

According to the current Board practice, any material transaction will be considered and dealt with by the Board at a duly convened Board meeting. The Company's Articles of Association also contain provisions requiring directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such directors or any of their connected entities or associates have a material interest.

## CORPORATE GOVERNANCE REPORT

Pursuant to Articles 143 of the Company's Articles of Association, the Directors or other officers of the Company shall be indemnified against all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the execution and discharge of his duties or in relation thereto, including any liability incurred by him. The Company has arranged directors and officer liability insurances for its directors and officers. The relevant provisions of the Articles of Association of the Company and the directors' and officers' liability insurance are currently in force and were in force throughout the Reporting Year.

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

During the Reporting Year, the position of the chairman was held by Mr Lin Zhaoyuan. Mr Lin Feng resigned as the General Manager of the Company with effect from 24 April 2024. Mr Zhu Huisong was re-designated from the Co-general Manager of the Company to the General Manager of the Company and Mr Jiang Guoxiong was appointed as the Co-general Manager of the Company, both with effect from 31 December 2024.

The Chairman provides leadership and is responsible for the effective functioning of the Board in accordance with good corporate governance practices. With the support of the senior management, the Chairman is also responsible for ensuring that the directors receive adequate, complete and reliable information in a timely manner and appropriate briefing on issues arising at Board meetings.

The General Manager focuses on implementing objectives, policies and strategies approved and delegated by the Board. The Co-General Manager is responsible for overseeing the overall management, formulation and implementation of business strategies of the Group.

### BOARD COMMITTEES

The Board has established four committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee and the Sustainability Committee (formerly known as the Environmental, Social and Governance Committee) for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. The full terms of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee are available on the Company's website ([www.yuexiuproperty.com](http://www.yuexiuproperty.com)) and the Stock Exchange's website.

#### Audit Committee

As at 31 December 2024, the Audit Committee comprises four independent non-executive directors (including one independent non-executive director who possesses the appropriate professional qualifications or accounting or related financial management expertise) and Mr Yu Lup Fat Joseph is the chairman of the committee. None of the members of the Audit Committee is a former partner of the Company's existing external auditor.

The main duties of the Audit Committee include the following:

- (a) To review the relationship with the external auditor by reference to the work performed by the auditor, their fees and terms of engagement, and make recommendation to the Board on the appointment, re-appointment and removal of external auditor.
- (b) To review the financial statements and reports and consider any significant or unusual items raised by the qualified accountant or external auditor before submission to the Board.
- (c) To review the adequacy and effectiveness of the Company's financial reporting system, risk management and internal control systems, the internal audit function and associated procedures.

## CORPORATE GOVERNANCE REPORT

The Audit Committee held two meetings during the Reporting Year to review the financial results and reports, financial reporting and compliance procedures, internal control system and risk management system and internal audit function and the re-appointment of the external auditors. The composition of the Audit Committee and attendance record of each Audit Committee member are set out below:

Members	Meetings Attended
<i>Independent Non-Executive Directors</i>	
Yu Lup Fat Joseph	2/2
Lee Ka Lun	2/2
Lau Hon Chuen Ambrose	2/2
Cheung Kin Sang	2/2

## Remuneration Committee

During the Reporting Year, the Remuneration Committee comprises four independent non-executive directors, namely Mr Yu Lup Fat Joseph, Mr Lee Ka Lun, Mr Lau Hon Chuen Ambrose and Mr Cheung Kin Sang, and one executive director, namely Mr Lin Zhaoyuan. The chairman of the committee is Mr Yu Lup Fat Joseph.

The primary objectives of the Remuneration Committee include making recommendations to the Board on the remuneration policy and structure, and recommendations on the remuneration packages of the executive directors and the senior management, including benefits in kind, pension rights and compensation payments such as compensation payable for loss or termination of their office or appointment. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no director or any of his/her associates will participate in deciding his/her own remuneration, which remuneration will be determined by reference to the performance of the individual and the Group as well as market practice and conditions. The Remuneration Committee is also responsible for reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules.

The composition of the Remuneration Committee and attendance record of each Remuneration Committee member are set out below:

Members	Meeting Attended
<i>Independent Non-Executive Directors</i>	
Yu Lup Fat Joseph	1/1
Lee Ka Lun	1/1
Lau Hon Chuen Ambrose	1/1
Cheung Kin Sang	1/1
<i>Executive Director</i>	
Lin Zhaoyuan	1/1

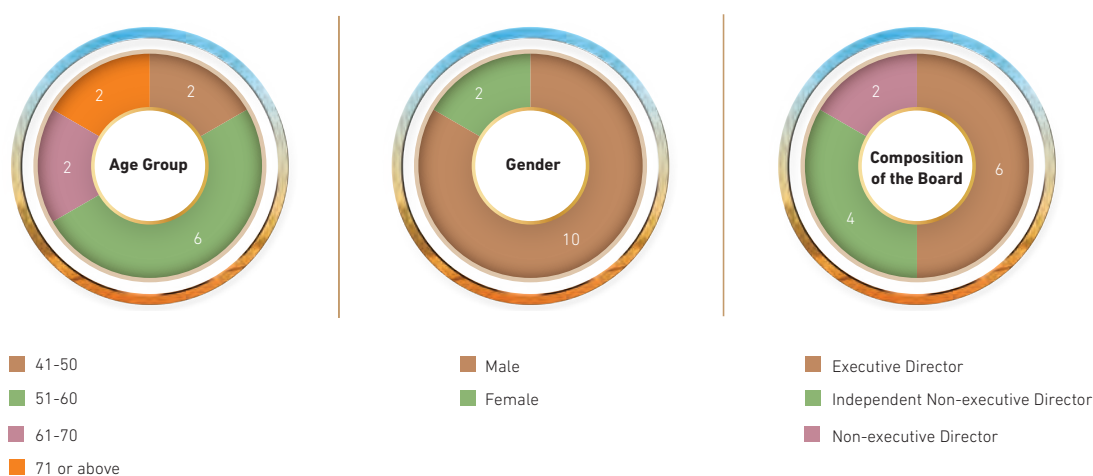
One meeting was held during the Reporting Year to review and make recommendations on the remuneration policy and structure of the Company and remuneration packages of the executive directors and senior management for the year under review. During the Reporting Year, the Remuneration Committee also made recommendation to the Board on the respective remuneration packages of the new Executive Director and Non-Executive Director.

## CORPORATE GOVERNANCE REPORT

### Nomination Committee

The Board established the Nomination Committee on 1 March 2012. During the Reporting Year, the Nomination Committee comprises two executive directors and four independent non-executive directors. The committee is chaired by Mr Lin Zhaoyuan, the Chairman of the Board.

The roles and functions of the Nomination Committee include reviewing the structure, size and composition of the Board, assessing the independence of the independent non-executive directors and making recommendations on the selection of individuals nominated for directorship, the appointment or re-appointment of directors and succession planning for directors. In assessing the Board composition and the candidate proposed to the Nomination Committee for consideration, the Nomination Committee would take into account various aspects set out in the Board Diversity Policy, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. Board members' appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board. As at 31 December 2024, the Board comprised diversified members, including 12 directors, two of whom are females. Six executive directors are experienced in finance, accounting, capital operations, real estate development, human resource management and operation management, two non-executive directors and the other four directors, being the independent non-executive directors, contribute extensive experiences in legal and compliance, acquisition and mergers, capital operations as well as financial businesses to the Board. In order to ensure that the Board possesses experiences and skills relevant to its strategy and the ability and mindset to manage changes from time to time in new generation, the Nomination Committee formulates the following measurable objectives: gender, age, length of tenure, professional experience, skills and knowledge (e.g. legal, accounting, finance, real estate development and capital management, etc.), reviews the diversity of the Board and makes proposal to the Board if necessary. Currently, the male to female ratio in the workforce of the Group including senior management is approximately 9,199:5,985. The Board considers that the gender diversity in workforce is currently achieved.



### Procedures of Appointment of Directors

In accordance with the strategic needs of the Board, suitable candidates are identified for consideration by the Nomination Committee. The Nomination Committee will consider such candidates based on various factors such as gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service set out in the Board Diversity Policy. Recommendation will be made to the Board based on meritocracy and objective criteria, having due regard to the benefits of diversity on the Board. The Board will ultimately decide on the merits of the candidate and their potential contributions to the Board. New directors so appointed shall be re-elected at the Company's general meeting as required by the Articles of Association.



## CORPORATE GOVERNANCE REPORT

The composition of the Nomination Committee and the attendance record of each Nomination Committee member are set out below:

Members	Meetings Attended
<i>Executive Directors</i>	
Lin Zhaoyuan	1/1
He Yuping	1/1
<i>Independent Non-Executive Directors</i>	
Yu Lup Fat Joseph	1/1
Lee Ka Lun	1/1
Lau Hon Chuen Ambrose	1/1
Cheung Kin Sang	1/1

The Nomination Committee held one meeting during the Reporting Year to review the structure, size and composition of the Board. During the Reporting Year, the Nomination Committee also made recommendation to the Board on the respective appointments of the new Executive Director and Non-Executive Director.

### Sustainability Committee

The Sustainability Committee (formerly known as the Environmental, Social and Governance Committee) was established on 10 March 2022. During the Reporting Year, the Sustainability Committee comprises the following executive directors, namely Mr Lin Zhaoyuan, Mr Lin Feng (resigned on 24 April 2024), Mr Zhu Huisong and Mr Jiang Guoxiong (appointed on 31 December 2024) and four independent non-executive directors, namely Mr Yu Lup Fat Joseph, Mr Lee Ka Lun, Mr Lau Hon Chuen Ambrose and Mr Cheung Kin Sang. The committee is chaired by Mr Lin Zhaoyuan, the Chairman of the Board.

The main duties of the Sustainability Committee include the following:

- to review, formulate and approve the Group's vision, goals, strategies and management policies regarding sustainability issues, and make recommendations to the Board on the relevant sustainability matters;
- to review and evaluate the adequacy and effectiveness of the management framework for sustainability matters at the Group level;
- to review and monitor the Group's policies on sustainable development to ensure compliance with legal and regulatory requirements; and
- to review and report to the Board on major international trends in legislation, regulations of corporate sustainable development, identify and assess the sustainability related risks and opportunities that have an impact on the Group's operation.

The Sustainability Committee shall report to the Board on their decisions or recommendations not less than once a year.

## CORPORATE GOVERNANCE REPORT

The composition of the Sustainability Committee and attendance record of each Sustainability Committee member are set out below:

Members	Meetings Attended
<i>Executive Directors</i>	
Lin Zhaoyuan	2/2
Lin Feng (resigned on 24 April 2024)	1/1
Zhu Huisong	2/2
Jiang Guoxiong (appointed on 31 December 2024)	—
<i>Independent Non-Executive Directors</i>	
Yu Lup Fat Joseph	2/2
Lee Ka Lun	2/2
Lau Hon Chuen Ambrose	2/2
Cheung Kin Sang	2/2

The Sustainability Committee held two meetings during the Reporting Year to review the progress of the sustainability issues and review the relevant sustainability report before submitting to the Board with recommendation for approval.

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix C3 to the Listing Rules.

Specific enquiries have been made to all the directors concerning their compliance with the Model Code and all the directors have confirmed that they have complied with the Model Code throughout the Reporting Year.

Specific employees who are likely to be in possession of inside information of the Group have been requested to comply with the provisions of the Model Code. No incident of non-compliance was noted by the Company.

### COMPANY SECRETARY

Mr Yu Tat Fung has been the company secretary of the Company since 2004. He is the Group General Counsel of YXE, and also the company secretary of YXE, Yuxiu Transport Infrastructure Limited (Stock Code: 1052), Yuxiu Services Group Limited (Stock Code: 6626) and Yuxiu REIT Asset Management Limited, the manager of Yuxiu Real Estate Investment Trust (Stock Code: 405). Mr Yu obtained a bachelor's degree in Social Sciences from the University of Hong Kong in 1981. He attained the Solicitors Final Examination in England in 1983. He was admitted as a solicitor of the Supreme Court of Hong Kong in 1986. He was also admitted to the Bar of the Province of British Columbia in Canada in 1995. Prior to joining the Company in 1997, he was engaged in private practice with an emphasis on corporate and commercial law. Mr Yu is responsible for advising the Board on governance matters. During the Reporting Year, Mr Yu has taken no less than 15 hours of relevant professional training.

## CORPORATE GOVERNANCE REPORT

### ACCOUNTABILITY AND AUDIT

#### Responsibilities in respect of the financial statements and auditor's remuneration

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other disclosures required under the Listing Rules and other regulatory requirements.

The directors acknowledge their responsibilities for preparing the financial statements of the Company for the Reporting Year.

There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

The statement of the external auditor of the Company about their reporting responsibilities on the consolidated financial statements of the Company is set out in the "Independent Auditor's Report".

The remuneration paid or payable to Ernst & Young, the external auditor of the Company, in respect of audit services and non-audit services for the Reporting Year amounted to approximately RMB4,370,000 and RMB3,707,000 respectively. The non-audit services conducted mainly include bond offering services and tax services.

### RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for maintaining an adequate risk management and internal control system to safeguard shareholders' interests and the Group's assets and for reviewing, through its Audit Committee, the effectiveness of the system. The internal auditor shall review and evaluate the control process and monitor any risk factors on a regular basis and report to the Audit Committee on any findings and measures to address the variances and identified risks. The risk management and internal control system of the Group, which covers all material controls, including financial, operational and compliance controls, is designed to facilitate effective and efficient operations, to ensure reliability of financial reporting and compliance with applicable laws and regulations, to identify and manage potential risks and to safeguard assets of the Group against material errors, losses or fraud. However, any risk management and internal control system is designed to manage rather than eliminate the risk of failure to achieve business objects; and can provide only reasonable but not absolute assurance of full protection against material errors, losses, fraud or failure to meet its business objectives.

In meeting its responsibilities, the Board seeks to increase risk awareness of its business operations and puts in place policies and procedures, including the parameters of delegated authority, to provide for the identification and management of business risks. The Board assumes overall responsibility in monitoring the operation of the businesses within the Group. Executive directors are appointed to the Boards of all significant material operating subsidiaries to attend their board meetings and to oversee the operations of those companies. Monitoring activities include the review and approval of business strategies, budgets and plans, and the setting of key business performance targets. The executive management team of each core business division is accountable for the conduct and performance of each business in the division within the agreed strategies and similarly the management of each business is accountable for its conduct and performance.

Business plans and budgets are prepared annually by the management of individual businesses which are subject to review and approval by both the executive management teams and the executive directors as part of the Group's corporate planning. The executive directors hold monthly meetings to review management reports on the business results and key operating statuses of each core business.

The Group has established guidelines and procedures for the approval and control of expenditure. Operating expenditure is subject to overall budget control and is controlled within each business with the approval levels for such expenditure being set by reference to the level of responsibilities of each executive and officer.

For the Reporting Year, the Board has conducted review of the effectiveness of the risk management and internal control system of the Company on a half-yearly basis. The Board believes that the risk management and internal control system is adequate and effective and does not note any material deviation.

## CORPORATE GOVERNANCE REPORT

### Internal audit

The Group's audit and risk management department plays an important role in reviewing and monitoring the overall internal compliance and governance systems of the Group. The department directly reports to the Audit Committee and performs specific internal audit projects. The department has unrestricted access to review all the Group's business activities, departments and subsidiaries and identify the areas of concern. During the Reporting Year, the department has completed 76 internal audit projects covering performance auditing, economic responsibility auditing and special projects auditing.

### Handling and dissemination of inside information

For the purpose of handling and disseminating inside information in accordance with the Listing Rules and the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong), the Group has taken various procedures and measures, including arousing the awareness to preserve confidentiality of inside information within the Group, sending blackout period and securities dealing restrictions notification to the directors and relevant employees regularly, disseminating information to specified persons on a need-to-know basis with regard closely to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission.

## COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

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 also recognises the importance of transparency and timely disclosure of corporate information, which will enable shareholders and investors to make informed investment decisions.

The general meetings of the Company provide a forum for communication between the shareholders and the Board. The Chairman of the Board as well as chairman of the board committees are available to answer questions at the general meetings. Separate resolutions are proposed at general meetings on each substantial issue.

The Company continues to enhance communications and relationships with its investors. Designated senior management maintains regular dialogue with institutional investors and analysts to keep them abreast of the Company's developments. Enquiries from investors are dealt with in an informative and timely manner.

To promote effective communication, the Company also maintains a website at [www.yuexiuproperty.com](http://www.yuexiuproperty.com), where extensive information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are posted.

Resolutions put to vote at the general meetings of the Company (other than on procedural and administrative matters) are taken by poll. Procedures regarding the conduct of the poll are explained to the shareholders at the commencement of each general meeting, and questions from shareholders regarding the voting procedures are answered. The poll results are posted on the websites of the Company and the Stock Exchange respectively on the same day as the poll.

Shareholders are encouraged to attend all general meetings of the Company. Pursuant to Sections 566 to 568 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong), shareholder(s) of the Company representing at least 5% of the total voting rights of all the shareholders having a right to vote at general meetings of the Company, may request the directors to call a general meeting of the Company. The requisition must state the general nature of the business to be dealt with at the meeting; and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. The requisition may consist of several documents in like form. The requisition may be sent to the Company in hard copy form or in electronic form; and must be authenticated by the person or persons making it. If the directors of the Company do not within 21 days after the date on which they become subject to the requirement call a general meeting for a date not more than 28 days after the date of notice convening the meeting, the shareholder(s) concerned, or any of them representing more than one-half of the total voting rights of all of them, may themselves call a general meeting, and the meeting must be called for a date not more than 3 months after the date on which the directors become subject to the requirement to call a meeting. Pursuant to Sections 615 and 616 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong), shareholder(s)



## CORPORATE GOVERNANCE REPORT

representing at least 2.5% of the total voting rights of all shareholders having a right to vote on the resolution at an annual general meeting to which the request relates, or at least 50 shareholders having a right to vote on the resolution at an annual general meeting to which the request relates, may submit a written request to put forward a resolution which may properly be moved at an annual general meeting.

The Board has reviewed the Shareholders' communication policy during the Reporting Year and was satisfied with the effectiveness of the shareholders' communication policy.

### PROCEDURES FOR RAISING ENQUIRIES

To ensure effective communication between the Company and the Shareholders:

- (1) Shareholders may direct their questions about their shareholdings to the Company's share registrar in Hong Kong.
- (2) Shareholders may at any time send their enquires and concerns to the Board in writing to the Capital Management Department of the Company whose contact details are as follows:

Capital Management Department  
Yuexiu Property Company Limited  
26th Floor  
Yue Xiu Building  
160 Lockhart Road  
Wanchai, Hong Kong

- (3) Shareholders may also make enquiries with the Board at the general meetings of the Company.

### DIVIDEND POLICY

The Company is committed to maintaining a relatively stable and sustainable dividend policy. The dividend policy is based on the principle of balancing shareholders' expectations and maintaining the Company's sustainable development, with consideration of various factors, such as current business position, future operations and income, and financial position of the Company, current and future macro-economic environment and development, capital needs and capital reserves, future major investment or acquisition plans, external financing environment, adjustment to relevant tax rates, adjustments to industry policies, all relevant legal and regulatory restrictions, continuity of past dividend policies and other factors as considered relevant by the Board. Generally speaking, the total dividend of the Company for a year represents 30% to 40% of the core net profit attributable to equity holders. Core net profit represents profit attributable to equity holders excluding net foreign exchange gains/(losses) recognised in the consolidated statement of profit or loss and net fair value gains/(losses) on investment properties held on a continuing basis (excluding investment properties disposed during the year) and the related tax effect and impairment of intangible assets. The Board will review and monitor the implementation of said policy from time to time to ensure its effectiveness and application.

### CONSTITUTIONAL DOCUMENTS

In 2023, the new amended and restated Articles of Association was adopted to incorporate certain amendments in order to (i) bring the Articles of Association in line with the relevant requirements of the Companies Ordinance and the Listing Rules; (ii) provide flexibility to the Company in relation to the holding of general meetings; and (iii) make other consequential and housekeeping amendments. A special resolution in respect of the adoption of the new amended and restated Articles of Association of the Company was duly passed by the Shareholders at the annual general meeting held on 18 May 2023. For further details, please refer to the Company's circular dated 25 April 2023.

The Company's amended and restated Articles of Association is available on the websites of the Company and the Stock Exchange. During the Reporting Year, there is no change in the Company's constitutional documents.

## REPORT OF THE DIRECTORS

The Directors are pleased to submit their report together with the audited consolidated financial statements for the year ended 31 December 2024 (the "Reporting Year").

### PRINCIPAL ACTIVITIES

The principal activities of the Group consist of development, selling and management of properties and holding of investment properties. The principal activities of its principal subsidiaries, joint ventures, associated entities are set out in the section headed "Group Structure" on pages 240 to 262.

An analysis of the Group's performance for the Reporting Year by business and geographical segments is set out in Note 4 to the financial statements.

### RESULTS AND APPROPRIATIONS

The results of the Group for the Reporting Year are set out in the consolidated statement of profit or loss on page 118.

The Board has declared an interim dividend and resolved not to declare final dividend in respect of the year ended 31 December 2024. They are summarised as follows:

	RMB'000
Interim dividend of HKD0.189 equivalent to RMB0.173 per ordinary share paid on 21 November 2024	696,393
Proposed final dividend of Nil per ordinary share	—
	<u>696,393</u>

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 17 June 2025 to Friday, 20 June 2025, both days inclusive, during which period no transfer of shares will be registered. For the purpose of ascertaining the shareholders' eligibility to participate in the forthcoming annual general meeting of the Company to be held on 20 June 2025, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Monday, 16 June 2025.

### DONATIONS

Public welfare donations of RMB52.00 million were recorded in the Company's consolidated statement of profit or loss for the year ended 31 December 2024.

### BUSINESS REVIEW

The business review of the Group including the important events affecting the Group that have occurred since the end of 2024 and the possible future developments in the Group's business, is set out in the "Chairman's Statement", and "Management Discussion and Analysis" sections of this Annual Report. Principal risks and uncertainties facing the Group are set out in the Risk Management Report. Details about the Group's financial risk management are set out in note 46 to the Consolidated Financial Statements.

## REPORT OF THE DIRECTORS

In addition, discussions on the Group's environmental policies and performance, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group are contained in the Chairman's Statement, Management Discussion and Analysis, the Corporate Governance Report, this Report of the Directors and Investor Relations Report. The sustainability report to be issued by the Company will also contain the Group's environmental policies and performance.

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association and there was no restriction against such rights under the Hong Kong Companies Ordinance.

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

Save as disclosed in this annual report, the Company has not redeemed any of its listed securities during the Reporting Year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the Reporting Year.

### INTEREST CAPITALISED

During the Reporting Year, interest capitalised as development cost in respect of investment properties, properties under development and property, plant and equipment amounted to approximately RMB3,961 million (2023: RMB3,902 million).

### DISTRIBUTABLE RESERVES

As at 31 December 2024, the distributable reserves, calculated under Part 6 of the Hong Kong Companies Ordinance (Cap.622), of the Company available for distribution amounted to RMB1,662 million (2023: RMB1,992 million).

### DIRECTORS

The Directors during the Reporting Year and up to the date of this report were:

Mr Lin Zhaoyuan  
 Mr Lin Feng (resigned on 24 April 2024)  
 Mr Zhu Huisong  
 Mr Jiang Guoxiong (appointed on 31 December 2024)  
 Mr He Yuping  
 Ms Chen Jing  
 Ms Liu Yan  
 Mr Zhang Yibing<sup>1</sup>  
 Mr Su Junjie<sup>1</sup> (appointed on 20 September 2024)  
 Mr Yu Lup Fat Joseph<sup>2</sup>  
 Mr Lee Ka Lun<sup>2</sup>  
 Mr Lau Hon Chuen Ambrose<sup>2</sup>  
 Mr Cheung Kin Sang<sup>2</sup>

<sup>1</sup> Non-executive Director

<sup>2</sup> Independent non-executive Directors

The Directors' Profiles are set out on pages 61 to 65.

## REPORT OF THE DIRECTORS

### ROTATION AND RE-ELECTION OF DIRECTORS

Ms Chen Jing, Ms Liu Yan, Mr Lee Ka Lun and Mr Cheung Kin Sang will retire by rotation in accordance with Article 91 of the Company's Articles of Association at the forthcoming annual general meeting and, being eligible, all offer themselves for re-election. Mr Jiang Guoxiong and Mr Su Junjie, who were appointed by the Board during the Reporting Year, will retire in accordance with Article 98 of the Company's Articles of Association at the forthcoming annual general meeting and, being eligible, all offer themselves for re-election.

The Board recommends the re-appointment of all directors standing for re-election at the forthcoming general meeting of the Company.

### DIRECTOR'S SERVICE CONTRACTS

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

### DIRECTORS OF THE COMPANY'S SUBSIDIARIES

The names of all the Directors who have served on the boards of the Company's subsidiaries during the Reporting Year and up to the date of this report are available on the Company's website ([www.yuexiuproperty.com](http://www.yuexiuproperty.com)).

### DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

Details of Directors' emoluments and emoluments of five highest paid individuals of the Company are set out in notes 10 and 11 to the consolidated financial statements, respectively.

Directors and senior management of the Company may receive emoluments in the form of fees, salaries, contributions to pension schemes, other allowances, other benefits in kind and/or discretionary bonuses with reference to those paid by comparable companies, time commitment and performance of the Directors and senior management, as well as the performance of the Group. No Director is involved in deciding his or her own remuneration.



## REPORT OF THE DIRECTORS

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

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company, the Company's subsidiaries, its holding companies or its fellow subsidiaries was a party and in which any Director or an entity connected with the Director had a material interest, whether directly or indirectly, subsisted at the end of the Reporting Year or at any time during the Reporting Year.

### CONTRACTS OF SIGNIFICANCE WITH CONTROLLING SHAREHOLDER

Save as disclosed in the paragraph headed "Continuing Connected Transactions and Connected Transactions" as set out in this report and other related party transactions and balances disclosed in notes 43 (b) and (c) to the consolidated financial statements, there were no other contracts of significance between the Company, or any of its subsidiaries, and a controlling shareholder or any of its subsidiaries, or any contracts of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of its subsidiaries subsisting at the end of the Reporting Year or at any time during the Reporting Year.

### PERMITTED INDEMNITY PROVISION

The Company's Articles of Association provides that every Director is entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution and discharge of the duties of his/her office or otherwise in relation thereto. The Company have arranged and maintained directors' liability insurance throughout the Reporting Year, which provides appropriate cover for the Directors.

### CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS

#### Continuing Connected Transactions:

During the Reporting Year, the following continuing connected transactions were entered into on normal and commercial terms:

(1)

Date	Connected Party	Relationship with the Company	Nature of Transaction	Aggregate transaction value for the Reporting Year
3 November 2022	Chong Hing Bank Limited ("Chong Hing Bank")	A fellow subsidiary	The Company entered into a bank deposits master agreement with Chong Hing Bank on 3 November 2022 ("2023 Bank Deposits Agreement"), pursuant to which the aggregate maximum balance of the bank deposits maintained by the Group with Chong Hing Bank and its subsidiaries on any given day would not exceed RMB13,000 million, RMB14,500 million and RMB16,000 million for the years ended 31 December 2023, 2024 and 2025 respectively.	<p>The aggregate balance of bank deposits amounted to RMB3,160,819,387 as at 31 December 2024</p> <p>The highest daily aggregate amount of bank deposits during the year ended 31 December 2024 amounted to RMB7,396,047,698</p>

## REPORT OF THE DIRECTORS

(2)

Date	Connected Party	Relationship with the Company	Nature of Transaction	Aggregate transaction value for the Reporting Year
5 January 2022	Chong Hing Bank	A fellow subsidiary	The Company entered into a foreign exchange framework agreement with Chong Hing Bank on 5 January 2022 ("2022 Foreign Exchange Framework Agreement"), pursuant to which the Group would enter into FX Transactions (namely, spot contracts and forward contracts) with the Chong Hing Bank group during the term of 3 years commencing from 1 January 2022. With respect to the spot contracts for the years ended 31 December 2022, 2023 and 2024, the aggregate amount of the spread of those spot contracts are subject to the annual caps of HKD2,280,000, HKD2,840,000 and HKD3,550,000 respectively. With respect to the forward contracts for the years ended 31 December 2022, 2023 and 2024, the aggregate amount of hedging cost of those forward contracts are subject to the annual caps of HKD96,730,000, HKD120,910,000 and HKD151,140,000 respectively.	Total Spread of Spot Contract: HKD1,811,622  Total Hedging Cost of Forward Contract: HKD35,076,085

## REPORT OF THE DIRECTORS

Date	Connected Party	Relationship with the Company	Nature of Transaction	Aggregate transaction value for the Reporting Year
30 December 2024	Chong Hing Bank	A fellow subsidiary	The Company entered into another foreign exchange framework agreement with Chong Hing Bank on 30 December 2024 ("2025 Foreign Exchange Framework Agreement") to renew the term of the 2022 Foreign Exchange Framework Agreement, and pursuant to which the Group would enter into FX Transactions (namely, spot contracts and forward contracts) with the Chong Hing Bank group during the term of 3 years commencing from 1 January 2025. With respect to the spot contracts for the years ending 31 December 2025, 2026 and 2027, the aggregate amount of the spread of those spot contracts are subject to the annual caps of HKD5,000,000, HKD5,300,000 and HKD5,700,000 respectively. With respect to the forward contracts for the years ending 31 December 2025, 2026 and 2027, the aggregate amount of hedging cost of those forward contracts are subject to the annual caps of HKD57,500,000, HKD164,000,000 and HKD172,500,000 respectively.	

## REPORT OF THE DIRECTORS

(3)

Date	Connected Party	Relationship with the Company	Nature of Transaction	Aggregate transaction value for the Reporting Year
22 November 2022	廣州地鐵集團 有限公司 (Guangzhou Metro Group Co., Ltd.) ("Guangzhou Metro")	The substantial shareholder of the Company	<p>On 22 November 2022, Yuexiu Services Group Limited ("Yuexiu Services", together with its subsidiaries, the "Yuexiu Services Group") (an indirect non wholly-owned subsidiary of the Company) entered into the 2023 GZ Metro Property Management and Related Services Framework Agreement with Guangzhou Metro ("2023 GZ Metro Property Management and Related Services Framework Agreement"), pursuant to which the Yuexiu Services Group may provide, and Guangzhou Metro and its associates may procure, the 2023 GZ Metro Property Management and Related Services for a term of three years commencing from 1 January 2023.</p> <p>The annual caps for the 2023 GZ Metro Property Management and Related Services Framework Agreement for the years ended 31 December 2023, 2024 and 2025 are RMB335,219,000, RMB420,547,000 and RMB504,657,000 respectively.</p>	RMB225,410,000



## REPORT OF THE DIRECTORS

(4)

Date	Connected Party	Relationship with the Company	Nature of Transaction	Aggregate transaction value for the Reporting Year
7 June 2021	廣州越秀集團股份有限公司 (Guangzhou Yue Xiu Holdings Limited) ("Guangzhou Yue Xiu")	The ultimate holding company of the Company	On 7 June 2021, Yuexiu Services entered into the (i) the Property Management Services Framework Agreement; (ii) the Commercial Operation and Management Services Framework Agreement; (iii) the Value-Added Services Framework Agreement; and (iv) the Market Positioning Consultancy and Tenant Sourcing Services Framework Agreement with Guangzhou Yue Xiu and the Company, the Yuexiu Services Group has been providing property management and value-added services to the non-commercial properties and commercial properties of Guangzhou Yue Xiu, the Company and their respective associates under the aforesaid framework agreements (the "Yuexiu Services Framework Agreements").	
22 November 2022	(i) Guangzhou Yue Xiu and (ii) companies jointly held by Guangzhou Metro and the Company ("Guangzhou Metro and the Company JVs")	(i) The ultimate holding company of the Company and (ii) connected subsidiaries of the Company and associates of the substantial shareholder of the Company	On 22 November 2022, Yuexiu Services entered into the 2022 Property Management and Value-Added Services Framework Agreement with Guangzhou Yue Xiu and the Company ("2022 Property Management and Value-Added Services Framework Agreement") to renew and consolidate the Yuexiu Services Framework Agreements, pursuant to which the Yuexiu Services Group may provide, and Guangzhou Yue Xiu, the Company and their respective associates (including Guangzhou Metro and the Company JVs) may procure, the Property Management Services, Commercial Operation and Management Services, Value-added Services, Market Positioning Consultancy and Tenant Sourcing Services ("Property Management and Value-Added Services") for a term commencing on the effective date of the agreement and ended on 31 December 2024.	

