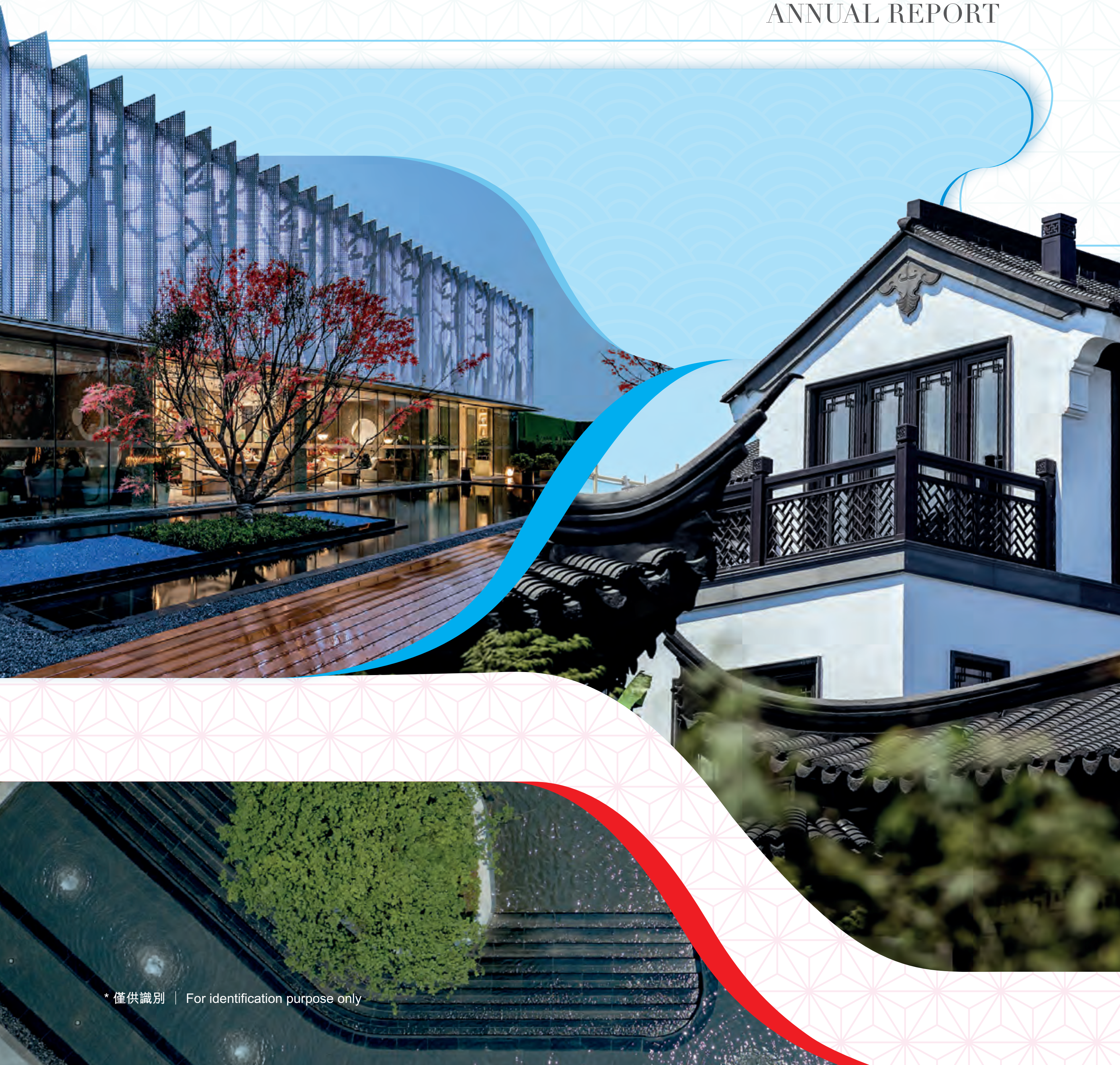
景瑞控股
JINGRUI HOLDINGS

景瑞控股有限公司*
JINGRUI HOLDINGS LIMITED

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

股份代號 Stock code : 01862

2024 年報
ANNUAL REPORT



* 僅供識別 | For identification purpose only

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Corporate Profile

Jingrui Holdings Limited (stock code: 01862.HK) ("**Jingrui**" or the "**Company**") is a leading residential property developer, an asset management operator and a professional service provider in the PRC. Its business segments range from real estate development, construction and decoration, urban renewal, asset management, commercial operation and property management. The Company was established in Shanghai in 1993, with the mission of "Dedicated to Building a Wonderful Life" (用心建築精彩生活), and after years of development and accumulation, it was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") in October 2013.

Jingrui has three major business platforms of Jingrui Properties (景瑞地產), Jingrui Capital (景瑞不動產), Jingrui Service (景瑞服務) under it. With real estate asset management as the core business, Jingrui focuses on residential development, apartment, offices in first- and second-tier core cities and metropolitan areas, contributing to an urban beautiful life and providing end-to-end value-added services to investors.

As of the end of 2024, the Group's business has spanned across 24 cities in China and built and operated 112 projects.

Corporate Profile

Jingrui is determined to build a dual-driver powered business model with "customers' value" orientation. By adhering to the transformation direction of "light-asset, refinement and operation-prioritization", it is optimistic about the real estate in the long run and focuses on three major tracks of increment, stock and service with resources concentrated on development business to realize light-asset operation for stock and services.

In the future, facing the macroeconomic situation and profound changes in the real estate industry, we will always stick to the corporate mission of "Dedicated to Building a Wonderful Life", and make use of our light-asset business as catalyst through quality improvement and operational capability building with debt reduction as the starting point to achieve quality development. We will remain true to our original aspiration, seek excellence and achieve the goal of becoming "the industry pioneer with the best knowledge in both architecture and lifestyle".

Corporate Information

COMPANY NAME
Jingrui Holdings Limited

EXECUTIVE DIRECTORS
Mr. Yan Hao *(Chairman and Chief Executive Officer)*
Mr. Xu Hai Feng *(Vice President)*
Mr. Chen Chao *(Vice President and Chief Financial Officer)*

NON-EXECUTIVE DIRECTOR
Mr. Chen Xin Ge

INDEPENDENT NON-EXECUTIVE DIRECTORS
Mr. Tianmin Liu
Ms. Wu Jilan
Ms. Hong Ting

AUDIT COMMITTEE
Ms. Hong Ting *(Chairman)*
Mr. Tianmin Liu
Ms. Wu Jilan

REMUNERATION COMMITTEE
Ms. Wu Jilan *(Chairman)*
Mr. Tianmin Liu
Ms. Hong Ting
Mr. Yan Hao

NOMINATION COMMITTEE
Mr. Tianmin Liu *(Chairman)*
Ms. Wu Jilan
Ms. Hong Ting
Mr. Chen Xin Ge

COMPANY SECRETARY
Ms. Jiang Bing Xian

AUTHORISED REPRESENTATIVES
Mr. Yan Hao
Ms. Jiang Bing Xian

COMPANY'S WEBSITE
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STOCK CODE
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PRINCIPAL BANKS
Hong Kong
Industrial and Commercial Bank of China (Asia) Limited
Bank of China (Hong Kong) Limited
The Bank of East Asia, Limited

PRC
Agricultural Bank of China, Shanghai Branch
China Construction Bank, Shanghai Branch
Bank of China, Shanghai Branch
Bank of Shanghai, Shanghai Branch

KEY FINANCIAL INDICATORS:

	Year ended 31 December				
	2024		2023		Change
	RMB million	Percentage to revenue %	RMB million	Percentage to revenue %	%
Revenue	**5,906.4**	**100.0**	7,294.5	100.0	(19.0)
Gross (loss)/profit	**(252.5)**	**(4.3)**	464.3	6.4	(154.4)
Loss for the year					
– Including non-controlling interests	**(3,245.1)**	**(54.9)**	(1,841.3)	(25.2)	76.2
– Attributable to equity holders	**(3,003.8)**	**(50.9)**	(1,721.2)	(23.6)	74.5
Core net loss					
– Including non-controlling interests	**(3,133.3)**	**(53.0)**	(1,836.8)	(25.2)	70.6
– Attributable to equity holders	**(2,946.8)**	**(49.9)**	(1,716.7)	(23.5)	71.7

KEY OPERATION INDICATORS:

	Year ended 31 December		
	2024	2023	Change %
Contracted sales value (RMB million)	**2,077.2**	3,787.4	(45.2)
Contracted sales area (sq.m.)	**132,761.0**	210,469.0	(36.9)
Average contracted selling price (RMB/sq.m.)	**15,646.2**	17,995.0	(13.1)

KEY RATIO INDICATORS:

	2024 %	2023 %
Gross (loss)/profit margin (%)	**(4.3)**	6.4
Total assets turnover (%) [1]	**16.8**	16.8
Return on equity (%) [2]	**(132.7)**	(34.7)
Net debt-to-capital ratio (%) [3]	**2,281**	386

Notes:

(1) Equal to revenue for the respective year divided by the average of total assets at the beginning and the end of the year.