## REPORT OF THE DIRECTORS

Date	Connected Party	Relationship with the Company	Nature of Transaction	Aggregate transaction value for the Reporting Year
			The annual caps for Guangzhou Yue Xiu and its associates for the years ended 31 December 2022, 2023 and 2024 for the Property Management Services are RMB3,535,000, RMB36,229,000 and RMB43,357,000 respectively; for the Commercial Operation and Management Services are RMB17,004,000, RMB 87,867,000 and RMB92,009,000 respectively; for the Value-added Services are RMB17,542,000, RMB24,854,000 and RMB33,766,000, respectively; for the Market Positioning Consultancy and Tenant Sourcing Services are RMB20,176,000, RMB22,318,000 and RMB24,134,000, respectively.	Guangzhou Yue Xiu and its associates: Property Management Services: RMB32,287,000  Commercial Operation and Management Services: RMB12,390,000  Value-added Services: RMB29,571,000  Market Positioning Consultancy and Tenant Sourcing Services: RMB1,687,000
			The annual caps for Guangzhou Metro and the Company JVs for the years ended 31 December 2022, 2023 and 2024 for the Property Management Services are RMB43,000, RMB294,000 and RMB362,000 respectively; for the Commercial Operation and Management Services are RMB3,000,000, RMB3,630,000 and RMB4,175,000 respectively; for the Value-added Services are RMB58,564,000, RMB92,183,000 and RMB131,855,000 respectively.	Guangzhou Metro and the Company JVs: Property Management Services: RMB357,000  Commercial Operation and Management Services: RMB1,252,000  Value-added Services: RMB79,671,000

## REPORT OF THE DIRECTORS

Date	Connected Party	Relationship with the Company	Nature of Transaction	Aggregate transaction value for the Reporting Year
21 November 2024	(i) Guangzhou Yue Xiu and (ii) Guangzhou Metro and the Company JVs	(i) The ultimate holding company of the Company and (ii) connected subsidiaries of the Company and associates of the substantial shareholder of the Company	<p>On 21 November 2024, Yuexiu Services entered into the 2025 Property Management and Value-Added Services Framework Agreement with Guangzhou Yue Xiu and the Company ("2025 Property Management and Value-Added Services Framework Agreement") to consolidate the 2022 Property Management Services Framework Agreement and the 2022 Intelligent Services Framework Agreement, (i.e. the intelligent services framework agreement entered into among Yuexiu Services, Guangzhou Yue Xiu and the Company on 20 May 2022 in relation to the provision of Intelligent Services by Yuexiu Services and/or its subsidiaries to Guangzhou Yue Xiu and the Company and their respective associates), pursuant to which the Yuexiu Services Group may provide, and Guangzhou Yue Xiu, the Company and their respective associates (including Guangzhou Metro and the Company JVs) may procure, the Property Management and Value-Added Services for a term commencing on 1 January 2025 and ending on 31 December 2027.</p> <p>The annual caps for Guangzhou Yue Xiu and its associates for the years ending 31 December 2025, 2026 and 2027 for the Property Management Services are RMB53,597,000, RMB65,602,000 and RMB80,298,000 respectively; for the Commercial Operation and Management Services are RMB18,553,000, RMB19,007,000 and RMB20,238,000 respectively; for the Value-added Services are RMB34,055,000, RMB40,039,000 and RMB47,148,000, respectively; for the Market Positioning Consultancy and Tenant Sourcing Services are RMB19,898,000, RMB25,323,000 and RMB30,720,000, respectively.</p>	

## REPORT OF THE DIRECTORS

Date	Connected Party	Relationship with the Company	Nature of Transaction	Aggregate transaction value for the Reporting Year
<p>The annual caps for Guangzhou Metro and the Company JVs for the years ending 31 December 2025, 2026 and 2027 for the Property Management Services are RMB555,000, RMB740,000 and RMB987,000 respectively; for the Commercial Operation and Management Services are RMB3,943,000, RMB4,324,000 and RMB4,742,000 respectively; for the Value-added Services are RMB197,112,000, RMB230,853,000 and RMB273,154,000 respectively.</p>				



## REPORT OF THE DIRECTORS

(5)

Date	Connected Party	Relationship with the Company	Nature of Transaction	Aggregate transaction value for the Reporting Year
9 December 2022	Guangzhou Yue Xiu	The ultimate holding company of the Company	<p>On 9 December 2022, the Company and Guangzhou Yue Xiu entered into the Construction Services Framework Agreement ("2022 Construction Services Framework Agreement") pursuant to which the Group agreed to provide to Guangzhou Yue Xiu, its subsidiaries and associates (excluding the Company and its subsidiaries) ("Guangzhou Yue Xiu Entities") the Construction Services.</p> <p>The Annual Caps under the 2022 Construction Services Framework Agreement are RMB50,000,000, RMB63,000,000 and RMB80,000,000 for the years ended 31 December 2022, 2023 and 2024, respectively.</p>	RMB39,469,000
14 March 2025	Guangzhou Yue Xiu	The ultimate holding company of the Company	<p>On 14 March 2025, the Company and Guangzhou Yue Xiu entered into another construction services framework agreement ("2025 Construction Services Framework Agreement") to renew the 2022 Construction Services Framework Agreement, pursuant to which the Group agreed to provide to Guangzhou Yue Xiu Entities the Construction Services for a term from 1 January 2025 to 31 December 2027.</p> <p>The Annual Caps under the 2025 Construction Services Framework Agreement are RMB100,000,000, RMB110,000,000 and RMB130,000,000 for the years ending 31 December 2025, 2026 and 2027, respectively.</p>	

## REPORT OF THE DIRECTORS

(6)

Date	Connected Party	Relationship with the Company	Nature of Transaction	Aggregate transaction value for the Reporting Year
3 November 2022	Guangzhou Yue Xiu	The ultimate holding company of the Company	On 3 November 2022, the Company and Guangzhou Yue Xiu entered into the Master Lease Agreement pursuant to which the Group shall from time to time lease or sub-lease (as the case may be) properties in the PRC that are owned or leased by the Group to the Guangzhou Yue Xiu Entities for use as dormitories for employees of the Guangzhou Yue Xiu Entities after refurbishment work performed by the Group on the Lease Properties. The Annual Caps for the Lease Transactions are RMB31,000,000, RMB63,000,000 and RMB70,000,000 for the years ended 31 December 2023, 2024 and 2025, respectively.	RMB10,533,196

## REPORT OF THE DIRECTORS

(7)

Date	Connected Party	Relationship with the Company	Nature of Transaction	Aggregate transaction value for the Reporting Year
21 November 2024	Guangzhou Yue Xiu	The ultimate holding company of the Company	On 21 November 2024, Yuexiu Services entered into the 2025 Procurement Framework Agreement with Guangzhou Yue Xiu and the Company ("2025 Procurement Framework Agreement"), pursuant to which the Yuexiu Services Group may procure, and Guangzhou Yue Xiu, the Company and their respective associates may provide, the procured products and services for a term commencing on 1 January 2025 and ending on 31 December 2027. The Annual Caps for Guangzhou Yue Xiu and its associates under the 2025 Procurement Framework Agreement are RMB35,417,000, RMB61,222,000 and RMB105,830,000 for the years ending 31 December 2025, 2026 and 2027, respectively.	

The aforesaid continuing connected transactions have been reviewed by independent non-executive directors of the Company. The independent non-executive Directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) on normal commercial terms; (c) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company has engaged the auditor of the Company to report on the aforesaid 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 an unqualified letter containing the findings and conclusions in respect of the aforesaid continuing connected transactions in accordance with Rule 14A.56 of the Listing Rules and nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions: (i) have not been approved by the Board; (ii) were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision of goods or services by the Group; (iii) were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and (iv) have exceeded the annual cap in respect of the disclosed continuing connected transactions.

## REPORT OF THE DIRECTORS

### Connected Transactions:

#### *The acquisition of 20% equity interests in a new metro property project*

On 19 May 2024, 廣州越秀華城房地產開發有限公司 (Guangzhou Yuxiu Huacheng Real Estate Development Co., Ltd.\*) (the "Purchaser") and 廣州市城市建設開發有限公司 (Guangzhou City Construction & Development Co. Ltd.) ("GCCD"), both being non-wholly owned subsidiaries of the Company, entered into the transaction documents with, among others, Smart Light Group Limited 慧怡集團有限公司 (a subsidiary of Guangzhou Yue Xiu) (the "Seller") and Guangzhou Yue Xiu, pursuant to which the Purchaser conditionally agreed to acquire the entire equity interests in 廣州泉秀房地產開發有限公司 (Guangzhou Quanxiu Property Development Co., Ltd.\*) (the "Target Holding Company") which in turn holds the 20% equity interests in 廣州市品鑫房地產開發有限公司 (Guangzhou Pinxin Property Development Co., Ltd.\*) (the "Target Company") and GCCD conditionally agreed to acquire the loan owed by the Target Holding Company and the Target Company to Guangzhou Yue Xiu for a total equity consideration of approximately RMB14.97 million and a total loan consideration of approximately RMB2.23 billion in accordance with the assumptions as disclosed in the announcement of the Company dated 19 May 2024.

The Target Company is a property development company and is the sole registered owner of the Pazhou South Phase Two Project.

Following completion of the acquisition, the Target Holding Company would become a subsidiary of the Company, and the Target Holding Company would in turn hold 20% equity interests in the Target Company.

The Target Company is owned as to 80% by Guangzhou Metro. Guangzhou Metro undertakes to effect the disposal of certain commercial properties with a total plot ratio accountable GFA of approximately 148,000 sq.m. and 596 underground parking spaces of the Pazhou South Phase Two Project, which may or may not involve a sale of such properties or parking spaces to external parties. Guangzhou Metro will ensure that the Target Company will receive proceeds of an amount equal to the agreed development costs, as determined with reference to reports prepared by cost consultancies and/or auditors. As at 26 March 2024 (being the date of the cooperative development agreement), such development costs were estimated to be approximately RMB5,088.79 million, payable in two instalments: (i) approximately RMB2,797.11 million (being the estimated proceeds attributable to the land on which the properties will be constructed) on or before 30 December 2025; and (ii) a further amount equal to the difference between the agreed development costs and the amount received under the first instalment when the relevant properties and parking spaces are ready for delivery.

The aforementioned transaction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and a connected transaction of the Company subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The transaction was approved by the independent shareholders at the general meeting of the Company on 26 June 2024. Completion of the acquisition took place on 27 June 2024.

Please refer to the announcements of the Company dated 19 May 2024 and 26 June 2024 and the circular of the Company dated 7 June 2024 for further details.

\* For identification purpose only

## REPORT OF THE DIRECTORS

### *FX Forward contract*

On 5 June 2024, the Company and Yue Xiu Enterprises (Holdings) Limited (the controlling shareholder of the Company) entered the foreign exchange forward contract with the principal amount of US\$350 million and settlement date falling on 20 January 2026. Under the FX Forward Contract, the Company agreed to use the forward rate (i.e. a pre-agreed foreign exchange rate of RMB6.9775 per USD1.00 determined by the parties after arms' length negotiations and in compliance with the Group's internal control policy), to purchase USD with RMB on the relevant settlement date.

The FX Forward Contract constitutes a connected transaction of the Company and is subject to the reporting and announcement requirements, but is exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Please refer to the announcement of the Company dated 5 June 2024 for further details.

The related party transactions except those with joint ventures, associates and entities with significant influence over certain subsidiaries as disclosed in paragraphs (b) and (c) in note 43 to the consolidated financial statements also fall under the definition of connected transaction or continuing connected transactions within the meaning of the Listing Rules, and the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

Details of movements in share capital of the Company during the Reporting Year are set out in note 34 to the consolidated financial statements.

### **BANK LOANS AND OTHER BORROWINGS**

Analysis of bank loans and other borrowings of the Group as well as information on charges on the Group's assets as at 31 December 2024 are set out in note 31 and note 40 to the consolidated financial statements.

### **DEBENTURES ISSUED**

During the Reporting Year, the Group issued corporate bonds and medium term notes in an aggregate principal amount of RMB9.69 billion for repaying the bank loans, corporate bonds and medium term notes of the Group. Details of the bonds payable of the Group are set out in note 31 to the consolidated financial statements.



## REPORT OF THE DIRECTORS

### INTERESTS OF DIRECTORS/CHIEF EXECUTIVE

As at 31 December 2024, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its other associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), which are required to be recorded in the register maintained by the Company under Section 352 of the SFO or notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code") were as follows:

#### The Company

##### Long positions in shares of the Company:

Name of Director	Nature of interest	Beneficial interest in shares	Approximate % of interest (Note 4)
Mr Lin Zhaoyuan (Note 1)	Beneficial owner/Beneficiary of a trust	1,194,560	0.02968
Mr Zhu Huisong (Note 2)	Beneficial owner/Beneficiary of a trust	167,437	0.00416
Mr Jiang Guoxiong (Note 3)	Beneficial owner/Beneficiary of a trust	1,900,238	0.04721
Ms Liu Yan	Beneficial owner	3,400	0.00008
Mr Yu Lup Fat Joseph	Beneficial owner	600,000	0.01491
Mr Lee Ka Lun	Beneficial owner	858,000	0.02131
Mr Lau Hon Chuen Ambrose	Beneficial owner	1,258,712	0.03127

Note 1: Mr Lin Zhaoyuan is interested in 1,194,560 Shares, out of which 1,084,439 Shares are owned by him as beneficial owner, 110,121 Shares are held for him as a beneficiary of the Yuxiu Property Company Limited Share Incentive Scheme Trust For Directors and Senior Management.

Note 2: Mr Zhu Huisong is interested in 167,437 Shares, out of which 64,757 Shares are owned by him as beneficial owner, 102,680 Shares are held for him as a beneficiary of the Yuxiu Property Company Limited Share Incentive Scheme Trust For Directors and Senior Management.

Note 3: Mr Jiang Guoxiong is interested in 1,900,238 Shares, out of which 1,565,888 Shares are owned by him as beneficial owner, 204,537 Shares are held for him as a beneficiary of the Yuxiu Property Company Limited Share Incentive Scheme Trust for Directors and Senior Management and 129,813 Shares are held for him as a beneficiary under the Yuxiu Property Company Limited Share Award Scheme Trust for Employees.

Note 4: The total number of 4,025,392,913 shares of the Company in issue as at 31 December 2024 was used for the calculation of the approximate percentage.

## REPORT OF THE DIRECTORS

## Yuexiu Transport Infrastructure Limited

## Long positions in shares of Yuexiu Transport Infrastructure Limited:

Name of Director	Nature of interest	Beneficial interest in shares	Approximate % of interest (Note)
Mr Lin Zhaoyuan	Beneficial owner	120	0.00001
Ms Liu Yan	Beneficial owner	485	0.00003
Mr Lau Hon Chuen Ambrose	Beneficial owner	195,720	0.012

Note: The total number of 1,673,162,295 shares of Yuexiu Transport Infrastructure Limited in issue as at 31 December 2024 was used for the calculation of the approximate percentage.

Save as disclosed in this annual report, as at 31 December 2024, none of the directors and chief executive of the Company had or was deemed to have any interest or short position in the shares, underlying shares or debentures of the Company or its other associated corporations (within the meaning of Part XV of the SFO), which are required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed in this annual report, at no time during the Reporting Year was the Company or a subsidiary a party to any arrangement to enable the directors of the Company (including their spouse and children under 18 years of age) to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

## DISCLOSEABLE INTERESTS OF SUBSTANTIAL SHAREHOLDERS UNDER THE SFO

As at 31 December 2024, the following persons (other than the Directors and chief executive of the Company) had an interest or short position in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name	Capacity	Number of shares held	Approximate % of interest (Note 3)
廣州越秀集團股份有限公司 (Guangzhou Yue Xiu Holdings Limited) (Note 1)	Interests of controlled corporations	1,825,106,198 (Long position)	45.34
Yue Xiu Enterprises (Holdings) Limited ("YXE")	Interests of controlled corporations	1,746,724,198 (Long position)	43.39
廣州地鐵集團有限公司 (Guangzhou Metro Group Co., Ltd.) (Note 2)	Interests of controlled corporations	801,053,190 (Long position)	19.90

## REPORT OF THE DIRECTORS

### Note 1:

To the best knowledge, information and belief of the Company having made all reasonable enquiries, pursuant to the SFO as at 31 December 2024, 廣州越秀集團股份有限公司 (Guangzhou Yue Xiu Holdings Limited) was deemed to be interested in 1,825,106,198 shares in the Company as a result of its indirect holding of such shares through its subsidiaries, details of which were as follows:

Name	Long positions in shares
YXE	1,746,724,198
Superb Master Ltd. ("Superb") (Note i)	104,517,301
Bosworth International Limited ("Bosworth") (Note i)	1,238,030,690
Novena Pacific Limited ("Novena") (Note i)	254,297,135
Morrison Pacific Limited ("Morrison") (Note i)	71,049,347
Greenwood Pacific Limited ("Greenwood") (Note i)	61,019,210
Goldstock International Limited ("Goldstock") (Note i)	15,838,713
Yue Xiu Finance Company Limited ("Yue Xiu Finance") (Note i)	1,971,802
廣州資產管理有限公司 (Guangzhou Asset Management Co., Ltd.) (Note ii)	78,382,000

- (i) Superb, Bosworth, Novena, Morrison, Greenwood, Goldstock and Yue Xiu Finance are wholly-owned by YXE.
- (ii) 廣州資產管理有限公司 (Guangzhou Asset Management Co., Ltd.) is an indirect subsidiary of 廣州越秀集團股份有限公司 (Guangzhou Yue Xiu Holdings Limited).

### Note 2:

Pursuant to the SFO as at 31 December 2024, 廣州地鐵集團有限公司 (Guangzhou Metro Group Co., Ltd.) was deemed to be interested in 801,053,190 shares in the Company as a result of its indirect holding of such shares through its wholly-owned subsidiary, details of which was as follows:

Name	Long positions in shares
Guangzhou Metro Investment Finance (HK) Limited (Note i)	801,053,190

- (i) To the best knowledge, information and belief of the Company having made all reasonable enquiries, Guangzhou Metro Investment Finance (HK) Limited, which was wholly-owned by 廣州地鐵集團有限公司 (Guangzhou Metro Group Co., Ltd.), subscribed for all of its pro rata Rights Shares in respect of the Rights Issue of the Company conducted in 2023, increasing its interests to 801,053,190 shares. Please refer to the prospectus of the Company dated 11 May 2023 and the announcement of the Company dated 2 June 2023 in relation to the Rights Issue for further details.

### Note 3:

The total number of 4,025,392,913 shares of the Company in issue as at 31 December 2024 was used for the calculation of the approximate percentage.

Save as disclosed in this annual report, as at 31 December 2024, the Company had not been notified of any other persons (other than the Directors and chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company, which are required to be recorded in the register of interests of the Company required to be kept under Section 336 of the SFO.

## REPORT OF THE DIRECTORS

### SHARE INCENTIVE SCHEME

The Company adopted the Share Incentive Scheme (the "Share Incentive Scheme") on 2 December 2016 (the "Adoption Date") in order to (i) provide any Senior Manager selected by the Board (the "Selected Senior Management Participants") with an opportunity to acquire a proprietary interest in the Company; (ii) encourage and retain such individuals to work with the Company; and (iii) provide additional incentive for them to achieve performance goals and promote the pursuit of long-term interests of the Company and its shareholders, with a view to achieving the objective of aligning the interests of the Selected Senior Management Participants with those of the shareholders of the Company. Pursuant to the scheme rules of the Share Incentive Scheme (the "Scheme Rules"), the Board may from time to time at its absolute discretion select any Senior Manager to be a Selected Senior Management Participant and determine the amount, to be applied for the purchase of ordinary shares of the Company (the "Shares") under the Share Incentive Scheme (the "Reference Awarded Sum") in respect of each Selected Senior Management Participant. The Senior Managers agree that, if they are selected by the Board to be Selected Senior Management Participants, they would like to apply the part of their bonus entitlements accrued for the financial periods ended 31 December of each year and their Bonus Entitlement, which would otherwise have been payable in cash, to purchase Shares under the Share Incentive Scheme.

The Share Incentive Scheme shall be valid and effective for nine years commencing from the Adoption Date (i.e. 2 December 2016) (the "Scheme Period"), subject to any early termination as may be determined by the Board. Pursuant to the Scheme Rules, BOCI-Prudential Trustee Limited (the "Trustee"), shall apply the Reference Awarded Sum received from the Company towards the purchase of the maximum number of Shares from the market and shall hold such Shares on trust during the Scheme Period. The relevant Shares which are purchased by the Trustee using the Reference Awarded Sum as determined by the Board (the "Scheme Shares") and their related income will be released to the relevant Selected Senior Management Participants in accordance with the release schedules as set out in the Scheme Rules. The vesting period of the Scheme Shares will be vested in three equal tranches from the second to the fourth year after the date of approval of the Scheme Shares by the Board.

The total number of Shares awarded under the Share Incentive Scheme shall not exceed 3% (equivalent to 92,893,682 shares after the effect of Share Consolidation) (the "Scheme Limit") of the number of Shares in issue as at the Adoption Date, and the Board may from time to time "refresh" the Scheme Limit provided that the total number of Scheme Shares awarded and to be awarded must not exceed 5% of the number of Shares in issue as at the date of the resolution to approve the "refreshed" limit. The Share Incentive Scheme does not mention the maximum number of Shares for each participant under the Share Incentive Scheme. Details of the Scheme Rules are set out in the announcement of the Company dated 2 December 2016.

During 2024, a total of 1,168,000 Shares, representing approximately 0.03% of the Company's total number of issued Shares as at 1 January 2024, were awarded or allocated to Selected Participants.

Since the Adoption Date and up to the date of this report, a total of 23,731,706 Shares had been awarded under the Share Incentive Scheme, representing approximately 0.59% of the number of the Company's Shares in issue on the Adoption Date (after the effect of Share Consolidation). The total number of Shares which is available for being further awarded under the Share Incentive Scheme (i.e., 69,161,976 Shares) represents approximately 1.72% of the total number of the Company's Shares in issue as at the date of this report. The vesting of the awarded Shares is subject to the conditions as set out in the Share Incentive Scheme and the fulfillment of such conditions as specified by the Board.

As at 31 December 2024, taking into account the Shares acquired out of the dividends from the Shares held under the trust, there were 4,726,368 Shares held in trust under the Share Incentive Scheme (excluding Shares vested but not yet transferred to awardees).

## REPORT OF THE DIRECTORS

The details of the interests of the Selected Senior Management Participants under the Share Incentive Scheme during the year ended 31 December 2024 are as below:

				Number of Shares					Closing price of the Shares before the vesting date (HKD)
				Balance as at 1 January 2024	Shares acquired during the year	Vested during the year	Lapsed during the year	Cancelled during the year	
	Date of award	Number of awarded Shares	Vesting period <sup>1</sup>						
Directors									
Lin Zhaoyuan	26 Apr 2021	104,726	27 Apr 2022 - 27 Apr 2024	34,910	—	34,910	—	—	6.53
	7 Oct 2021	636,672	7 Dec 2022 - 1 Dec 2024	212,224	—	212,224	—	—	5.95
	23 May 2022	330,361	1 Jul 2023 - 1 Jul 2025	220,241	—	110,120	—	110,121	5.29
Zhu Huisong	27 Jun 2024	102,680 <sup>2</sup>	17 Jul 2025 - 17 Jul 2027	—	102,680	—	—	102,680	—
Jiang Guoxiong	28 Jun 2023	62,020	1 Jul 2024 - 1 Jul 2026	62,020	—	20,673	—	41,347	5.29
	16 Oct 2023	86,607	26 Oct 2024 - 26 Oct 2026	86,607	—	28,869	—	57,738	6.05
	27 Jun 2024	105,452 <sup>2</sup>	17 Jul 2025 - 17 Jul 2027	—	105,452	—	—	105,452	—



## REPORT OF THE DIRECTORS

				Number of Shares					Closing price of the Shares before the vesting date (HKD)
Date of award	Number of awarded Shares	Vesting period <sup>1</sup>	Balance as at 1 January 2024	Shares acquired during the year	Vested during the year	Lapsed during the year	Cancelled during the year	Balance as at 31 December 2024	
Senior Managers									
2 Dec 2016	1,692,933	—	750,544	—	—	—	—	750,544	—
14 Nov 2017	1,508,579	—	62,649	—	—	—	—	62,649	—
12 Jul 2018	1,900,152	—	73,950	—	—	—	—	73,950	—
9 Oct 2019	2,214,965	3 Sep 2020 - 8 Jul 2022	234,292	—	—	—	—	234,292	—
30 Sep 2020	2,396,545	27 Nov 2021 - 17 Oct 2023	232,989	—	—	—	—	232,989	—
26 Apr 2021	613,108	27 Apr 2022 - 27 Apr 2024	204,374	—	204,374	—	—	—	6.53
7 Oct 2021	4,227,586	7 Dec 2022 - 1 Dec 2024	1,678,858	—	1,274,370	—	—	404,488	5.95
23 May 2022	1,852,849	1 Jul 2023 - 1 Jul 2025	1,235,239	—	617,610	—	—	617,629	5.29
28 Jun 2023	569,071	1 Jul 2024 - 1 Jul 2026	569,071	—	189,688	—	—	379,383	5.29
16 Oct 2023	865,993	26 Oct 2024 - 26 Oct 2026	865,993	—	288,661	—	—	577,332	6.05
27 Jun 2024	959,868 <sup>2</sup>	17 Jul 2025 - 17 Jul 2027	—	959,868	—	—	—	959,868	—

## Notes:

1. The Award Shares and the related income are vested in three equal tranches in the second to the fourth year after the grant.
2. The closing price of the Shares immediately before the date of award on 27 June 2024 was HKD5.44 per share.
3. The fair value of the Award Shares is determined in accordance with HKFRS 13 by reference to the cost of the purchase of the Award Shares. During 2024, the total fair value of the Award Shares granted was HKD6,447,196.
4. The weighted average closing price of the Shares immediately before the dates on which the awards were vested in 2024 was HKD5.36 per share.

## REPORT OF THE DIRECTORS

5. During the year, the five individuals whose emoluments were the highest in the Group included two (2023: five) directors. The details of the interests of the Selected Senior Management Participants of the remaining three (2023: nil) highest paid employees who are neither a director nor senior management of the Company under the Share Incentive Scheme are as below:

Date of award	Balance as at 1 January 2024	Shares acquired during the year	Vested during the year	Lapsed during the year	Cancelled during the year	Balance as at 31 December 2024
26 Apr 2021	50,250	—	50,250	—	—	—
7 Oct 2021	275,761	—	275,761	—	—	—
23 May 2022	310,555	—	155,275	—	—	155,280
28 Jun 2023	132,437	—	44,145	—	—	88,292
16 Oct 2023	172,718	—	57,572	—	—	115,146
27 Jun 2024	—	224,791	—	—	—	224,791

\* The senior management section is included in the above details.

## SHARE AWARD SCHEME

The Company adopted the Share Award Scheme (the "Share Award Scheme") on 17 March 2017 ("SA Adoption Date") in order to (i) provide any employee selected by any person or group of persons (the "Selected Participants") approved by the Board from time to time and delegated with the power and authority by the Board to administer the Share Award Scheme (the "Board Delegation") with an opportunity to acquire a proprietary interest in the Company; (ii) encourage and retain such individuals to work with Guangzhou City Construction & Development Co. Ltd. (廣州市城市建設開發有限公司) (the "GCCD") (indirectly owned as to 95% by the Company) and the Group; and (iii) provide additional incentive for them to achieve performance goals and promote the pursuit of long-term interests of GCCD and the Group, with a view to achieving the objective of increasing the value of the Group and aligning the interests of the Selected Participants with those of the shareholders of the Company. The eligible participant is any employee of GCCD or a member of the Group (as the case may be), or any other person the Board Delegation (in consultation with the board of directors of GCCD) shall determine to be an eligible employee for the purpose of the Scheme. Pursuant to the Scheme Rules, the Board Delegation (after consultation with and having taken into account the recommendations of the board of directors of GCCD) may from time to time at its absolute discretion select any Employee to be a Selected Participant and determine and allocate the number of ordinary shares of the Company (the "Shares") to be granted to a Selected Participant pursuant to an Award in accordance with the Scheme Rules.

The Share Award Scheme shall be valid and effective for nine years commencing from the SA Adoption Date (i.e. 17 March 2017) (the "Scheme Period"), subject to any early termination as may be determined by the Board. Subject to the Restrictions, GCCD will cause to be paid to BOCI-Prudential Trustee Limited (the "Trustee") the monies approved by the Board Delegation (the "Purchase Monies") for the purchase of Shares for the purpose of the Share Award Scheme, and the Trustee shall apply the full amount of such Purchase Monies received from GCCD towards the purchase of the maximum number of Shares from the market and shall hold such Shares on trust during the Scheme Period. The relevant Shares which are purchased by the Trustee using the Purchase Monies as determined by the Board Delegation (the "Award Shares") and their related income will vest in the relevant Selected Participant in accordance with the vesting schedules and terms as set out in the Scheme Rules. The vesting period of the Scheme Shares will be vested in three equal tranches from the second to the fourth year after the date of approval of the Scheme Shares by the Board.

The total number of Shares awarded under the Share Award Scheme shall not exceed 3% (equivalent to 92,893,682 Shares after the effect of Share Consolidation) (the "SA Scheme Limit") of the number of Shares in issue as at the SA Adoption Date, and the Board may from time to time "refresh" the Scheme Limit provided that the total number of Award Shares awarded and to be awarded must not exceed 5% of the number of Shares in issue as at the date of the resolution to approve the "refreshed" limit. The Share Award Scheme does not mention the maximum number of Shares for each participant under the Share Award Scheme. Details of the Share Award Scheme Rules are set out in the announcement of the Company dated 17 March 2017.

## REPORT OF THE DIRECTORS

During 2024, a total of 277,000 Shares, representing 0.0069% of the Company's total number of issued Shares as at 1 January 2024, were awarded or allocated to Selected Participants.

Since the SA Adoption Date and up to the date of this report, a total of 57,534,024 Shares had been awarded under the Share Award Scheme, representing approximately 1.43% of the number of the Company's Shares in issue on the SA Adoption Date (after the effect of Share Consolidation). The total number of Shares which is available for being further awarded under the Share Award Scheme (i.e., 35,359,658 Shares) represents approximately 0.88% of the total number of the Company's Shares in issue as at the date of this report. The vesting of the awarded Shares is subject to the conditions as set out in the Share Award Scheme and the fulfillment of such conditions as specified by the Board.

As at 31 December 2024, taking into account the Shares acquired out of the dividends from the Shares held under the trust, there were 7,781,300 Shares held in trust under the Share Award Scheme (excluding Shares vested but not yet transferred to awardees).

Further details of the Share Award Scheme are set out in note 35 to the Consolidated Financial Statements.

The details of the interests of the Selected Participants under the Share Award Scheme during the year ended 31 December 2024 are as below:

	Date of award	Number of awarded Shares	Vesting period <sup>1</sup>	Number of Shares					Balance as at 31 December 2024	Closing price of the Shares before the vesting date (HKD)
				Balance as at 1 January 2024	Shares acquired during the year	Vested during the year	Lapsed during the year	Cancelled during the year		
Jiang Guoxiong	7 Oct 2021	888,160	7 Dec 2022 - 1 Dec 2024	296,056	—	296,056	—	—	—	5.95
	23 May 2022	389,433	1 Jul 2023 - 1 Jul 2025	259,623	—	129,810	—	—	129,813	5.29
Employees										
	14 Nov 2017	3,438,493	—	154,874	—	—	—	—	154,874	—
	6 Jul 2018	5,418,157	—	491,844	—	—	—	—	491,844	—
	9 Oct 2019	6,333,132	3 Sep 2020 - 8 Jul 2022	511,333	—	—	—	—	511,333	—
	30 Sep 2020	9,786,824	27 Nov 2021 - 17 Oct 2023	340,637	—	—	—	—	340,637	—
	7 Oct 2021	19,454,905	7 Dec 2022 - 1 Dec 2024	6,926,816	—	6,122,105	—	—	804,711	5.95
	23 May 2022	7,519,283	1 Jul 2023 - 1 Jul 2025	5,073,364	—	2,399,612	—	—	2,673,752	5.29
	16 Oct 2023	3,558,400	26 Oct 2024 - 26 Oct 2026	3,558,400	—	1,161,064	—	—	2,397,336	6.05
	27 Jun 2024	277,000	17 Jul 2025 - 17 Jul 2027	—	277,000	—	—	—	277,000	—

## Notes:

1. The Award Shares and the related income are vested in three equal tranches in the second to the fourth year after the grant.
2. The closing price of the Shares immediately before the date of award on 27 June 2024 was HKD5.44 per share.
3. The fair value of the Award Shares is determined in accordance with HKFRS 13 by reference to the cost of the purchase of the Award Shares. During 2024, the total fair value of the Award Shares granted was HKD1,528,519.
4. The weighted average closing price of the Shares immediately before the dates on which the awards were vested in 2024 was HKD5.36 per share.

## REPORT OF THE DIRECTORS

### EQUITY LINKED AGREEMENT

No equity-linked agreements were entered into by the Company during 2024 or subsisted at the end of 2024.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Reporting Year.

### PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors, there was a sufficiency of public float of the Company's securities as required under the Listing Rules as at the latest practicable date prior to the issue of this report.

### MAJOR CUSTOMERS AND SUPPLIERS

No disclosures with regard to the Group's major customers and suppliers are made since the aggregate percentages of sales and purchases attributable to the Group's five largest customers and suppliers were less than 30% of the Group's total sales and purchases for the year ended 31 December 2024.

### AUDITOR

The consolidated financial statements have been audited by Ernst & Young ("EY"), Certified Public Accountants and Registered Public Interest Entity Auditor.

At the annual general meeting of the Company held on 18 May 2023, PricewaterhouseCoopers retired as the auditor of the Company and EY was appointed as the new auditor of the Company.

EY will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

On behalf of the Board

**Lin Zhaoyuan**

*Chairman*

Hong Kong, 31 March 2025

## REPORT OF RISK MANAGEMENT

### I. RISK MANAGEMENT CONCEPT

Risks of the Group refer to any factors that may affect the realization of its strategic goals by the Group, including positive or negative incidents, accidents or acts that have a substantial impact on the success potential (e.g. reputation), assets, capital, profitability or liquidity (cash) of the Group. In the process of formulating and realizing strategic goals, the Board, management and employees of the Group jointly participate in the cultural integration, capacity building and various practices of risk management, using risk management to create, maintain and realize value for the Group. Risk management infiltrates all operations and management of the Group. Through risk management, we identify the potential items that may affect the Group and manage risks within the range of risk appetite so as to provide reasonable assurance for achieving the goals of the Group.

### II. RISK APPETITE

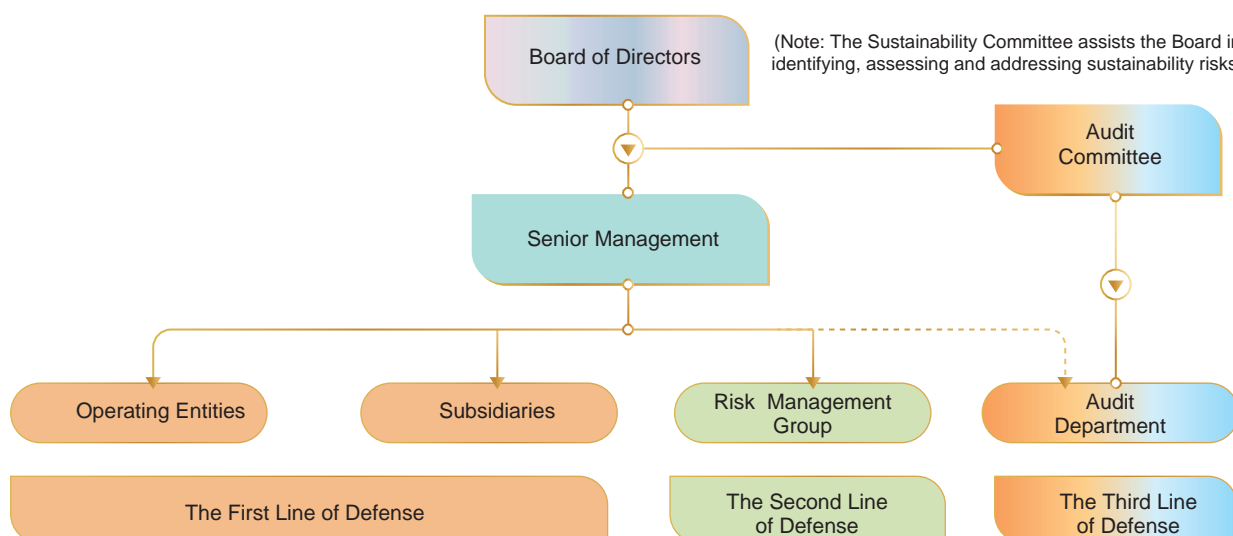
The Group will implement the “strive for progress with balance” overall risk appetite policy, maintain a stable capital and liabilities structure and maintain sufficient capital to resist various kinds of risks that might be faced through striking a balance between risks and income return:

1. Strategy risk refers to the risk that the strategic objectives do not fully consider changes in the market environment or the implementation of the strategic objectives is not in place, resulting in damage to corporate value. The Group manages strategy risks through review of effect of strategy implementation;
2. Financial and liquidity risk refer to inadequate financial management and unreasonable liquidity arrangements, resulting in obstruction to the Group's operations, or resulting in idle funds or reduced use efficiency. The Group manages financial and liquidity risks through indicators including gearing ratio, the ratio of funds return to signed contracts, cash ratio in total assets and the total assets turnover ratio;
3. Market risk refers to the drastic changes in the capital market and fund market and has a significant impact on the financing cost and capital cost of the enterprise, resulting in damage to the Group's enterprise value. The Group manages market risk through indicators such as financing cost and price-to-book ratio;
4. Operation risk refers to the risk of unexpected losses caused by the Group's internal control system defects. The Group manages operation risks by improving its internal control system, coordinating risk incident management and enhancing the accountability of risk incidents;
5. Reputation risk refers to the risk of negative public opinion, a certain number of customer complaints, and the failure of internal response of the group, which ultimately damages the value of the group and causes negative effects. The Group manages reputational risks through customer satisfaction and other indicators;
6. Sustainability risk refers to risk arising from environmental protection and sustainable development, people-oriented concepts and assumption of social responsibilities, and corporate governance in the process of operation and management of an enterprise. The Group manages sustainability risks by establishing the Sustainability Committee (formerly known as the Environmental, Social and Governance Committee), improving relevant risk identification, assessment and response mechanisms, and strengthening fulfillment of corporate social responsibility as well as internal governance.



## REPORT OF RISK MANAGEMENT

### III. RISK MANAGEMENT ORGANISATIONAL STRUCTURE



The risk management organisational structure of the Group comprises: the Board of Directors (and its Audit Committee), the senior management, functional departments in head office and the subsidiaries, the Risk Management Group and the Audit Department.

1. The Board of Directors (and its Audit Committee) is the governing body for comprehensive risk management tasks of the Group and is ultimately responsible for the overall risk management and internal control systems. It is responsible for designing and implementing the risk control and internal control system and reviewing the effectiveness of their operation on a regular basis. Its purpose is to manage rather than to eliminate risks of failure to meet business objectives, and to strive to ensure that no major misrepresentation or loss will occur. Its major responsibilities include reviewing and approving the overall organization structure and their terms of reference of risk management, formulating the overall objectives and requirements of risk management, reviewing and approving annual risk appetite policy and various risk management reports, supervising the investment of risk management resources, supervising the implementation and continuous operation of the risk management system, and monitoring the construction of the Company's risk management culture. There is a Sustainability Committee established under the Board, which assists the Board in identifying, assessing and addressing sustainability risks.
2. The senior management is responsible for organizing daily risk management and deciding on risk management matters subject to the authorisation of the Board of Directors. Its main responsibility is to implement and promote the task to establish a comprehensive risk management system of the Company, to establish and improve the organisation and responsibility system of the three lines of defense of the Group, continue to operate the risk management process and mechanism, to review the effectiveness of risk management system, and confirm with the Board (and its Audit Committee), and to construct the enterprise risk management culture.

## REPORT OF RISK MANAGEMENT

3. All functional departments in the head office and the subsidiaries are the first lines of defense in risk management, discharging their respective duties of risk management during business management. They are the risk bearer and the chief risk supervisor, monitoring the core capabilities and resources of various departments, establishing and improving the risk management and control mechanism of the department, being responsible for identifying and assessing the main risks within the responsible scope, making effective risk management strategy, and implementing risk mitigation measures.
4. The Risk Management Group represents the second line of defense of risk management, responsible for the organization, collaboration and coordination of overall risk management, coordinating formulation of risk appetite, risk management systems and policies of the Group, summarizing and monitoring the risk exposure and management of all business areas and regularly reporting to the senior management. In addition, it is responsible for pushing the first line of defense to continuously improve risk management and control measures, constantly promoting the enhancement of the Group's risk management level, researching on advanced risk management concepts and tools, taking into account the external data and giving professional advice for major risk decision-making matters.
5. The Audit Department is the third line of defense with independence and objectiveness. It is responsible for carrying out independent tests, verification and evaluation on the integrity and effectiveness of the risk management framework and the internal control system and providing independent and objective assessments on the effectiveness of the risk management system that has been established, and constantly monitoring the compliance of handling and dissemination of inside information. It is also responsible for reporting severe internal errors to the senior management and Board of Directors, and enforcing the relevant organizations to rectify and improve in time.

### IV. RISK MANAGEMENT PROCEDURE

The Group carries out risk identification, evaluation and management in respect of the impact on operation efficiency, sustainable development capability and reputation by reference to the enterprise risk management (ERM) framework of Committee of Sponsoring Organizations of the Treadway Commission (COSO) and in accordance with the frequency of the occurrence of various kinds of risks and the degree of attention of the management of the Group and taking into account possible financial losses arising from risks. On this basis, risk management strategies, monitoring model and response plans are designed in respect of major risks so as to raise the management and control standard and such strategy and monitoring model and plans are implemented in the ordinary course of business.

#### 1. Collection of Initial Risk Management Information

All functional departments in the head office (such as the strategic investment centre, the finance (banking) management center, the marketing centre, sustainability-related functional departments, etc.) and the subsidiaries continue to collect in their daily operation risk-related internal and external information, including historical data, future forecasts and risk loss cases occurred in relevant enterprises within and outside China, with a focus on monitoring risks and risk performance that affect achievement of objectives of the Company; conduct dynamic management of risk information; identify risks associated with the functions or business of their own units based on risk information collected for business and submit the same to the Risk Management Group in the head office as required; the Risk Management Group carries out professional analysis, screening, refinement and aggregation of risk information identified and reported by all units, sets up the risk library of the Company and reports risk identification results to the senior management; for key risks in key areas, the Risk Management Group collects first-hand key risk information on its own, and submits the same to the senior management on a regular basis.

## REPORT OF RISK MANAGEMENT

### 2. Risk Evaluation

The Risk Management Group formulates risk assessment standards and carries out assessment of all kinds of risks identified based on the risk types and the actual needs of risk management with reference to dimensions such as possibilities of risk occurrence and the degree of impact of risk occurrence. Assessment methods include qualitative and quantitative methods: qualitative methods can be in forms of questionnaires, consultation with experts and interviews with the management, while quantitative methods can be in forms of statistical inference, computer simulation and machine learning.

Implementation of risk assessment is in the form of a combination of periodic assessments and routine assessments. Under normal circumstances, risk assessment is carried out on an annual basis. In cases of significant changes such as restructure of organization structure, change in business model and change in management model, or significant change in external environment and economic policies, risk assessment of particular areas or topics can be carried out in light of the circumstance.

### 3. Formulation of Risk Management Strategies

The Risk Management Group prepares an annual risk appetite policy every year and reports the same to the senior management for their review and submits to the Board of Directors for its approval. The policy is eventually communicated to various departments and business lines for implementation through setting different levels of risk appetite indicators. Quantitative indicators that accurately reflect risk factors and appropriate management strategies are developed for various risks. For risks causing possible losses within the enterprise's sustainable scope and having a minimal impact on the overall objective of the Group, strategies such as risk taking and risk control can be adopted. For other risks that might have more significant impact, prudent risk management strategies such as risk avoidance and risk transfer are adopted to reduce or prevent losses arising from risks.

### 4. Improvement of Risk Management Measures

The Group has sound procedures and mechanisms for monitoring implementation of the annual risk appetite policy. The Board of Directors approves an annual risk appetite policy on annual basis and determines overall targets and requirements for the risk management. The senior management are responsible for organising the implementation of the risk appetite policy by various divisions of the head office and the subsidiaries, setting up various risk appetite indicators for departments in charge and their management duties on the operation of indicators; The Risk Management Group collects data about risk appetite on a regular basis, conducts in-depth analysis for indicators not operating normally, and makes improvements through corresponding management measures. All functional departments of the head office and the subsidiaries are responsible for monitoring various specific risks and working out risk management measures in respect of major risks.

### 5. Supervision and Improvement

The Audit Department is responsible for monitoring effectiveness of risk management and internal control systems. On one hand, risk management and evaluation of internal control are conducted on a regular basis, and whether the risks borne by the Company deviate from the Company's risk appetite is objectively determined through analysis of the types and characteristics of risks encountered by the Company and the Company's business operation activities. On the other hand, auditing and supervision are conducted on the performance of risk management functions and work, and operation of internal control system. The results will be reported to the senior management and the Board to improve the effectiveness of internal control.

## REPORT OF RISK MANAGEMENT

### V. PROCEDURES AND INTERNAL CONTROL MEASURES FOR HANDLING AND DISSEMINATION OF INSIDE INFORMATION

For the purpose of handling and disseminating inside information in accordance with the Listing Rules and the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong), the Group has taken various procedures and measures, including arousing the awareness to preserve confidentiality of inside information within the Group, sending blackout period and securities dealing restrictions notification to the relevant directors and employees regularly, disseminating information to specified persons on a need-to-know basis with regard closely to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission in June 2012.

### VI. MAJOR RISKS AND MANAGEMENT INITIATIVES IN 2024

In terms of optimizing the risk management system, the Group made continuous improvement on the basis of the established system to manage its risk appetite and formulated annual risk appetite policy and supporting management mechanism. Closed-loop management was formed through monitoring, feedback and assessment to ensure the achievement of overall business objectives of the Company. Through enhancement of the identification and evaluation of major risks and deepening of the audit of core business processes such as marketing management, investment management, progress management, etc., the Group achieved integration and interaction of risk management functions and internal audit functions, which strengthened the support of the risk management system.

For strategic risks: the Group adhered to the prudent investment strategies of "targeted investments" and "investment based on sales cash inflows", concentrated its investment on tier-1 and major tier-2 cities. The Group adopted a targeted investment strategy and seized the favorable window of land auctions to acquire a number of quality land parcels at low premiums. In active response to the government's policy of revitalising land stock, three land parcels in Guangzhou of the Group were successfully repossessed, and further optimising its landbank structure. In terms of sales, the Group adopted a flexible and targeted approach to further implement the marketing strategy featuring "one project, one policy". The Group also accelerated destocking and improved the destocking appraisal mechanism, with comprehensive efforts in digital marketing, and has further improved its market position. The Group continued to promote the strategy of "Coordinated Residential and Commercial Development" and continuously improved the operation capabilities for commercial properties., actively addressed challenges brought about by the ongoing downturn in the commercial property market by formulating flexible leasing strategies and innovating operating models. This has effectively improved the property occupancy rates and optimised tenant structures, thereby further enhancing the market competitiveness.

For financial and liquidity risks: the Group ensures healthy financial position as well as sufficient and safe liquidity. The "Three Red Lines" indicators of the Group remained in "green lights", and the financial indicators were healthy and safe. In light of the ongoing downturn in the real estate market, the Group accelerated cash collection, achieving net cash inflows from operating activities and diversified financing channels and optimised its debt structure to further reduce the average financing cost year-on-year. The Group maintained a leading position among the industry in terms of financing costs.

## REPORT OF RISK MANAGEMENT

For operation risks: The Group continued to deepen refined management, created high-quality products with a customer-centric principle, released the “4 × 4 High-Quality Product Concept” and the standard manuals for the four major product lines, “Mansion”, “Grand Mansion”, “Tian” and “Starry”, built physical display areas for projects in strict accordance with the standards to comprehensively enhance the display effect, and continuously improved the customer research system to effectively boost sales. The Group actively promoted the integration of design and construction and refined the production processes of its projects. The functions of the “Yue Smart Manufacturing” BIM platform have been continuously optimised and upgraded, effectively enhancing production efficiency and project quality. At the same time, the Group focused on improving its integrated design and construction business implementation capabilities to provide strong support for business upgrades. The Group achieved cost reduction and efficiency enhancement through various measures, including precise cost allocation, expanding the scope of centralised materials procurement to reduce procurement costs, and streamlining processes to cut unnecessary costs. The Group continuously optimised the allocation of talents, and enriched the mid-level and executive teams as well as key professional positions through internal training and external recruitment. The Group optimised the performance appraisal mechanism and defined more detailed evaluation criteria for value creation by employees, which formed parts of our refined management for better performance.

For market risk, the Group reduced the impact of exchange rate fluctuations on profit and loss by reasonably matching foreign currency assets and foreign currency liabilities, examining the foreign exchange exposure on a regular basis, and conducting stress measurement and evaluation; the Group reduced the impact of uncertainty in money markets and capital markets on the value of the Group by establishing close ties with capital markets and investment institutions, and managing and following up on the credit ratings of listed companies of the Group.

For reputational risk, the Group established relationships with various media organizations to manage the Group's brand value; conducted monitoring of online public opinion to prevent its damage to the Group's brand value; and improved the customer service system to effectively respond to customer complaints, to reduce reputational risk.

For sustainability risk: the Group continued to improve its sustainability management system, including establishing several working groups under the Sustainability Committee of the Board, such as Climate Change Response Working Group, Green Office Working Group, “Dual Carbon” Working Group and Green Supply Chain Working Group, to comprehensively promote the implementation of the sustainability strategies of the Board.



## REPORT OF RISK MANAGEMENT

## VII. 2025 OUTLOOK AND MAJOR MEASURES

1. The Group continued to comply with the Listing Rules and the best practices of the industry to enhance the risk management system:

Focus on the positioning of “strategic protection”, adhere to the strategic goals and business plans of the Group and continue to implement the risk appetite management system. Through risk identification, evaluation, response, and monitoring the reported risk and the process of continued improvement, foundation for healthy development of the Group was laid to facilitate the realisation of its strategic goals.

Persist with the concept of integrating risk management with business management, vigorously push forward the combination of risk management and daily operations, combine the enhancement of system establishment with the improvement of business processes, and embody the ideas and requirements of risk management in various specific management and business activities.

Enhance the function of the “Three Lines of Defense” and refine the risk management system. Reinforce the duty of “managing risks” of the “First Line of Defense” of functional departments and responsible units through regulating business processes and internal control; reinforce the duty of the “Second Line of Defense” of the risk management functional departments through strengthening the risk assessment and accountability mechanism, enhancing the binding force of risk management, and developing the culture of risk management; fully capitalize on the “Third Line of Defense” function of internal audit and supervision.

2. For management of specific risks, after the process of risk identification and assessment, the Group considers that the following major risks should be attended to (there may be other risks in addition to those shown below which are not known to the Group or which may not be material now but could turn out to be material in the future):

Risk	Risk Description	Risk Management and Control Measures Intended to be optimized
Real estate market risk	The real estate market involves uncertainties, the recovery of market confidence may fall short of expectations, or the market may further differentiate	In response to the changes of the market, the Group will continue to implement the “one project, one policy” targeted sales strategy and pricing strategy to facilitate sales and cash collection and promote digital marketing to further increase the proportion of its own sales channels.

## REPORT OF RISK MANAGEMENT

Risk	Risk Description	Risk Management and Control Measures Intended to be optimized
Investment feasibility study and decision-making risk	The risk of making wrong judgment and jeopardizing the interest of the Group due to lack of completeness and accuracy of the feasibility study of investment projects or failure to implement comprehensive risk identification	The Group will continue to adhere to the prudent investment strategies of “targeted investments” and “investment based on sales cash inflows”, support targeted investments by strengthening its investment research system, and concentrate on core cities and core locations for continuous in-depth cultivation. The Group will optimise its resources allocation, focusing on its investment in tier-1 cities and quality tier-2 provincial capital cities. The Group will prioritise projects with economic benefits, with particular focus on the projects with high certainty in profitability and fast recovery of cash flow. It will also make greater efforts on the replacement of existing resources, thereby continuously optimising its landbank structure.
Product positioning risk	The risk of the Group’s dull sale or business results being hurt as a result of deviation from the market demand in respect of product design, product functions and quality, time of launch and product positioning in the market	The Group will improve its customer research system based on a customer-centric principle, establish a product innovation management mechanism, comprehensively promote the integration of design and construction, continue to enhance product competitiveness and fully implement the “quality products convention”.

## REPORT OF RISK MANAGEMENT

Risk	Risk Description	Risk Management and Control Measures Intended to be optimized
Business operation risk	Inappropriate business management model and positioning of commercial properties which affect the realization of the business objectives of the commercial properties of the Group	Continuously upholding the strategy of "Coordinated Residential and Commercial Development", the Group will steadily increase the support and contribution of commercial properties to its financial results. The Group will keep strengthening the tenant acquisition and operation capabilities of commercial projects, with a focus on improving the occupancy rates of the office buildings, retail buildings, hotels & apartments, wholesale markets and other projects, while at the same time optimising tenant structure and quality to ensure a stable rental level. The Group will promote the high-quality opening of commercial projects to further drive brand upgrades and deliver steady growth in commercial operations.
Exchange rate risk	When the companies which the Group held shares have foreign currency assets or liabilities, exchange rate fluctuation may result in loss that may indirectly affect the Group's financial performance	The Group will arrange a reasonable match of assets and liabilities denominated in foreign currency to control foreign exchange exposure. The Group will pay close attention to information about foreign exchange market, and exchange experience in changes of the foreign exchange market and risk management with experienced experts in the foreign exchange industry.

# INDEPENDENT AUDITOR'S REPORT

**To the members of Yuexiu Property Company Limited**

(incorporated in Hong Kong with limited liability)

**OPINION**

We have audited the consolidated financial statements of Yuexiu Property Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 118 to 239, which comprise the consolidated statement of financial position as at 31 December 2024 and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the 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 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

## INDEPENDENT AUDITOR'S REPORT

Key audit matter	How our audit addressed the key audit matter
<p><b><i>Valuation of investment properties held by the Group</i></b></p> <p>Management has estimated the fair value of the Group's investment properties to be RMB17,029 million at 31 December 2024, with a revaluation loss for the year ended 31 December 2024 recorded in the consolidated statement of profit or loss of RMB727 million.</p> <p>Management has engaged independent external valuers to perform valuation of all the investment properties in order to support management's estimates. The valuations of investment properties are dependent on certain key assumptions that require significant management judgement, including market rents and capitalisation rate.</p> <p>Specific audit focus was placed on this area because the estimation of fair value was subject to high degree of estimation uncertainty. The inherent risk in relation to the valuations of investment properties was considered relatively higher due to the significant judgement and estimates involved in determination of fair value.</p> <p>The related disclosures for the valuation of investment properties held by the Group are included in notes 3 and 17 to the financial statements.</p>	<p>Our procedures in relation to management's valuation of investment properties included:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of the management's internal control and assessment process of the valuation of investment properties and assessing the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors;</li> <li>• Evaluating the independent external valuers' qualifications, expertise, competence, capabilities and objectivity;</li> <li>• Obtaining the valuation reports for all investment properties and assessing whether the valuation approach adopted was suitable for use in determining the fair value for the purpose of the financial statements;</li> <li>• Assessing, on a sample basis, the appropriateness of the key assumptions based on our knowledge of the property industry and the assistance from our internal valuation experts;</li> <li>• Checking, on a sample basis, the underlying data of area, tenancy term and occupancy against the supporting evidence and checking the mathematical accuracy of the valuations;</li> <li>• For investment properties valued under comparison method, comparing the market price with that of comparable properties with similar type, size and location; and</li> <li>• Assessing the adequacy of the disclosures related to the valuations of investment properties in the context of the applicable financial reporting framework.</li> </ul>



## INDEPENDENT AUDITOR'S REPORT

Key audit matter	How our audit addressed the key audit matter
<p><b><i>Net realisable value of properties under development and properties held for sale held by the Group</i></b></p> <p>The Group had properties under development and properties held for sale of RMB187,669 million and RMB45,139 million, respectively, as at 31 December 2024. Management assessed the carrying amounts according to the recoverable amount of these properties, taking into account the estimated costs to completion and estimated net sales value at prevailing market conditions. Write-down to net realisation value is made when the carrying amounts may not be realisable.</p> <p>The assessment requires management judgement and estimates. The inherent risk in relation to assessment of net realisable value of properties under development and properties held for sale was considered relatively higher due to high degree of estimation uncertainty.</p> <p>The related disclosures for the net realisable value of properties under development and properties held for sale held by the Group are included in notes 3, 22 and 23 to the financial statements.</p>	<p>Our procedures in relation to management's assessment on net realisable value of properties under development and properties held for sale included:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of and evaluating the internal controls over the assessment of net realisable value of properties under development and properties held for sale and assessing the inherent risk of material misstatement by considering the degree of estimation uncertainty and other inherent risk factors;</li> <li>• Evaluating management's assessment by comparing, on a sample basis, the estimated selling price less selling expenses and the estimated costs to completion used in the assessment with the price and cost data from recent transactions or available market information; Especially, assessing the reasonableness of estimated selling prices by comparing the management's estimated selling price to the recent average contracted selling price in the same project or the prevailing market price of comparable properties with similar type, size and location;</li> <li>• Obtaining understanding from management and performing assessment on the latest status and development plans of the underlying property projects, such as budgeted estimated costs to completion approved by management;</li> <li>• Checking management's adjustments to the underlying property projects if their carrying amounts were below net realisable value; and</li> <li>• Assessing the adequacy of the disclosures related to impairment of properties under development and completed properties held for sale in the context of the applicable financial reporting framework.</li> </ul>

## INDEPENDENT AUDITOR'S REPORT

### OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises 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 THE DIRECTORS 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 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 of the Company 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities 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. Our report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, 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 HKSAAs 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.

## INDEPENDENT AUDITOR'S REPORT

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

## INDEPENDENT AUDITOR'S REPORT

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

The engagement partner on the audit resulting in this independent auditor's report is Hui Kin Fai, Stephen.

**Ernst & Young**

*Certified Public Accountants*

27/F, One Taikoo Place

979 King's Road

Quarry Bay

Hong Kong

31 March 2025

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

	Notes	2024 RMB'000	2023 RMB'000
Revenue	5	<b>86,400,562</b>	80,222,011
Cost of sales		<b>(77,346,644)</b>	(67,964,384)
Gross profit		<b>9,053,918</b>	12,257,627
Income from sales of investment properties		—	14,929
Carrying amounts of investment properties sold		—	(4,310)
Gain on sales of investment properties		—	10,619
Other gains and losses	6	<b>(1,395,268)</b>	(1,348,000)
Selling and marketing expenses		<b>(2,718,573)</b>	(2,450,753)
Administrative expenses		<b>(1,488,908)</b>	(1,799,157)
Operating profit		<b>3,451,169</b>	6,670,336
Finance income	7	<b>646,215</b>	970,575
Finance costs	8	<b>(879,651)</b>	(672,375)
Share of (losses)/profits of			
– joint ventures	18	<b>(43,318)</b>	50,528
– associates	19	<b>1,021,214</b>	701,579
Profit before taxation		<b>4,195,629</b>	7,720,643
Taxation	12	<b>(2,730,508)</b>	(3,145,594)
Profit for the year		<b>1,465,121</b>	4,575,049
Attributable to:			
– Equity holders of the Company		<b>1,040,055</b>	3,185,085
– Non-controlling interests		<b>425,066</b>	1,389,964
		<b>1,465,121</b>	4,575,049
Earnings per share for profit attributable to equity holders of the Company (expressed in RMB per share)			
– Basic and diluted	14	<b>0.2584</b>	0.8542



# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	2024 RMB'000	2023 RMB'000
Profit for the year	<b>1,465,121</b>	4,575,049
Other comprehensive income:		
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<b>(46,481)</b>	45,285
Cash flow hedges	<b>84,366</b>	273,486
Share of other comprehensive loss of an associate accounted for using the equity method	<b>(114,530)</b>	(61,870)
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods	<b>(76,645)</b>	256,901
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Changes in the fair value of equity investments at fair value through other comprehensive income, net of tax	<b>(88,607)</b>	(18,626)
Other comprehensive (loss)/income for the year, net of tax	<b>(165,252)</b>	238,275
Total comprehensive income for the year	<b>1,299,869</b>	4,813,324
Attributable to:		
– Equity holders of the Company	<b>879,407</b>	3,423,860
– Non-controlling interests	<b>420,462</b>	1,389,464
	<b>1,299,869</b>	4,813,324

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	Notes	2024 RMB'000	2023 RMB'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	15	3,159,869	2,802,071
Right-of-use assets	16	1,829,855	822,896
Investment properties	17	17,029,312	16,785,640
Intangible assets	21	339,265	514,128
Properties under development	22	7,855,936	8,739,490
Interests in joint ventures	18	5,183,730	6,007,696
Interests in associates	19	26,251,482	22,868,636
Financial assets at fair value through other comprehensive income ("FVOCI")	20	967,085	999,130
Derivative financial instruments	32	121,037	—
Other receivables, prepayments and deposits	26	165,478	—
Time deposits and other restricted deposits	27	2,293,280	—
Deferred tax assets	33	4,464,790	3,474,680
Total non-current assets		69,661,119	63,014,367
<b>CURRENT ASSETS</b>			
Properties under development	22	179,813,083	202,613,968
Properties held for sale	23	45,139,394	36,334,751
Contract costs	24	1,445,157	1,121,745
Prepayments for land use rights		5,207,807	5,825,176
Trade and notes receivables	25	1,307,480	846,308
Other receivables, prepayments and deposits	26	52,904,540	37,859,433
Derivative financial instruments	32	—	229,536
Prepaid taxation		7,218,435	7,235,584
Time deposits	27	467,260	—
Charged bank deposits	27	17,560,393	16,832,610
Cash and cash equivalents	27	29,728,316	29,265,250
Total current assets		340,791,865	338,164,361
<b>CURRENT LIABILITIES</b>			
Trade and notes payables	28	1,559,766	1,330,814
Contract liabilities	29	83,841,916	87,653,832
Other payables and accruals	30	106,075,477	90,389,650
Borrowings	31	23,268,833	22,975,869
Lease liabilities	16	225,687	219,490
Taxation payable		5,542,978	7,516,884
Total current liabilities		220,514,657	210,086,539
NET CURRENT ASSETS		120,277,208	128,077,822
TOTAL ASSETS LESS CURRENT LIABILITIES		189,938,327	191,092,189

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## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	Notes	2024 RMB'000	2023 RMB'000
NON-CURRENT LIABILITIES			
Borrowings	31	80,619,909	81,395,029
Lease liabilities	16	562,024	619,531
Deferred tax liabilities	33	4,006,453	5,870,307
Deferred income		54,584	102,200
Derivative financial instruments	32	9,038	55,785
Other payables and accruals	30	607,151	840,557
Total non-current liabilities		85,859,159	88,883,409
Net assets		104,079,168	102,208,780
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	34	25,545,008	25,545,008
Shares held under share award scheme	35	(54,337)	(121,530)
Other reserves	36	2,619,419	2,757,989
Retained earnings	36	27,150,976	27,447,438
		55,261,066	55,628,905
Non-controlling interests		48,818,102	46,579,875
Total equity		104,079,168	102,208,780

**Lin Zhaoyuan**  
Director

**Zhu Huisong**  
Director

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Attributable to equity holders of the Company									
	Share capital	Shares held under share award scheme	Statutory reserves	Exchange fluctuation reserve	Financial assets at FVOCI	Hedging reserve	Others	Retained earnings	Subtotal	Non-controlling interests
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2023	25,545,008	(121,530)	2,787,731	(931,451)	621,144	(172,175)	452,740	27,447,438	55,628,905	46,579,875
Profit for the year	—	—	—	—	—	—	—	1,040,055	1,040,055	425,066
Other comprehensive income/(losses) for the year:										
Currency translation differences	—	—	—	(46,481)	—	—	—	—	(46,481)	—
Change in fair value of financial assets at FVOCI, net of tax	—	—	—	—	(22,659)	—	—	—	(22,659)	(1,375)
Cash flow hedges	—	—	—	—	—	84,366	—	—	84,366	—
Share of other comprehensive loss of an associate accounted for using the equity method	—	—	—	—	—	—	(114,530)	—	(114,530)	—
Others	—	—	—	—	(61,344)	—	—	—	(61,344)	(3,229)
Total comprehensive income/(losses) for the year	—	—	—	(46,481)	(84,003)	84,366	(114,530)	1,040,055	879,407	420,462
Capital injection to subsidiaries	—	—	—	—	—	—	—	—	—	3,043,000
Capital reduction of a subsidiary	—	—	—	—	—	—	—	—	—	(838,800)
Transfer to appropriation	—	—	89,702	—	—	—	—	(89,702)	—	—
Disposal of a subsidiary	—	—	(67,624)	—	—	—	—	—	(67,624)	—
Vesting of shares (note 35)	—	67,193	—	—	—	—	—	—	67,193	—
Dividend paid	—	—	—	—	—	—	—	(1,246,815)	(1,246,815)	(386,435)
At 31 December 2024	25,545,008	(54,337)	2,809,809*	(977,932)*	537,141*	(87,809)*	338,210*	27,150,976	55,261,066	48,818,102

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## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Attributable to equity holders of the Company										
		Shares held		Exchange	Financial			Retained		Non-controlling	
	Share capital	under share	Statutory	fluctuation	assets	Hedging	Others	earnings	Subtotal	interests	Total
	RMB'000	award scheme	reserves	reserve	at FVOCI	reserve	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2022	18,035,015	(175,520)	2,288,604	(976,736)	639,270	(445,661)	510,804	27,553,847	47,429,623	37,363,118	84,792,741
Profit for the year	—	—	—	—	—	—	—	3,185,085	3,185,085	1,389,964	4,575,049
Other comprehensive											
income/(losses) for the year:											
Currency translation differences	—	—	—	45,285	—	—	—	—	45,285	—	45,285
Change in fair value of financial											
assets at FVOCI, net of tax	—	—	—	—	(18,126)	—	—	—	(18,126)	(500)	(18,626)
Cash flow hedges	—	—	—	—	—	273,486	—	—	273,486	—	273,486
Share of other comprehensive											
loss of an associate accounted											
for using the equity method	—	—	—	—	—	—	(61,870)	—	(61,870)	—	(61,870)
Total comprehensive											
income/(losses) for the year	—	—	—	45,285	(18,126)	273,486	(61,870)	3,185,085	3,423,860	1,389,464	4,813,324
Rights issue	7,509,993	—	—	—	—	—	—	—	7,509,993	—	7,509,993
Acquisition of non-controlling											
interests	—	—	—	—	—	—	(829)	—	(829)	(1,207,692)	(1,208,521)
Non-controlling interests arising											
on acquisition of subsidiaries	—	—	—	—	—	—	—	—	—	2,207,759	2,207,759
Capital injection to subsidiaries	—	—	—	—	—	—	—	—	—	7,213,266	7,213,266
Deregistration of subsidiaries	—	—	—	—	—	—	—	—	—	(5,350)	(5,350)
Transfer to appropriation	—	—	499,127	—	—	—	—	(499,127)	—	—	—
Acquisition of shares under											
share award scheme (note 35)	—	(27,382)	—	—	—	—	—	—	(27,382)	—	(27,382)
Vesting of shares (note 35)	—	81,372	—	—	—	—	—	—	81,372	—	81,372
Employee share schemes											
of a subsidiary	—	—	—	—	—	—	4,635	—	4,635	2,292	6,927
Dividend paid	—	—	—	—	—	—	—	(2,792,367)	(2,792,367)	(382,982)	(3,175,349)
At 31 December 2023	25,545,008	(121,530)	2,787,731*	(931,451)*	621,144*	(172,175)*	452,740*	27,447,438	55,628,905	46,579,875	102,208,780

\* These reserve accounts comprise the consolidated other reserves of RMB2,619,419,000 (2023: RMB2,757,989,000) in the consolidated statement of financial position.



# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Notes	2024 RMB'000	2023 RMB'000
<b>Operating profit</b>		<b>3,451,169</b>	6,670,336
Adjustments for:			
Depreciation and amortisation	9	<b>538,851</b>	386,114
Amortisation of deferred revenue		<b>(47,616)</b>	(1,833)
Losses arising from revaluation of investment properties of Luogang project and Chentougang project	6	<b>235,768</b>	1,366,252
Fair value losses on revaluation of other investment properties held at the end of the year, net	6	<b>491,664</b>	135,845
Provision for impairment of properties under development and properties held for sale	9	<b>2,272,336</b>	1,573,856
Gain on disposal of property, plant and equipment		<b>(2,782)</b>	(528)
Gain on sales of investment properties		<b>—</b>	(10,619)
Gain on acquisition of subsidiaries		<b>(40,200)</b>	—
Gain on disposal of a subsidiary	6	<b>(867,816)</b>	—
Impairment losses on long-term assets	6	<b>1,627,577</b>	—
Net impairment losses on financial assets		<b>15,572</b>	9,787
Operating cash flows before movements in working capital		<b>7,674,523</b>	10,129,210
Decrease/(increase) in properties under development, properties held for sale and prepayments for land use rights		<b>25,066,662</b>	(6,826,710)
(Increase)/decrease in contract costs		<b>(303,324)</b>	70,186
Decrease in trade and notes receivables, other receivables, prepayments and deposits, and increase in trade and note payables, contract liabilities, other payables and accrued charges		<b>535,784</b>	16,730,022
Net exchange difference for working capital		<b>87,567</b>	117,765
Net cash generated from operations		<b>33,061,212</b>	20,220,473
Interest received		<b>468,312</b>	773,115
Interest paid		<b>(4,876,750)</b>	(4,671,978)
Hong Kong profits tax paid		<b>—</b>	—
Chinese Mainland taxation paid		<b>(6,815,252)</b>	(7,759,434)
<b>Net cash flows from operating activities</b>		<b>21,837,522</b>	8,562,176

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## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Notes	2024 RMB'000	2023 RMB'000
<b>Investing activities</b>			
Purchases of property, plant and equipment, investment properties and intangible assets		(372,128)	(342,672)
Proceeds from sales of property, plant and equipment		8,456	10,536
Proceeds from sale of investment properties		1,370	14,929
Increase in charged bank deposits		(727,783)	(3,560,616)
Increase in current portion of time deposits		(467,260)	—
Increase in non-current portion of time deposits		(2,230,000)	—
Increase in other restricted deposits		(63,280)	—
Acquisition of subsidiaries, net cash received		1,331,562	454,741
Proceeds from disposal of a subsidiary, net of cash disposed	37	990,007	—
Acquisition of and capital injection in joint ventures and associates		(2,773,622)	(1,058,824)
Proceeds from liquidation and disposal of joint ventures and associates		—	579,929
(Payment to)/receipt from joint ventures and associates		(511,609)	3,840,305
Dividends received from associates		222,947	281,770
Capital reduction from joint ventures and associates		322,762	—
<b>Net cash flows (used in)/from investing activities</b>		<b>(4,268,578)</b>	<b>220,098</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Notes	2024 RMB'000	2023 RMB'000
<b>Financing activities</b>			
Rights issue		—	7,509,993
Capital reduction from non-controlling interests due to deregistration of subsidiaries		—	(5,350)
Capital contribution from non-controlling interests		3,043,000	7,213,266
Dividends paid to equity holders of the Company		(1,246,815)	(1,859,049)
Dividends paid to non-controlling interests		(129,444)	(375,814)
Increase/(decrease) in balances with joint ventures and associates		7,122,838	(1,643,619)
Decrease in balances with a shareholder		(994,368)	(474,168)
Increase in balances with fellow subsidiaries		117,853	602,311
Increase in balances with ultimate holding company		19,418	100,504
Decrease in balances with the immediate holding company		(2,059,297)	(4,108,381)
Decrease in balances with entities with significant influence over subsidiaries		(52,920)	(505,062)
Decrease in balances with other non-controlling interests and related parties of non-controlling interests		(3,286,428)	(5,600,492)
Proceeds from bank borrowings	38(a)	29,420,256	37,427,501
Repayments of bank borrowings	38(a)	(36,010,602)	(32,085,701)
Proceeds from other borrowings	38(a)	9,678,153	10,788,944
Repayments of other borrowings	38(a)	(15,547,877)	(7,821,285)
Repayments to financial institutions under supplier finance arrangements	38(a)	(7,263,485)	(10,347,824)
Received/(payments) for derivative financial instruments	38(a)	350,491	(5,415)
Payments for lease liabilities	16(b)	(282,184)	(185,402)
<b>Net cash flows used in financing activities</b>		<b>(17,121,411)</b>	<b>(1,375,043)</b>
Increase in cash and cash equivalents		447,533	7,407,231
Cash and cash equivalents at the beginning of year		29,265,215	21,846,429
Exchange gains on cash and cash equivalents		15,529	11,555
<b>Cash and cash equivalents at the end of year</b>		<b>29,728,277</b>	<b>29,265,215</b>
Analysis of balances of cash and cash equivalents			
Bank balances and cash	27	29,728,316	29,265,250
Bank overdrafts	31	(39)	(35)
		<b>29,728,277</b>	<b>29,265,215</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 1 GENERAL INFORMATION

Yuexiu Property Company Limited (the "Company") and its subsidiaries (together, the "Group") is principally engaged in development, selling and management of properties and holding of investment properties. The Group's operations are primarily conducted in Chinese Mainland and Hong Kong.

The Company is a limited liability company incorporated in Hong Kong. The address of its registered office is 26th Floor, Yue Xiu Building, 160 Lockhart Road, Wanchai, Hong Kong.

The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange").

Details of the Group's significant subsidiaries as at 31 December 2024 are set out on page 240 to 258.

## 2 ACCOUNTING POLICIES

### 2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, derivative financial instruments and equity investments which have been measured at fair value. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

#### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 2.1 BASIS OF PREPARATION (Continued)

#### Basis of consolidation (continued)

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities any non-controlling interest and exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current (the "2020 Amendments")</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants (the "2022 Amendments")</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

Except for Amendments to HKAS 7 and HKFRS 7, the adoption of the above revised standards has had no significant financial effect on the financial statements.

Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As a result of the implementation of the amendments, the Group has provided additional disclosures about its supplier finance arrangements in notes 30 and note 38(a).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS**

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

		Effective for accounting periods beginning on or after
Amendments to HKAS 21	<i>Lack of Exchangeability</i>	1 January 2025
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
<i>Annual Improvements to HKFRS Accounting Standards – Volume 11</i>	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	1 January 2026
HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
HKFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	No mandatory effective date yet determined but available for adoption

The above amendments to existing standards and interpretation are effective for annual periods beginning on or after 1 January 2025 and have not been early applied in preparing these consolidated financial statements. Except for HKFRS 18, none of these is expected to have any significant effect on the consolidated financial statements of the Group.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRSs. HKFRS 18 and the consequential amendments to other HKFRSs are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 2.4 MATERIAL ACCOUNTING POLICIES

#### 2.4.1 Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other case, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

#### 2.4.2 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**2.4 MATERIAL ACCOUNTING POLICIES (Continued)****2.4.2 Business combinations and goodwill (Continued)**

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### 2.4.3 Fair value measurement

The Group measures its investment properties, derivative financial instruments and equity investments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**2.4 MATERIAL ACCOUNTING POLICIES** (Continued)**2.4.4 Impairment of non-financial assets**

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than properties under development, properties held for sale, investment properties, contract costs, prepaid taxation, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### 2.4.5 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; (If the Group is itself such a plan) and the sponsoring employers of the post-employment benefit plan;
  - (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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**2.4 MATERIAL ACCOUNTING POLICIES** (Continued)**2.4.6 Property, plant and equipment and depreciation**

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal useful lives used for this purpose are as follows:

Buildings	20 to 40 years
Leasehold improvements, furniture, fixtures and office equipment	3 to 5 years
Motor vehicles	5 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### 2.4.7 Investment properties

Investment properties are interests in land and buildings (including right-of-use assets) held to earn rental income and/or for capital appreciation. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the statement of profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" for owned property and/or accounts for such property in accordance with the policy stated under "Right-of-use assets" for property held as a right-of-use asset up to the date of change in use, and any resulting decrease in the carrying amount of the property is recognised in profit or loss. For a transfer from inventories to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognised in the statement of profit or loss.

#### 2.4.8 Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Each of the following intangible assets with finite life is stated at cost less any impairment losses and is amortised on the straight-line basis to write off the cost of each of these intangible assets over its respective estimated useful life of:

Customer relationship	7 to 10 years
Software	2 to 10 years

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**2.4 MATERIAL ACCOUNTING POLICIES (Continued)****2.4.9 Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

***Group as a lessee***

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**(a) Right-of-use assets**

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Land use rights	40 to 70 years
Leased properties	1 to 14 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

**(b) Lease liabilities**

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### 2.4.9 Leases (Continued)

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

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases 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 leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

##### *Group as a lessor*

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**2.4 MATERIAL ACCOUNTING POLICIES** (Continued)**2.4.10 Investments and other financial assets*****Initial recognition and measurement***

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially 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. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

***Subsequent measurement***

The subsequent measurement of financial assets depends on their classification as follows:

***Financial assets at amortised cost (debt instruments)***

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### 2.4.10 Investments and other financial assets (Continued)

##### ***Subsequent measurement (Continued)***

##### *Financial assets designated at fair value through other comprehensive income (equity investments)*

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

##### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on the equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**2.4 MATERIAL ACCOUNTING POLICIES (Continued)****2.4.11 Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

**2.4.12 Impairment of financial assets**

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

***General approach***

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### 2.4.12 Impairment of financial assets (Continued)

##### *General approach (Continued)*

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

- Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

##### *Simplified approach*

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

#### 2.4.13 Financial liabilities

##### *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and notes payables, other payables, derivative financial instruments and borrowings.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**2.4 MATERIAL ACCOUNTING POLICIES (Continued)****2.4.13 Financial liabilities (Continued)*****Initial recognition and measurement (Continued)***

The Group classifies financial liabilities that arise from a supplier finance arrangement within other payables and accruals in the statement of financial position because based on the Group's assessment, the terms of the liabilities that are part of the supply chain finance arrangement are substantially different from the terms of trade and notes payables that are not part of the arrangement. The assessment has considered factors such as the commercial purpose, the nature and specific terms of the arrangement, as well as the credit terms in place with the financial institutions and suppliers. Therefore, cash flows related to liabilities arising from supplier finance arrangements that are classified in other payables and accruals in the statement of financial position are included in financing activities in the statement of cash flows.

***Subsequent measurement***

The subsequent measurement of financial liabilities depends on their classification as follows:

***Financial liabilities at amortised cost (trade and other payables, and borrowings)***

After initial recognition, trade and notes payables, other payables, and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

***Financial guarantee contracts***

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contracts at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in "Impairment of financial assets"; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

**2.4.14 Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### 2.4.15 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

#### 2.4.16 Derivative financial instruments and hedge accounting

##### *Initial recognition and subsequent measurement*

The Group uses derivative financial instruments, such as foreign currency forward contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment; or
- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, or a foreign currency risk in an unrecognised firm commitment; or
- hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting, the risk management objective and its strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is “an economic relationship” between the hedged item and the hedging instrument.
- The effect of credit risk does not “dominate the value changes” that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**2.4 MATERIAL ACCOUNTING POLICIES (Continued)****2.4.16 Derivative financial instruments and hedge accounting (Continued)*****Initial recognition and subsequent measurement (Continued)***

Hedges which meet all the qualifying criteria for hedge accounting are accounted for as follows:

***Cash flow hedges***

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The amounts accumulated in other comprehensive income are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in other comprehensive income for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment to which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in other comprehensive income is reclassified to the statement of profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect the statement of profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in other comprehensive income must remain in accumulated other comprehensive income if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to the statement of profit or loss as a reclassification adjustment. After the discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated other comprehensive income is accounted for depending on the nature of the underlying transaction as described above.

**2.4.17 Cash and cash equivalents**

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

**2.4.18 Properties under development and properties held for sale**

Properties under development and held for sale are stated at the lower of cost and net realisable value. Development cost of properties comprises cost of land use rights, construction costs and borrowing costs incurred during the construction period. Upon completion, the properties are transferred to completed properties held for sale.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### 2.4.18 Properties under development and properties held for sale (Continued)

Net realisable value takes into account the price ultimately expected to be realised, less applicable variable selling expenses and the anticipated costs to completion.

Properties under development and held for sale are classified as current assets unless the construction period of the relevant property development projects is expected to complete beyond the normal operating cycle of the business.

#### 2.4.19 Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

#### 2.4.20 Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**2.4 MATERIAL ACCOUNTING POLICIES (Continued)****2.4.20 Income tax (Continued)**

Deferred tax assets are recognised for all deductible temporary differences, and the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**2.4.21 Government grants**

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

Where the Group receives grants of non-monetary assets, the grants are recorded at the fair value of the non-monetary assets and released to the statement of profit or loss over the expected useful lives of the relevant assets by equal annual instalments.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### 2.4.21 Government grants (Continued)

Where the Group receives government loans granted with no or at a below-market rate of interest for the construction of a qualifying asset, the initial carrying amount of the government loans is determined using the effective interest rate method, as further explained in the accounting policy for "Financial liabilities" above. The benefit of the government loans granted with no or at a below-market rate of interest, which is the difference between the initial carrying value of the loans and the proceeds received, is treated as a government grant and released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

#### 2.4.22 Revenue recognition

##### *Revenue from contracts with customers*

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.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

##### (a) Sales of properties

Under HKFRS 15, revenue is recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance:

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

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**2.4 MATERIAL ACCOUNTING POLICIES (Continued)****2.4.22 Revenue recognition (Continued)*****Revenue from contracts with customers (Continued)*****(a) Sales of properties (continued)**

In determine the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant.

The Group has assessed that there is no enforceable right to payment from the property purchasers for performance completed to date. Revenue is recognised at a point in time when the purchaser obtains the physical possession or the legal title of the completed property and the Group has present right to payment and the collection of the consideration is probable.

**(b) Property management income**

Revenue from rendering of property management services is recognised over the scheduled period in which the related services are rendered.

**(c) Agency service revenue**

Agency service revenue from property brokering is recognised when the relevant agreement becomes unconditional or irrevocable and there are no further performance obligations.

**(d) Decoration services**

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

***Revenue from other sources***

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### 2.4.23 Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

#### 2.4.24 Contract costs

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

- (a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.
- (b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.
- (c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to the statement of profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Other contract costs are expensed as incurred.

#### 2.4.25 Other employee benefits

##### *Pension schemes*

The Group operates a defined contribution scheme ("ORSO Scheme") for certain Hong Kong employees under the Occupational Retirement Schemes Ordinance. Contributions to the ORSO Scheme by the employer and employees are calculated at 5 percent to 20 percent and 5 percent respectively of the employees' basic salaries. The Group's contributions to the ORSO Scheme are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions.

The Group also operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

Subsidiaries of the Company in Chinese Mainland are required to participate in defined contribution retirement plans organised by the respective Provincial or Municipal Government, and make monthly contributions to the retirement plans in the range of 16 to 24 percent of the monthly salaries of the employees. The Group has no further obligations for the actual payment of pensions beyond its contributions.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### 2.4.26 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### 2.4.27 Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

#### 2.4.28 Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements. Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### 2.4.29 Foreign currencies

These financial statements are presented in Renminbi, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of certain overseas subsidiaries, joint ventures and associates are currencies other than Renminbi. As at the end of the reporting period, the assets and liabilities of these entities are translated into Renminbi at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Renminbi at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in the statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Renminbi at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Renminbi at the weighted average exchange rates for the year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

#### **Judgements**

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

#### ***Consolidation***

Control is the basis for consolidation. Control exists when the Group is able to influence profitability of another company through its involvement and power over the operation of another company. To assess whether an entity has control over another entity involves significant judgement, management performs an assessment and considers if the current accounting treatments for its subsidiaries, associates and joint ventures are appropriate. Yuexiu Real Estate Investment Trust ("Yuexiu REIT") is accounted for as an associate since among other reasons, the Group only has significant influence on but no control over Yuexiu REIT. The key decisions of Yuexiu REIT are principally handled and monitored by an independent trustee and an asset management company.

The Group has no equity in and/or control over the independent trustee. Among other key factors, the Group does not have any power to control the appointment of directors of the asset management company of Yuexiu REIT, as all of the directors are nominated by the nomination committee, which is comprised of a majority of independent non-executive directors. Accordingly, the Group does not control Yuexiu REIT.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

#### Judgements (Continued)

##### *Taxation*

The Group is subject to income tax primarily in Chinese Mainland and Hong Kong. Significant judgement is required in determining the amount of the provision for income taxes and the timing of the related payments. There are many transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference 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 it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. Where the expectation is different from the original estimate, such difference will impact the recognition of deferred tax assets and income tax in the period in which such estimate is changed.

The Group has tax losses of RMB8,371,143,000 (2023: RMB6,475,464,000) carried forward. These losses related to subsidiaries that have a history of losses, have not expired, and may not be used to offset taxable income elsewhere in the Group. The subsidiaries have neither any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward. Further details on deferred taxes are disclosed in note 33 to the financial statements.

The Group is subject to land appreciation tax ("LAT") in Chinese Mainland. The provision for LAT is based on management's best estimates according to its understanding of the requirements set forth in the relevant Chinese Mainland tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon the completion of the property development projects. The Group has not finalised its LAT calculations and payments with the tax authorities for certain property development projects. The final tax outcome could be different from the amounts that were initially recorded, and any differences will impact the LAT expenses and the related LAT provision in the period in which such taxes are finalised with the tax authorities.

##### **Estimation uncertainty**

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)****Estimation uncertainty (Continued)*****Fair value of investment properties***

The best evidence of fair value is current prices in an active market for properties in the same location and condition and subject to similar lease and other contracts. In the absence of such information, the Group considers information from a variety of sources, including (i) by reference to independent valuations; (ii) current prices in an active market for properties of a different nature, condition and location (or subject to different leases or other contracts), adjusted to reflect those differences; (iii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the dates of transactions that occurred at those prices; and (iv) discounted cash flow projections, based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts, and (where possible) from external evidence such as current market rates for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of cash flows.

***Net realisable value of properties under development and properties held for sale***

The Group writes down properties under development and properties held for sale to net realisable value based on assessment of the realisability of properties under development and properties held for sale which takes into account cost to completion based on past experience and net sales value based on prevailing market conditions. If there is an increase in cost to completion or a decrease in net sales value, the net realisable value will decrease which may result in writing down properties under development and properties held for sale to net realisable value. Write-downs are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgement and estimates. Where the expectation is different from the original estimate, the carrying value of properties under development and properties held for sale is adjusted in the period in which such estimate is changed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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4 OPERATING SEGMENT INFORMATION

The chief operating decision-maker has been identified as the executive directors of the Company. Management determines the operating segments based on the Group’s internal reports, which are then submitted to the executive directors for performance assessment and resources allocation.

The executive directors consider the business by nature of business activities and assess the performance of property development, property management, property investment and others.

The Group’s operating and reportable segments under HKFRS 8 and the types of turnover are as follows:

Property development	Sales of property development units
Property management	Revenue from provision of property management services
Property investment	Property rental income
Others	Revenue from real estate agency and decoration services, etc.

The executive directors assess the performance of the operating segments based on a measure of segment results. This measurement basis excludes the effects of non-recurring expenditure from the operating segments and other unallocated operating costs. Other information provided, except as noted below, to the executive directors is measured in a manner consistent with that in the consolidated financial statements.

Total reportable segment assets excluded deferred tax assets, prepaid taxation and corporate assets. Corporate assets are not directly attributable to segments.

Sales between segments are carried out on terms equivalent to those that prevail in arm’s length transactions. The revenue from external parties reported to the executive directors is measured in a manner consistent with that in the consolidated statement of profit or loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 4 OPERATING SEGMENT INFORMATION (Continued)

	Property development RMB'000	Property management RMB'000	Property investment RMB'000	Others RMB'000	Group RMB'000
Year ended 31 December 2024					
Revenue	80,618,939	3,868,152	807,750	6,830,831	92,125,672
Inter-segment revenue	—	(902,171)	(139,917)	(4,683,022)	(5,725,110)
Revenue from external customers	80,618,939	2,965,981	667,833	2,147,809	86,400,562
Segment results	2,751,220	213,351	(322,394)	(47,074)	2,595,103
Depreciation and amortisation	(247,814)	(105,443)	—	(185,594)	(538,851)
Losses on revaluation of investment properties, net	—	—	(727,432)	—	(727,432)
Impairment losses on long-term assets	(1,390,711)	(236,866)	—	—	(1,627,577)
Share of profits/(losses) of:					
– joint ventures	13,392	961	—	(57,671)	(43,318)
– associates	1,059,961	—	(62,056)	23,309	1,021,214
Year ended 31 December 2023					
Revenue	75,216,351	3,223,623	543,914	6,817,504	85,801,392
Inter-segment revenue	—	(886,657)	(69,805)	(4,622,919)	(5,579,381)
Revenue from external customers	75,216,351	2,336,966	474,109	2,194,585	80,222,011
Segment results	7,056,130	375,189	(1,107,966)	267,243	6,590,596
Depreciation and amortisation	(238,244)	(86,372)	—	(61,498)	(386,114)
Losses arising from revaluation of investment properties of Luogang project and Chentougang project	—	—	(1,366,252)	—	(1,366,252)
Losses on revaluation of other investment properties held at the end of the year, net	—	—	(135,845)	—	(135,845)
Share of profits/(losses) of:					
– joint ventures	52,507	154	—	(2,133)	50,528
– associates	657,702	—	8,119	35,758	701,579

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 4 OPERATING SEGMENT INFORMATION (Continued)

	Property development RMB'000	Property management RMB'000	Property investment RMB'000	Others RMB'000	Group RMB'000
As at 31 December 2024					
Total reportable segments' assets	<u>361,895,119</u>	<u>6,231,019</u>	<u>23,095,523</u>	<u>6,845,712</u>	<u>398,067,373</u>
Total reportable segments' assets include:					
Additions to non-current assets (note)	<u>151,095</u>	<u>99,576</u>	<u>4,398,040</u>	<u>205,074</u>	<u>4,853,785</u>
As at 31 December 2023					
Total reportable segments' assets	<u>354,617,979</u>	<u>6,118,733</u>	<u>22,908,834</u>	<u>6,143,475</u>	<u>389,789,021</u>
Total reportable segments' assets include:					
Additions to non-current assets (note)	<u>162,827</u>	<u>24,838</u>	<u>6,955,477</u>	<u>130,836</u>	<u>7,273,978</u>

Note: Non-current assets represent non-current assets other than properties under development, derivative financial instruments, interests in joint ventures, interests in associates, financial assets at FVOCI, goodwill included in intangible assets, deferred tax assets, non-current portion of other receivables, prepayments and deposits, and non-current portion of time deposits and other restricted deposits.

A reconciliation of total segment results to profit before taxation is provided as follows:

	2024 RMB'000	2023 RMB'000
Segment results	<b>2,595,103</b>	6,590,596
Unallocated operating costs (note)	<b>(103,675)</b>	(74,357)
Other gains and losses, net (excluding impairment losses of long-term assets and losses on revaluation of investment properties held at the end of the year, net)	<b>959,741</b>	154,097
Operating profit	<b>3,451,169</b>	6,670,336
Finance income (note 7)	<b>646,215</b>	970,575
Finance costs (note 8)	<b>(879,651)</b>	(672,375)
Share of (losses)/profits of:		
– joint ventures (note 18)	<b>(43,318)</b>	50,528
– associates (note 19)	<b>1,021,214</b>	701,579
Profit before taxation	<b>4,195,629</b>	7,720,643

Note: Unallocated operating costs include mainly corporate staff salaries and other operating expenses of the Company.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 4 OPERATING SEGMENT INFORMATION (Continued)

A reconciliation of reportable segments' assets to total assets is provided as follows:

	2024 RMB'000	2023 RMB'000
Total reportable segments' assets	398,067,373	389,789,021
Deferred tax assets (note 33)	4,464,790	3,474,680
Prepaid taxation	7,218,435	7,235,584
Corporate assets (note)	702,386	679,443
Total assets	410,452,984	401,178,728

Note: Corporate assets represent property, plant and equipment, intangible assets, other receivables and cash and cash equivalents of the Company.

No geographical segment analysis is shown as more than 90% of the Group's revenue are derived from activities in and from customers located in Chinese Mainland and more than 90% of the carrying values of the Group's non-current assets excluding deferred income tax are situated in Chinese Mainland.

For the year ended 31 December 2024, the Group does not have any single customer with the transaction value over 10% of the Group's total external sales (2023: none).

## 5 REVENUE

	2024 RMB'000	2023 RMB'000
<i>Revenue from contracts with customers</i>		
Property development	80,618,939	75,216,351
Property management	2,965,981	2,324,115
Others	2,147,809	2,194,585
	85,732,729	79,735,051
<i>Revenue from other sources</i>		
Property investment	667,833	486,960
	86,400,562	80,222,011



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 5 REVENUE (Continued)

Revenue from contracts with customers:

For the year ended 31 December 2024

Segments	Property development RMB'000	Property management RMB'000	Others RMB'000	Group RMB'000
Types of goods or services				
Sale of property development	80,618,939	—	—	80,618,939
Property management service	—	2,965,981	—	2,965,981
Others	—	—	2,147,809	2,147,809
Total revenue from contracts with customers:	<u>80,618,939</u>	<u>2,965,981</u>	<u>2,147,809</u>	<u>85,732,729</u>
Timing of revenue recognition				
Recognised at a point in time	80,618,939	531,526	1,448,746	82,599,211
Recognised over time	—	2,434,455	699,063	3,133,518
Total revenue from contracts with customers:	<u>80,618,939</u>	<u>2,965,981</u>	<u>2,147,809</u>	<u>85,732,729</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 5 REVENUE (Continued)

## For the year ended 31 December 2023

Segments	Property development RMB'000	Property management RMB'000	Others RMB'000	Group RMB'000
Types of goods or services				
Sale of property development	75,216,351	—	—	75,216,351
Property management service	—	2,324,115	—	2,324,115
Others	—	—	2,194,585	2,194,585
Total revenue from contracts with customers:	<u>75,216,351</u>	<u>2,324,115</u>	<u>2,194,585</u>	<u>79,735,051</u>
Timing of revenue recognition				
Recognised at a point in time	75,216,351	417,831	1,636,422	77,270,604
Recognised over time	—	1,906,284	558,163	2,464,447
Total revenue from contracts with customers:	<u>75,216,351</u>	<u>2,324,115</u>	<u>2,194,585</u>	<u>79,735,051</u>

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) of sales of properties as at 31 December 2024 amounted to RMB95,413,000,000 (2023: RMB100,092,000,000) are expected to be recognised within three years. The amounts do not include variable consideration which is constrained.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 6 OTHER GAINS AND LOSSES

	2024 RMB'000	2023 RMB'000
Gain on disposal of the ICC project (Note 37)	867,816	—
Impairment losses on long-term assets	(1,627,577)	—
Losses on revaluation of other investment properties held at the end of the year, net	(491,664)	(135,845)
Losses arising from revaluation of investment properties of Luogang project and Chentougang project	(235,768)	(1,366,252)
Other gains, net	91,925	154,097
	<b>(1,395,268)</b>	<b>(1,348,000)</b>

## 7 FINANCE INCOME

	2024 RMB'000	2023 RMB'000
Interest income from bank deposits	475,842	665,576
Interest income from loans to related parties (excluding bank deposits) (note 43(b))	158,931	258,717
Interest income on amount due from non-controlling interest ("NCI") and related parties of NCI	10,853	29,230
Other interest income	589	17,052
	<b>646,215</b>	<b>970,575</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 8 FINANCE COSTS

	2024 RMB'000	2023 RMB'000
Interest on bank borrowings and overdrafts	2,215,043	2,184,444
Interest on other borrowings	1,963,657	1,852,073
Interest on amounts due to related parties (note 43(b))	489,386	490,258
Interest on amounts due to NCI and related parties of NCI	264,263	197,459
Interest expense on lease liabilities (note 16)	29,785	29,945
Net fair value gains on derivative financial instruments (note 32)	(91,791)	(125,057)
Net foreign exchange gains	(29,216)	(54,507)
Total borrowing costs incurred	4,841,127	4,574,615
Less: amount capitalised as investment properties, properties under development and property, plant and equipment (note)	(3,961,476)	(3,902,240)
	879,651	672,375

Note: Borrowing costs capitalised during the year are calculated by applying a weighted average capitalisation rate of 3.56 percent per annum (2023: 3.81 percent per annum).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 9 EXPENSES BY NATURE

Cost of sales, selling and marketing expenses, and administrative expenses include the following:

	2024 RMB'000	2023 RMB'000
Cost of properties sold included in cost of sales	73,195,257	64,209,104
Selling and promotion expenses	2,706,373	2,437,908
Other tax and surcharge	456,056	505,827
Direct operating expenses arising from investment properties	245,923	215,218
Provision for impairment of properties under development and properties held for sale	2,272,336	1,573,856
Expense related to short-term leases (note 16(c))	67,165	86,945
Depreciation of property, plant and equipment (note 15)	191,198	123,127
Depreciation of right-of-use assets	293,968	203,751
Amortisation of intangible assets (note 21)	53,685	59,236
Employee benefit expense (excluding directors' and chief executive's remuneration (note 10)):		
Wages, salaries	3,052,373	3,743,003
Pension scheme contribution	211,446	211,241
	3,263,819	3,954,244
Less: amount capitalised in properties under development, investment properties under construction and property, plant and equipment	(1,123,387)	(1,401,143)
	2,140,432	2,553,101
Auditor's remuneration		
– Audit services	4,370	4,770
– Non-audit services	3,707	2,250

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**9 EXPENSES BY NATURE** (Continued)**Pension scheme arrangements**

The Group operates a defined contribution scheme ("ORSO Scheme") for certain Hong Kong employees under the Occupational Retirement Schemes Ordinance. Contributions to the ORSO Scheme by the employer and employees are calculated at 5 percent to 20 percent and 5 percent respectively of the employees' basic salaries. The Group's contributions to the ORSO Scheme are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions.

The Group also participates in the Mandatory Provident Fund Scheme ("MPF Scheme") for other Hong Kong employees. Under the MPF Scheme, each of the Group and its employees makes monthly contributions to the scheme at 5 percent of the employee's relevant income, as defined in the Mandatory Provident Fund Scheme Ordinance. Both the Group's and the employee's contributions are subject to a cap of HKD1,500 (before 1 June 2014: HKD1,250) per month and contributions thereafter are voluntary. The contributions under the MPF Scheme are fully and immediately vested in the employees as accrued benefits once they are paid.

Subsidiaries of the Company in Chinese Mainland are required to participate in defined contribution retirement plans organised by the respective Provincial or Municipal Government, and make monthly contributions to the retirement plans in the range of 16 to 24 percent of the monthly salaries of the employees. The Group has no further obligations for the actual payment of pensions beyond its contributions. The state-sponsored retirement plans are responsible for the entire pension obligations payable to retired employees.

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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 10 DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION

Directors' and senior management's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1) (a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	2024 RMB'000	2023 RMB'000
Fees	1,773	1,667
Other emoluments:		
Salaries, allowances and benefits in kind	3,749	11,168
Performance related bonuses	3,695	10,188
Pension scheme contributions	258	600
Subtotal	7,702	21,956
Total	9,475	23,623

The remuneration of every director is set out below:

## 31 December 2024

Name of director	Discretionary				Estimated money value of other		Total
	Fees RMB'000	Salaries RMB'000	bonuses (note (i)) RMB'000	Pension costs RMB'000	Housing allowance RMB'000	benefits (note (ii)) RMB'000	
LIN Zhaoyuan (note(a))	—	—	—	—	—	—	—
ZHU Huisong	—	1,750	1,988	120	56	—	3,914
JIANG Guoxiong (note(b))	—	1,286	1,707	98	56	—	3,147
HE Yuping (note(a))	—	—	—	—	—	—	—
CHEN Jing (note(a))	—	—	—	—	—	—	—
LIU Yan (note(a))	—	—	—	—	—	—	—
ZHANG Yibing	297	—	—	—	—	—	297
SU Junjie (note(c))	—	—	—	—	—	—	—
YU Lup Fat Joseph	423	—	—	—	—	—	423
LEE Ka Lun	351	—	—	—	—	—	351
LAU Hon Chuen Ambrose	351	—	—	—	—	—	351
CHEUNG Kin Sang	351	—	—	—	—	—	351
LIN Feng (note (d))	—	583	—	40	18	—	641
Total	1,773	3,619	3,695	258	130	—	9,475

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 10 DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION (Continued)

Notes:

- (a) The emoluments of Mr Lin Zhaoyuan, Mr He Yuping, Ms. Chen Jing and Ms. Liu Yan in relation to their services rendered for the Group for the year ended 31 December 2024 were borne by related parties of the Group. Their emoluments were not allocated to the Group as the management of the Company considers there is no reasonable basis of allocation.
- (b) Mr Jiang Guoxiong was appointed as an executive director on 31 December 2024. The remuneration of Mr Jiang Guoxiong for the whole year as director and senior management of the Group was approximately RMB3.1 million.
- (c) Mr Su Junjie was appointed as a non-executive director on 20 September 2024. Mr Su Junjie did not receive any emolument under the appointment for serving as a non-executive director.
- (d) Mr Lin Feng resigned as an executive director on 24 April 2024.

31 December 2023

Name of director	Fees RMB'000	Salaries RMB'000	Discretionary bonuses (note (i)) RMB'000	Pension costs RMB'000	Housing allowance RMB'000	Estimated money value of other benefits (note (ii)) RMB'000	Total RMB'000
LIN Zhaoyuan	—	—	—	—	—	—	—
LIN Feng	—	1,707	3,042	120	52	1,758	6,679
ZHU Huisong	—	1,623	2,679	120	52	1,350	5,824
HE Yuping	—	1,490	1,489	120	52	—	3,151
CHEN Jing	—	1,490	1,489	120	52	—	3,151
LIU Yan	—	1,490	1,489	120	52	—	3,151
ZHANG Yibing	297	—	—	—	—	—	297
YU Lup Fat Joseph	423	—	—	—	—	—	423
LEE Ka Lun	351	—	—	—	—	—	351
LAU Hon Chuen Ambrose	351	—	—	—	—	—	351
Cheung Kin Sang	245	—	—	—	—	—	245
<b>Total</b>	<b>1,667</b>	<b>7,800</b>	<b>10,188</b>	<b>600</b>	<b>260</b>	<b>3,108</b>	<b>23,623</b>

Notes:

- (i) Discretionary bonuses are determined by the Group's financial performance.
- (ii) Other benefits include share award scheme.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**10 DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION (Continued)****(a) Directors' termination benefits**

During the year, no payments or benefits in respect of termination of directors' services were paid or payable, directly or indirectly, to the directors (2023: Nil).

**(b) Consideration provided to third parties for making available directors' services**

During the year, no consideration was provided to or receivable by third parties for making available directors' services (2023: Nil).

**(c) 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, there were no loans, quasi-loans or other dealings in favour of the directors, their controlled bodies corporate and connected entities (2023: Nil).

**(d) Directors' material interests in transactions, arrangements or contracts**

No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2023: Nil).

No directors waived emoluments in respect of the year ended 31 December 2024 (2023: Nil). No emoluments were paid or payable by the Group to any director as an inducement to join or upon joining the Group, or as compensation for loss of office for both years presented.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**11 FIVE HIGHEST PAID EMPLOYEES**

The five individuals whose emoluments were the highest in the Group for the year ended 31 December 2024 included two (2023: five) directors, details of whose emoluments are set out in note 10 above. Details of the emoluments for the year of the remaining three (2023: nil) highest paid employees who are neither a director nor senior management of the Company are as follows.

	2024 RMB'000	2023 RMB'000
Salaries, allowances and benefits in kind	3,889	—
Discretionary related bonuses	5,348	—
Pension costs	281	—
Housing allowance	168	—
Estimated money value of other benefits	1,505	—
	<b>11,191</b>	<b>—</b>

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

	Number of individuals	
	2024	2023
Emolument bands (in HKD)		
HKD3,000,001 – HKD3,500,000	1	—
HKD3,500,001 – HKD4,000,000	—	3
HKD4,000,001 – HKD4,500,000	4	—
HKD4,500,001 – HKD5,000,000	—	—
HKD5,000,001 – HKD5,500,000	—	—
HKD5,500,001 – HKD6,000,000	—	—
HKD6,000,001 – HKD6,500,000	—	1
HKD6,500,001 – HKD7,000,000	—	—
HKD7,000,001 – HKD7,500,000	—	1
	<b>5</b>	<b>5</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 12 TAXATION

- (a) Hong Kong profits tax has been provided at the rate of 16.5 percent (2023: 16.5 percent) on the estimated assessable profit for the year.
- (b) Chinese Mainland enterprise income taxation is provided on the profit of the Group's subsidiaries, associates and joint ventures in Chinese Mainland at the rate of 25 percent (2023: 25 percent), except for certain subsidiaries which enjoy a preferential income tax rate.

In addition, dividend distribution out of profit of foreign-invested enterprises earned after 1 January 2008 is subject to corporate withholding income tax at tax rates of 5 percent or 10 percent.

- (c) Chinese Mainland land appreciation tax is levied at progressive rates ranging from 30 percent to 60 percent (2023: 30 percent to 60 percent) on the appreciation of land value, being the proceeds of sales of properties less deductible expenditure including costs of land, development and construction.
- (d) The amount of taxation charged to the consolidated statement of profit or loss comprises:

	2024 RMB'000	2023 RMB'000
Current taxation		
China enterprise income tax and corporate withholding income tax	3,533,693	2,981,827
Chinese Mainland land appreciation tax	1,434,868	1,088,189
	<b>4,968,561</b>	<b>4,070,016</b>
Deferred taxation		
Origination and reversal of temporary difference	(2,228,956)	(922,941)
Chinese Mainland land appreciation tax	10,216	(10,758)
Corporate withholding income tax on undistributed profits	(19,313)	9,277
	<b>(2,238,053)</b>	<b>(924,422)</b>
	<b>2,730,508</b>	<b>3,145,594</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 12 TAXATION (Continued)

- (e) The taxation on the Group's profit before taxation less share of profits and losses of associates and joint ventures differs from the theoretical amount that would arise using the enterprise income tax rate of Chinese Mainland, where majority of the Group's operations were carried out, is as follows:

	2024 RMB'000	2023 RMB'000
Profit before taxation less share of profit/(losses) of associates and joint ventures	<b>3,217,733</b>	6,968,536
Calculated at Chinese Mainland enterprise income tax rate of 25 percent (2023: 25 percent)	<b>804,433</b>	1,742,134
Effect of different taxation rates	<b>6,921</b>	77,447
Income not subject to taxation	<b>(2,570)</b>	(1,488)
Expenses not deductible for taxation purposes	<b>383,304</b>	139,763
Net effect of tax loss not recognised and utilisation of previously unrecognised tax losses	<b>473,920</b>	370,388
Effect of land appreciation tax deductible for calculation of income tax purposes	<b>(361,271)</b>	(269,358)
Corporate withholding income tax	<b>(19,313)</b>	9,277
	<b>1,285,424</b>	2,068,163
Land appreciation tax	<b>1,445,084</b>	1,077,431
Taxation charges	<b>2,730,508</b>	3,145,594

- (f) The tax charges relating to components of other comprehensive income are as follows:

	2024			2023		
	Before tax	Tax charges	After tax	Before tax	Tax charges	After tax
Fair value (losses)/gains of financial assets at FVOCI	<b>(32,045)</b>	<b>8,011</b>	<b>(24,034)</b>	(24,834)	6,208	(18,626)



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 13 DIVIDENDS

The Board resolved not to declare final dividend for the year ended 31 December 2024.

	2024 RMB'000	2023 RMB'000
<b>Cash dividends</b>		
Interim, paid, of HKD0.189 equivalent to RMB0.173 (2023: HKD0.232 equivalent to RMB0.213) per ordinary share	696,393	857,409
Final, proposed, of Nil (2023: HKD0.148 equivalent to RMB0.134) per ordinary share	—	539,403
	<b>696,393</b>	<b>1,396,812</b>

The exchange rates used to translate the above interim and final dividends per share from HKD to RMB were the average of central parity rates announced by the People's Bank of China for the last five consecutive business days preceding the dates of dividend resolved/proposed by the Board.

In addition, in March 2023, the board of directors has declared a special dividend ("Special Dividend") in the form of the distribution in specie of certain units ("Units") of Yuxiu Real Estate Investment Trust held by the Group to the qualifying shareholders, in proportion to their respective shareholdings in the Company on the basis of 62 units for every 1,000 shares held by the qualifying shareholders. The Special Dividend of 249,574,360 Units were distributed as at the end of 2023.

## 14 EARNINGS PER SHARE

**Basic**

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company over the weighted average number of ordinary shares outstanding during the year.

	2024	2023
Profit attributable to equity holders of the Company (RMB'000)	<b>1,040,055</b>	3,185,085
Weighted average number of ordinary shares outstanding ('000) (note)	<b>4,025,393</b>	3,728,632
Basic earnings per share (RMB)	<b>0.2584</b>	0.8542

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 14 EARNINGS PER SHARE (Continued)

**Diluted**

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Since there were no dilutive potential ordinary shares during the year, diluted earnings per share is equal to basic earnings per share (2023: same).

Note:

In 2023, the Company completed the rights issue of 928,936,826 rights shares at the subscription price of HKD9.00 per rights share on the basis of 30 rights shares for every 100 shares held by qualifying shareholders on the record date (i.e. 10 May 2023).

The weighted average number of 3,728,632,295 ordinary shares for the year of 2023 was derived from ordinary shares outstanding as at 1 January 2023 after taking into account the effects of rights issue abovementioned.