(2) Equal to loss for the year divided by the average of total equity at the beginning and the end of the year and multiplied by 100%.

(3) Equal to net debt at the end of the year divided by total equity and multiplied by 100%. Net debt is calculated as total borrowing minus cash and cash equivalents and restricted cash.

Chairman's Statement

In line with the market trend and the guidance of national policies, and in the face of the current liquidity dilemma, Jingrui will actively safeguard the interests of all stakeholders, including customers, suppliers and investors, revitalize the stock assets, penetrate into value cities, make "ensuring delivery" as the core of its current work, focus on building the delivery power of the enterprise, so as to win the trust of the government, homebuyers, financial institutions and investors. In the future, Jingrui will continue to further make its efforts in core cities and metropolitan areas, enhance its product strength and refined operation capabilities, continue to build outstanding projects, forge solid operation management capabilities, improve asset values and realize high-quality development.

Yan Hao
Chairman

Dear Shareholders,

On behalf of the board (the "**Board**") of directors (the "**Directors**") of Jingrui Holdings Limited ("**Jingrui**" or the "**Company**"), I am pleased to present the business review and outlook of the Company and its subsidiaries (the "**Group**", "**we**" or "**us**") for the year ended 31 December 2024 (the "**Year**").

Market Review

In 2024, the global economic and political landscape was characterised by sluggish growth, increasing divergence, easing inflation, rising debt, hindered globalisation as well as heightened geopolitical tensions. Faced with a complex and severe environment abroad, the People's Republic of China (the "**PRC**" or "**China**") maintained an overall stability and achieved steady progress against a volatile and challenging internal and external environment. The main economic indicators successfully met the expected targets. In 2024, the annual gross domestic product (GDP) in PRC surpassed RMB130 trillion for the first time, reaching RMB134.9 trillion, representing a 5.0% year-on-year growth at constant prices. The real estate policy in 2024 focused on "halting price decline and returning to stability" as keynote, with a significant increase in policy regulatory intensity and frequent introduction of policy packages. In 2024, the sales area of commodity houses national wide was 973.85 million square meters ("**sq.m.**"), down by 12.9% year-on-year, of which the sales area of residential properties fell by 14.1%. The sales of commodity houses in PRC reached RMB9.675 trillion, down by 17.1% year-on-year, of which the sales of residential properties decreased by 17.6%. The area of new housing construction by real estate developers amounted to 738.93 million sq.m., representing a year-on year decrease of 23%, while the area of housing completion was 737.43 million sq.m., representing a year-on-year decrease of 27.7%.

In 2024, the central government's regulatory focus on the real estate industry centered around "halting price decline and returning to stability", with unprecedented policy intensity. This was primarily reflected in the following aspects:

1. Policy Keynote and Objectives

The central government has repeatedly emphasised the importance of "stabilising the real estate market" and "making sustained efforts to halt price decline and return to stability of the real estate market", clearly identifying the stability of the real estate market as a key policy objective. At the same time, policies have focused on preventing and defusing risks in critical fields, maintaining that the bottom line of avoiding systematic risks.

2. Demand-side Policies

The demand-side policies centered on lowering the threshold and costs of housing purchase, with key measures encompassing: Cancellation of Purchase Restrictions: first-tier cities such as Beijing, Shanghai, Guangzhou and Shenzhen significantly relaxed purchase restrictions, with some areas even abolishing purchase restrictions; Lowering Down Payment Ratios and Interest Rates: the minimum down payment ratios for first and second property were reduced to 15% and 25%, respectively, while the Loan Prime Rate (LPR) for periods of more than 5 years adjust downward for multiple times, and existing mortgage rates were further reduced; Granting of Subsidies for Housing Purchase and Introducing Tax Optimisation: various regions rolled out home purchase subsidy policies, and many departments including the Ministry of Finance jointly issued tax optimisation policies to relieve the tax burden on residents' home purchases and enterprises.

3. **Supply-side Policies**

The supply-side policies aim to optimise market supply and relieve inventory pressure. The main measures include: Revitalising Existing Land and Commercial and Office Buildings: issuing special bonds to acquire existing idle land to support the revitalisation of existing land and commercial and office buildings; Renovating Urban Villages and Implementing Monetised Resettlement: increasing efforts to promote the renovation of urban villages and dilapidated houses by implementing monetised resettlement to release the incremental housing demand; Supporting the Financing of Real Estate Enterprises: establishing a financing coordination mechanism to satisfy the reasonable financing needs of enterprises and expand the scale of loans for projects in the "white list".

4. **Market and Risk Control**

Strictly Control the Increment and Optimise the Existing Properties: strictly control the increment of commodity housing construction, optimise the existing properties, improve the quality, and promote the establishment of a new model for the development of the real estate industry; Defuse Local Government Debts: use tools such as special bonds to support real estate-related projects and defuse the risks of local government debts.

5. **Local implementation and Policy Innovation**

Local governments have proactively echoed to the central government's policies and the policy environment has reached the most lenient level in history, from the cancellation of restrictions on purchase and sale to the increase of provident fund loan amounts and the granting of subsidies for housing purchase.

Operational Performance

In 2024, Jingrui's contracted sales fell short of expectations. During the reporting period, the Group achieved a total contracted sales value of approximately RMB2.077 billion, representing a decrease of 45.2% as compared to the corresponding period last year (the corresponding period in 2023: RMB3.787 billion), a contracted sales area of approximately 132,761 sq.m. with an average contracted selling price of RMB15,646 per sq.m. As of 31 December 2024, the total contracted gross floor area ("**GFA**") for land bank of the Group amounted to approximately 1,448,200 sq.m. During the reporting period, the Group did not acquire any new land projects and focused with the development and delivery of its existing property projects.

Confronted with the sluggish recovery of the real estate market and liquidity difficulties of Jingrui, we insisted on focusing on three major business tracks, namely the real estate development, the real estate and property services. We reviewed our own resources, revitalized our existing properties, and concentrated on our advantageous resources to overcome the existing liquidity difficulties. Jingrui Properties integrated its regional layout to ensure the normal construction of its projects, sales and the project delivery. Jingrui Capital ensured the sound combination of light assets and heavy assets, maintained and improved its occupancy rate, and recovered capital to support its principal business of real estate by digging of assets value and further sales of its own projects with relatively lower benefits. Jingrui Service centred on quality operation, focusing on the quality and satisfaction of customer service and steadily advancing the capacity building.

On 28 June 2024, the bondholders of the RMB-denominated bonds due 2026 with outstanding principal amount of RMB1,350,000,000 issued by Jingrui Properties (Group) Co., Ltd., a subsidiary of Jingrui, passed a resolution, agreeing that the Group shall repay the principal and interest of the above RMB-denominated bonds gradually on and after 31 July 2027 until 31 May 2029. On 30 August 2024, the bondholders of the RMB denominated bonds due 2026 with outstanding principal amount of approximately RMB500,000,000 issued by Jingrui Properties (Group) Co., Ltd., a subsidiary of Jingrui, passed a resolution, agreeing that the Group shall repay the principal and interest of the above RMB denominated bonds gradually on and after 7 October 2027 until 7 August 2029. In light of the Group's difficulties in onshore and offshore liquidity, in July 2022, Jingrui engaged financial adviser and legal adviser to initiate the debt restructuring of the offshore USD-denominated senior notes. In order to treat all creditors fairly, Jingrui has suspended the payment of principal and interest of all offshore USD-denominated senior notes. The Company and its financial adviser are in ongoing communication with overseas creditors, endeavoring to treat creditors fairly and safeguard the interests of all stakeholders of the Group.

Exploring business strategies under the new model with practicality and innovation

The control of the property market in 2024 continued to be "prevent risks and stabilize the market", so as to ensure the stable development of the real estate market, and to do a solid job of guaranteeing the delivery, people's livelihoods and stability.