## 15 PROPERTY, PLANT AND EQUIPMENT

			Leasehold improvements, furniture, fixtures and office equipment	Motor vehicles	Total
	Buildings RMB'000	Construction in progress RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 December 2024					
Opening net book amount	1,586,275	856,972	353,665	5,159	2,802,071
Additions	86,396	—	76,677	3,018	166,091
Disposals	—	—	(4,919)	(755)	(5,674)
Transfer	295,237	934,072	162,915	—	1,392,224
Depreciation (note 9)	(103,590)	—	(84,763)	(2,845)	(191,198)
Exchange differences	1,010	—	660	—	1,670
Impairment	(113,852)	(891,463)	—	—	(1,005,315)
Closing net book amount	1,751,476	899,581	504,235	4,577	3,159,869
At 31 December 2024					
Cost	2,370,232	1,791,044	779,432	47,103	4,987,811
Accumulated depreciation	(504,904)	—	(275,197)	(42,526)	(822,627)
Impairment	(113,852)	(891,463)	—	—	(1,005,315)
Net book amount	1,751,476	899,581	504,235	4,577	3,159,869

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 15 PROPERTY, PLANT AND EQUIPMENT (Continued)

	Buildings RMB'000	Construction in progress RMB'000	Leasehold improvements, furniture, fixtures and office equipment RMB'000	Motor vehicles RMB'000	Total RMB'000
Year ended 31 December 2023					
Opening net book amount	1,370,252	3,195,569	179,448	2,914	4,748,183
Additions	11,595	31,665	89,035	4,405	136,700
Disposals	—	—	(9,907)	(101)	(10,008)
Transfer	288,695	(2,370,262)	130,992	—	(1,950,575)
Depreciation (note 9)	(84,898)	—	(36,170)	(2,059)	(123,127)
Exchange differences	631	—	267	—	898
Closing net book amount	1,586,275	856,972	353,665	5,159	2,802,071
At 31 December 2023					
Cost	2,083,226	856,972	558,619	52,495	3,551,312
Accumulated depreciation	(496,951)	—	(204,954)	(47,336)	(749,241)
Net book amount	1,586,275	856,972	353,665	5,159	2,802,071

The detailed information on assets pledged as securities by the Group is set out in note 40 to the financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 16 LEASES

**As a lessee**

The Group has lease contracts for various items of lands and buildings used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 40 to 70 years, and no ongoing payments will be made under the terms of these land leases. Leases of buildings generally have lease terms between 1 and 14 years.

**(a) Right-of-use assets**

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	Land use rights RMB'000	Leased properties RMB'000	Total RMB'000
At 1 January 2024	54,460	768,436	822,896
Additions	—	223,121	223,121
Transfer from properties under development	1,481,444	—	1,481,444
Termination	—	(18,243)	(18,243)
Impairment	(385,395)	—	(385,395)
Depreciation	(3,811)	(290,157)	(293,968)
At 31 December 2024	<u>1,146,698</u>	<u>683,157</u>	<u>1,829,855</u>
At 1 January 2023	3,121,038	866,286	3,987,324
Additions	—	129,671	129,671
Termination	—	(25,073)	(25,073)
Transfer to investment properties	(3,018,857)	—	(3,018,857)
Depreciation	(47,721)	(202,448)	(250,169)
At 31 December 2023	<u>54,460</u>	<u>768,436</u>	<u>822,896</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 16 LEASES (Continued)

## As a lessee (Continued)

## (b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

	2024 RMB'000	2023 RMB'000
Carrying amount at 1 January	839,021	891,594
New leases	223,121	129,671
Termination	(22,032)	(26,787)
Accretion of interest recognised during the year (note 8)	29,785	29,945
Payments	(282,184)	(185,402)
Carrying amount at 31 December	787,711	839,021
Analysed into:		
Current portion	225,687	219,490
Non-current portion	562,024	619,531

The maturity analysis of lease liabilities is disclosed in note 46 to the financial statements.

## (c) The amounts recognised in profit or loss in relation to leases are as follows:

	2024 RMB'000	2023 RMB'000
Depreciation of land use rights	(3,811)	(47,721)
Less: Amount capitalised as construction in progress under property, plant and equipment	—	46,418
	(3,811)	(1,303)
Depreciation of leased properties	(290,157)	(202,448)
Interest expense (included in finance cost) (note 8)	(29,785)	(29,945)
Expense relating to short-term leases (included in cost of sales, selling and marketing costs, and administrative expenses) (note 9)	(67,165)	(86,945)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**16 LEASES (Continued)****As a lessor**

The Group leases its investment properties consisting of certain commercial properties in Chinese Mainland and Hong Kong under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the year was RMB667,833,000 (2023: RMB486,960,000), details of which are included in note 5 to the financial statements.

At 31 December 2024, the undiscounted lease payments receivable by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

	2024 RMB'000	2023 RMB'000
Not later than one year	418,173	569,930
Later than one year and not later than five years	763,907	1,257,851
Later than five years	166,790	226,114
	<b>1,348,870</b>	<b>2,053,895</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 17 INVESTMENT PROPERTIES

	Completed investment properties		
	Chinese Mainland RMB'000	Hong Kong RMB'000	Total RMB'000
Opening balance at 1 January 2024	16,083,692	701,948	16,785,640
Cost adjustments, net	(43,112)	—	(43,112)
Transferred	4,386,037	—	4,386,037
Disposals	(3,387,700)	—	(3,387,700)
Fair value losses, net	(707,875)	(19,557)	(727,432)
Exchange differences	—	15,879	15,879
Closing balance at 31 December 2024	16,331,042	698,270	17,029,312

	Completed investment properties		
	Chinese Mainland RMB'000	Hong Kong RMB'000	Total RMB'000
Opening balance at 1 January 2023	10,422,883	700,854	11,123,737
Additions	—	3,801	3,801
Transferred	6,951,676	—	6,951,676
Disposals	(4,310)	—	(4,310)
Fair value losses, net	(1,286,557)	(15,540)	(1,302,097)
Exchange differences	—	12,833	12,833
Closing balance at 31 December 2023	16,083,692	701,948	16,785,640

The completed investment properties are leased to third parties under operating leases, further summary details of which are included in note 16 to the financial statements.

The detailed information on assets pledged as securities by the Group is set out in note 40 to the financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**17 INVESTMENT PROPERTIES (Continued)****Valuation processes**

The Group measures its investment properties at fair value. The investment properties were revalued by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer, which has recent experience in the locations and segments of the investment properties valued, as at 31 December 2024. For all investment properties, their current use is the highest and best use.

The Group's finance department includes a team that review the valuations performed by the independent valuer for financial reporting purposes. This team reports directly to the senior management. Discussions of valuation processes and results are held between the management, the valuation team and valuer at least once every six months, in line with the Group's interim and annual reporting dates.

At each financial year end the finance department:

- Verifies all major inputs to the independent valuation report;
- Assesses property valuations movements when compared to the prior year valuation report;
- Holds discussions with the independent valuer.

**Fair value hierarchy and valuation techniques used to determine fair values**

As at 31 December 2024 and 2023, all investment properties were included in level 3 fair value hierarchy.

Fair values of completed investment properties are generally derived using the comparison method and income method. The income method is based on the capitalisation of the net income and reversionary income potential by adopting appropriate capitalisation rates, which are derived from analysis of sale transactions and valuers' interpretation of prevailing investor requirements or expectations. The prevailing market rents adopted in the valuation have been determined by reference to recent rentals of the subject properties and other comparable properties.

There were no changes to the valuation techniques during the year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 17 INVESTMENT PROPERTIES (Continued)

## Valuation inputs and relationships to fair value

The best evidence of fair value is current prices in an active market for the properties with similar lease and other contracts. In the absence of such information, the Group determines the amount within a range of reasonable fair value estimates. In making its judgement, the Group considers information from a variety of sources including:

- current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;
- recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices;
- discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using capitalisation rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows; and

The following table summarises the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements.

Description	Fair value at 31 December 2024 RMB'000	Valuation technique	Unobservable inputs	Range of unobservable inputs
Completed investment properties in Chinese Mainland	346,752	Comparison method	Market price	RMB13,000/sq.m. to RMB25,700/sq.m.
	15,984,290	Income method	(1) Market rent (2) Capitalisation rate	(1) RMB36/sq.m./mth to RMB679/sq.m./mth (2) 2.75% to 7.5%
Completed investment properties in Hong Kong	38,685	Comparison method	Market price	HKD12,217/sq.ft to HKD14,414/sq.ft
	659,585	Income method	(1) Market rent (2) Capitalisation rate	(1) HKD5.9/sq.ft/mth to HKD192/sq.ft/mth (2) 2.8% to 5%

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 17 INVESTMENT PROPERTIES (Continued)

## Valuation inputs and relationships to fair value (Continued)

Description	Fair value at 31 December 2023 RMB'000	Valuation technique	Unobservable inputs	Range of unobservable inputs
Completed investment properties in Chinese Mainland	237,720	Comparison method	Market price	RMB13,100/sq.m. to RMB25,700/sq.m.
	15,845,972	Income method	(1) Market rent (2) Capitalisation rate	(1) RMB40/sq.m./mth to RMB673/sq.m./mth (2) 2.75% to 7.5%
Completed investment properties in Hong Kong	35,554	Comparison method	Market price	HKD4,762/sq.ft to HKD18,093/ sq.ft
	666,394	Income method	(1) Market rent (2) Capitalisation rate	(1) HKD6.6/sq.ft/mth to HKD190/sq.ft/mth (2) 2.8% to 5%

Relationships of unobservable inputs to fair value are as follows:

- The higher the market price, the higher the fair value;
- The higher the market rent, the higher the fair value;
- The higher the capitalisation rate, the lower the fair value.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 18 INTERESTS IN JOINT VENTURES

	2024 RMB'000	2023 RMB'000
Share of net assets	3,538,677	4,264,105
Amounts due from joint ventures (note 43(c))	1,645,053	1,743,591
Total	5,183,730	6,007,696

	2024 RMB'000	2023 RMB'000
Investments in joint ventures		
At 1 January	4,264,105	3,669,855
Additions	855,590	543,722
Capital reduction	(1,600,463)	—
Share of profit*	19,445	50,528
At 31 December	3,538,677	4,264,105
Amounts due from joint ventures (note 43(c))	1,645,053	1,743,591
Total	5,183,730	6,007,696

\* In the current year, share of loss of joint ventures was amounted to RMB43,318,000 (2023: share of profit of joint ventures was amounted to RMB50,528,000), among which share of loss with amount of RMB62,763,000 (2023: Nil) was recorded as reduction of amounts due from joint ventures.

The joint ventures held by the Group have share capital consisting solely of ordinary shares, which are held directly by the Group. All of the joint ventures are private companies with no quoted market price available for its shares.

As at 31 December 2024 and 2023, there was no joint venture individually material to the Group. Details of the Group's joint ventures as at 31 December 2024 are set out on pages 259 to 260.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**18 INTERESTS IN JOINT VENTURES (Continued)**

The following table illustrates the aggregate financial information of the Group's joint ventures that are not individually material:

	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
Share of the joint ventures' profit for the year and total comprehensive income	<b>(43,318)</b>	50,528
Aggregate carrying amount of the Group's investments in the joint ventures	<b>3,538,677</b>	4,264,105

The Group's joint ventures did not have any significant capital commitments as at 31 December 2024 (2023: Nil).

There are no significant contingent liabilities relating to the Group's interests in the joint ventures.

**19 INTERESTS IN ASSOCIATES**

	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
Share of net assets	<b>24,203,146</b>	20,688,322
Deferred units (note)	<b>596,659</b>	652,733
Amounts due from associates (note 43(c))	<b>1,451,677</b>	1,527,581
Total	<b>26,251,482</b>	22,868,636

All the interests in associates held by the Group are unlisted except for an investment in a material associate, Yuexiu REIT, with a carrying value of approximately RMB5,470 million (2023: RMB5,470 million) which is listed on the Hong Kong Stock Exchange. The fair value of the interest in this associate amounted to approximately RMB1,811 million (2023: RMB2,127 million).



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 19 INTERESTS IN ASSOCIATES (Continued)

	2024 RMB'000	2023 RMB'000
Share of net assets		
At 1 January	20,688,322	21,060,187
Additions	3,223,440	1,148,046
Capital reduction	(322,762)	(1,994,770)
Dividend declared by associates	(486,567)	(281,770)
Share of profit*	1,106,631	701,579
Share of other comprehensive loss	(114,530)	(61,870)
Exchange difference	108,612	116,920
	<b>24,203,146</b>	<b>20,688,322</b>
Deferred units (note)	596,659	652,733
Amounts due from associates (note 43(c))	1,451,677	1,527,581
Interests in associates	<b>26,251,482</b>	<b>22,868,636</b>

\* In the current year, share of profit of associates was amounted to RMB1,021,214,000 (2023: RMB701,579,000), among which share of loss with amount of RMB85,417,000 (2023: Nil) was recorded as reduction of amounts due from associates.

Note: In connection with the disposal of Tower Top Development Limited to Yuxiu REIT in 2012, the Group will, on 31 December of each year, receive from Yuxiu REIT certain numbers of units of Yuxiu REIT starting from 31 December 2016. The number of units to be received each year will be limited to the maximum number of units that may be issued to the Group which will not trigger an obligation on the part of the Group to make a mandatory general offer under Rule 26 of the Takeovers Code for all units not already owned or agreed to be acquired by the Group at the relevant time.

Deferred units are part of the consideration of the business acquisition of Yuxiu REIT. The number of units to be issued to the Group was fixed at disposal date and is not subject to change across time. It is in substance the prepaid forward contract to deliver a fixed number of units for which the consideration has been received in advance. There are no cash option or derivative elements in the deferred unit arrangement. This is a contractual arrangement to physically issue the units in accordance with the issuing schedule and there is no redemption option. The deferred units, once issued, will make the voting right/dividend right of the Group on Yuxiu REIT effective.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**19 INTERESTS IN ASSOCIATES (Continued)**

Set out below is the summarised financial information for the Group's material associate, Yuexiu REIT, which is accounted for using the equity method.

	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
Investment properties	<b>37,494,008</b>	37,773,146
Other non-current assets (excluding investment properties)	<b>3,930,415</b>	4,051,740
Cash and cash equivalents	<b>1,446,154</b>	1,527,727
Other current assets (excluding cash and cash equivalents)	<b>250,756</b>	196,101
Total assets	<b>43,121,333</b>	43,548,714
Non-current liabilities, other than net assets attributable to unitholders	<b>(21,600,080)</b>	(20,040,219)
Current liabilities	<b>(5,607,216)</b>	(6,870,824)
Total liabilities, other than net assets attributable to unitholders	<b>(27,207,296)</b>	(26,911,043)
Net assets attributable to unitholders	<b>(14,730,183)</b>	(15,436,532)
Total liabilities	<b>(41,937,479)</b>	(42,347,575)
Net assets	<b>1,183,854</b>	1,201,139
Revenue	<b>2,031,536</b>	2,086,855
Fair value (loss)/gain on investment properties	<b>(321,859)</b>	27,579
Depreciation and amortisation	<b>(100,021)</b>	(154,228)
Finance income	<b>28,080</b>	36,180
Finance expenses	<b>(1,000,713)</b>	(1,069,506)
Operating expenses	<b>(794,710)</b>	(828,959)
Change in fair value of derivative financial instruments	<b>26,747</b>	145,327
(Loss)/profit before taxation	<b>(130,940)</b>	243,248
Taxation	<b>(166,909)</b>	(250,390)
Post-tax loss before transactions with unitholders	<b>(297,849)</b>	(7,142)
Transactions with unitholders	<b>514,348</b>	162,467
Profit after income tax after transactions with unitholders	<b>216,499</b>	155,325
Other comprehensive loss	<b>(232,512)</b>	(205,109)
Total comprehensive income	<b>(16,013)</b>	(49,784)
Dividends received by the Group from Yuexiu REIT in cash	<b>(130,947)</b>	(178,801)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 19 INTERESTS IN ASSOCIATES (Continued)

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in the material associate is as follows:

	2024 RMB'000	2023 RMB'000
Net assets attributable to unitholders as at 1 January	15,436,532	15,882,939
Issuance of units	141,954	167,832
Transactions with unitholders	(514,348)	(162,467)
Distributions paid to unitholders	(333,955)	(451,772)
Net assets attributable to unitholders at 31 December	14,730,183	15,436,532
Net assets attributable to deferred unitholders	(596,659)	(652,733)
Net assets attributable to normal unitholders	14,133,524	14,783,799
Interest in an associate	40.02%	37.89%
Carrying value before exchange reserve	5,656,802	5,601,581
Exchange reserve	(187,250)	(131,120)
Carrying value	5,469,552	5,470,461

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

	2024 RMB'000	2023 RMB'000
Share of the associates' profits for the year and total comprehensive income	1,083,270	693,460
Aggregate carrying amount of the Group's investments in the associates	18,733,594	15,217,861

The Group's associates did not have any significant capital commitments as at 31 December 2024 (2023: Nil).

There are no significant contingent liabilities relating to the Group's interests in the associates.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 20 FINANCIAL ASSETS AT FVOCI

	2024 RMB'000	2023 RMB'000
Opening balance at 1 January	999,130	1,023,964
Decrease in fair value recognised in other comprehensive income related to equity investments	(32,045)	(24,834)
Closing balance at 31 December	967,085	999,130

Financial assets at FVOCI represent unlisted securities in companies located in Chinese Mainland without external credit ratings.

The fair value of the ordinary shares held is derived mainly using the guideline public company method. In applying this method, the Group has selected comparable public company peers in the same or a similar industry to provide objective evidence as to values at which investors are willing to buy and sell interest of companies in that industry and conclude by applying an appropriate valuation multiple that is a relevant performance measure for its investments.

Valuation multiples are derived from the reported earnings and the period end stock price of companies in the peer group. Applying the valuation multiples and the price-to-earnings multiple have been concluded to be the relevant performance measures for its investments. The Group also adjusts the indicated fair value by using the discount for lack of marketability compared to the publicly traded peer group when it determines that the market participants would take this into account when pricing the investment. The discount for lack of marketability is quantified on the basis of relevant restricted stock studies and represents the most significant unobservable inputs applied to arrive at the fair value measurement of equity securities. The Group determines discount of 40% for lack of marketability as the significant unobservable inputs.

If the discount for lack of marketability had changed by +0.5% or -0.5%, the fair value of the investments and other comprehensive income would have decreased or increased by approximately RMB8 million (2023: RMB8 million). Management believes that reasonable possible changes to other unobservable inputs would not result in a significant change in the estimated fair value of the investments.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 21 INTANGIBLE ASSETS

	Goodwill (note) RMB'000	Customer relationship RMB'000	Software RMB'000	Total RMB'000
Year ended 31 December 2024				
Opening net book amount	260,408	63,349	190,371	514,128
Additions	—	—	115,688	115,688
Amortisation (note 9)	—	(9,413)	(44,272)	(53,685)
Impairment	(236,866)	—	—	(236,866)
Closing net book amount	23,542	53,936	261,787	339,265
At 31 December 2024				
Cost	260,408	92,372	511,712	864,492
Accumulated amortisation	—	(38,436)	(249,925)	(288,361)
Accumulated impairment	(236,866)	—	—	(236,866)
Net book amount	23,542	53,936	261,787	339,265
Year ended 31 December 2023				
Opening net book amount	260,408	72,762	188,064	521,234
Additions	—	—	52,130	52,130
Amortisation (note 9)	—	(9,413)	(49,823)	(59,236)
Closing net book amount	260,408	63,349	190,371	514,128
At 31 December 2023				
Cost	260,408	92,372	396,024	748,804
Accumulated amortisation	—	(29,023)	(205,653)	(234,676)
Net book amount	260,408	63,349	190,371	514,128

**Impairment test for goodwill**

The goodwill arose from the acquisition of Guangzhou Metro Environmental Engineering Co., Ltd. ("GZMEE") and its subsidiary Guangzhou Metro Property Management Co., Ltd. ("GZMPM", collectively, the "GZMEE Group") in 2020 and the acquisition of the Guangzhou City Bingxin Property Management Co., Ltd. (the "BingXin Property Management") in 2022 with carrying amounts of RMB253 million and RMB7 million respectively. Goodwill arising from acquisition of GZMEE Group and Bingxin Property Management is monitored by the management at the level of non-commercial property management and value-added services cash-generating-unit (the "CGU") respectively. Goodwill has been assessed based on the related CGUs for impairment testing.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**21 INTANGIBLE ASSETS (Continued)**

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 and 2023:

	2024	2023
<b>For GZMEE Group CGU:</b>		
Revenue (% annual growth rate)	<b>(3%)-20%</b>	15%-29%
Gross margin (% of revenue)	<b>8%-9%</b>	15%-17%
Long-term growth rate	<b>2%</b>	2.5%
Pre-tax discount rate	<b>18.37%</b>	19.55%
<b>For Bingxin Property Management CGU:</b>		
Revenue (% annual growth rate)	<b>(11%)-42%</b>	(11%)-23%
Gross margin (% of revenue)	<b>10%-15%</b>	15%-20%
Long-term growth rate	<b>2%</b>	2.5%
Pre-tax discount rate	<b>17.80%</b>	18.99%

Management expected significant decline in revenue growth rate and gross margin for the GZMEE Group CGU in future years. The decline in the annual growth rate of revenue is primarily attributable to discontinuation of certain value-added services and cleaning services to a related party at the end of the year.

The decline in the gross margin is primarily driven by the customers' more stringent service requirements and the reduced average price per head in the service contracts renewed and newly signed at the end of the year, and the new contracts will be reflected in the upcoming years.

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption	Approach used to determine values
Revenue	Annual growth rate over the five-year forecast period based on past performance and management's expectations of market development
Gross margin	Based on past performance and management's expectations for the future
Long-term growth rate	Weighted average growth rate used to extrapolate cash flows beyond the budget period, which consistent with forecasts included in industry reports
Pre-tax discount rate	Reflects specific risks relating to the relevant CGU

The goodwill represents the excess of the acquisition consideration transferred over the fair value of the net identifiable assets acquired as at the acquisition date. The carrying amount of the GZMEE Group CGU which belonged to the non-commercial property management and value-added services segment, was impaired by RMB236,866,000 during the year ended 31 December 2024 (2023: Nil). The recoverable amount of the GZMEE Group CGU was RMB180,768,000 as at 31 December 2024. Such recoverable amount of the GZMEE Group CGU is determined based on the value in use, which requires the Group to estimate the future cash flows expected to arise from the GZMEE Group CGU and suitable discount rates in order to calculate the present value. The impairment in 2024 was mainly attributable to expected decrease in revenue and gross profits arising from the renewed service contracts signed with related parties in 2024.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 21 INTANGIBLE ASSETS (Continued)

## Impact of possible changes in key assumptions

As at 31 December 2024, in the opinion of the directors of the Company, for the GZMEE Group CGU, a reasonably possible change in the key assumptions of the cash flow projections would cause its carrying amount exceed its recoverable amount. If the estimated revenue growth rate used in the VIU calculation had been increased or decreased by 1.0%, the impairment loss would have decreased by RMB3,521,000 or increased by RMB1,696,000, respectively, during the year ended 31 December 2024. If the estimated gross profit margins used in the VIU calculation had been increased or decreased by 0.5%, the impairment loss would have decreased by RMB17,727,000 or increased by RMB15,989,000, respectively, during the year ended 31 December 2024. If the estimated long-term growth rate used in the VIU calculation had been increased or decreased by 1%, the impairment loss would have decreased by RMB4,248,000 or increased by RMB3,585,000, respectively, during the year ended 31 December 2024. If the pre-tax discount rate applied to the cash flow projections of the CGU had been increased or decreased by 0.5%, the impairment loss would have increased by RMB4,255,000 or decreased by RMB4,538,000, respectively, during the year ended 31 December 2024.

As at 31 December 2024, in the opinion of the directors of the Company, for the Bingxin Property Management CGU, if the budgeted revenue used in the VIU calculation had been decreased by 99.79% (2023: 72.00%) or the estimated gross profit margins used in the VIU calculation had been decreased by 8.69% (2023: 12.58%), or the pre-tax discount rate applied to the cash flow projections of the CGU had been increased by 31.63% (2023: 40.42%), the Group would have had to recognise an impairment against goodwill. The estimated long-term growth rate used in the VIU calculation for the CGU would not lead to an impairment against goodwill.

## 22 PROPERTIES UNDER DEVELOPMENT

	2024 RMB'000	2023 RMB'000
Amounts are expected to be completed		
– within the normal operating cycle included under current assets	179,813,083	202,613,968
– beyond the normal operating cycle included under non-current assets	7,855,936	8,739,490
	<b>187,669,019</b>	<b>211,353,458</b>
At cost		
– Properties without impairment provision	182,369,668	200,309,494
– Properties with impairment provision	6,512,680	11,989,579
Less: Provision for impairment of properties under development	(1,213,329)	(945,615)
	<b>187,669,019</b>	<b>211,353,458</b>

Properties under development are mainly located in Chinese Mainland. The normal operating cycle of the Group's property development generally ranges from 2 to 3 years.

The detailed information on assets pledged as securities by the Group is set out in note 40 to the financial statements.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 23 PROPERTIES HELD FOR SALE

	2024 RMB'000	2023 RMB'000
At cost:		
– Properties without impairment provision	34,660,274	26,316,476
– Properties with impairment provision	13,797,982	12,468,296
Less: Provision for impairment of properties held for sale	(3,318,862)	(2,450,021)
	<u>45,139,394</u>	<u>36,334,751</u>

Properties held for sale are mainly located in Chinese Mainland.

The detailed information on assets pledged as securities by the Group is set out in note 40 to the financial statements.

## 24 CONTRACT COSTS

The Group has recognised an asset in relation to costs to obtain the property sales contracts.

	2024 RMB'000	2023 RMB'000
Assets recognised from costs incurred to obtain a contract at 31 December	1,445,157	1,121,745
Amortisation recognised as selling expenses during the year	<u>(1,316,986)</u>	<u>(1,159,999)</u>

Management expects the incremental costs, primarily sale commission, as a result of obtaining the property sale contracts are recoverable. The Group has capitalised the amounts and recognised as expenses when the related revenue is recognised. Management has concluded that there was no impairment loss in relation to the costs capitalised.

## 25 TRADE AND NOTES RECEIVABLES

	2024 RMB'000	2023 RMB'000
Trade receivables from contracts with customers	1,296,533	867,938
Notes receivables	56,614	23,256
	<u>1,353,147</u>	<u>891,194</u>
Less: Loss allowance	<u>(45,667)</u>	<u>(44,886)</u>
	<u>1,307,480</u>	<u>846,308</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 25 TRADE AND NOTES RECEIVABLES (Continued)

As at 31 December 2024 and 2023, the ageing analysis of the trade and notes receivables based on invoice date is as follows:

	2024 RMB'000	2023 RMB'000
Within 1 year	1,065,620	707,245
1 to 2 years	198,450	160,822
2 to 3 years	70,909	6,097
Over 3 years	18,168	17,030
	<b>1,353,147</b>	<b>891,194</b>

As at 31 December 2024, a provision of approximately RMB45,667,000 (2023: RMB44,886,000) was made against the gross amount of trade receivables. The Group's trade and notes receivables are mainly denominated in RMB.

The movements in the loss allowance for impairment of trade receivables are as follows:

	2024 RMB'000	2023 RMB'000
At 1 January	44,886	40,426
Impairment losses	9,706	4,460
Write off	(8,925)	—
At 31 December	<b>45,667</b>	<b>44,886</b>

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. Future cash flows for each group of receivables are estimated on the basis of historical default rates, adjusted to reflect the effects of existing market conditions as well as forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables with known insolvencies are assessed individually for impairment allowances and are written off when there is no reasonable expectation of recovery. Indicators of insolvencies include, amongst others, the failure of a debtor engage in a repayment plan with the Group, and a failure to make contractual payments. As at 31 December 2024, certain customers were in delinquency of payments and their respective trade receivable balances amounting to approximately RMB1 million (2023: RMB9 million) were therefore fully impaired.

Trade receivables without known insolvencies are assessed on a collective basis based on shared credit risk characteristics. As at 31 December 2024, loss allowance of RMB45 million (31 December 2023: RMB36 million) was provided for according to the simplified approach.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 26 OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	2024 RMB'000	2023 RMB'000
Amounts due from NCI and related parties of NCI (note)	18,171,579	18,276,648
Amounts due from related parties (note 43(c))	14,275,527	10,702,647
Deposits	1,678,069	1,690,378
Receivables from land resumption	10,232,107	—
Other receivables	4,719,242	3,780,485
	49,076,524	34,450,158
Less: loss allowance	(22,898)	(22,870)
	49,053,626	34,427,288
Prepaid value-added taxes and other taxes	3,004,166	2,823,755
Prepayments	1,012,226	608,390
	53,070,018	37,859,433
Less:		
Non-current proportion of interest receivable	(33,388)	—
Non-current proportion of prepayments	(132,090)	—
	52,904,540	37,859,433

Note:

Out of the total amount of approximately RMB18,172 million (2023: RMB18,277 million), interest-bearing balance amounted to approximately RMB636 million (2023: RMB908 million) as at 31 December 2024 which bears interest at a rate ranging from 0.35% to 4.35% (2023: from 0.35% to 4.35%) per annum.

The Group's other receivables, prepayments and deposits are mainly denominated in RMB.

The financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 27 DEPOSITS AND CASH

	2024 RMB'000	2023 RMB'000
<b>Current portion of deposits and cash</b>		
Time deposits	467,260	—
Charged bank deposits (note (a))	17,560,393	16,832,610
Cash and cash equivalents	29,728,316	29,265,250
	<b>47,755,969</b>	<b>46,097,860</b>
<b>Non-current portion of deposits</b>		
Time deposits	1,150,000	—
Deposit certificates (note (b))	1,080,000	—
Restricted bank deposits	63,280	—
	<b>2,293,280</b>	<b>—</b>

Note:

- (a) Charged bank deposits mainly represented guarantee deposits for construction. In accordance with relevant documents issued by local State-Owned Land and Resource Bureau, certain property development companies of the Group are required to place in designated bank certain amount of pre-sale proceeds of properties as guarantee deposits for constructions of related properties. The deposits can only be used for purchase of construction materials and settlement of construction fees of the relevant property projects. Such guarantee deposits will only be released after completion of related pre-sold properties or issuance of the real estate ownership certificate, whichever is the earlier.
- (b) The deposit certificates are deposited with creditworthy banks with no recent history of default. The deposit certificates are made for varying periods of between three months and three years, and earn interest at the respective fixed rates ranging from 2.60% to 2.65% per annum. The deposit certificates are classified and measured at amortised cost as they give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding and are held within a business model with the objective to hold in order to collect contractual cash flows.

Deposits and cash are denominated in the following currencies:

	2024 RMB'000	2023 RMB'000
HKD	1,182,928	809,021
RMB	48,845,177	45,131,322
USD	20,095	150,229
Others	1,049	7,288
	<b>50,049,249</b>	<b>46,097,860</b>

The Group's RMB balances are placed with banks in Chinese Mainland. The conversion of these RMB denominated balances into foreign currencies in Chinese Mainland is subject to rules and regulations of foreign exchange control promulgated by the Chinese Government.

The Group's bank deposits are mainly placed with major state-owned financial institutions.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 28 TRADE AND NOTES PAYABLES

	2024 RMB'000	2023 RMB'000
Trade payables	1,276,322	982,747
Notes payables	283,444	348,067
	<b>1,559,766</b>	<b>1,330,814</b>

The ageing analysis of the trade and notes payables based on invoice date is as follows:

	2024 RMB'000	2023 RMB'000
Within 90 days	871,845	654,785
91 to 180 days	159,880	359,338
181 to 365 days	437,228	230,604
1 to 2 years	71,650	69,951
Over 2 years	19,163	16,136
	<b>1,559,766</b>	<b>1,330,814</b>

Majority of the Group's trade and notes payables are denominated in RMB.

## 29 CONTRACT LIABILITIES

	2024 RMB'000	2023 RMB'000
Contract liabilities	<b>83,841,916</b>	<b>87,653,832</b>

- Revenue recognised in 2024 that was included in the contract liabilities balance as at 31 December 2023 amounted to approximately RMB 53,008 million (2023: RMB56,598 million).
- For sales of properties, the Group receives payments from customers based on billing schedules as established in contracts. Payments are usually received in advance of the performance under the contracts mainly of sales of properties. The decrease in contract liabilities was mainly attributable to the decrease in the Group's contracted sales.
- For property management services contract, the Group recognised revenue equals to the right to invoice amount when it corresponds directly with the value of the Group's performance obligations to the customers for these types of contracts. The majority of the property management service contracts do not have a fixed term.
- For other contracts, as a practical expedient, the Group does not need to disclose transaction price allocated to the remaining performance obligation as the performance obligation is part of a contract that has an original expected duration of one year or less.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 30 OTHER PAYABLES AND ACCRUED CHARGES

	2024 RMB'000	2023 RMB'000
Accrual for construction related costs	43,590,271	30,208,748
Amounts due to related parties (note 43(c))	33,699,913	26,925,427
Amounts due to NCI and related parties of NCI (note (a))	7,775,316	11,237,885
Payables under a supplier settlement scheme (note (b) and note 38(a))	8,790,425	11,127,195
Accrued employee benefits costs	913,514	1,479,196
Payables for value-added tax payables and other taxes	4,947,868	5,546,137
Other payables	6,965,321	4,705,619
	<b>106,682,628</b>	91,230,207
Less:		
Non-current proportion of amounts due to related parties, NCI and related parties of NCI	(607,151)	(779,031)
Others	—	(61,526)
	<b>106,075,477</b>	90,389,650

Notes:

- (a) Out of the total amount of approximately RMB7,775 million (2023: RMB11,238 million) was an interest-bearing balance amounting to approximately RMB 3,288 million (2023: RMB2,753 million) as at 31 December 2024 which bore interest at weighted average rate of 6.23% (2023: 6.41%) per annum. Except for an amount of approximately RMB1,140 million which is payable from 2025 to 2027 (31 December 2023: RMB2,062 million payable from 2024 to 2026), the remaining balance is repayable on demand.
- (b) The credit terms that the main suppliers grant to the Group are generally 2 months. The Group has established a supplier settlement scheme that are offered to some of the Group's key suppliers in Chinese Mainland. Under the supplier settlement scheme, the suppliers transfer their creditor's rights to external finance providers without recourses and obtain considerations to complete the settlement. The credit terms that granted to the Group would be extended by around 12 months from the time of transfer, and the Group would make the payments to the creditors before the maturity of such creditor's rights to complete the settlement. The Group provides no security to the finance providers.

The related non-cash transaction is disclosed in note 38(a) to the financial statements.

Majority of the Group's other payables and accrued charges are denominated in RMB.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 31 BORROWINGS

	2024 RMB'000	2023 RMB'000
<b>Non-current</b>		
Long-term bank borrowings		
– Secured (c)	18,694,314	23,518,139
– Unsecured	22,153,146	23,126,966
Other borrowings (a)		
– Unsecured	39,772,449	34,749,924
	<b>80,619,909</b>	<b>81,395,029</b>
<b>Current</b>		
Bank overdrafts	39	35
Short-term bank borrowings		
– Unsecured	2,361,692	1,988,524
Current portion of long-term bank borrowings		
– Secured (c)	10,432,974	5,872,217
– Unsecured	6,075,912	5,218,366
Other borrowings (a)		
– Unsecured	4,398,216	9,896,727
	<b>23,268,833</b>	<b>22,975,869</b>
Total borrowings	<b>103,888,742</b>	<b>104,370,898</b>

## (a) Other borrowings

	2024 RMB'000	2023 RMB'000
PRC corporate bonds (i)	23,724,528	24,221,809
Medium term notes (ii)	14,147,923	11,625,846
Private placement note (iii)	1,799,214	1,799,996
Real estate debt investment schemes	4,499,000	6,999,000
Total other borrowings	<b>44,170,665</b>	<b>44,646,651</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 31 BORROWINGS (Continued)

## (a) Other borrowings (Continued)

## (i) PRC corporate bonds

In 2019, the Group issued corporate bonds with an aggregate nominal value of RMB5,500 million, interest rates ranging from 3.60% to 3.93% per annum and with maturity between 3 years to 5 years. The net proceeds, after deducting the issuance costs, amounted to approximately RMB5,479 million. In 2022, corporate bonds of an amount of RMB4,000 million had matured and the Group adjusted the interest rate of the remaining corporate bonds amounting to RMB1,500 million to 2.53% per annum for the remaining period. Corporate bonds of an amount of RMB1,500 million were matured in 2024.