In the face of the new economic environment and industry development dynamics, Jingrui actively responded by exploring business strategies under the new real estate development model. Firstly, it reduced debt and leverage by actively paying off or extension on domestic and overseas liabilities and revitalizing inefficient and non-core assets. Secondly, we enhanced quality and profitability by refining product quality, cultivating core competitiveness and improving the core corporate operating indicators. Finally, we strengthened our services and operations by enhancing service awareness, improving service quality, building operation capability and refining operation quality. Since 2022, Jingrui has not acquired any new land projects and has focused on the construction, sale and delivery of existing projects. During the reporting period, Jingrui overcame various difficulties such as liquidity squeeze, and all projects under construction were progressing normally without lock-outs. We delivered or partially delivered projects including Zhejiang Ninghai Xidian (浙江寧海西店), Chengdu Wen Jiangbei (成都溫江北), Chengdu L66 (成都L66), Chengdu Jiangshan Yufu (成都江山御府), Yangzhou 230 (揚州230), Changshu In Times (常熟時光里), Wuhan K4 (武漢K4), Wuhan 0808 (武漢0808), involving a total of 3,317 units, thus safeguarding the interests of our customers.

Enhancement of asset operation capability and release of asset value to improve liquidity

In 2024, Jingrui Capital followed the guidance of achieving high-quality asset management scale, and expanded marketing channels through offline intermediaries, outsourcing and cooperation, etc. It provided value-added services to support the long-term rental price, arranged the volume of short-term rental according to the early termination of stores and offered a premium for short-term rental according to the various long-and short-term rental strategies to maintain sufficient occupancy rate. As at 31 December 2024, the time-point occupancy rate of apartment projects was 92.3% and the time-point occupancy rate of office projects was 86.9%.

Upgrading the service system and focusing on ideal life

Jingrui Service has achieved a leapfrog development from a "real estate development supporting service provider" to a "highly market-oriented national-wide property service branded enterprise". In the course of innovating the service model, the Company always takes service as its core driving force, and continuously improves service quality in an effort to create higher value. As of 31 December 2024, the business footprint of Jingrui Service covered 50 cities, such as Shanghai, Zhejiang, Jiangsu, Tianjin, Chongqing, Wuhan, Hunan, etc. With a contracted GFA of nearly 50 million sq.m. and service scope covering residential, parks, office buildings, hospitals, schools, transportation hubs, scenic spots, public facilities, commercial complexes, urban operations and other types of properties, it has successfully built a service system integrating the entire life cycle, all business types, whole service targets and full scenarios.

Adhering to the mission of "serving with heart and creating beauty", Jingrui Service focuses on the needs of customers and the essence of service, and devotes itself wholeheartedly to create a better living and working environment of intelligence, warmth, diversity and growth for customers through quality services, striving to become the "promoter of better life in Chinese cities".

Facing the current severe real estate market situation and the Company's liquidity difficulties, Jingrui, being practical and innovative to lay the foundations for a better future, will uphold the initial mission of "Dedicated to Building a Wonderful Life", continue to deeply penetrate into the real estate industry based on the asset management model, reduce the level of liabilities and leverage as well as strengthen the operation and service capacity with focus on the three major tracks of the real estate development, the real estate and property services, and continue to carry out iteration and upgrading, striving to seek opportunities and create new values in the new business environment.

Finally, on behalf of the Board, I would like to express our sincere gratitude to all of our customers, investors, partners of the Group and all employees. In the future, Jingrui will stand firm, forge ahead with courage and perseverance, gather and lead all employees to continuously creating value for customers, and work together with investors to achieve a win-win outcome, thereby contributing to a beautiful urban life.

Jingrui Holdings Limited
Yan Hao
Chairman

Breakdown of Major Properties

Completed and Partially Completed Projects

Project Name	Project Type	Gross Floor Area Available for Sale, Lease or Use by the Group (sq.m.)	Percentage of Interest in the Project Attributable to the Group (%)	Attributable Gross Floor Area (sq.m.)
Shanghai Jingrui Life Square	Commercial	43,851	100	43,851
Shanghai Jingrui City Park (Phase 1)	Composite	3,281	100	3,281
Shanghai Jingrui Elite Residences	Residential	9,916	100	9,916
Shanghai Jingrui Xinmei Mansion Project	Commercial	1,362	100	1,362
Shanghai Jingrui Yinqiao Apartment Project	Commercial	8,883	100	8,883
Beijing Jingrui San Quan Apartments Project	Residential	24,300	100	24,300
Beijing Jingrui Foresea Zhongjin Project in Zhongguancun	Office	5,369	100	5,369
Tianjin Jingrui No.1 Tang Gu Bay	Residential & commercial	23,820	100	23,820
Tianjin Jingrui Hanlin	Residential & commercial	8,541	100	8,541
Tianjin Jingrui No.6 Tang Gu Bay	Residential & commercial	324	100	324
Tianjin Sea Blue City	Residential	9,197	49	4,507
Tianjin Jingrui Yujing Tiandi	Residential & commercial	88	100	88
Suzhou Jingrui Taicang Yueting	Residential	2,981	99	2,951
Suzhou Changshu In Times	Commercial & office	1,851	32	592
Suzhou Jingrui Changshu Jiangnan Mansion	Residential	46,337	34	15,755
Wuxi Jingrui Hubin Tianyu	Residential	10,741	71.4	7,669
Changzhou Jingrui Chenyun Tianfu	Residential	6,575	89.43	5,880
Yangzhou Jingrui Yujing Fenghua	Residential	3,806	100	3,806
Yangzhou Tianfu Xingchen	Residential	2,489	30	747

Breakdown of Major Properties

Project Name	Project Type	Gross Floor Area Available for Sale, Lease or Use by the Group (sq.m.)	Percentage of Interest in the Project Attributable to the Group (%)	Attributable Gross Floor Area (sq.m.)
Hangzhou Jingrui Haiyi Cuiting	Residential & commercial	596	100	596
Hangzhou Jingrui Qinghai	Residential & commercial	369	100	369
Hangzhou Jingrui Vital House	Residential	4,606	100	4,606
Ningbo Jingrui Ninghai Yujing Chaoming	Residential	40,516	100	40,516
Ningbo Jingrui Harbour City	Commercial	42,026	50	21,013
Chongqing Jingrui Jiangshan Yufu	Residential	574	100	574
Chongqing Tianchen Yujing	Commercial & residential	2,153	51	1,098
Chengdu Jingrui Yujing Fenghua, North	Commercial & residential	5,156	51.2	2,640
Chengdu Jingrui Yujing Fenghua, South	Commercial & residential	1,441	84	1,210
Wuhan Jingrui Tianfu Peninsula	Composite	7,635	54	4,123
Wuhan Jingrui Tianfu Binjiang	Residential	20,471	40	8,188
Wuhan Jiangnanyue	Residential	38,251	30	11,475
Nanjing Jingrui Xitang Mansion	Composite	3,308	100	3,308
Total		**380,814**		**271,358**

Projects under Development and under Planning

Project	Project Type	Expected Completion Date	Gross Floor Area under Development (sq.m.)	Gross Floor Area under Planning (sq.m.)	Percentage of Interest in the Project Attributable to the Group (%)	Attributable Gross Floor Area (sq.m.)
Shanghai Jingrui City Park Phase 2	Composite	31/12/2026		39,628	100	39,628
Jinhua Jingrui Wuyi Wushuang	Residential	30/6/2025	38,253		81.99	31,363
Suzhou Changshu In Times	Commercial & office	31/12/2026	75,067		32	24,021
Changzhou Jingrui Chenyun Tianfu	Residential	31/12/2025	70,007		89.43	62,607
Yangzhou Tianfu Xingchen	Residential	30/6/2025	116,565		30	34,969
Chongqing Jingrui Jiangshan Yufu	Commercial and residential	30/6/2025	2,919		100	2,919
Chongqing Tianchen Yujing	Commercial and residential	31/12/2025	34,890		51	17,794
Wuhan Jingrui Tianfu Binjiang	Composite	30/6/2025	172,799		40	69,119
Wuhan Jingrui Caidian Sino-French Youxuan Project	Residential	31/12/2026		133,544	54	72,114
Wuhan Jiangnanyue	Residential	31/12/2026	90,083		30	27,025
Wuhan Jingrui No.145 Jiangxia Wulijie P (2020)	Residential	31/12/2026	187,542		54	101,273
Wuhan Jingrui Jiangshanyue	Residential & commercial	30/6/2025	106,136		60	63,682
Total			**894,261**	**173,172**		**546,514**

Management Discussion and Analysis

Market Review

In 2024, the global political and economic landscape was complex and changeable, which was characterized by "differentiated recovery, intensified risks, and policy shifts". Economically, the global economic growth was slow. The International Monetary Fund (IMF) projected a growth rate of 3.2%, which was lower than the historical average. Developed economies showed weak growth, while emerging economies performed relatively impressively. In particular, the growth of emerging markets in Asia reached 4.2%. The inflationary pressure was somewhat alleviated, but the issue of high debt became prominent. The global public debt exceeded 320 trillion US dollars, accounting for more than 90% of the global GDP. Under the influence of high interest rates, the economic growth of the United States slowed down. The economic recovery in the eurozone was difficult, and the economic recovery in Japan was slow, dragged down by weak domestic demand. In terms of policies, major global economies entered an interest rate cut cycle one after another to stimulate economic growth. Politically, 2024 marked a super election year. Elections in many countries led to increased policy uncertainty, the rise of populism, and an obvious trend of rightward shift in the global political landscape. Geopolitical conflicts still remained. The "decoupling and severing of supply chains" policies of the United States and Western countries hit the global supply chain and trade system, and trade protectionism intensified, posing a risk of division for the global economy. At the same time, the influence of countries in the "Global South" increased. Emerging economies such as African countries and the BRICS countries grew strongly, becoming new highlights of the global economy.

In 2024, against the backdrop of complex and volatile domestic and international situations, the economy of the PRC maintained an overall stable performance with a steady upward trend. The national GDP grew by 5.0%, successfully achieving the expected target and reaching a new level in terms of economic aggregate. Macroeconomic policies have been actively implemented. Fiscal policies have become more proactive and effective, and monetary policies have been moderately loose. A package of incremental policies has promoted the economic recovery and improvement. Consumption, investment, and exports have worked together in harmony. New quality productive forces have developed steadily. Risks in key areas have been resolved in an orderly manner, and people's livelihood has been guaranteed. Politically, the Central Committee of the Communist Party of China has continued to deepen reforms, promote the modernization of national governance, maintain the intensity of anti-corruption efforts, and achieved remarkable results in social governance innovation, providing a solid guarantee for the high-quality development of the economy.

In 2024, the domestic real estate market demonstrated a stabilizing trend after a decline with the support of policies. The sales area and sales volume of newly built commodity houses nationwide decreased by 12.9% and 17.1% respectively, and real estate development investment decreased by 10.6%. The overall market remained at an adjustment period. However, the policy side had been actively taking action. These include loosening purchase restrictions in first-tier cities, reducing down payment ratios and mortgage interest rates, lowering the interest rates of existing mortgages, and reducing deed tax and value-added tax, which have effectively boosted market confidence, promoted a gradual recovery in housing prices in first-tier cities, and accelerated inventory reduction in third- and fourth-tier cities. Meanwhile, market differentiation has been intensified. The improved demand in core cities supported the market, while third- and fourth-tier cities faced pressure from inventory backlogs and falling housing prices. The industry reshuffle was accelerating, the concentration of real estate enterprises was increasing, and market confidence was gradually being restored, which laid a foundation for a further recovery of the market in 2025.

BUSINESS OVERVIEW

In 2024, the Group achieved contracted sales of approximately RMB2,077.2 million (including those of joint ventures and associates on a 100% basis) (2023: RMB3,787.4 million) and total contracted GFA sold was approximately 132,761 sq.m. (2023: 210,469 sq.m.). For the Year, the Group achieved revenue of RMB5,906.4 million (2023: RMB7,294.5 million). The Group recognized a net loss attributable to equity holders of the Company of RMB3,003.8 million (2023: RMB1,721.2 million) for the Year.

During the Year, revenue from property sales recognized by the Group amounted to RMB4,976.4 million (2023: RMB6,265.8 million), representing a decrease of 20.6% as compared to last year. It was mainly due to the decrease in the area of properties delivered during the Year. Revenue from property sales of the Group accounted for approximately 84.3% of our total revenue for the Year (2023: 85.9%), which remained as the core operating business of the Group. The Group's apartment and office business, which has been deployed since the end of 2017, has achieved stable revenue, and property management business has made significant progress. The above development of businesses has further enhanced the Group's diversified competitiveness, and the Group has won a good reputation and brand image, while improving customer loyalty and satisfaction.

The Group continues to uphold the development strategy of its cultivation in the Yangtze River Delta region, and actively expands high-quality projects in key cities around the Yangtze River Delta and Chengdu-Chongqing region. As at 31 December 2024, the total GFA for land reserves owned by the Group was approximately 1,448,247 sq.m..

Confronted with the domestic and oversea liquidity difficulties of the Group, in July 2022, we engaged a financial adviser and a legal adviser to initiate debt restructuring for our offshore USD denominated senior notes. In order to treat all creditors fairly, Jingrui has suspended the payment of principal and interests of all offshore USD denominated senior notes.

As at 31 December 2024, our cash at bank and on hand (including cash and cash equivalents and restricted cash) was RMB326.3 million. As at 31 December 2024, our net debt-to-equity ratio was approximately 2,281%. In combination of debt restructuring for its offshore USD denominated senior notes, the Group will continue to improve its liability level and structure, control the liquidity risk, providing guarantee for the Group's sustained operations and steady future growth.

We started our business as a customer driven residential property developer, focusing on developing properties to accommodate the demand of our target customers. Our products are designed to meet the need of first- time home purchasers and those who intend to upgrade their existing living conditions. These customers currently constitute a significant portion of all property purchasers in the PRC. As a result, our products have been positioned in accordance with current market trends and government policies. We believe our strategic product positioning and the continuous expansion of our potential customer base as a result of rapid economic growth and accelerating urbanization in the Yangtze River Delta region, together with our rapid-asset-turnover model, have contributed and will continue to contribute to our growth and scalability.

In order to better allocate resources, achieve professional management, and promote the achievement of the Group's overall strategic goals, the Group, focusing on the main real estate business, has three major business platforms, namely, Jingrui Properties (景瑞地產), Jingrui Capital (景瑞不動產), and Jingrui Service (景瑞服務).

BUSINESS REVIEW

Jingrui Properties (景瑞地產)

Property Development

In 2024, the Group achieved contracted sales of approximately RMB2,077.2 million (including those of joint ventures and associates on a 100% basis) and total contracted GFA sold was approximately 132,761 sq.m.. Our contracted sales were primarily generated from Jiangsu Province and municipalities directly under the Central Government, which were approximately RMB974.8 million and RMB791.0 million (excluding car parks) respectively, representing 46.9% and 38.1% of the total contracted sales, respectively.

Details of the Group's contracted sales in 2024

The following table sets out the geographic breakdown of the Group's contracted sales in 2024:

Project Name	Contracted GFA Sold sq.m.	Contracted Sales RMB'000	Contracted Average Selling Price RMB/sq.m.
Tianjin			
Tianjin Jingrui Yujing Tiandi	33,733	664,790	19,707
Tianjin Sea Blue City	4,031	55,032	13,652
Tianjin Jingrui No. 1 Tang Gu Bay	219	2,827	12,909
Chongqing			
Chongqing Jingrui Jiangshan Yufu	4,179	28,644	6,854
Chongqing Tianchen Yujing	3,640	39,704	10,908
Sub-total of municipalities directly under the Central Government	**45,802**	**790,997**	**17,270**
Ningbo			
Ningbo Jingrui Ninghai Yujing Chaoming	2,264	22,013	9,723
Sub-total of Zhejiang Province	**2,264**	**22,013**	**9,723**
Suzhou			
Suzhou Jingrui Changshu Jiangnan Mansion	17,637	295,499	16,754
Suzhou Changshu In Times	5,070	49,442	9,752
Suzhou Jingrui Taicang Yueting	101	1,286	12,733

Project Name	Contracted GFA Sold sq.m.	Contracted Sales RMB'000	Contracted Average Selling Price RMB/sq.m.
Wuxi			
Wuxi Jingrui Hubin Tianyu	3,358	87,065	25,928
Nanjing			
Nanjing Jingrui Xitang Mansion	958	29,704	31,006
Yangzhou			
Yangzhou Tianfu Xingchen	15,044	257,982	17,148
Yangzhou Jingrui Yujing Fenghua	545	5,815	10,670
Changzhou			
Changzhou Jingrui Chenyun Tianfu	15,398	203,033	13,186
Changzhou Jingrui Dawn City	9,814	45,000	4,585
Sub-total of Jiangsu Province	**67,925**	**974,826**	**14,352**
Wuhan			
Wuhan Jingrui Tianfu Binjiang	5,790	76,181	13,157
Wuhan Jingrui Jiangshanyue	7,405	56,195	7,589
Wuhan Jiangnanyue	2,595	18,859	7,267
Chengdu			
Chengdu Jingrui Yujing Fenghua, North	42	2,788	66,381
Chengdu Jingrui Yujing Fenghua, South	938	12,928	13,783
Sub-total of other provinces	**16,770**	**166,951**	**9,955**
Car park (lots)	1,297	122,364	
Total	**132,761**[(1)]	**2,077,151**	**15,646**

Note:

(1) Excluding the area of car parks.