In 2021, the Group issued corporate bonds with an aggregate nominal value of RMB6,000 million with interest rates from 3.17% to 3.55% per annum and with maturity of 5 years to 7 years. The net proceeds, after deducting the issuance costs, amounted to approximately RMB5,995 million. The Group adjusted the interest rates of some corporate bonds with aggregated amounts of RMB3,000 million to 2.1% and 2.39%, respectively, in 2024. Corporate bonds of an amount of RMB1,500 million were matured in 2024.

In 2022, the Group issued corporate bonds with an aggregate nominal value of RMB9,840 million with interest rates from 2.78% to 3.43% per annum and with maturity of 5 years to 7 years. The net proceeds, after deducting the issuance costs, amounted to approximately RMB9,830 million.

In 2023, the Group issued corporate bonds with an aggregate nominal value of RMB6,900 million with interest rates from 2.98% to 3.63% per annum and with maturity of 5 years to 10 years. The net proceeds, after deducting the issuance costs, amounted to approximately RMB6,893 million.

In 2024, the Group issued corporate bonds with an aggregate nominal value of RMB2,500 million with interest rates from 2.15% to 2.78% per annum and with maturity of 5 years to 10 years. The net proceeds, after deducting the issuance costs, amounted to approximately RMB2,498 million.

Certain PRC corporate bonds contain early redemption options, which means that, the Group shall be entitled to adjust the coupon rate whereas the investors shall be entitled to sell back in whole or in part the bonds.

Guangzhou Yue Xiu Holdings Limited ("Guangzhou Yue Xiu"), the ultimate holding company, provides guarantees for all the above corporate bonds.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**31 BORROWINGS (Continued)****(a) Other borrowings (Continued)****(ii) Medium term notes**

In 2014, the Group issued medium term notes of HKD2,300 million with an interest rate of 6.10% per annum and maturity in 2029.

In 2021, the Group issued medium term notes with an aggregate nominal value of USD800 million with interest rates ranging from 2.80% to 3.80% per annum and with maturity of 5 to 10 years. The net proceeds, after deduction of issuance costs, amounted to approximately USD798 million.

In 2023, the Group issued guaranteed notes of RMB3,396 million with interest rates ranging from 3.80% to 4.00% per annum, which will mature three years after issuance. The net proceeds, after deduction of issuance costs, amounted to approximately RMB3,387 million.

In 2023, the Group issued guaranteed notes of RMB510 million with an interest rate of 4.00% per annum, which will mature three years after issuance. The net proceeds, after deduction of issuance costs, amounted to approximately RMB509 million.

In 2024, the Group issued additional guaranteed notes of RMB700 million with an interest rate of 4.00% per annum and maturity in 2026 (consolidated and formed a single series with the guaranteed notes of RMB510 million issued in 2023). Additionally, the Group issued guaranteed notes of RMB1,690 million with an interest rate of 4.10% per annum and maturity in 2027. The net proceeds, after deduction of issuance costs, amounted to approximately RMB2,384 million.

**(iii) Private placement note**

In 2019, the Group issued private placement note of an aggregate nominal value of RMB1,800 million with interest rate of 4.03% per annum and with maturity of 5 years. The net proceeds, after deduction of issuance costs, amounted to approximately RMB1,797 million. In 2022, the Group adjusted the interest rate to 3.2% per annum for the remaining period. Corporate bonds of an amount of RMB1,800 million were matured in 2024.

In 2024, the Group issued private placement note of an aggregate nominal value of RMB1,800 million with interest rates ranging from 2.20% to 2.32% per annum and with maturity of 5 years to 7 years. The net proceeds, after deduction of issuance costs, amounted to approximately RMB1,799 million.

- (b)** As at 31 December 2024, borrowings of the Group amounting to RMB7,620 million (2023: RMB9,194 million) were jointly guaranteed by the Group and NCI and related parties of NCI.

As at 31 December 2024, borrowings of the Group amounting to RMB728 million (2023: RMB1,438 million) were secured by equity interests of certain subsidiaries.

- (c)** Information of securities of the secured borrowings is set out in note 40 to the financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 31 BORROWINGS (Continued)

(d) The maturity of borrowings is as follows:

	Bank borrowings and overdrafts		Other borrowings	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Within one year	18,870,617	13,079,142	4,398,216	9,896,727
In the second year	18,316,417	17,989,031	15,961,229	4,796,826
In the third to fifth year	13,807,960	20,285,584	19,837,403	25,720,192
Over five years	8,723,083	8,370,490	3,973,817	4,232,906
	<b>59,718,077</b>	<b>59,724,247</b>	<b>44,170,665</b>	<b>44,646,651</b>

The fair values of the Group's non-current borrowings approximate their carrying amounts at the end of reporting period as the impact of discounting is not significant or the borrowings carry floating rate of interests.

The effective interest rates at the balance sheet date were as follows:

	2024			2023		
	HKD	RMB	USD	HKD	RMB	USD
Bank borrowings	5.98%	2.87%	—	5.48%	3.52%	—
Other borrowings	6.10%	3.48%	2.99%	6.22%	3.64%	3.69%
Bank overdrafts	6.71%	—	—	6.96%	—	—

The carrying amounts of the borrowings are denominated in the following currencies:

	2024 RMB'000	2023 RMB'000
HKD	13,124,085	12,144,179
RMB	85,024,128	86,572,838
USD	5,740,529	5,653,881
	<b>103,888,742</b>	<b>104,370,898</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 32 DERIVATIVE FINANCIAL INSTRUMENTS

The Group has the following derivative financial instruments:

	2024 RMB'000	2023 RMB'000
<b>Current assets</b>		
Capped forward foreign exchange contracts	—	40,096
Foreign currency forward contracts	—	189,440
Total current derivative financial instrument assets	—	229,536
<b>Non-current assets</b>		
Capped forward foreign exchange contracts	15,677	—
Foreign currency forward contracts	105,360	—
Total non-current derivative financial instrument assets	121,037	—
<b>Non-current liabilities</b>		
Capped forward foreign exchange contracts	(7,319)	—
Foreign currency forward contracts	(1,719)	(55,785)
Total non-current derivative financial instrument liabilities	(9,038)	(55,785)

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are accounted for as held for trading with gains (losses) recognised in profit or loss. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

**Cash flow hedge - Foreign currency risk**

At 31 December 2024, the Group had certain foreign currency forward contracts, which were being used to hedge the foreign currency exposure of certain fixed rate bank loans.

There is an economic relationship between the hedged items and the hedging instruments as the terms of these foreign currency forward contracts match the terms of the respective bank loans (i.e., notional amount and expected payment date). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risks of the foreign exchange contracts are identical to the hedged risk components. To measure the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## 32 DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

## Cash flow hedge - Foreign currency risk (Continued)

The movements of the Group's hedging reserves are as shown below:

	Cost of hedging reserve RMB'000	Cash flow hedge reserve – spot component of currency forwards RMB'000	Total hedge reserves RMB'000
As at 1 January 2023	(430,098)	(15,563)	(445,661)
Add: Change in fair value of hedging instrument recognised in OCI for the year	—	340,388	340,388
Add: Costs of hedging deferred and recognised in OCI	133,445	—	133,445
Less: Reclassified from OCI to profit or loss	105,359	(305,706)	(200,347)
As at 31 December 2023 and 1 January 2024	<b>(191,294)</b>	<b>19,119</b>	<b>(172,175)</b>
Add: Change in fair value of hedging instrument recognised in OCI for the year	—	136,117	136,117
Add: Costs of hedging deferred and recognised in OCI	5,709	—	5,709
Less: Reclassified from OCI to profit or loss	65,462	(122,922)	(57,460)
As at 31 December 2024	<b>(120,123)</b>	<b>32,314</b>	<b>(87,809)</b>

In addition to the amounts disclosed in the reconciliation of hedging reserves above, the following amounts were recognised in profit or loss in relation to derivatives:

	2024 RMB'000	2023 RMB'000
Net gain on foreign currency forward contracts not qualifying as hedges included in finance costs (note 8)	91,791	125,057
Hedge ineffectiveness of foreign currency forward contracts - amount recognised in finance costs	43,122	4,364

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## 33 DEFERRED TAXATION

Deferred taxation is calculated in full on temporary differences under the liability method using the applicable income tax rate. The majority of the deferred tax assets and liabilities are expected to be recovered after more than 12 months.

The movements in deferred tax assets (prior to offsetting of balances within the same taxation jurisdiction) during the year are as follows:

	Provision for accrued LAT and others RMB'000	Provision for impairment of properties and revaluation of properties RMB'000	Tax losses RMB'000	Total RMB'000
At 1 January 2024	644,760	1,510,074	1,543,829	3,698,663
Credited to profit or loss during the year	792,406	301,876	1,098,975	2,193,257
At 31 December 2024	1,437,166	1,811,950	2,642,804	5,891,920

	Provision for accrued LAT and others RMB'000	Provision for impairment of properties and revaluation of properties RMB'000	Tax losses RMB'000	Total RMB'000
At 1 January 2023	783,731	1,176,547	715,103	2,675,381
Acquisition of a subsidiary	—	—	139,026	139,026
Credited/(charged) to profit or loss during the year	(138,971)	333,527	689,700	884,256
At 31 December 2023	644,760	1,510,074	1,543,829	3,698,663

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 33 DEFERRED TAXATION (Continued)

The movements in deferred tax liabilities (prior to offsetting of balances within the same jurisdiction), during the year are as follows:

	Revaluation of properties and others RMB'000	Revaluation of financial assets at FVOCI RMB'000	Withholding tax on profit to be distributed in future RMB'000	Total RMB'000
At 1 January 2024	3,290,473	230,368	2,573,449	6,094,290
Disposal of subsidiaries	(607,900)	—	—	(607,900)
Credited to profit or loss during the year	(25,483)	—	(19,313)	(44,796)
Credited to reserves	—	(8,011)	—	(8,011)
At 31 December 2024	<u>2,657,090</u>	<u>222,357</u>	<u>2,554,136</u>	<u>5,433,583</u>

	Revaluation of properties and others RMB'000	Revaluation of financial assets at FVOCI RMB'000	Withholding tax on profit to be distributed in future RMB'000	Total RMB'000
At 1 January 2023	3,339,916	236,576	2,564,172	6,140,664
(Credited)/charged to profit or loss during the year	(49,443)	—	9,277	(40,166)
Credited to reserves	—	(6,208)	—	(6,208)
At 31 December 2023	<u>3,290,473</u>	<u>230,368</u>	<u>2,573,449</u>	<u>6,094,290</u>

As at 31 December 2024, the Group has not recognised deferred tax liabilities of RMB378,453,000 (2023: RMB22,619,000) in respect of temporary differences relating to the undistributed profits of subsidiaries, amounting to RMB7,569,057,000 (2023: RMB452,383,000), that would be payable on the distribution of these profits as the Company controls the dividend policy of these subsidiaries and it is probable that these profits will not be distributed in the foreseeable future.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**33 DEFERRED TAXATION (Continued)**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown on the consolidated balance sheet:

	<b>2024</b> <b>RMB'000</b>	2023 RMB'000
Deferred tax assets	<b>5,891,920</b>	3,698,663
Set-off of deferred tax liabilities pursuant to set-off provisions	<b>(1,427,130)</b>	(223,983)
	<b>4,464,790</b>	3,474,680
Deferred tax liabilities	<b>(5,433,583)</b>	(6,094,290)
Set-off of deferred tax liabilities pursuant to set-off provisions	<b>1,427,130</b>	223,983
	<b>(4,006,453)</b>	(5,870,307)
Deferred income tax assets/(liabilities), net	<b>458,337</b>	(2,395,627)

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxation profits is probable. As at 31 December 2024, the Group had unrecognised deferred tax benefits of approximately RMB1,981 million (2023: RMB1,507 million) in respect of tax losses of approximately RMB8,371 million (2023: RMB6,475 million). Tax losses amounting to RMB7,058 million (2023: RMB5,162 million) will expire at various dates up to and including 2029 (2023: 2028). The remaining tax losses have no expiry date.

**34 SHARE CAPITAL**

	<b>Number of shares 2024 ( '000)</b>	Number of shares 2023 ( '000)	<b>Share capital 2024 RMB'000</b>	Share capital 2023 RMB'000
As at 1 January	<b>4,025,393</b>	3,096,456	<b>25,545,008</b>	18,035,015
Rights issue (note)	<b>—</b>	928,937	<b>—</b>	7,509,993
As at 31 December	<b>4,025,393</b>	4,025,393	<b>25,545,008</b>	25,545,008

Note:

A rights issue of 30 rights share for every 100 existing shares held by members on the register of qualifying shareholders on 10 May 2023 was made, at an issue price of HKD9.00 per rights share, resulting in the issue of 928,936,826 shares for a total cash consideration, before expenses, of HKD8,360 million.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 35 SHARES HELD UNDER SHARE AWARD SCHEME

**Adoption of the share award scheme**

The share award scheme for employees of the Group was adopted by the Board of the Company on 17 March 2017 (the "Adoption Date"). The share award scheme shall be valid and effective for nine years commencing from the Adoption Date (the "Scheme Period"), subject to any early termination as may be determined by the Board.

**Scheme Limit**

The total number of shares awarded under the share award scheme shall not exceed 3% (the "Scheme Limit") of the number of shares in issue as at the Adoption Date, and the Board may from time to time "refresh" the Scheme Limit provided that the total number of scheme shares awarded and to be awarded must not exceed 5% of the number of shares in issue as at the date of the resolution to approve the "refreshed" limit.

**Operation**

Pursuant to the scheme rules of the share award scheme (the "Scheme Rules"), the Board of the Company may from time to time at its absolute discretion select any employee to be a selected senior management participant and determine and allocate the number of shares to be granted to a selected participant pursuant to an award in accordance with the Scheme Rules. The Company has entered into a trust deed with the trustee (the "Trustee") for implementing the share award scheme. The Group will pay to the Trustee the purchase monies for the purchase of shares for the purpose of the share award scheme, and the Trustee shall apply the full amount of such purchase monies received from the Group for the purchase of the maximum number of shares from the market and shall hold such shares on trust during the Scheme Period.

	Number of shares (‘000)	Cost of acquired shares RMB‘000
At 1 January 2023	26,334	175,520
Acquisition of shares by the Trust	3,558	27,382
Shares granted to employees	(12,279)	(81,372)
At 31 December 2023 and 1 January 2024	17,613	121,530
Acquisition of shares by the Trust	—	—
Shares granted to employees	(10,325)	(67,193)
At 31 December 2024	7,288	54,337

10,324,837 shares were granted to the relevant selected participants during the year ended 31 December 2024 (2023: 12,279,380 shares). As at 31 December 2024, the total number of issued ordinary shares of the Company included 7,288,110 (2023: 17,612,947) shares held under the share award scheme.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**36 RESERVES**

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 122 and 123 of the financial statements.

Statutory reserves represent enterprise expansion and general reserve funds set up by the subsidiaries, joint ventures and associates in Chinese Mainland. As stipulated by regulations in Chinese Mainland, the Company's subsidiaries, joint ventures and associates established and operated in Chinese Mainland are required to appropriate a portion of their after-tax profits (after offsetting prior year losses) to the enterprise expansion and general reserve funds, at rates determined by their respective boards of directors. The general reserve funds may be used for making up losses and increasing capital while the enterprise expansion funds may only be used for increasing capital.

**37 DISPOSAL OF A SUBSIDIARY**

On 3 December 2024, the Group entered into an equity transaction agreement to transfer a 100% equity interest in Guangzhou Grandcity Development Ltd. (廣州宏城發展有限公司) to a third party, at a cash consideration of approximately RMB1,092 million.

Details of the net assets disposed of and the gain are as follows:

	2024 RMB'000
Assets and liabilities disposed of:	
Investment properties	3,387,700
Properties held for sale	5,368
Trade receivables	3,992
Other receivables, prepayments and deposits	141,909
Prepaid taxation	30,489
Cash and cash equivalents	102,076
Trade and note payables	(93,842)
Other payables and accruals	(608,082)
Contract liabilities	(10,105)
Taxation payable	(20,438)
Borrowings	(2,106,900)
Deferred tax liabilities	(607,900)
	224,267
Gains on disposal of a subsidiary	867,816
Total consideration	1,092,083
Satisfied by:	
Cash	1,092,083

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**37 DISPOSAL OF A SUBSIDIARY** (Continued)

Analysis of net inflow of cash and cash equivalents in respect of disposal of the subsidiary:

	2024 RMB'000
Cash received	1,092,083
Cash and bank balance disposed of	(102,076)
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	990,007

**38 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS****(a) Changes in liabilities arising from financing activities**

	Borrowings (excluding overdraft) RMB'000	Derivative financial instruments RMB'000	Payables under supplier settlement scheme RMB'000	Lease liabilities RMB'000	Other payables RMB'000
<b>Liabilities from financing activities as at 1 January 2024</b>	(104,370,863)	(55,785)	(11,127,195)	(839,021)	(22,260,606)
Financing cash flows	12,460,070	(350,491)	7,263,485	282,184	(3,458,033)*
Foreign exchange adjustments	(368,622)	—	—	—	—
New leases	—	—	—	(223,121)	—
Interest expense on lease liabilities	—	—	—	(29,785)	—
Acquisition of subsidiaries	(13,698,877)	—	—	—	109
Disposal of a subsidiary	2,106,900	—	—	—	—
Changes in fair values	—	54,066	—	—	—
Increase arising from supplier finance arrangements	—	—	(4,926,715)	—	—
Other changes (note)	(17,311)	343,172	—	22,032	(830,722)
<b>Liabilities from financing activities as at 31 December 2024</b>	<b>(103,888,703)</b>	<b>(9,038)</b>	<b>(8,790,425)</b>	<b>(787,711)</b>	<b>(26,549,252)</b>

\* Financing cash flows excluded the changes in amounts due from related parties and NCI and related parties of NCI of RMB2,590,937,000.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## 38 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

## (a) Changes in liabilities arising from financing activities (Continued)

	Borrowings (excluding overdraft) RMB'000	Derivative financial instruments RMB'000	Payables under supplier settlement scheme RMB'000	Lease liabilities RMB'000	Other payables RMB'000
<b>Liabilities from financing activities as at 1 January 2023</b>	(88,298,334)	(396,331)	(9,709,019)	(891,594)	(24,875,714)
Financing cash flows	(8,309,459)	5,415	10,347,824	185,402	2,509,942*
Foreign exchange adjustments	(309,973)	—	—	—	—
New leases	—	—	—	(129,671)	—
Interest expense on lease liabilities	—	—	—	(29,945)	—
Acquisition of subsidiaries	(7,429,397)	—	—	—	99,990
Changes in fair values	—	121,621	—	—	—
Increase arising from supplier finance arrangements	—	—	(11,766,000)	—	—
Other changes (note)	(23,700)	213,510	—	26,787	5,176
<b>Liabilities from financing activities as at 31 December 2023</b>	<u>(104,370,863)</u>	<u>(55,785)</u>	<u>(11,127,195)</u>	<u>(839,021)</u>	<u>(22,260,606)</u>

\* Financing cash flows excluded the changes in amounts due from related parties and NCI and related parties of NCI of RMB9,118,965,000.

Notes: Other changes include non-cash transactions, mainly including accrued interest expenses, offsetting amounts due to related parties against dividends receivable due from related parties and conversion of amounts due to NCI as capital injection from NCI to subsidiaries.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 38 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

## (b) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

	2024 RMB'000	2023 RMB'000
Within operating activities	27,541	86,945
Within financing activities	282,184	185,402
	<b>309,725</b>	<b>272,347</b>

## 39 GUARANTEES

	2024 RMB'000	2023 RMB'000
Guarantees for mortgage facilities granted to certain property purchasers of the Group's properties (note (a))	44,114,243	42,364,438
Guarantees for banking and loan facilities granted to associates and joint ventures (note (b))	6,553,980	9,316,400
	<b>50,668,223</b>	<b>51,680,838</b>

Notes:

- (a) The Group provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal titles of the related properties. Such guarantees shall terminate upon issuance of the relevant property ownership certificates.
- (b) As at 31 December 2024, certain subsidiaries of the Group provided guarantees up to a limit of approximately RMB6,554 million (2023: RMB9,316 million) in respect of loans borrowed by certain joint ventures and associates of the Group, among which guarantees of approximately RMB725 million (2023: RMB2,385 million) were utilised and guarantees of approximately RMB5,829 million (2023: RMB6,931 million) were not utilised yet.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**40 SECURITIES FOR BANKING FACILITIES AND BORROWINGS**

At 31 December 2024, certain banking facilities and borrowings granted to the Group were secured by mortgages of certain of the Group's properties under development and properties held for sale, investment properties, right-of-use assets and property, plant and equipment with aggregate carrying values of approximately RMB50,501 million (2023: RMB45,243 million), RMB1,681 million (2023: RMB156 million), Nil (2023: RMB4,292 million), RMB980 million (2023: Nil) and Nil (2023: RMB530 million), respectively.

**41 COMMITMENTS**

As at 31 December 2024, the Group did not have contractual commitments in respect of purchases of property, plant and equipment (2023: Nil).

**42 NON-CONTROLLING INTERESTS**

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised statement of financial position	廣州宏勝 房地產開發有限公司		廣州東耀 房地產開發有限公司	
	31 December 2024 RMB'000	31 December 2023 RMB'000	31 December 2024 RMB'000	31 December 2023 RMB'000
Current assets	9,059,083	9,354,421	5,407,065	5,281,179
Current liabilities	1,118,443	1,470,421	1,146,019	923,302
Current net assets	7,940,640	7,884,000	4,261,046	4,357,877
Non-current assets	132,150	44,081	188,023	188,040
Non-current liabilities	—	—	—	—
Non-current net assets	132,150	44,081	188,023	188,040
Net assets	8,072,790	7,928,081	4,449,069	4,545,917
Accumulated NCI	3,955,667	3,884,760	2,180,044	2,227,499



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 42 NON-CONTROLLING INTERESTS (Continued)

Summarised statement of comprehensive income	廣州宏勝房地產開發有限公司		廣州東耀房地產開發有限公司	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Revenue	28,852	433,195	814,414	4,808,765
Profit/(loss) for the year	144,709	63,131	(96,848)	160,949
Other comprehensive income	—	—	—	—
Total comprehensive income/(loss)	144,709	63,131	(96,848)	160,949
Profit/(loss) allocated to NCI	70,907	30,934	(47,455)	78,865
Dividends paid to NCI	—	—	—	—

Summarised cash flows	廣州宏勝房地產開發有限公司		廣州東耀房地產開發有限公司	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Cash flows (used in)/from operating activities	(444,556)	(728,214)	307,068	175,933
Cash flows from/(used in) investing activities	422,985	(161)	(531,027)	(146)
Cash flows from/(used in) financing activities	84	(62,349)	(670)	(452,416)
Net decrease in cash and cash equivalents	(21,487)	(790,724)	(224,629)	(276,629)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 42 NON-CONTROLLING INTERESTS (Continued)

Summarised statement of financial position	廣州市品秀房地產開發有限公司		廣州市品悅房地產開發有限公司		廣州市品薈房地產開發有限公司	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Current assets	8,989,173	9,696,055	2,959,770	4,486,944	4,753,608	6,832,957
Current liabilities	3,543,248	3,320,288	1,378,102	2,953,458	1,823,210	3,436,953
Current net assets	5,445,925	6,375,767	1,581,668	1,533,486	2,930,398	3,396,004
Non-current assets	2,318,624	1,905,419	2,141,908	2,048,182	1,741,129	1,518,530
Non-current liabilities	1,748,307	1,802,596	3,944	—	57,099	436,297
Non-current net assets	570,317	102,823	2,137,964	2,048,182	1,684,030	1,082,233
Net assets	6,016,242	6,478,590	3,719,632	3,581,668	4,614,428	4,478,237
Accumulated NCI	842,274	907,002	1,822,620	1,755,017	2,261,069	2,194,335

Summarised statement of comprehensive income	廣州市品秀房地產開發有限公司		廣州市品悅房地產開發有限公司		廣州市品薈房地產開發有限公司	
	2024	2023	2024	2023	2024	2023
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	499,411	3,392,788	970,355	5,473,631	3,617,582	1,411,301
(Loss)/profit for the year	(462,348)	(160,507)	137,964	958,400	136,191	(387,578)
Other comprehensive income	—	—	—	—	—	—
Total comprehensive (loss)/income	(462,348)	(160,507)	137,964	958,400	136,191	(387,578)
(Loss)/profit allocated to NCI	(64,728)	(22,472)	67,603	469,616	66,734	(189,914)
Dividends paid to NCI	—	—	—	—	—	—

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 42 NON-CONTROLLING INTERESTS (Continued)

Summarised cash flows	廣州市品秀房地產開發有限公司		廣州市品悅房地產開發有限公司		廣州市品薈房地產開發有限公司	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Cash flows (used in)/from operating activities	(99,166)	(325,803)	(1,169,407)	(261,869)	714,846	605,906
Cash flows used in investing activities	(44)	(19)	(171,500)	—	(98,015)	(13)
Cash flows used in financing activities	(94,175)	(55,612)	(16,484)	(2,695)	(376,002)	(961,374)
Net (decrease)/increase in cash and cash equivalents	(193,385)	(381,434)	(1,357,391)	(264,564)	240,829	(355,481)

Summarised statement of financial position	廣州市品輝房地產開發有限公司		廣州市品冠房地產開發有限公司	
	31 December 2024 RMB'000	31 December 2023 RMB'000	31 December 2024 RMB'000	31 December 2023 RMB'000
Current assets	5,859,068	7,307,225	3,839,959	6,258,574
Current liabilities	1,236,837	2,958,792	1,061,485	3,536,281
Current net assets	4,622,231	4,348,433	2,778,474	2,722,293
Non-current assets	238	363	63,550	267
Non-current liabilities	134,427	210,743	—	96,568
Non-current net (liabilities)/assets	(134,189)	(210,380)	63,550	(96,301)
Net assets	4,488,042	4,138,053	2,842,024	2,625,992
Accumulated NCI	2,199,141	2,027,646	1,392,592	1,286,736

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 42 NON-CONTROLLING INTERESTS (Continued)

**Summarised statement of comprehensive income**

	廣州市品輝房地產開發有限公司		廣州市品冠房地產開發有限公司	
	2,024	2,023	2,024	2,023
	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	1,809,085	5,681,837	3,623,258	1,675,062
Profit for the year	349,989	653,890	216,032	204,126
Other comprehensive income	—	—	—	—
Total comprehensive income	349,989	653,890	216,032	204,126
Profit allocated to NCI	171,495	320,406	105,856	100,022
Dividends paid to NCI	—	91,888	—	—

**Summarised cash flows**

	廣州市品輝房地產開發有限公司		廣州市品冠房地產開發有限公司	
	2024	2023	2024	2023
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows (used in)/from operating activities	(822,833)	619,898	217,092	1,567,049
Cash flows used in investing activities	(205,800)	(14)	(1,030,200)	—
Cash flows used in financing activities	(1,157)	(442,464)	(2,077)	(1,020,080)
Net (decrease)/increase in cash and cash equivalents	(1,029,790)	177,420	(815,185)	546,969

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 43 SIGNIFICANT RELATED PARTY TRANSACTIONS

## (a) Related parties

The Company's ultimate holding company is Guangzhou Yue Xiu Holdings Limited, which was established in Chinese Mainland. The table below summarises the names of related parties, with whom the Group has significant transactions during the year, and their relationship with the Company as at 31 December 2024:

Significant related parties	Relationship with the Company
Guangzhou Yue Xiu	Ultimate holding company
Yue Xiu Enterprises (Holdings) Limited	Immediate holding company
Guangzhou Metro Group Co., Ltd. ("Guangzhou Metro")	The substantial shareholder
Yuexiu REIT	An associate
廣州合錦嘉苑房地產開發有限公司	An associate
廣州越宏房地產開發有限公司	An associate
廣州雋浩房地產開發有限公司	An associate
廣州穗昭置業有限公司	An associate
廣州越創房地產開發有限公司	An associate
廣州裕秀房地產開發有限公司	An associate
肥西和順地產有限公司	An associate
合肥和冉房地產開發有限公司	An associate
蘇州國越置業有限公司	An associate
廣州市悅匯城商業經營管理有限公司	An associate
廣州粵恒房地產開發有限公司	An associate
長沙長越房地產開發有限公司	An associate
杭州疆悅置業有限公司	An associate
廣州市品臻房地產開發有限公司	An associate
湖北宏秀房地產開發有限公司	A joint venture
武漢安和盛泰房地產開發有限公司	A joint venture
青島昌明置業有限公司	A joint venture
Chong Hing Bank Limited	A fellow subsidiary
Smart Light Group Limited	A fellow subsidiary
廣州越秀住房租賃發展投資有限公司	A fellow subsidiary

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 43 SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

## (b) Transactions with related parties

	2024 RMB'000	2023 RMB'000
(I) Interest income (note 7)		
– associates	98,441	119,408
– joint ventures	60,490	139,309
	158,931	258,717
– a fellow subsidiary (bank deposits)	39,532	75,869
	198,463	334,586
(II) Interest expense (note 8)		
– ultimate holding company	(185,319)	(90,254)
– immediate holding company	(150,137)	(309,529)
– associates	(120,722)	(35,403)
– a fellow subsidiary	(33,208)	(45,634)
– an entity with significant influence over certain subsidiaries	—	(9,438)
	(489,386)	(490,258)
(III) Addition of right-of-use assets		
– associates	51,374	37,041
	51,374	37,041
(IV) Rental income		
– associates	78,965	18,233
– fellow subsidiaries	28,647	29,284
	107,612	47,517
(V) Short-term leases rental expenses		
– associates	(34,596)	(36,218)
– immediate holding company	(88)	(2,359)
– the substantial shareholder	—	(699)
	(34,684)	(39,276)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 43 SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

## (b) Transactions with related parties (Continued)

	2024 RMB'000	2023 RMB'000
(VI) Consideration for acquisition of a subsidiary – a fellow subsidiary	14,972	—
	14,972	—
(VII) Revenue from sales of property development – a fellow subsidiary	62,023	—
	62,023	—
(VIII) Revenue from sales of materials – associates	370,023	218,945
– joint ventures	77,671	230,048
	447,694	448,993
(IX) Property management service income – the substantial shareholder	225,410	187,515
– associates	161,457	53,858
– fellow subsidiaries	67,849	33,330
– joint ventures	34,057	20,311
	488,773	295,014
(X) Construction service income – associates	49,267	47,169
– fellow subsidiaries	39,469	19,179
– joint ventures	8,507	11,775
	97,243	78,123
(XI) Others Tenancy service fees income from an associate	28,343	28,548
Naming right expense to an associate	—	(20,000)

The price of above transactions were determined in accordance with the terms as agreed among the relevant contracting parties.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 43 SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

## (c) Balances with related parties

	Notes	2024 RMB'000	2023 RMB'000
Amount due from recorded in current assets			
– entities with significant influence over certain subsidiaries	(i), (ii)	5,666,617	5,613,697
– associates	(ii), (iii)	4,456,692	2,151,044
– the substantial shareholder	(i), (ii)	2,940,167	2,132,629
– joint ventures	(ii), (iv)	1,174,898	769,940
– fellow subsidiaries	(i), (ii)	37,153	35,337
Amount due from recorded in non-current assets	(v)		
– associates		1,451,677	1,527,581
– joint ventures		1,645,053	1,743,591
Amount due to			
– associates	(ii), (vi)	(28,659,016)	(19,318,826)
– immediate holding company	(ii), (vii)	(1,678,024)	(3,735,956)
– joint ventures	(i), (ii)	1,697,420	(2,261,178)
– fellow subsidiaries	(i), (ii)	(876,682)	(857,406)
– the substantial shareholder	(ii), (viii)	(424,648)	(409,162)
– entities with significant influence over certain subsidiaries	(ii), (ix)	(242,395)	(242,395)
– ultimate holding company	(i), (ii)	(121,728)	(100,504)
Bank deposits in a fellow subsidiary	(x)	3,160,819	3,231,483
Bank borrowing from a fellow subsidiary	(xi)	(926,200)	(956,920)
Lease liabilities	(xii)		
– fellow subsidiaries		(169,062)	(193,665)
– associates		(106,683)	(95,576)
Trade and notes receivables from	(xiii)		
– associates		327,951	148,017
– joint ventures		180,337	233,022
– the substantial shareholder		78,326	55,132
– fellow subsidiaries		43,393	25,072

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 43 SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

## (c) Balances with related parties (Continued)

Except for the amounts denominated in HKD and USD listed below, other balances with related parties are denominated in RMB.

	2024 RMB'000	2023 RMB'000
Denominated in HKD		
Amount due from a joint venture	22,354	21,876
Bank deposit in a fellow subsidiary	12,412	5,515
Denominated in USD		
Bank deposit in a fellow subsidiary	338	2,457
Amount due from an associate	646,956	637,443

Notes:

- (i) These balances are unsecured, interest-free and repayable or receivable on demand.
- (ii) These balances are included in other receivables, prepayments and deposits or other payables and accrued charges, as appropriate.
- (iii) Except for an amount of approximately RMB1,243,210,000 (2023: RMB126,700,000), which are unsecured and interest-bearing at a weighted average rate of 7.33% per annum (2023: 8.00%) respectively, the remaining balances are unsecured, interest-free and receivable on demand.
- (iv) Except for an amount of approximately RMB8,000,000 (2023: RMB28,440,000), which is unsecured and interest-bearing at a weighted average rate of 15.00% per annum (2023: 12.61%), the remaining balances are unsecured, interest-free and receivable on demand.
- (v) These balances are included in interests in joint ventures and interests in associates. Except for the amounts of approximately RMB410,733,000 (2023: RMB1,454,063,000), which are unsecured and interest-bearing at a weighted average rate of 6.66% (2023: 6.64%) per annum respectively, the remaining balances are unsecured and interest-free.
- (vi) Except for the amounts of approximately RMB297,846,000 (2023: RMB606,727,000), which are unsecured and interest-bearing at a weighted average rate of 4.98% (2023: 4.99%) per annum respectively, the remaining balances are unsecured, interest-free and repayable on demand.
- (vii) The balances as at 31 December 2024 were unsecured, interest-free and repayable on demand. Interest incurred for loans from immediate holding company during the year ended 31 December 2024 was charged at 6.06% per annum (2023: 6.04%).
- (viii) The amounts due to the substantial shareholder, Guangzhou Metro, which are unsecured, interest-free and repayable in 2026 (2023: same).
- (ix) Except for an amount of approximately RMB163,311,000 (2023: RMB163,311,000), which is unsecured and interest-bearing at 5.7% (2023: 5.7%) per annum, the remaining balances are unsecured, interest-free and repayable on demand.
- (x) These balances are bank deposits maintained with fellow subsidiaries on normal commercial terms.
- (xi) These balances were unsecured and interest-bearing at 3.30% (2023: 3.65%) per annum.
- (xii) The Group leases office premises from associates and fellow subsidiaries. The monthly rents payable by the Group during the leasing terms are determined with reference to the prevailing market prices.
- (xiii) The balances are receivable from Guangzhou Metro, joint ventures, associates and fellow subsidiaries for the provision of property management services, construction services, agency services or materials on normal commercial terms.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**43 SIGNIFICANT RELATED PARTY TRANSACTIONS** (Continued)**(d) Key management compensation**

The aggregate amounts of emoluments paid or payable to key management of the Group are as follows:

	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
Fees	<b>1,773</b>	1,667
Other emoluments:		
Basis salaries, housing allowances, other allowances and benefits in kind	<b>7,444</b>	21,356
Pension costs	<b>258</b>	600
	<b>9,475</b>	23,623

**(e) Received guarantees**

- (i) Guangzhou Yue Xiu provides a corporate guarantee for the borrowings of the Group amounting to approximately RMB25,524 million as at 31 December 2024 (2023: RMB24,222 million).