Land Bank

As at 31 December 2024, the total land bank of the Group was approximately 1,448,247 sq.m. or approximately 817,872 sq.m. on an attributable basis.

Breakdown of the Group's land bank by cities for the year ended 31 December 2024

City	Total GFA sq.m.	Percentage of the Group's Total GFA %	GFA Attributable to the Group's Interests sq.m.	Percentage of GFA Attributable to the Group's Interests %
Municipalities directly under the central government				
Shanghai	106,921	7.4	106,921	13.1
Beijing	29,669	2.0	29,669	3.6
Tianjin	41,971	2.9	37,280	4.6
Chongqing	76,390	5.3	55,712	6.8
Sub-total	**254,951**	**17.6**	**229,582**	**28.0**
Zhejiang Province				
Hangzhou	965	0.1	965	0.1
Ningbo	42,026	2.9	21,013	2.6
Jinhua	39,694	2.7	32,544	4.0
Sub-total	**82,685**	**5.7**	**54,522**	**6.7**
Jiangsu Province				
Suzhou	126,236	8.7	43,319	5.3
Nanjing	3,307	0.2	3,307	0.4
Wuxi	10,741	0.8	7,669	0.9
Changzhou	91,211	6.3	81,570	10.0
Yangzhou	108,230	7.5	35,133	4.3
Sub-total	**339,725**	**23.5**	**170,998**	**20.9**
Other Province				
Wuhan	770,886	53.2	362,770	44.4
Sub-total	**770,886**	**53.2**	**362,770**	**44.4**
Total	**1,448,247**	**100.0**	**817,872**	**100.0**

Revenue from Sales of Properties

The revenue from sales of properties for the Year was approximately RMB4,976.4 million, representing a decrease of 20.6% as compared to last year, and its distribution is mainly as follows:

	Revenue RMB'000	Percentage of Total Revenue %	GFA sq.m.	Average Selling Price RMB/sq.m.
Jiangsu Province				
Suzhou Jingrui Sino Park	72,076	1.4	4,818	14,960
Suzhou Jingrui Huyu Shangyuan	985,305	19.8	70,897	13,898
Suzhou Jingrui Taicang Yueting	4,743	0.1	384	12,352
Changzhou Jingrui Chenyun Tianfu	1,976,638	39.7	92,501	21,369
Nanjing Jingrui Xitang Mansion	10,698	0.2	728	14,695
Yangzhou Jingrui Yujing Fenghua	21,842	0.4	1,616	13,516
Wuxi Jingrui Hubin Tianyu	88,148	1.8	3,676	23,979
Zhejiang Province				
Ningbo Jingrui Ninghai Yujing Chaoming	207,176	4.2	22,601	9,167
Hangzhou Jingrui Qinghai	24,650	0.5	897	27,480
Chongqing				
Chongqing Jingrui Jiangshan Yufu	238,844	4.8	27,022	8,839
Chengdu				
Chengdu Jingrui Yujing Fenghua, North	689,554	13.9	48,170	14,315
Tianjin				
Tianjin Jingrui Yujing Tiandi	580,987	11.7	32,655	17,792
Other	6,218	0.1	286	21,741
Sub-total	**4,906,879**	**98.6**	**306,251**	**16,022**
Car parks (lots)	69,529	1.4	799	
Total	**4,976,408**	**100.0**		

Jingrui Capital (景瑞不動產)

Jingrui Capital is a real estate platform under Jingrui, which is dedicated to investment, development, renovation and operation of rental apartments. It is committed to the property holding, management and operation of long-term apartments, and creating value for investors with the guidance of achieving high quality asset management scale and concentrating on urban renewal and land matching.

In 2024, all projects of Jingrui Capital were in normal operation. As at 31 December 2024, the time-point occupancy rate of apartment projects was 92.3% and the time-point occupancy rate of office projects was 86.9%.

Jingrui Service (景瑞服務)

With economic development and consumption upgrading, the value of services has been highly recognized in the capital market in recent years. In March 2020, Jingrui established the "Jingrui Service" platform with Jingrui Properties as its carrier. By adhering to the management concept of "focusing on ideal life" and taking the "promoter of better life in Chinese cities" as its development objective, Jingrui Service has built high-quality communities with quality consciousness to pursue continuous improvement of management services and provides high-standard and customized property management services for customers by meeting customers' increasing demands with positive and enthusiastic attitudes.

As of 31 December 2024, the business footprint of Jingrui Service covered more than 50 cities, such as Shanghai, Zhejiang, Jiangsu, Anhui, Hunan, Tianjin, Chongqing, etc. Its contracted GFA amounted to nearly 50 million sq.m., and its service target covers residential, commercial complex, office buildings, parks, schools, banks, hospitals, government construction projects and other types of properties. Jingrui Service focuses on the actual needs of properties' owners and strives to be practical and innovative. It continues to iterate and upgrade its service pattern, integrating the vision of "Proactive Service Provider Adhering to Quality" into full-type and full-lifecycle services through services and execution.

Employees and Remuneration Policies

As at 31 December 2024, we had a total of 2,661 full-time employees (31 December 2023: 2,990). Among which, 204 of our employees worked in property development operations, 2,406 of our employees were engaged in property management and 51 of our employees worked in customer service and other related operations.

The remuneration package of our employees includes salaries and bonuses. In general, we determine employee salaries based on each employee's qualifications, experience, position and seniority. We have designed an annual review system to assess the performance of our employees, which forms the basis for us to determine salary raises, bonuses and promotion. We also review and adjust our remuneration package by referring to the relevant salary survey in the real estate industry published by renowned consulting firms. We believe the salaries and benefits that our employees receive are competitive compared with market standards in each geographic location where we conduct business. In addition, we have also adopted a share option scheme (the "**Share Option Scheme**") at the annual general meeting held on 7 May 2019. By doing so, share options were granted to selected senior executives of the Group and employees are encouraged to grow together with the Company. Details of the Share Option Scheme are set out in the section headed "Share Option Scheme" of this annual report.

The Group's staff costs for the year ended 31 December 2024 amounted to RMB178.1 million (for the year ended 31 December 2023: RMB226.3 million).

We have also established systematic training programs for our employees based on their positions and expertise. For example, the training programs for members of our management teams focus on improving their management and leadership skills. We have also designed trainings for our marketing and sales personnel to improve their sales capabilities. In addition to internal trainings, we have also engaged external experts or sponsored continuing educations for our employees from time to time.

Financial Review

Revenue

For the year ended 31 December 2024, the revenue of the Group reached RMB5,906.4 million, representing a decrease of 19.0% as compared to RMB7,294.5 million in last year. Our revenue consists of revenue from (i) sales of properties, (ii) property management services, (iii) rental income and (iv) others. The table below sets forth our revenue for each of the businesses described above and the percentage of total revenue represented for the respective periods indicated:

Revenue by business segments

	2024		2023		
	RMB'000	Percentage of total revenue %	RMB'000	Percentage of total revenue %	Year-on-year change %
Revenue from contracts with customers recognized at a point in time					
– Sales of properties	**4,976,408**	**84.3**	6,265,777	85.9	(20.6)
– Others	**21,634**	**0.4**	64,669	0.9	(66.5)
	4,998,042	**84.7**	6,330,446	86.8	(21.0)
Revenue from contracts with customers recognized over time					
– Property management service	**775,046**	**13.1**	793,658	10.9	(2.3)
Rental income	**133,312**	**2.2**	170,371	2.3	(21.8)
Total	**5,906,400**	**100.0**	7,294,475	100.0	(19.0)

Revenue from sales of properties has constituted, and is expected to continue to constitute, a substantial majority of our total revenue, representing approximately 84.3% of our total revenue for the Year.

Our operating results for any given period are dependent upon the GFA and the selling prices of the properties we deliver during such period and the market demand for those properties. Consistent with industry practice, we typically enter into purchase contracts with customers while the properties are still under development but after satisfying the conditions for pre-sales in accordance with the PRC laws and regulations. In general, there is typically at least one year between the time we commence the pre-sales of properties under development and the completion of the construction of such properties. We do not recognize any revenue from the pre-sales of properties until such properties are completed and the possession of such properties has been delivered to the customers.

During the Year, the properties delivered by the Group were mainly Changzhou Jingrui Chenyun Tianfu, Suzhou Jingrui Huyu Shangyuan, Chengdu Jingrui Yujing Fenghua, North and Tianjin Jingrui Yujing Tiandi. Revenue from sales of properties decreased by 20.6% to approximately RMB4,976.4 million in 2024 from approximately RMB6,265.8 million in 2023, mainly due to the decrease in the area of properties delivered during the Year.

Revenue from property management services represents revenue generated from property management services we provide through our subsidiary, Shanghai Jingrui Property Management Co., Ltd., to owners of all our properties and certain properties developed by third parties. Revenue from property management is recognized over the period when our property management services are rendered. In 2024, revenue from property management of the Group was approximately RMB775.0 million, representing a decrease of approximately 2.3% as compared to RMB793.7 million in last year. The decrease in revenue from property management was primarily due to the decrease in the third-party contracted managed GFA and the decrease in the property management fee.

Rental income mainly includes operating revenue generated from leasing our investment properties and certain other completed properties and is recognized on a straight-line basis over the relevant lease terms. In 2024, rental income of the Group was approximately RMB133.3 million, representing a decrease of 21.8% as compared to RMB170.4 million in 2023, mainly due to the decrease in operating area as compared to last year due to the continuous disposal of certain investment properties and leasehold properties for cash flow release in 2023 and 2024.

Cost of Sales

Our cost of sales primarily represents the cost we incur directly in property development activities as well as our property management and leasing operations. The principal components of cost of sales for our property development include cost of properties sold, which represents direct construction costs, land use right costs and capitalized interest costs on related borrowings for the purpose of property development during the period of construction.

Our cost of sales decreased by 9.8% from RMB6,830.2 million in 2023 to RMB6,158.9 million in 2024, which was in line with the decrease of revenue.

The table below sets forth information relating to our cost of sales and as a percentage of total cost of sales:

	2024		2023	
	RMB'000	**%**	RMB'000	%
Construction costs	**1,689,027**	**27.4**	2,215,494	32.5
Land use right costs	**2,953,739**	**48.0**	3,110,622	45.6
Capitalized interest	**707,986**	**11.5**	794,268	11.6
Sub-total: Total cost of properties	**5,350,752**	**86.9**	6,120,384	89.7
Surcharges	**21,857**	**0.4**	28,729	0.4
Provision for impairment of properties held or under development for sale, net	**161,085**	**2.6**	36,656	0.5
Other costs[1]	**625,217**	**10.1**	644,390	9.4
Total	**6,158,911**	**100.0**	6,830,159	100.0

Note:

(1) Includes costs associated with property management, leasing and other operations.

Gross Loss/Gross Profit and Gross Loss Margin/Gross Profit Margin

Our gross profit recorded a turnaround from RMB464.3 million in 2023 to gross loss of approximately RMB252.5 million in 2024. The Group recorded a gross profit margin of approximately 6.4% for the year ended 31 December 2023, compared to a gross loss margin of approximately 4.3% for the year ended 31 December 2024, primarily due to the increase in land cost for the carry-over of property projects during the Year and the increase in the relevant provisions of impairment for property projects based on the principle of prudence.

Fair Value Losses on Investment Properties under Capital Platform

For the year ended 31 December 2024, the fair value losses on investment properties under capital platform were RMB144.9 million (2023: RMB100.3 million). The fair value losses in 2024 were mainly due to the impairment of projects such as Shanghai Jingrui Elite Residences and Beijing Jingrui Foresea Zhongjin Project in Zhongguancun.

Fair Value Losses on Investment Properties under Other Platforms

For the year ended 31 December 2024, the fair value losses on investment properties under other platforms were RMB149.0 million (2023: RMB6.0 million). The fair value losses in 2024 was mainly due to the impairment of Ningbo Jingrui Harbour City project.

Selling and Marketing Costs

Our selling and marketing costs increased by 9.1% from RMB321.0 million in 2023 to RMB350.2 million in 2024, which was mainly due to the increase in sales commission of carry-over projects during the Year.

Administrative Expenses

Our administrative expenses increased by 114.6% from RMB310.8 million in 2023 to RMB667.0 million in 2024, which was mainly due to the increase in the provision for bad debts on receivables by the Group based on the principle of prudence.

Other Income and Other Gains or Losses – Net

We recorded other income of RMB8.2 million in 2024, compared to other income of RMB16.0 million in 2023. Other income recorded in 2024 was mainly the income on the government grants.

We recorded net other losses of RMB862.2 million in 2024, compared to net other losses of RMB454.0 million in 2023. Other losses recorded in 2024 were primarily derived from fair value loss from financial assets at fair value through profit or loss and impairment of investment in joint ventures and associates.

Finance Costs, Net

Our finance income decreased by 93.0% from RMB17.1 million in 2023 to RMB1.2 million in 2024, primarily due to the decrease in interest income of bank deposits during the Year. Our finance costs decreased by 4.6% from RMB915.5 million in 2023 to RMB873.1 million in 2024, which was in line with the decline in the Group's total borrowings.

Share of Results of Joint Ventures/Associates

For the year ended 31 December 2024, our share of results of joint ventures/associates was a loss of RMB44.5 million (2023: a loss of RMB105.3 million), and the loss was primarily due to the operating losses incurred by certain joint ventures/associates resulting from the impact of the continuing downturn in the real estate market.

Income Tax Credit/(Expense)

Our income tax expense decreased from RMB125.8 million in 2023 to the income tax credit of RMB89.0 million in 2024, primarily due to the decrease in deferred income tax liabilities resulting from fair value losses on certain assets.

Loss for the Year

In 2024, our loss for the Year was RMB3,245.1 million, of which loss attributable to equity holders of the Company was RMB3,003.8 million.

Liquidity and Capital Resources

The industry in which the Group operates is a capital-intensive industry. The Group has been and is expected to continue satisfying its needs of operating capital, capital expenditure and other capital needs with proceeds from pre-sale and sale of properties, loans from commercial banks and other individuals, capital injections from shareholders and issuance of new shares. The Group's need for short-term liquid capital is associated with loan repayment and capital need for operation, while the Group's short-term liquid capital comes from cash balance, proceeds from pre-sale and sale of properties and new loans. The Group's need for long-term liquid capital is associated with capital allocated for new property development projects and repayment of long-term debts, and the Group's sources of long-term liquid capital include loans, capital injections from shareholders and issuance of new shares.

Cash Positions

As at 31 December 2024, our cash at bank and on hand (including cash and cash equivalents and restricted cash) was RMB326.3 million. Our cash at bank and on hand is mainly denominated in RMB. Restricted cash of the Group mainly comprised of deposits for advanced proceeds received from property purchasers in respect of pre-sale properties.

Borrowings

Our total outstanding borrowings decreased from RMB16,876.1 million as at 31 December 2023 to RMB15,942.3 million as at 31 December 2024. As at 31 December 2024, all of the Group's secured borrowings were secured or guaranteed by one or a combination of the following methods: land use rights, properties under development, investment properties, completed properties held for sale, shares of the Company's subsidiaries and/or guarantees granted by the Company's subsidiaries. As at 31 December 2024, the assets used as collaterals for the borrowings amounted to RMB5,728.3 million (31 December 2023: RMB7,659.3 million). Our borrowings are mainly denominated in RMB and USD.

Breakdown of Our Borrowings by Categories

	As at 31 December		
	2024	2023	Change
	RMB'000	RMB'000	%
Current Borrowings:			
Bank loans, secured	**95,990**	86,990	10.3
Add: current portion of long-term borrowings	**13,110,017**	12,217,453	7.3
Total Current Borrowings	**13,206,007**	12,304,443	7.3
Non-Current Borrowings:			
Bank loans, secured	**2,123,856**	3,068,712	(30.8)
Other loans, secured	**868,787**	997,500	(12.9)
Trust financing arrangements, secured	**1,313,772**	1,329,382	(1.2)
Senior notes due 2022, issued in July 2019, secured	**1,868,984**	1,841,502	1.5
Senior notes due 2022, issued in March 2020, secured	**91,077**	89,738	1.5
Senior notes due 2022, issued in June 2020, secured	**1,078,260**	1,062,405	1.5
Senior notes due 2023, issued in November 2020, secured	**1,725,216**	1,699,848	1.5
Senior notes due 2023, issued in March 2021, secured	**790,724**	779,097	1.5
Senior notes due 2023, issued in April 2021, secured	**1,128,579**	1,111,984	1.5
Senior notes due 2023, issued in May 2021, secured	**237,217**	233,729	1.5
Senior notes due 2023, issued in August 2021, secured	**359,420**	354,135	1.5
Senior notes due 2024, issued in September 2021, secured	**1,186,086**	1,168,605	1.5
Senior notes due 2023, issued in March 2022, secured	**1,230,032**	1,211,946	1.5
Senior notes due 2023, issued in April 2022, secured	**143,049**	140,946	1.5
Corporate bonds due from October 2027 to August 2029	**351,214**	351,214	–
Corporate bonds due from July 2027 to May 2029	**1,350,000**	1,348,389	0.1
Less: current portion of long-term borrowings	**(13,110,017)**	(12,217,453)	7.3
Total Non-Current Borrowings	**2,736,256**	4,571,679	(40.1)
Total	**15,942,263**	16,876,122	(5.5)

Breakdown of Our Borrowings by Maturity Profile

	As at 31 December			
	2024		2023	
	RMB'000	**%**	RMB'000	%
Within 1 year	**13,206,007**	**82.8**	12,304,443	72.9
Between 1 and 2 years	**104,000**	**0.7**	3,744,576	22.2
Between 2 and 5 years	**2,382,972**	**14.9**	679,103	4.0
Over 5 years	**249,284**	**1.6**	148,000	0.9
Total	**15,942,263**	**100.0**	16,876,122	100.0

The proportion of the Group's long-term borrowings in the total borrowings was approximately 17.2% as at 31 December 2024.