**(f) Provision of guarantees**

The Group provides guarantees for the borrowings of associates and joint ventures, as further detailed in note 39 to the financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## 44 FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

## 2024

*Financial assets*

	Financial assets at fair value through profit or loss- Mandatorily designated as such RMB'000	Financial assets at fair value through other comprehensive income - Equity investments RMB'000	Financial assets at amortised cost RMB'000	Total RMB'000
Financial assets at fair value through other comprehensive income	—	967,085	—	967,085
Derivative financial instruments	121,037	—	—	121,037
Trade and note receivables	—	—	1,307,480	1,307,480
Financial assets included in other receivables, prepayments and deposits	—	—	49,053,626	49,053,626
Time deposits and other restricted deposits - non-current portion	—	—	2,293,280	2,293,280
Time deposits	—	—	467,260	467,260
Charged bank deposits	—	—	17,560,393	17,560,393
Cash and cash equivalents	—	—	29,728,316	29,728,316
Total	121,037	967,085	100,410,355	101,498,477

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 44 FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

## 2024 (Continued)

## Financial liabilities

	Financial liabilities at fair value through profit or loss RMB'000	Financial liabilities at amortised cost RMB'000	Total RMB'000
Trade and note payables	—	1,559,766	1,559,766
Financial liabilities included in other payables and accrued charges	—	100,821,246	100,821,246
Borrowings	—	103,888,742	103,888,742
Derivative financial instruments	9,038	—	9,038
Total	9,038	206,269,754	206,278,792

## 2023

## Financial assets

	Financial assets at fair value through profit or loss- Mandatorily designated as such RMB'000	Financial assets at FVOCI - Equity investments RMB'000	Financial assets at amortised cost RMB'000	Total RMB'000
Financial assets at fair value through other comprehensive income	—	999,130	—	999,130
Derivative financial instruments	229,536	—	—	229,536
Trade and note receivables	—	—	846,308	846,308
Financial assets included in other receivables, prepayments and deposits	—	—	34,427,288	34,427,288
Charged bank deposits	—	—	16,832,610	16,832,610
Cash and cash equivalents	—	—	29,265,250	29,265,250
Total	229,536	999,130	81,371,456	82,600,122

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 44 FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

## 2023 (Continued)

## Financial liabilities

	Financial liabilities at fair value through profit or loss RMB'000	Financial liabilities at amortised cost RMB'000	Total RMB'000
Trade and note payables	—	1,330,814	1,330,814
Financial liabilities included in other payables and accrued charges	—	84,204,874	84,204,874
Borrowings	—	104,370,898	104,370,898
Derivative financial instruments	55,785	—	55,785
Total	55,785	189,906,586	189,962,371

## 45 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
<b>Financial assets</b>				
Financial assets at FVOCI	967,085	999,130	967,085	999,130
Derivative financial instruments	121,037	229,536	121,037	229,536
Total	1,088,122	1,228,666	1,088,122	1,228,666
<b>Financial liabilities</b>				
Borrowings	103,888,742	104,370,898	103,888,742	104,370,898
Derivative financial instruments	9,038	55,785	9,038	55,785
Total	103,897,780	104,426,683	103,897,780	104,426,683

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**45 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)**

Management has assessed that the fair values of trade and notes receivables, other receivables, time deposits and other restricted deposits, charged bank deposits, cash and cash equivalents, trade and notes payables, financial instruments included in other payables and accrued charges approximate to their carrying amounts largely due to the interest rate for receivable/payable is close to current market rates or the instruments are short-term in nature.

The Group's finance department includes a team that reviews the valuations performed by the independent valuers for financial reporting purposes, including level 3 fair values. This team reports directly to the senior management. Discussions of valuation processes and results are held between the management and valuers at least once every six months, in line with the Group's interim and annual reporting dates.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- (a) The fair values of interest-bearing bank loans have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for borrowings as at 31 December 2024 were assessed to be insignificant.
- (b) The fair values of financial assets at FVOCI are determined using either (1) the Guideline Public Company Method by using the appropriate market multiples of comparable public company peers in the same or a similar industry; or (2) the Summation Method by the addition of the separate values of their components.
- (c) The fair values of foreign currency forward contracts are determined using present value of future cash flows based on the forward exchange rates at the end of reporting period.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 45 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Set out below is a summary of significant unobservable inputs to the valuation of financial instruments:

Description	Fair value at 31 December 2024 RMB'000	Valuation technique	Unobservable inputs	Weighted average	
Unlisted equity security	4,417	Summation method	Value of each asset/liability	N/A	
Unlisted equity security	962,668	Guideline public company method	(1) Discount of lack of marketability	(1)	40%
			(2) Applicable Price Earnings Ratio	(2)	9.70
Description	Fair value at 31 December 2023 RMB'000	Valuation technique	Unobservable inputs	Weighted average	
Unlisted equity security	4,885	Summation method	Value of each asset/liability	N/A	
Unlisted equity security	994,245	Guideline public company method	(1) Discount of lack of marketability	(1)	40%
			(2) Applicable Price Earnings Ratio	(2)	11.39

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 45 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

**Fair value hierarchy**

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

**Assets measured at fair value:****As at 31 December 2024**

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Derivative financial instrument	—	121,037	—	121,037
Financial assets at FVOCI	—	—	967,085	967,085
Total	—	121,037	967,085	1,088,122

**As at 31 December 2023**

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Derivative financial instrument	—	229,536	—	229,536
Financial assets at FVOCI	—	—	999,130	999,130
Total	—	229,536	999,130	1,228,666

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 45 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

## Liabilities measured at fair value:

As at 31 December 2024

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Derivative financial instruments	—	9,038	—	9,038

As at 31 December 2023

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Derivative financial instruments	—	55,785	—	55,785

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 45 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

## Liabilities disclosed at fair value:

*As at 31 December 2024*

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Borrowings	—	103,888,742	—	103,888,742

*As at 31 December 2023*

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Borrowings	—	104,370,898	—	104,370,898

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 46 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

#### Market risk

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

A majority of the subsidiaries of the Group operate in Chinese Mainland with most of their transactions denominated in RMB. The Group is exposed to foreign exchange risk arising from the exposure of RMB against Hong Kong dollars ("HKD") and United States dollars ("USD") for certain cash and bank balances of approximately RMB782 million (2023: RMB544 million) and borrowings of approximately RMB3,059 million (2023: RMB2,311 million) which were denominated in HKD and cash and bank balances of approximately RMB20 million (2023: RMB150 million) and borrowings of approximately RMB5,741 million (2023: RMB5,653 million) which were denominated in USD as at 31 December 2024. The Group has entered into several forward exchange contracts to hedge its exposure to foreign currency risk during the year ended 31 December 2024.

At 31 December 2024, if RMB had strengthened/weakened by 5 percent against HKD and USD with all other variables held constant (assuming no capitalisation of exchange difference), post-tax profit for the year would have been approximately RMB85 million higher/lower (2023: post-tax profit RMB67 million higher/lower), mainly as a result of the net foreign exchange gains on translation of monetary assets and liabilities denominated in HKD and USD.

##### (ii) *Cash flow and fair value interest rate risk*

The Group's exposure to changes in interest rates is mainly attributable to its borrowings at fixed rate which expose the Group to fair value interest rate risk. Borrowings at variable rates expose the Group to cash flow interest rate risk. The Group closely monitors the trend of interest rates and its impact on the Group's interest rate risk exposure. As at 31 December 2024, fixed interest rate borrowings accounted for approximately 44% (2023: 44%) of the total borrowings.

At 31 December 2024, if interest rates on borrowings had been 100 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been approximately RMB87 million lower/higher (2023: post-tax profit RMB15 million lower/higher) respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

##### (iii) *Price risk*

The Group is exposed to equity securities price risk in its financial assets at FVOCI. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its investment portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

The financial assets at FVOCI are mainly unlisted equity instruments in Chinese Mainland and if the fair value of these equity investments had increased or decreased by 10 percent, the Group's equity would have been increased or decreased by approximately RMB66 million in 2024 (2023: RMB68 million).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

**46 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)****Credit risk**

The Group is exposed to credit risk in relation to its cash and cash equivalents, charged bank deposits, time deposits and other restricted deposits, trade and notes receivables, and other receivables, including amounts due from related parties.

The carrying amounts of trade and notes receivables, other receivables, time deposits and other restricted deposits, cash and cash equivalents and charged bank deposits represent the Group's maximum exposure to credit risk in relation to financial assets.

To manage this risk, cash at banks, time deposits and other restricted deposits and charged bank deposits are placed with highly reputable financial institutions. The Group has policies in place to ensure that sales are made to purchasers with an appropriate financial strength and appropriate percentage of down payments. The Group has arranged bank financing for certain purchasers of the Group's property units and provided guarantees to secure obligations of such purchasers for repayment. If a purchaser defaults on the payment of its mortgage loan during the guarantee period, the bank holding the guarantee may demand the Group to repay the outstanding principal of the loan and any interest. Under such circumstances, the Group is able to forfeit the customer's deposit and resell the property to recover any amounts paid by the Group to the bank. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced. The Group also provides certain financial guarantee to associates and joint ventures. As the associates and joint ventures have strong capacity to meet their contractual cash flow obligations, the Group has assessed that the expected credit loss is immaterial. Detailed disclosure of these guarantees is set out in note 39 to the financial statements.

For trade and other receivables, the management of the Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverability of these receivables at year end to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 46 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

## Credit risk (Continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

## As at 31 December 2024

	Property management segment				Other segments		Total
	Up to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Balances with known insolvencies	Balances without known insolvencies	
Expected credit loss rate	5%	30%	50%	100%	100%	—*	
Gross carrying amount (RMB'000)	332,740	37,817	5,148	14,534	577	905,717	1,296,533
Expected credit losses (RMB'000)	16,637	11,345	2,574	14,534	577	—	45,667

## As at 31 December 2023

	Property management segment				Other segments		Total
	Up to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Balances with known insolvencies	Balances without known insolvencies	
Expected credit loss rate	5%	30%	50%	100%	100%	—*	
Gross carrying amount (RMB'000)	224,980	22,593	3,962	15,754	9,124	591,525	867,938
Expected credit losses (RMB'000)	11,249	6,778	1,981	15,754	9,124	—	44,886

\* The balances as at 31 December 2024 and 2023 were due from related parties and diversified creditworthy third parties and the expected credit loss rate was less than 0.01%.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 46 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

## Credit risk (Continued)

## Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December.

The amounts presented are gross carrying amounts for financial assets.

## As at 31 December 2024

	12-month ECLs Stage 1 RMB'000	Lifetime ECLs Simplified approach RMB'000	Total RMB'000
Trade and notes receivables	—	1,353,147	1,353,147
Financial assets included in other receivables, prepayments and deposits*	49,076,524	—	49,076,524
Time deposits and other restricted deposits - non-current portion	2,293,280	—	2,293,280
Time deposits	467,260	—	467,260
Charged bank deposits	17,560,393	—	17,560,393
Cash and cash equivalents	29,728,316	—	29,728,316
Total	99,125,773	1,353,147	100,478,920

## As at 31 December 2023

	12-month ECLs Stage 1 RMB'000	Lifetime ECLs Simplified approach RMB'000	Total RMB'000
Trade and notes receivables	—	891,194	891,194
Financial assets included in other receivables, prepayments and deposits*	34,450,158	—	34,450,158
Charged bank deposits	16,832,610	—	16,832,610
Cash and cash equivalents	29,265,250	—	29,265,250
Total	80,548,018	891,194	81,439,212

- \* The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 46 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

**Liquidity risk**

Due to the capital intensive nature of the Group's business, the Group ensures that it maintains sufficient cash and credit lines to meet its liquidity requirements.

Management monitors rolling forecasts of the Group's liquidity reserve which comprises undrawn borrowing facilities and cash and cash equivalents (note 27) on the basis of expected cash flows. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The table below analyses the Group's financial liabilities and lease liabilities by maturity grouping at the end of reporting period. 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
At 31 December 2024					
Borrowings (principal amount plus interest)	27,459,858	36,755,226	36,134,804	14,239,252	114,589,140
Trade and notes payables (note 28)	1,559,766	—	—	—	1,559,766
Other payables and accrued charges (excluding accrued employee benefit costs and value-added tax payables and other taxes payables)	100,494,200	496,334	112,241	—	101,102,775
Lease liabilities	274,330	189,009	334,526	110,836	908,701
Derivative financial instruments	—	—	9,038	—	9,038
Total	129,788,154	37,440,569	36,590,609	14,350,088	218,169,420

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 46 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

## Liquidity risk (Continued)

	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
At 31 December 2023					
Borrowings (principal amount plus interest)	26,195,463	25,298,535	49,126,527	14,217,293	114,837,818
Trade and notes payables (note 28)	1,330,814	—	—	—	1,330,814
Other payables and accrued charges (excluding accrued employee benefit costs and value-added tax payables and other taxes payables)	83,417,958	34,094	770,825	—	84,222,877
Lease liabilities	259,714	166,848	303,727	319,467	1,049,756
Derivative financial instruments	—	—	55,785	—	55,785
Total	<u>111,203,949</u>	<u>25,499,477</u>	<u>50,256,864</u>	<u>14,536,760</u>	<u>201,497,050</u>

The Group is also exposed to liquidity risk through the granting of financial guarantees, further details of which are disclosed in note 39 to the financial statements. The earliest period in which the guarantee could be called is less than 12 months.

## Capital management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and 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 declared to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group's policy is to borrow centrally, using a mixture of long-term and short-term borrowing facilities, to meet anticipated funding requirements. These borrowings, together with cash generated from operations, are on-lent or contributed as equity to certain subsidiaries.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings and lease liabilities less cash and cash equivalents and current portion of time deposits. Total capital is calculated as equity, as shown in the consolidated statement of financial position plus net debt.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 46 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

## Capital management (Continued)

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

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Total borrowings (note 31)	103,888,742	104,370,898
Lease liabilities (note 16)	787,711	839,021
Less: Cash and cash equivalents and current portion of time deposits (note 27)	(30,195,576)	(29,265,250)
Net debt	74,480,877	75,944,669
Total equity (including non-controlling interests)	104,079,168	102,208,780
Total capital	178,560,045	178,153,449
Gearing ratio	41.7%	42.6%

The slight decrease in the gearing ratio during 2024 is primarily due to the decrease in net debt of the Group at the end of year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 47 STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

	2024 RMB'000	2023 RMB'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	6,141	6,934
Intangible assets	13	18
Investment properties	9,446	9,968
Right-of-use asset	4,158	—
Interests in subsidiaries	41,205,667	38,340,066
Interests in associates	26,955	27,116
Derivative financial assets	121,037	—
	<b>41,373,417</b>	<b>38,384,102</b>
<b>Current assets</b>		
Other receivables, prepayments and deposits	910	866
Amounts due from subsidiaries	20,416,671	18,282,119
Derivative financial assets	—	229,536
Cash and cash equivalents	689,526	671,768
	<b>21,107,107</b>	<b>19,184,289</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Amounts due to subsidiaries	1,940,250	2,145,132
Amounts due to immediate holding company	1,635,826	3,730,019
Other payables and accrued charges	61,164	28,503
Borrowings	879,738	226,555
	<b>4,516,978</b>	<b>6,130,209</b>
<b>Net current assets</b>	<b>16,590,129</b>	<b>13,054,080</b>
<b>Total assets less current liabilities</b>	<b>57,963,546</b>	<b>51,438,182</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 47 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

	2024 RMB'000	2023 RMB'000
<b>Non-current liabilities</b>		
Amount due to a subsidiary	28,617,574	21,882,572
Borrowings	2,179,861	2,084,306
Lease liabilities	4,204	—
Derivative financial instruments	9,038	55,785
	<b>30,810,677</b>	24,022,663
<b>Net assets</b>	<b>27,152,869</b>	27,415,519
<b>EQUITY</b>		
<b>Capital and reserves attributable to equity holders of the Company</b>		
Share capital	25,545,008	25,545,008
Shares held under share award scheme	(54,337)	(121,530)
Reserves (note)	1,662,198	1,992,041
<b>Total equity</b>	<b>27,152,869</b>	27,415,519

**Lin Zhaoyuan**  
Director

**Zhu Huisong**  
Director

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

## 47 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

Reserves

	Hedging reserve RMB'000	Retained earnings RMB'000	Total RMB'000
At 1 January 2024	(172,175)	2,164,216	1,992,041
Profit for the year	—	832,606	832,606
Gains on cash flow hedges	136,117	—	136,117
Costs of hedging	5,709	—	5,709
Hedging gains reclassified to profit or loss	(57,460)	—	(57,460)
Dividends paid	—	(1,246,815)	(1,246,815)
At 31 December 2024	(87,809)	1,750,007	1,662,198

	Hedging reserve RMB'000	Retained earnings RMB'000	Total RMB'000
At 1 January 2023	(445,661)	3,453,890	3,008,229
Profit for the year	—	1,502,693	1,502,693
Gains on cash flow hedges	340,388	—	340,388
Costs of hedging	133,445	—	133,445
Hedging gains reclassified to profit or loss	(200,347)	—	(200,347)
Dividends paid	—	(2,792,367)	(2,792,367)
At 31 December 2023	(172,175)	2,164,216	1,992,041

## 48. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 31 March 2025.



## GROUP STRUCTURE

31 December 2024

As at 31 December 2024, the Company held shares/interests in the following principal subsidiaries, joint ventures and associates.

Company	Place of incorporation/ establishment and operation and kind of legal entity	Issued and fully paid up share capital/ registered capital	Effective percentage of attributable interest held by the Company				Principal activities
			2024		2023		
			Direct	Indirect	Direct	Indirect	
Principal subsidiaries							
Able Step Investment Limited	Hong Kong	HKD1	—	100	—	100	Property investment
Acon Investment Ltd.	British Virgin Islands	1 Ordinary share of USD1 each	—	100	—	100	Investment holding
Beexiu Industrial (Shenzhen) Co., Ltd.	China, limited liability company	Registered capital HKD7,000,000	—	100	—	100	Property development
Bond Master Limited	Hong Kong	HKD1	—	100	—	100	Property investment
Charm Smart Development Limited	Hong Kong	HKD2	—	100	—	100	Property development
Companhia de Fomento Predial Yue Xiu (Macau), Limitada	Macau	2 shares of MOP 198,000 and 2 shares of MOP 2,000	—	100	—	100	Property development
Crystal Path Investment Limited	Hong Kong	HKD1	—	100	—	100	Property investment
Dragon Yield Holding Limited	British Virgin Islands	1 Ordinary share of USD1 each	100	—	100	—	Investment holding
Elsburg Limited	Hong Kong	HKD10,000	—	100	—	100	Property investment
Extra Act Limited	Hong Kong	HKD1,000	—	100	—	100	Investment holding
Fundscore Development Limited	Hong Kong	HKD500,000	—	100	—	100	Property investment
Green Park Development Limited	Hong Kong	HKD1	—	100	—	100	Property investment
Guangzhou Baima Business Operation Property Management Co., Ltd	China, limited liability company	Registered capital RMB19,000,000	—	67.44	—	66.92	Property management
Guangzhou Bright Growth City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB88,315,800	—	95	—	95	Property development
Guangzhou Carry Win City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB28,684,800	—	95	—	95	Property development
Guangzhou Central Funds City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB37,236,300	—	95	—	95	Property development

## GROUP STRUCTURE

31 December 2024

Company	Place of incorporation/ establishment and operation and kind of legal entity	Issued and fully paid up share capital/ registered capital	Effective percentage of attributable interest held by the Company				Principal activities
			2024	2023	2023	2023	
			Direct	Indirect	Direct	Indirect	
<b>Principal subsidiaries (Continued)</b>							
Guangzhou Charcon Real Estate Co., Ltd.	China, limited liability company	Registered capital HKD259,670,000	—	100	—	100	Property development
Guangzhou Charfar Real Estate Company Limited	China, limited liability company	Registered capital RMB111,450,000	—	100	—	100	Property development
Guangzhou Charho Real Estate Company Limited	China, limited liability company	Registered capital RMB190,000,000	—	100	—	100	Property development
Guangzhou City Construction & Development Co. Ltd.	China, limited liability company	Registered capital RMB6,600,000,000	—	95	—	95	Property development
Guangzhou City Construction & Development Consulting Ltd.	China, limited liability company	Registered capital RMB2,145,800	—	98.13	—	98.13	Consulting services in property development
Guangzhou City Construction & Development Decoration Ltd.	China, limited liability company	Registered capital RMB18,200,000	—	98.62	—	98.62	Decoration and design
Guangzhou City Construction & Development Group Nansha Co. Ltd.	China, limited liability company	Registered capital RMB500,000,000	—	95.48	—	95.48	Property development
Guangzhou City Construction & Development Jingcheng Property Co. Ltd.	China, limited liability company	Registered capital RMB13,712,500	—	99.75	—	99.75	Property development
Guangzhou Yuexiu Property Development Co., Ltd	China, limited liability company	Registered capital RMB100,000,000	—	67.44	—	66.92	Property management
Guangzhou Yuejian Project Management Co., Ltd.	China, limited liability company	Registered capital RMB11,520,000	—	100	—	100	Project management
Guangzhou City Construction & Development Weicheng Enterprise Ltd.	China, limited liability company	Registered capital RMB955,300	—	67.44	—	66.92	Property management
Guangzhou Yuexiu Xingye Property Agent Ltd.	China, limited liability company	Registered capital RMB37,520,000	—	97.6	—	97.6	Real estate agency
Guangzhou Construction & Development Holdings (China) Limited	British Virgin Islands	1 Ordinary share of USD1 each	100	—	100	—	Investment holding
Guangzhou Cowan City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB28,684,800	—	95	—	95	Property development
Guangzhou Eastern Growth City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB12,734,400	—	95	—	95	Property development

## GROUP STRUCTURE

31 December 2024

Company	Place of incorporation/ establishment and operation and kind of legal entity	Issued and fully paid up share capital/ registered capital	Effective percentage of attributable interest held by the Company				Principal activities
			2024		2023		
			Direct	Indirect	Direct	Indirect	
<b>Principal subsidiaries (Continued)</b>							
Guangzhou Faithbond City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB16,231,400	—	95	—	95	Property development
Guangzhou Huicheng Industry Development Company Limited	China, limited liability company	Registered capital RMB2,730,600	—	99.06	—	99.06	Car parking management
Guangzhou Guangxiu City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB18,287,700	—	95	—	95	Property development
Guangzhou Honour City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB16,386,800	—	95	—	95	Property development
Guangzhou Investment Finance Company Limited	Hong Kong	HKD2	100	—	100	—	Financing services
Guangzhou Keen Asia City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB14,083,200	—	95	—	95	Property development
Guangzhou May Hua City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB12,853,900	—	95	—	95	Property development
Guangzhou Million Top City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB28,684,800	—	95	—	95	Property development
Guangzhou Seaport City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB23,074,600	—	95	—	95	Property development
Guangzhou Sincere Land City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB14,083,200	—	95	—	95	Property development
Guangzhou Talent Gather City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB11,952,000	—	95	—	95	Property development
Guangzhou Top Jade City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB11,952,000	—	95	—	95	Property development
Guangzhou Tung Win City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB11,952,000	—	95	—	95	Property development
Guangzhou Unionwin City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB19,776,700	—	95	—	95	Property development

## GROUP STRUCTURE

31 December 2024

Company	Place of incorporation/ establishment and operation and kind of legal entity	Issued and fully paid up share capital/ registered capital	Effective percentage of attributable interest held by the Company				Principal activities
			2024		2023		
			Direct	Indirect	Direct	Indirect	
Principal subsidiaries (Continued)							
Guangzhou White Horse Clothings Market Ltd.	China, limited liability company	Registered capital RMB118,873,900	—	100	—	100	Property investment
Guangzhou Winbase City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB11,952,000	—	95	—	95	Property development
Guangzhou Winner City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB28,684,800	—	95	—	95	Property development
Guangzhou Xingcheng Enterprise Development Ltd.	China, limited liability company	Registered capital RMB154,612,700	—	99.75	—	99.75	Property investment
Guangzhou Yuexiu Yicheng Business Operation Management Co., Ltd.	China, limited liability company	Registered capital RMB100,000,000	—	67.44	—	66.92	Property management
Guangzhou Yieldwise City Real Estates Co. Ltd.	China, limited liability company	Registered capital RMB14,083,200	—	95	—	95	Property development
Hangzhou Yuexiu Property Development Limited	China, limited liability company	Registered capital USD529,070,000	—	100	—	100	Property development
Honstar Investments Limited	British Virgin Islands	1 Ordinary share of USD1 each	—	100	—	100	Investment holding
Jamsin Limited	Hong Kong	HKD2	100	—	100	—	Property holding
Jiangmen Yue Xiu City Construction Property Development Limited	China, limited liability company	Registered capital RMB3,000,000	—	93.57	—	95	Property development
Intellect Aim Management Ltd.	British Virgin Islands	1 Ordinary shares of USD1 each	—	100	—	100	Financing services
Jumbo Good Development Limited	Hong Kong	HKD2	—	100	—	100	Property investment
Keen Million Investment Limited	Hong Kong	HKD1	100	—	100	—	Financing services
Kingswell Limited	Hong Kong	HKD1	—	100	—	100	Property investment
Leading Affluence Limited	Hong Kong	HKD1	—	100	—	100	Financing services
Merry Growth Development Limited	Hong Kong	HKD100	—	100	—	100	Property investment
Nation Harvest Development Limited	Hong Kong	HKD2	—	100	—	100	Investment holding
Sino Peace Development Limited	Hong Kong	HKD1	—	100	—	100	Property investment
Smart Rise Development Limited	Hong Kong	HKD100	—	100	—	100	Property investment

## GROUP STRUCTURE

31 December 2024

Company	Place of incorporation/ establishment and operation and kind of legal entity	Issued and fully paid up share capital/ registered capital	Effective percentage of attributable interest held by the Company				Principal activities
			2024	2023	2023	2023	
			Direct	Indirect	Direct	Indirect	
<b>Principal subsidiaries (Continued)</b>							
Westwood Group Holdings Limited	Hong Kong	HKD1	—	100	—	100	Financing services
Winston Investment Limited	Hong Kong	HKD1	—	100	—	100	Property investment
Yue Xiu APT Parking Limited	Hong Kong	HKD28,010,000	—	67.44	—	66.92	Car parking management
Yue Xiu Property Agency Limited	Hong Kong	HKD2	—	100	—	100	Property agency services
Yue Xiu Property Management Limited	Hong Kong	HKD10,000	—	67.44	—	66.92	Building management services
Yuexiu Property (B.V.I.) Limited	British Virgin Islands	1 Ordinary share of USD1 each	100	—	100	—	Investment holding
Yuexiu Property (China) Company Limited	British Virgin Islands	5,000 Ordinary shares of HKD1 each	—	100	—	100	Investment holding
Yuexiu Property (HK) Company Limited	British Virgin Islands	1 Ordinary share of HKD1 each	—	100	—	100	Investment holding
Yuexiu Property (Macau) Company Limited	British Virgin Islands	1 Ordinary share of HKD1 each	—	100	—	100	Investment holding
Yuexiu International Investment Limited	British Virgin Islands	1 Ordinary share of USD1 each	100	—	100	—	Investment holding
Yuexiu Services Group Limited	Hong Kong	HKD3,041,453,175.20	—	67.44	—	66.92	Investment holding
廣州華振科技服務有限公司	China, limited liability company	Registered capital RMB20,000,000	—	100	—	100	Investment holding
海南白馬建設開發有限公司	China, limited liability company	Registered capital RMB523,613,085	—	47.5	—	47.5	Property development
昆山市越秀廣電投資發展有限公司	China, limited liability company	Registered capital RMB50,000,000	—	48.45	—	48.45	Property development
煙台越秀地產開發有限公司	China, limited liability company	Registered capital RMB560,000,000	—	100	—	100	Property development
煙台越星地產開發有限公司	China, limited liability company	Registered capital HKD1,220,810,000	—	100	—	100	Property development
中山越星房地產開發有限公司	China, limited liability company	Registered capital USD99,800,000	—	100	—	100	Property development
中山市越秀地產開發有限公司	China, limited liability company	Registered capital RMB3,005,000,000	—	95	—	95	Property development

## GROUP STRUCTURE

31 December 2024

Company	Place of incorporation/ establishment and operation and kind of legal entity	Issued and fully paid up share capital/ registered capital	Effective percentage of attributable interest held by the Company				Principal activities
			2024		2023		
			Direct	Indirect	Direct	Indirect	
Principal subsidiaries (Continued)							
中山市金滿房地產開發有限公司	China, limited liability company	Registered capital RMB700,000,000	—	100	—	100	Property development
青島越秀地產開發有限公司	China, limited liability company	Registered capital HKD2,289,000,000	—	100	—	100	Property development
瀋陽越星房地產開發有限公司	China, limited liability company	Registered capital HKD624,000,000	—	100	—	100	Property development
杭州越雋房地產開發有限公司	China, limited liability company	Registered capital USD290,000,000	—	100	—	100	Property development
廣州東秀房地產開發有限公司	China, limited liability company	Registered capital RMB3,000,000	—	95.48	—	95.48	Property development
瀋陽嶺海房地產有限公司	China, limited liability company	Registered capital USD59,800,000	—	99.95	—	99.95	Property development
越秀地產(瀋陽)物業管理有限公司	China, limited liability company	Registered capital RMB3,000,000	—	67.44	—	66.92	Property management
越秀地產(山東)物業管理有限公司	China, limited liability company	Registered capital RMB3,000,000	—	67.44	—	66.92	Property management
瀋陽越秀地產有限公司	China, limited liability company	Registered capital HKD2,910,000,000	—	100	—	100	Property development
中山市越秀地產物業管理有限公司	China, limited liability company	Registered capital RMB3,000,000	—	67.44	—	66.92	Property management
廣州悅秀會信息科技有限公司	China, limited liability company	Registered capital RMB500,000	—	67.44	—	66.92	Property management
廣州市悅冠智能科技有限公司	China, limited liability company	Registered capital RMB20,000,000	—	67.44	—	66.92	Property management
武漢越秀嘉潤房地產開發有限公司	China, limited liability company	Registered capital RMB3,000,000	—	95.48	—	95.48	Property development
武漢越秀嘉益房地產開發有限公司	China, limited liability company	Registered capital RMB3,000,000	—	95.48	—	95.48	Property development
廣州東輝房地產開發有限公司	China, limited liability company	Registered capital RMB300,000,000	—	95	—	95	Property development

## GROUP STRUCTURE

31 December 2024

Company	Place of incorporation/ establishment and operation and kind of legal entity	Issued and fully paid up share capital/ registered capital	Effective percentage of attributable interest held by the Company				Principal activities
			2024		2023		
			Direct	Indirect	Direct	Indirect	
Principal subsidiaries (Continued)							
廣州越投商業保理有限公司	China, limited liability company	Registered capital RMB300,000,000	—	96.69	—	96.69	Trade finance
廣州市宏錦房地產開發有限公司	China, limited liability company	Registered capital RMB3,000,000	—	100	—	100	Property development
廣州宏景房地產開發有限公司	China, limited liability company	Registered capital RMB50,000,000	—	95.48	—	95.48	Property development
越秀地產 (江門) 物業管理有限公司	China, limited liability company	Registered capital RMB3,000,000	—	67.44	—	66.92	Property management
廣州越秀城建仲量聯行物業服務有限公司	China, limited liability company	Registered capital RMB5,000,000	—	53.95	—	53.54	Property management
廣州祥錦房地產開發有限公司	China, limited liability company	Registered capital RMB250,000,000	—	95.48	—	95.48	Property development
廣州越港房地產開發有限公司	China, limited liability company	Registered capital RMB1,000,000	—	100	—	100	Property development
廣州盈勝投資有限公司	China, limited liability company	Registered capital RMB300,000,000	—	95.48	—	95.48	Property management
佛山市禪城區越輝房地產開發有限公司	China, limited liability company	Registered capital RMB4,170,000,000	—	95	—	95	Property development
杭州越港實業有限公司	China, limited liability company	Registered capital RMB2,660,000,000	—	95.48	—	95.48	Property development
江門越港房地產開發有限公司	China, limited liability company	Registered capital RMB1,000,000	—	50.95	—	50.95	Property development
廣州東耀房地產開發有限公司	China, limited liability company	Registered capital RMB2,000,000,000	—	48.69	—	48.69	Property development
武漢市錦熹實業投資合夥企業 (有限合夥)	China, limited partnership	Registered capital RMB1,000,000	—	99	—	99	Investment consulting
杭州樾樂投資管理合夥企業 (有限合夥)	China, limited partnership	Registered capital RMB1,000,000	—	99	—	99	Investment consulting
青島合勝投資合夥企業 (有限合夥)	China, limited partnership	Registered capital RMB1,000,000	—	99	—	99	Property investment
江門市群輝實業投資中心 (有限合夥)	China, limited partnership	Registered capital RMB10,000	—	99	—	99	Investment holding
廣州市耀維實業發展有限公司	China, limited liability company	Registered capital RMB77,000,000	—	95	—	95	Metal manufacturing
廣州中環慧富房地產開發有限公司	China, limited liability company	Registered capital RMB4,160,000	—	95.48	—	95.48	Property development



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			2024		2023		
			Direct	Indirect	Direct	Indirect	
Principal subsidiaries (Continued)							
杭州燄樂實業投資有限公司	China, limited liability company	Registered capital RMB10,000,000	—	95	—	95	Property investment
青島越星房地產開發有限公司	China, limited liability company	Registered capital RMB10,000,000	—	95	—	95	Property development
廣州安翠實業發展有限公司	China, limited liability company	Registered capital RMB10,000,000	—	95	—	95	Property development
杭州燄燄實業投資有限公司	China, limited liability company	Registered capital RMB3,000,000	—	95	—	95	Property investment
武漢東偉置業有限公司	China, limited liability company	Registered capital RMB3,000,000	—	95	—	95	Property development
廣州越登實業發展有限公司	China, limited liability company	Registered capital RMB10,000,000	—	95	—	95	Property development
江門越佳房地產開發有限公司	China, limited liability company	Registered capital RMB10,000,000	—	95.40	—	95.40	Property development
青島宏秀房地產開發有限公司	China, limited liability company	Registered capital RMB3,000,000	—	95.12	—	95.12	Property development
杭州東桂房地產開發有限公司	China, limited liability company	Registered capital RMB3,000,000	—	95.04	—	95.04	Property development
舟山宏智經濟信息諮詢有限公司	China, limited liability company	Registered capital RMB10,000,000	—	95	—	95	Information consulting
舟山欣德商貿發展有限公司	China, limited liability company	Registered capital RMB60,000,000	—	47.74	—	47.74	Trading
杭州慧盛企業管理有限公司	China, limited liability company	Registered capital RMB50,000,000	—	47.74	—	47.74	Management consulting
太倉和融商貿有限公司	China, limited liability company	Registered capital RMB50,000,000	—	47.74	—	47.74	Trading
蘇州向東島房地產開發有限公司	China, limited liability company	Registered capital RMB540,000,000	—	47.74	—	47.74	Property development
武漢越武房地產開發有限公司	China, limited liability company	Registered capital RMB120,000,000	—	51.42	—	51.42	Property development
廣州越秀商業地產經營管理有限公司	China, limited liability company	Registered capital RMB1,000,000	—	100	—	100	Commercial services