Interest and net foreign exchange losses generated from bank loans, senior notes, corporate bonds and trust financing arrangements and other loans

	Year ended 31 December		
			Year-on-year
	2024	2023	Change
	RMB'000	RMB'000	%
Finance costs			
– Interest expensed	**722,006**	742,060	(2.7)
– Net foreign exchange losses on financing activities	**149,837**	164,768	(9.1)
– Interest on lease liabilities	**1,247**	8,676	(85.6)
– Amounts capitalised	**130,879**	506,893	(74.2)
Total	**1,003,969**	1,422,397	(29.4)

Net Debt-to-Capital Ratio

As at 31 December 2024, our net debt-to-capital ratio was 2,281% (31 December 2023: 386%). Net debt-to-capital ratio is calculated as net debt at the end of the year divided by total equity and multiplied by 100%. Net debt is calculated as total borrowings minus cash and cash equivalents and restricted cash.

Contingent Liabilities

We provide mortgage guarantees to banks in respect of the mortgage loans they provided to our customers in order to secure the repayment obligations of such customers. The mortgage guarantees are issued from the date of grant of the relevant mortgage loans and released upon the earlier of (i) the transfer of the relevant real estate ownership certificate to the customer; or (ii) the settlement of mortgage loans by the customers. If a purchaser defaults on a mortgage loan, we may be required to repurchase the underlying property by paying off the mortgage. If we fail to do so, the mortgage bank may auction the underlying property and recover any additional amount outstanding from us as the guarantor of the mortgage loans.

As at 31 December 2024, the material contingent liabilities incurred for our provision of guarantees to financial institutions in respect of the mortgage loans they provided to our property purchasers were approximately RMB1,327.5 million (31 December 2023: RMB2,236.3 million). In addition, we provided guarantee for certain bank loans amounting to RMB294.3 million (31 December 2023: RMB321.0 million) which were granted to our joint ventures/associates. We provided guarantee for certain bank loans amounting to RMB107.3 million (31 December 2023: RMB111.8 million) which were granted to related parties of joint ventures. The Group provided guarantees as the proceeds from the loans were applied towards property projects of the joint ventures and associates.

Our Directors confirm that we have not encountered defaults by purchasers in which we provided mortgage guarantees that, in aggregate, had a material adverse effect on our financial condition and results of operations.

Off-Balance Sheet Commitments and Arrangements

Except for the contingent liabilities disclosed above, as at 31 December 2024, we did not have any outstanding loan capital issued or agreed to be issued, bank overdrafts, loans, debt securities, borrowings and other similar indebtedness, liabilities under acceptances (other than normal trade bills), acceptance credits, debentures, mortgages, charges, finance leases or hire purchase commitments, guarantees or other material contingent liabilities.

Interest Rate Risk

Our income and operating cash flows are substantially independent of changes in market interest rates. Except for bank deposits bearing stable interest rates, the Group has no other significant interest-bearing assets.

Our exposure to changes in interest rates is mainly attributable to our borrowings from bank, trust financing providers, senior notes and corporate bonds. Borrowings at floating rates expose us to cash flow interest rate risk, while borrowings at fixed rates expose us to fair value interest rate risk. We have not hedged our cash flow or fair value interest rate risk. Our Directors do not anticipate significant impact on interest-bearing assets resulting from the changes in interest rates, because the interest rates of bank balances are not expected to change significantly.

Foreign Exchange Risk

The Group is engaged in the development, sale and management of properties solely in the PRC with almost all transactions denominated in RMB. In addition, the majority of the Group's assets and liabilities are denominated in RMB. Accordingly, the Group is not exposed to significant foreign currency risks, except for bank deposits and our senior notes issued from 2019 to 2022, which were denominated in US dollars.

Nonetheless, as we expand our operations, we may incur a certain portion of our cash flows in currencies other than RMB and thereby, may increase our exposure to fluctuations on exchange rates. We currently do not have foreign currency hedging policy, but our Directors will manage our exposure through constant monitoring to limit as much as possible the amount of our foreign currency exposures.

Financial Assets at Fair Value through Profit or Loss/Other Comprehensive Income

As at 31 December 2024, the balance of the Group's financial assets at fair value through profit or loss mainly represented the investments in liquid opportunity fund, purchase of wealth management products, and other investments in private equities. The balance of the Group's financial assets at fair value through other comprehensive income mainly represented the investment in unlisted equity securities.

Material Acquisitions and Disposals

The Group had no material acquisitions and disposals in 2024.

Future Plans for Material Investment

The Directors confirmed that as at the date of this annual report, there is no current plan for any material investment other than that in the Group's ordinary business of property development and the identification of potential independent third party investors for respective project companies.

Prospect

In 2025, the real estate market will show an overall trend of weak equilibrium with divergence. Market confidence is anticipated to gradually recover under the impetus of policies, although regional performance will vary significantly. The property prices in core cities are expected to remain stable or witness a slight upswing, while third- and fourth-tier cities may be subject to adjustment pressure. Policies will continue to focus on "stability", propelling market development through measures such as lowering home purchase costs, optimizing land supply and ramping up financial support. Meanwhile, efforts will be accelerated to build a new model for real estate development. Sales and investment scale in the new housing market may continue to shrink, which however is expected to narrow. The trading in the secondary housing market is likely to remain at a certain level. The land market will see intensifying differentiation, with core regions being more favored. Investors should keep abreast of regional disparities and policy changes, capture investment opportunities in improved housing and commercial properties in core cities, while be cautious about risks in third- and fourth-tier cities.

In line with the market trend and the guidance of national policies, and in the face of the current liquidity dilemma, Jingrui will actively safeguard the interests of all stakeholders, including customers, suppliers and investors, revitalize the stock assets, penetrate into value cities, make "ensuring delivery" as the core of its current work, focus on building the delivery power of the enterprise, so as to win the trust of the government, homebuyers, financial institutions and investors. In the future, Jingrui will continue to further make its efforts in core cities and metropolitan areas, enhance its product strength and refined operation capabilities, continue to build outstanding projects, forge solid operation management capabilities, improve asset values and realize high-quality development.

Directors and Senior Management

Executive Directors

Mr. Yan Hao (閆浩), aged 56, is one of the founders and the chairman and chief executive officer of the Group. He was appointed as an executive Director on 6 October 2013, appointed as an authorised representative of the Company on 18 January 2020 and re-designated as the chairman of the Board from the co-chairman of the Company on 30 March 2023. Mr. Yan is responsible for the overall strategic planning and business direction and the day-to-day business and management of the Group. Mr. Yan also serves as a member of our Remuneration Committee. Mr. Yan obtained an EMBA degree from Fudan University (復旦大學) in June 2004. He has more than 30 years of experience in the PRC real estate industry. Mr. Yan co-founded Jingrui Properties (Group) Co., Ltd. ("**Jingrui Properties**", formerly known as Shanghai Jingrui Property Development Company) in 1993 with Mr. Chen Xin Ge, and has since served as the deputy general manager, building our business to its current scale from 1993 to 1999 and the chief executive officer since 1999, being responsible for overseeing our day-to-day operations, strategic directions and business growth.