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			2024		2023		
			Direct	Indirect	Direct	Indirect	
Principal subsidiaries (Continued)							
杭州春歆實業投資有限公司	China, limited liability company	Registered capital RMB10,000,000	—	100	—	100	Property investment
廣州鉅熹經濟信息諮詢有限公司	China, limited liability company	Registered capital RMB10,000,000	—	100	—	100	Commercial services
廣州裕永投資管理有限公司	China, limited liability company	Registered capital RMB1,000,000	—	100	—	100	Commercial services
武漢東雄置業發展有限公司	China, limited liability company	Registered capital RMB10,000,000	—	100	—	100	Property development
武漢嘉耀房地產開發有限公司	China, limited liability company	Registered capital RMB3,000,000	—	95	—	95	Property development
武漢嘉盛房地產開發有限公司	China, limited liability company	Registered capital RMB1,141,000,000	—	95	—	95	Property development
武漢悅盛房地產開發有限公司	China, limited liability company	Registered capital RMB100,000,000	—	48.69	—	48.69	Property development
武漢嘉萱房地產開發有限公司	China, limited liability company	Registered capital RMB1,500,000,000	—	95.48	—	95.48	Property development
武漢嘉祺房地產開發有限公司	China, limited liability company	Registered capital RMB50,000,000	—	95.48	—	95.48	Property development
杭州盛寅房地產開發有限公司	China, limited liability company	Registered capital RMB3,000,000	—	48.45	—	48.45	Property development
杭州豐勝房地產開發有限公司	China, limited liability company	Registered capital RMB3,000,000	—	95	—	95	Property development
杭州越榮房地產開發有限公司	China, limited liability company	Registered capital RMB1,350,000,000	—	39.18	—	39.18	Property development
廣州雋景一號房地產開發有限公司	China, limited liability company	Registered capital RMB1,500,000,000	—	100	—	100	Property development
青島越港房地產開發有限公司	China, limited liability company	Registered capital RMB310,000,000	—	95	—	95	Property development
鶴山市越恒房地產開發有限公司	China, limited liability company	Registered capital RMB610,000,000	—	95	—	95	Property development
廣州宏勝房地產開發有限公司	China, limited liability company	Registered capital RMB3,598,000,000	—	50.91	—	50.91	Property development
武漢康景實業投資有限公司	China, limited liability company	Registered capital RMB11,570,800,000	—	99.64	—	99.64	Property development
煙台中越置業有限責任公司	China, limited liability company	Registered capital RMB150,000,000	—	95	—	95	Property development

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			2024		2023		
			Direct	Indirect	Direct	Indirect	
Principal subsidiaries (Continued)							
青島東耀房地產開發有限公司	China, limited liability company	Registered capital USD120,000,000	—	51	—	51	Property development
蘇州榮耀房地產開發有限公司	China, limited liability company	Registered capital RMB50,000,000	—	95	—	95	Property development
廣州雋越房地產開發有限公司	China, limited liability company	Registered capital RMB2,000,000,000	—	95	—	95	Property development
青島雲佳房地產開發有限公司	China, limited liability company	Registered capital RMB850,000,000	—	99.5	—	99.5	Property development
廣州越欣房地產開發有限公司	China, limited liability company	Registered capital RMB400,000,000	—	48.45	—	48.45	Property development
廣州市品秀房地產開發有限公司	China, limited liability company	Registered capital RMB6,343,780,000	—	82.11	—	82.11	Property development
廣州綠楨房地產開發有限公司	China, limited liability company	Registered capital RMB400,000,000	—	38.23	—	38.23	Property development
廣州宏耀房地產開發有限公司	China, limited liability company	Registered capital RMB900,000,000	—	62.06	—	62.06	Property development
廣州市暉邦置業有限公司	China, limited liability company	Registered capital RMB1,633,000,000	—	47.74	—	47.74	Property development
廣州雋業房地產開發有限公司	China, limited liability company	Registered capital RMB10,000,000	—	95.55	—	95.55	Property development
佛山市南海區越匯房地產開發有限公司	China, limited liability company	Registered capital RMB3,000,000,000	—	95	—	95	Property development
青島康景實業有限公司	China, limited liability company	Registered capital RMB842,011,262	—	100	—	100	Property development
廣州市潤意房地產開發有限公司	China, limited liability company	Registered capital RMB600,000,000	—	47.5	—	47.5	Property development
杭州金鈺房地產開發有限公司	China, limited liability company	Registered capital RMB3,000,000	—	95	—	95	Property development
杭州越星房地產開發有限公司	China, limited liability company	Registered capital RMB50,000,000	—	95	—	95	Property development
杭州杭秀房地產開發有限公司	China, limited liability company	Registered capital RMB1,650,000,000	—	100	—	100	Property development
成都越嘉房地產開發經營有限公司	China, limited liability company	Registered capital RMB10,000,000	—	95	—	95	Property development

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			2024		2023		
			Direct	Indirect	Direct	Indirect	
Principal subsidiaries (Continued)							
廣州南方智煤產業園 有限公司	China, limited liability company	Registered capital RMB1,000,000,000	—	48.69	—	48.69	Property development
廣州越冠房地產開發 有限公司	China, limited liability company	Registered capital RMB2,500,000,000	—	51.39	—	51.39	Property development
青島雲耀實業有限公司	China, limited liability company	Registered capital RMB167,843,754	—	100	—	100	Property development
杭州鈺杭房地產開發 有限公司	China, limited liability company	Registered capital RMB450,000,000	—	95	—	95	Property development
廣州越榮房地產開發 有限公司	China, limited liability company	Registered capital RMB3,490,000,000	—	95.48	—	95.48	Property development
廣州市品悅房地產開發 有限公司	China, limited liability company	Registered capital RMB622,600,000	—	48.69	—	48.69	Property development
廣州市品薈房地產開發 有限公司	China, limited liability company	Registered capital RMB737,860,000	—	48.69	—	48.69	Property development
廣州市從化區越恒房地產 開發有限公司	China, limited liability company	Registered capital RMB720,000,000	—	95.48	—	95.48	Property development
中山越佳房地產開發 有限公司	China, limited liability company	Registered capital RMB1,010,000,000	—	95	—	95	Property development
蘇州東桂房地產開發 有限公司	China, limited liability company	Registered capital RMB200,000,000	—	52.25	—	52.25	Property development
廣州越東房地產開發 有限公司	China, limited liability company	Registered capital RMB700,000,000	—	95.48	—	95.48	Property development
廣州越合通房地產開發 有限公司	China, limited liability company	Registered capital RMB1,200,000,000	—	48.69	—	48.69	Property development
廣州越創智數信息科技 有限公司	China, limited liability company	Registered capital RMB8,000,000	—	95	—	95	Commercial services
廣州悅秀智訊科技信息 諮詢有限公司	China, limited liability company	Registered capital RMB8,000,000	—	95	—	95	Commercial services
長沙康盛房地產開發 有限公司	China, limited liability company	Registered capital RMB200,000,000	—	95	—	95	Property development
鄭州東煌房地產開發 有限公司	China, limited liability company	Registered capital RMB830,000,000	—	95	—	95	Property development
長沙越和房地產開發 有限公司	China, limited liability company	Registered capital RMB250,000,000	—	81.04	—	81.04	Property development
長沙嘉耀房地產開發 有限公司	China, limited liability company	Registered capital RMB620,000,000	—	53.11	—	53.11	Property development

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			2024		2023		
			Direct	Indirect	Direct	Indirect	
Principal subsidiaries (Continued)							
太倉越雋房地產開發 有限公司	China, limited liability company	Registered capita RMB120,000,000	—	95	—	95	Property development
杭州越嘉房地產開發 有限公司	China, limited liability company	Registered capital RMB50,000,000	—	95	—	95	Property development
廣州越秀城開房地產開發 有限公司	China, limited liability company	Registered capital RMB3,700,000,000	—	95.48	—	95.48	Property development
廣州越秀華城房地產開發 有限公司	China, limited liability company	Registered capital RMB9,490,000,000	—	95.48	—	95.48	Property development
廣州市品輝房地產開發 有限公司	China, limited liability company	Registered capital RMB3,100,000,000	—	48.69	—	48.69	Property development
廣州市品冠房地產開發 有限公司	China, limited liability company	Registered capital RMB1,958,700,000	—	48.69	—	48.69	Property development
重慶越嘉房地產開發 有限公司	China, limited liability company	Registered capital RMB300,000,000	—	95.48	—	95.48	Property development
廣州地鐵環境工程有限公司	China, limited liability company	Registered capital RMB6,740,200	—	45.18	—	44.84	Property management
廣州地鐵物業管理 有限責任公司	China, limited liability company	Registered capital RMB5,010,000	—	45.18	—	44.84	Property management
蘇州熠秀房地產開發 有限公司	China, limited liability company	Registered capital RMB150,000,000	—	100	—	100	Property development
青島卓城置業有限公司	China, limited liability company	Registered capital RMB100,000,000	—	38.76	—	38.76	Property development
青島怡城置業有限公司	China, limited liability company	Registered capital RMB50,000,000	—	38.76	—	38.76	Property development
南京鈺秀企業管理有限公司	China, limited liability company	Registered capital RMB169,520,000	—	62.13	—	62.13	Property development
南京越勝房地產開發 有限公司	China, limited liability company	Registered capital RMB326,000,000	—	32.31	—	32.31	Property development
南京市越碧金裝飾有限公司	China, limited liability company	Registered capital RMB100,000	—	32.31	—	32.31	Building decoration
杭州越琛房地產開發 有限公司	China, limited liability company	Registered capital RMB684,030,000	—	56.53	—	56.53	Property development
寧波悅秀房地產開發 有限公司	China, limited liability company	Registered capital RMB684,030,000	—	56.53	—	56.53	Property development
蘇州越嘉企業管理有限公司	China, limited liability company	Registered capital RMB306,000,000	—	87.32	—	87.32	Property development

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			2024		2023		
			Direct	Indirect	Direct	Indirect	
Principal subsidiaries (Continued)							
蘇州榮秀房地產開發有限公司	China, limited liability company	Registered capital RMB600,000,000	—	44.53	—	44.53	Property development
佛山市越泓房地產開發有限公司	China, limited liability company	Registered capital RMB1,290,270,000	—	53.20	—	53.20	Property development
廣州市越達房地產開發有限公司	China, limited liability company	Registered capital RMB1,290,270,000	—	53.20	—	53.20	Property development
佛山市越江房地產開發有限公司	China, limited liability company	Registered capital RMB1,000,000	—	95	—	95	Property development
武漢楚棋房地產開發有限公司	China, limited liability company	Registered capital RMB400,000,000	—	48.45	—	48.45	Property development
武漢嘉秀房地產開發有限公司	China, limited liability company	Registered capital RMB50,000,000	—	48.45	—	48.45	Property development
上海閔瀾房地產開發有限公司	China, limited liability company	Registered capital RMB2,310,500,000	—	52.25	—	52.25	Property development
廣州為民康復醫院有限公司	China, limited liability company	Registered capital RMB90,000,000	—	95	—	95	Hospital
廣州頤環健康養老服務有限公司	China, limited liability company	Registered capital RMB8,250,000	—	94.09	—	94.09	Elderly care services
廣州樾濱房地產開發有限公司	China, limited liability company	Registered capital RMB1,670,950,000	—	62.06	—	62.06	Property development
廣州樾富房地產開發有限公司	China, limited liability company	Registered capital RMB1,670,950,000	—	62.06	—	62.06	Property development
廣州市佰城投資發展有限公司	China, limited liability company	Registered capital RMB10,000,000	—	93.57	—	93.57	Property development
廣州新越房地產開發有限公司	China, limited liability company	Registered capital RMB178,000,000	—	95.48	—	95.48	Property development
廣州新秀房地產開發有限公司	China, limited liability company	Registered capital RMB1,500,000,000	—	95.48	—	95.48	Property development
廣州樾勝房地產開發有限公司	China, limited liability company	Registered capital RMB875,000,000	—	62.06	—	62.06	Property development
廣州嶺秀房地產開發有限公司	China, limited liability company	Registered capital RMB875,000,000	—	62.06	—	62.06	Property development
重慶越樂房地產開發有限公司	China, limited liability company	Registered capital RMB10,000,000	—	95.48	—	95.48	Property development
廣州南沙科城投資發展有限公司	China, limited liability company	Registered capital RMB100,000,000	—	42.96	—	42.96	Commercial services

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			2024		2023		
			Direct	Indirect	Direct	Indirect	
Principal subsidiaries (Continued)							
深圳鵬躍房地產開發有限公司	China, limited liability company	Registered capital RMB5,000,000	—	95.48	—	95.48	Property development
東莞市沙田雋越房地產開發有限公司	China, limited liability company	Registered capital RMB937,290,000	—	48.69	—	48.69	Property development
東莞秀美房地產開發有限公司	China, limited liability company	Registered capital RMB937,290,000	—	48.69	—	48.69	Property development
廣州明耀房地產開發有限公司	China, limited liability company	Registered capital RMB254,710,000	—	95.48	—	95.48	Property development
中山市泰佳房地產有限公司	China, limited liability company	Registered capital RMB424,520,000	—	57.29	—	57.29	Property development
東莞市盈勝房地產開發有限公司	China, limited liability company	Registered capital RMB50,000,000	—	95.48	—	95.48	Property development
畢節越嘉房地產開發有限公司	China, limited liability company	Registered capital RMB10,000,000	—	95	—	95	Property development
廣州越拓智城技術發展有限公司	China, limited liability company	Registered capital RMB20,000,000	—	95	—	95	Technical services
西安越秀房地產開發有限公司	China, limited liability company	Registered capital RMB10,000,000	—	95	—	95	Property development
廣州越秀南方智煤商業運營有限公司	China, limited liability company	Registered capital RMB3,000,000	—	40.46	—	40.15	Property management
廣州市悅雲智慧科技有限公司	China, limited liability company	Registered capital RMB8,000,000	—	67.44	—	66.92	Property management
湖北越秀工建運營管理有限公司	China, limited liability company	Registered capital RMB5,000,000	—	34.39	—	34.13	Property management
廣州悅美居實業有限公司	China, limited liability company	Registered capital RMB5,000,000	—	67.44	—	66.92	Property management
廣越物業管理（廣州）有限公司	China, limited liability company	Registered capital RMB1,000,000	—	40.46	—	40.15	Property management
廣州越秀海樾物業服務有限公司	China, limited liability company	Registered capital RMB3,000,000	—	67.44	—	66.92	Property management



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Company	Place of incorporation/ establishment and operation and kind of legal entity	Issued and fully paid up share capital/ registered capital	Effective percentage of attributable interest held by the Company				Principal activities
			2024		2023		
			Direct	Indirect	Direct	Indirect	
Principal subsidiaries (Continued)							
寧波越秀物業服務有限公司	China, limited liability company	Registered capital RMB5,000,000	—	67.44	—	66.92	Property management
廣州越服房地產經紀有限公司	China, limited liability company	Registered capital RMB5,000,000	—	67.44	—	66.92	Real estate agency
廣州天河區越服房地產經紀有限公司	China, limited liability company	Registered capital RMB1,000,000	—	67.44	—	66.92	Real estate agency
杭州越服房地產經紀有限公司	China, limited liability company	Registered capital RMB1,000,000	—	67.44	—	66.92	Real estate agency
廣州南沙區越服房地產經紀有限公司	China, limited liability company	Registered capital RMB1,000,000	—	67.44	—	66.92	Real estate agency
蘇州越服房地產經紀有限公司	China, limited liability company	Registered capital RMB1,000,000	—	67.44	—	66.92	Real estate agency
無錫越秀物業發展有限公司	China, limited liability company	Registered capital RMB2,000,000	—	34.39	—	34.13	Property management
廣東越之盾保安服務有限公司	China, limited liability company	Registered capital RMB12,000,000	—	67.44	—	66.92	Security services
廣州越秀服務有限公司	China, limited liability company	Registered capital RMB850,000,000	—	67.44	—	66.92	Investment holding
廣州城建開發工程造價諮詢有限公司	China, limited liability company	Registered capital RMB1,000,000	—	100	—	100	Technical services
長沙秀雅投資有限公司	China, limited liability company	Registered capital USD25,000,000	—	100	—	100	Property investment
長沙秀茂置業有限公司	China, limited liability company	Registered capital RMB350,000,000	—	50	—	50	Property development
南京樾弘房地產開發有限公司	China, limited liability company	Registered capital RMB2,484,000,000	—	97.55	—	97.55	Property development
南京樾駿裝飾有限公司	China, limited liability company	Registered capital RMB100,000	—	97.55	—	97.55	Building decoration
郴州秀城房地產開發有限公司	China, limited liability company	Registered capital USD50,000,000	—	100	—	100	Property development
廣州樾樂房地產開發有限公司	China, limited liability company	Registered capital RMB588,000,000	—	100	—	100	Property development

## GROUP STRUCTURE

31 December 2024

Company	Place of incorporation/ establishment and operation and kind of legal entity	Issued and fully paid up share capital/ registered capital	Effective percentage of attributable interest held by the Company				Principal activities
			2024		2023		
			Direct	Indirect	Direct	Indirect	
Principal subsidiaries (Continued)							
廣州天越房地產開發有限公司	China, limited liability company	RMB2,360,000,000	—	95.48	—	95.48	Property development
廣州樾海房地產開發有限公司	China, limited liability company	RMB 50,000,000	—	95.48	—	95.48	Property development
廣州南沙橫越置業有限公司	China, limited liability company	RMB560,000,000	—	95.48	—	95.48	Property development
杭州越樂房地產開發有限公司	China, limited liability company	RMB600,000,000	—	59.84	—	59.84	Property development
杭州越瓏房地產開發有限公司	China, limited liability company	RMB400,000,000	—	95	—	95	Property development
南京越嘉房地產開發有限公司	China, limited liability company	RMB1,350,000,000	—	98	—	98	Property development
合肥越合房地產開發有限公司	China, limited liability company	RMB400,000,000	—	100	—	100	Property development
成都雋辰房地產開發有限公司	China, limited liability company	RMB764,060,000	—	95	—	95	Property development
成都雋樂房地產開發有限公司	China, limited liability company	RMB741,500,000	—	95	—	95	Property development
廣州越秀產業發展有限公司	China, limited liability company	RMB100,000,000	—	100	—	100	Manufacturing of computers, communication and other electronic equipment
廣州越鑫房地產開發有限公司	China, limited liability company	RMB1,000,000,000	—	52.42	—	52.42	Property development
杭州越文房地產開發有限公司	China, limited liability company	RMB850,000,000	—	42.7	—	42.7	Property development
杭州北匯置業有限公司	China, limited liability company	RMB20,000,000	—	51	—	51	Property development
杭州濱泓房地產開發有限公司	China, limited liability company	RMB2,500,000,000	—	24.47	—	24.47	Property development
杭州濱楊房地產開發有限公司	China, limited liability company	RMB900,000,000	—	47.98	—	47.98	Property development

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Company	Place of incorporation/ establishment and operation and kind of legal entity	Issued and fully paid up share capital/ registered capital	Effective percentage of attributable interest held by the Company				Principal activities
			2024		2023		
			Direct	Indirect	Direct	Indirect	
Principal subsidiaries (Continued)							
上海錦鈺置業有限公司	China, limited liability company	RMB2,400,000,000	—	47.5	—	47.5	Property development
鄭州越武房地產開發有限公司	China, limited liability company	RMB1,428,000,000	—	76	—	76	Property development
重慶駿勵房地產開發有限公司	China, limited liability company	RMB1,754,800,124.02	—	48.69	—	48.69	Property development
佛山市越通項目投資有限公司	China, limited liability company	RMB50,000,000	—	48.45	—	48.45	Property development
鄭州茂秀置業有限公司	China, limited liability company	RMB500,000,000	—	48.45	—	48.45	Property development
中山建秀房地產開發有限公司	China, limited liability company	RMB800,000,000	—	48.45	—	48.45	Property development
佛山南海區越博房地產開發有限公司	China, limited liability company	RMB750,000,000	—	95	—	95	Property development
佛山市南海區越金房地產開發有限公司	China, limited liability company	RMB887,570,000	—	48.45	—	48.45	Property development
江門越盛房地產開發有限公司	China, limited liability company	RMB880,000,000	—	95	—	95	Property development
佛山市南海區越佳房地產開發有限公司	China, limited liability company	RMB1,100,000,000	—	95	—	95	Property development
上海樾秀房地產開發有限公司	China, limited liability company	RMB100,000,000	—	95	—	95	Property development
杭州濱程房地產開發有限公司	China, limited liability company	RMB3,000,000,000	—	38.86	—	38.86	Property development
濟南越秀地產開發有限公司	China, limited liability company	RMB100,000,000	—	95	—	95	Property development
青島青鐵雋秀置業有限公司	China, limited liability company	RMB2,054,833,800	—	51	—	51	Property development
北京越華房地產開發有限公司	China, limited liability company	RMB3,967,500,000	—	48.45	—	48.45	Property development
廣州樾馳住房租賃發展投資有限公司	China, limited liability company	RMB1,930,467,000	—	48.69	—	48.69	Property leasing

## GROUP STRUCTURE

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Company	Place of incorporation/ establishment and operation and kind of legal entity	Issued and fully paid up share capital/ registered capital	Effective percentage of attributable interest held by the Company				Principal activities
			2024		2023		
			Direct	Indirect	Direct	Indirect	
Principal subsidiaries (Continued)							
深圳越勝房地產開發有限公司	China, limited liability company	RMB1,098,000,000	—	95.48	—	95.48	Property development
深圳越泰房地產開發有限公司	China, limited liability company	RMB957,000,000	—	95.48	—	95.48	Property development
杭州濱良房地產開發有限公司	China, limited liability company	RMB1,390,000,000	—	47.98	—	47.98	Property development
杭州龍塢盛和置業有限公司	China, limited liability company	RMB2,633,000,000	—	32.14	—	32.14	Property development
杭州濱躍實業有限公司	China, limited liability company	RMB1,250,000,000	—	24.23	—	24.23	Property development
上海樾富房地產開發有限公司	China, limited liability company	RMB100,000,000	—	95	—	95	Property development
長沙興秀房地產開發有限公司	China, limited liability company	RMB100,000,000	—	95	—	95	Property development
西安越雋恒鐵房地產開發有限公司	China, limited liability company	RMB708,000,000	—	48.45	—	48.45	Property development
杭州杭景房地產開發有限公司	China, limited liability company	RMB1,220,000,000	—	33.67	—	33.67	Property development
南京越昕房地產開發有限公司	China, limited liability company	RMB400,000,000	—	100	—	100	Property development
北京雋秀房地產開發有限公司	China, limited liability company	RMB3,312,000,000	—	100	—	100	Property development
北京越星房地產開發有限公司	China, limited liability company	RMB2,599,000,000	—	100	—	100	Property development
合肥越廬房地產開發有限公司	China, limited liability company	RMB300,000,000	—	99.64	—	99.64	Property development

## GROUP STRUCTURE

31 December 2024

Company	Place of incorporation/ establishment and operation and kind of legal entity	Issued and fully paid up share capital/ registered capital	Effective percentage of attributable interest held by the Company				Principal activities
			2024		2023		
			Direct	Indirect	Direct	Indirect	
廣州越浩房地產開發有限公司	China, limited liability company	RMB50,000,000	—	95.48	—	—	Property development
北京海臻置業有限公司	China, limited liability company	RMB6,382,500,000	—	99.64	—	—	Property development
廣州觀湖房地產開發有限公司	China, limited liability company	RMB582,072,000	—	52.51	—	—	Property development
上海樾興房地產開發有限公司	China, limited liability company	RMB100,000,000	—	95	—	—	Property development
上海樾弘房地產開發有限公司	China, limited liability company	RMB100,000,000	—	95	—	—	Property development
合肥越駿房地產開發有限公司	China, limited liability company	RMB500,000,000	—	99.64	—	—	Property development
合肥越錦房地產開發有限公司	China, limited liability company	RMB300,000,000	—	95.48	—	—	Property development
北京越昌房地產開發有限公司	China, limited liability company	RMB2,533,000,000	—	74.73	—	—	Property development
成都秀茂房地產開發有限公司	China, limited liability company	RMB462,000,000	—	48.45	—	—	Property development
西安越鼎鐵鑫房地產開發有限公司	China, limited liability company	RMB1,515,530,000	—	50.35	—	—	Property development
廣州華秀房地產開發有限公司	China, limited liability company	RMB270,000,000	—	95.48	—	27.77	Property development
廣州天盈房地產開發有限公司	China, limited liability company	RMB1,930,000,000	—	95.48	—	27.77	Property development
廣州蕃馳房地產開發有限公司	China, limited liability company	RMB10,000,000	—	48.69	—	48.69	Property leasing
廣州南沙景秀商業管理有限公司	China, limited liability company	RMB 1,000,000	—	100	—	100	Property leasing
廣州南沙明越商業管理有限公司	China, limited liability company	RMB 1,000,000	—	100	—	100	Property leasing
中山銘秀房地產開發有限公司	China, limited liability company	RMB60,000,000	—	48.45	—	—	Property development
重慶越輝房地產開發有限公司	China, limited liability company	RMB420,000,000	—	97.85	—	49.82	Property development
成都雋城房地產開發有限公司	China, limited liability company	RMB10,000,000	—	99.17	—	27.73	Property development
成都雋信房地產開發有限公司	China, limited liability company	RMB10,000,000	—	99.17	—	27.73	Property development
成都雋鼎房地產開發有限公司	China, limited liability company	RMB10,000,000	—	99.17	—	27.73	Property development
廣州宏睿房地產開發有限公司	China, limited liability company	RMB250,000,000	—	95.48	—	95.48	Property development
廣州越秀康養產業投資控股有限公司	China, limited liability company	RMB180,000,000	—	95	—	95	Commercial services

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The above table includes the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Details of the Group's principal joint ventures as at 31 December 2024 are as follows:

Name of joint ventures	Place of establishment and operation	Effective percentage of interest in ownership/profit sharing				Principal activities
		2024		2023		
		Direct	Indirect	Direct	Indirect	
廣州中耀實業投資有限公司	China	–	47.74	–	47.74	Property development
廣州越禾房地產開發有限公司	China	–	47.74	–	47.74	Property development
深圳市銀幸現代養老服務有限公司	China	–	48.45	–	48.45	Elderly care services
武漢中建越秀港投開發有限公司	China	–	35	–	35	Property development
廣州智聯置業投資發展有限公司	China	–	28.64	–	28.64	Property development
蘇州嶼秀房地產開發有限公司	China	–	15.68	–	15.68	Property development
湖北宏秀房地產開發有限公司	China	–	28.50	–	28.50	Property development
武漢崇鴻裕業房地產開發有限公司	China	–	14.25	–	14.25	Property development
濟南鵬遠置業有限公司	China	–	38	–	38	Property development
江門市濱江房地產開發投資有限公司	China	–	47.50	–	47.50	Property development
廣州廣宏房地產開發有限公司	China	–	38.19	–	38.19	Property development
江門市濱江置業房地產開發經營有限公司	China	–	47.50	–	47.50	Property development
江門市越通房地產開發有限公司	China	–	48.45	–	48.45	Property development
成都人居興彭置業有限公司	China	–	42.75	–	42.75	Property development
蘇州工業園區大正置業有限公司	China	–	28.50	–	28.50	Property development
廣州雲秀健康投資有限公司	China	–	48.45	–	48.45	Commercial Services

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31 December 2024

Name of joint ventures	Place of establishment and operation	Effective percentage of interest in ownership/profit sharing				Principal activities
		2024		2023		
		Direct	Indirect	Direct	Indirect	
成都居越房地產開發有限公司	China	—	46.55	—	46.55	Property development
廣州萬宏房地產開發有限公司	China	—	46.78	—	46.78	Property development
煙台領秀房地產開發有限公司	China	—	49	—	49	Property development
北京恒秀立懷置業有限公司	China	—	46.55	—	46.55	Property development
廣州智能裝備科技創意園有限公司	China	—	38.95	—	38.95	Property development
西安天越航空發展有限公司	China	—	49	—	49	Property development
西咸新區紫塬泊漢置業有限公司	China	—	46.55	—	46.55	Property development
長沙悦夢置業有限公司	China	—	28.5	—	28.5	Property development
杭州濱兆房地產開發有限公司	China	—	39.95	—	—	Property development



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Details of the Group's principal associates as at 31 December 2024 are as follows:

Name of associates	Place of establishment and operation	Effective percentage of interest in ownership/profit sharing				Principal activities
		2024		2023		
		Direct	Indirect	Direct	Indirect	
Yuexiu Real Estate Investment Trust	Hong Kong (ii)	—	40.02	—	37.89	Property investment
廣州宏嘉房地產開發有限公司(i)	China	—	15.94	—	15.94	Property development
廣州宏軒房地產開發有限公司(i)	China	—	15.94	—	15.94	Property development
江門市蓬江區碧桂園房地產開發有限公司	China	—	44.59	—	44.59	Property development
杭州龍禧房地產開發有限公司	China	—	28.64	—	28.64	Property development
廣州璟畔房地產開發有限公司(i)	China	—	15.94	—	15.94	Property development
杭州星日房地產開發有限公司	China	—	49.08	—	49.08	Property development
武漢越秀地產開發有限公司	China	—	33	—	33	Property development
廣州合錦嘉苑房地產開發有限公司(i)	China	—	14.25	—	14.25	Property development
杭州添智投資有限公司(i)	China	—	15.91	—	15.91	Investment holding
廣州市昊品房地產有限公司	China	—	46.55	—	46.55	Property development
廣州碧森房地產開發有限公司(i)	China	—	13.63	—	13.63	Property development
濟南元賀置業有限公司	China	—	23.51	—	23.51	Property development
中山市華越宏軒置業發展有限公司	China	—	46.55	—	46.55	Property development
廣州耀恒房地產開發有限公司	China	—	46.78	—	46.78	Property development
廣州穗昭置業有限公司	China	—	47.50	—	47.50	Property development

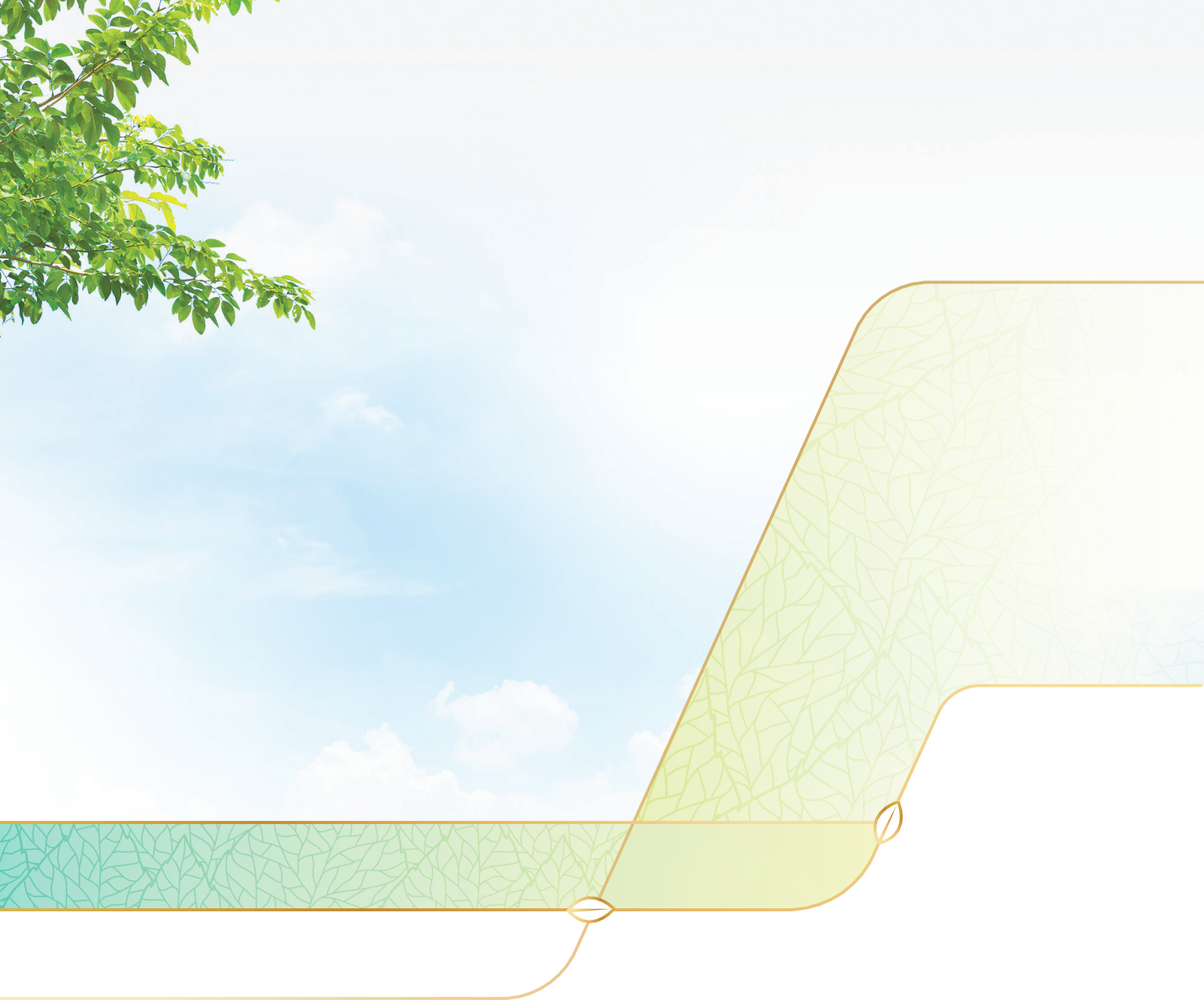
## GROUP STRUCTURE

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Name of associates	Place of establishment and operation	Effective percentage of interest in ownership/profit sharing				Principal activities
		2024		2023		
		Direct	Indirect	Direct	Indirect	
廣州越秀康養投資合夥企業（有限合夥）	China	—	52.25	—	52.25	Commercial services
廣州雋峰房地產開發有限公司	China	—	42.96	—	42.96	Property development
武漢錦秀嘉合置業有限公司	China	—	46.55	—	46.55	Property development
南京駿玖房地產有限公司	China	—	23.28	—	23.28	Property development
南京金璨房地產開發有限公司	China	—	31.35	—	31.35	Property development
長沙長越房地產開發有限公司	China	—	46.55	—	46.55	Property development
湖北宏秀文苑城市開發有限公司	China	—	38.00	—	38.00	Property development
南通駿秀房地產開發有限公司	China	—	46.78	—	46.78	Property development
杭州中海海樾房地產有限公司	China	—	19	—	19	Property development
杭州疆悅置業有限公司	China	—	46.55	—	46.55	Property development
合肥和冉房地產開發有限公司	China	—	31.35	—	31.35	Property development
上海樂秀房地產開發有限公司	China	—	47.5	—	47.5	Property development
上海漕越經濟發展有限公司	China	—	46.55	—	46.55	Property development
杭州北星置業有限公司	China	—	18.05	—	18.05	Property development
上海城樾置業有限公司	China	—	46.55	—	—	Property development
肥西和順地產有限公司	China	—	33	—	33	Property development
廣州品鑫房地產開發有限公司	China	—	19.10	—	—	Property development
北京怡同置業有限公司	China	—	32.84	—	—	Property development
廣州粵恒房地產開發有限公司	China	—	46.78	—	—	Property development
杭州濱躍房地產開發有限公司	China	—	31.04	—	—	Property development
青島鴻城置業有限公司	China	—	37.24	—	37.24	Property development

Notes:

- (i) The Group has representation on the board in which the Group has the power to participate in the financial and operating policy decisions and therefore has significant influence over these entities.
- (ii) A Hong Kong collective investments scheme authorised under Section 104 of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).



**越秀地產股份有限公司**

**YUEXIU PROPERTY COMPANY LIMITED**

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