Mr. Xu Hai Feng (徐海峰), aged 51, is the vice president of the Group. He was appointed as an executive Director on 15 March 2018. Mr. Xu graduated from Tongji University in June 1998 with an engineering degree. He obtained the EMBA degree from CEIBS in September 2013. After graduation, Mr. Xu joined Shanghai Pu Nan Public Transport Co., Ltd. (上海浦南大眾公共交通有限公司), from which he left in April 2001 to join the Group as a senior manager of HR department, and is primarily in charge of formulating and implementing the human resources strategy of the Group. From June 2009 to July 2017, Mr. Xu served successively as the deputy general manager of Jingrui Properties' company in Chongqing, the human resources administrative Director of Jingrui Properties, assistant to the president of Jingrui Properties and the executive vice president of Jingrui Properties. He has been in charge of human resources matters and real-estate business of the Group. Mr. Xu served as the executive president of Jingrui Properties from August 2017 to June 2018, being responsible for the overall operation and management of the Group's real estate business. Mr. Xu was appointed by the Company as the vice-president of the Company on 22 June 2018 and concurrently served as the chairman and president of Jingrui Properties.

Mr. Chen Chao (陳超), aged 47, is the vice president and the chief financial officer of the Group, and the chairman of Yan Capital Management. He was appointed as an executive Director on 30 March 2020. Upon joining the Company in July 2018, Mr. Chen was responsible for financial matters, financing, capital markets and fund business. Mr. Chen joined Xiamen Tianjian Certified Public Accountants Co., Ltd. (廈門天健有限責任會計師事務所) as the audit project manager in June 2001. In November 2006, he joined Xiamen ITG Group Corp., Ltd. (廈門國貿集團股份有限公司) (stock code: 600755) as the deputy general manager of the finance department and concurrently the financial controller of Xiamen Guomao Real Estate Group (廈門國貿地產集團). From July 2012 to June 2018, he served as the vice president of Yuzhou Properties Company Limited (禹洲地產股份有限公司) (stock code: 01628), in charge of the finance, capital, legal affairs, risk control and other businesses. He also acted as the vice president of Yuzhou Financial Holdings Group (禹洲金控集團) the leader of the South China region and the chairman of Yuzhou Property Group (禹洲物業集團). He has nearly 20 years of experience in financial management. Mr. Chen obtained a bachelor's degree in accounting from Xiamen University and an MBA degree from Xiamen University in June 2001 and June 2011, respectively with the qualification of Chinese Certified Public Accountant.

Non-executive Director

Mr. Chen Xin Ge (陳新戈), aged 56, is one of the founders of the Group. He was appointed as an executive Director on 6 October 2013 and re-designated as a non-executive Director on 30 March 2023, and served as the co-chairman of the Company from October 2013 to March 2023. Mr. Chen is responsible for determining the overall strategic planning and business direction of the Group together with Mr. Yan. Mr. Chen also serves as a member of our Nomination Committee. Mr. Chen graduated from Capital University of Economics and Business (首都經濟貿易大學) in March 2001. He also completed the EMBA Program at Cheung Kong Graduate School of Business in September 2007 and obtained a diploma of Executive Master of Business Administration. Mr. Chen has more than 30 years of experience in the PRC real estate industry. Mr. Chen co-founded Jingrui Properties in 1993 with Mr. Yan, and has since served as the general manager, building our business to its current scale from 1993 to 1999 and the chairman of the Board since 1999, being responsible, along with Mr. Yan, for the strategic directions and business growth of the Group.

Directors and Senior Management

Independent Non-Executive Directors

Mr. Tianmin Liu (劉天民), aged 64, was appointed as an independent non-executive Director on 31 December 2024. Mr. Liu has been appointed as the chairman of our Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee and is responsible for supervising and providing independent judgment to the Board and performing other duties and responsibilities as assigned by the Board. In particular, as the chairman of the Nomination Committee, Mr. Liu is responsible for overseeing and reviewing the structure and composition of the Board, assessing the independence of independent non-executive Directors and making recommendations on appointment of Directors and Board diversity. Mr. Liu serves as the managing partner of SB China Venture Capital. Mr. Liu had over 12 years of experience in strategic investments and portfolio management. Mr. Liu served as an independent non-executive director of Neo-Neon Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1868) from August 2014 to January 2024. He also served as a non-executive director of Technovator International Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1206) from September 2011 to June 2021. Mr. Liu served as the vice president of Tsinghua Tongfang Co., Ltd and the general manager of "Digital TV System" Division of Tsinghua Tongfang Co., Ltd from 2003 to 2009.

Ms. Wu Jilan (吳繼蘭), aged 47, was appointed as an independent non-executive Director on 31 December 2024. Ms. Wu has been appointed as the chairman of our Remuneration Committee and a member of each of the Audit Committee and the Nomination Committee and is responsible for supervising and providing independent judgment to the Board and performing other duties and responsibilities as assigned by the Board. In particular, as the chairman of the Remuneration Committee, Ms. Wu is responsible for overseeing the policy and structure of the remuneration for the Directors and senior management and making recommendations on employee benefit arrangements. Ms. Wu had over 18 years of experience in college education in the fields of financial management and economic theories and have accumulated rich experience in research and industry projects in the areas including real estate projects, information technology projects and new energy projects. Ms. Wu has been a professor and an officer of the teaching and research office in the School of Information Management and Engineering of Shanghai University of Finance and Economics since 2024. Ms. Wu has also been a subject leader of the department of economic and information management of Shanghai University of Finance and Economics since 2021. Ms. Wu served as an associate professor in the School of Information Management and Engineering of Shanghai University of Finance and Economics from 2019 to 2024, a visitor scholar in College of Business of University of Florida from 2011 to 2012 and a lecturer in the School of Information Management and Engineering of Shanghai University of Finance and Economics from 2006 to 2019. Ms. Wu obtained PhD in management from School of Economics and Management, Tongji University in 2006, a master's degree in rock and soil mechanics from the School of Civil Engineering, Shandong University of Science and Technology in 2003, and a bachelor's degree in civil engineering from Shandong University of Science and Technology School of Civil Engineering in 2000.

Directors and Senior Management

Ms. Hong Ting (項婷), aged 39, was appointed as an independent non-executive Director on 31 December 2024. Ms. Hong has been appointed as the chairman of our Audit Committee and a member of each of the Remuneration Committee and the Nomination Committee and is responsible for supervising and providing independent judgment to the Board and performing other duties and responsibilities as assigned by the Board. In particular, as the chairman of the Audit Committee, Ms. Hong is responsible for reviewing and supervising the financial reporting process and internal risk control system as well as overseeing the audit process of the Group. Ms. Hong obtained a Bachelor of Business degree from The Chinese University of Hong Kong in 2008. She is a fellow member of the Hong Kong Institute of Certified Public Accountants and a Certified Public Accountant (Practising) in Hong Kong. She worked for an international audit firm and has over 16 years of experience in accounting, auditing, taxation and financial consulting. Ms. Hong is currently the managing director of a certified public accountants firm in Hong Kong. Ms. Hong was a non-executive director of Alco Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 328) for the period from June 2022 to January 2023. Ms. Hong was also an independent non-executive director of Wai Chun Bio-Technology Limited, a company listed on the Main Board of the Stock Exchange (stock code: 660) from October 2022 to April 2024. Ms. Hong has been an independent non-executive director of Yun Lee Marine Group Holdings Limited (stock code: 2682) since January 2023, World Houseware (Holdings) Limited (stock code: 713) since July 2023 and C&D Newin Paper & Pulp Corporation Limited (stock code: 731) since October 2024, and, respectively, each being a company listed on the Main Board of the Stock Exchange.

Senior Management

Ms. Jiang Bing Xian (蔣冰弦), aged 44, is the company secretary and senior legal counsel of the Company. Ms. Jiang joined the Company in November 2004. She was appointed as a joint company secretary in June 2017 and acted as the sole company secretary since May 2021. At the same time, from June 2017 to May 2021, she was responsible for investor relations and capital market matters. She was appointed as a senior legal counsel of the Company in May 2021. Ms. Jiang obtained a bachelor's degree in law from East China University of Political Science and Law in July 2004 and a master's degree in laws from China University of Political Science and Law in January 2015.

Company Secretary

Ms. Jiang Bing Xian has been appointed as one of the joint company secretaries and authorized representative of the Company since 23 June 2017 and acted as the sole company secretary from 7 May 2021. For Ms. Jiang's profile, please refer to the section headed "Senior Management" above.

Corporate Governance Report

The Board is pleased to present this corporate governance report as set out in the annual report of the Company for the year ended 31 December 2024.

Corporate Governance Culture

The Company is committed to ensuring that its affairs are conducted in accordance with high ethical standards. This reflects its belief that, in the achievement of its long-term objectives, it is imperative to act with probity, transparency and accountability and thereby maintained a good corporate culture.

By so acting, the Company believes that Shareholder wealth will be maximised in the long term and that its employees, those with whom it does business and the communities in which it operates will all benefit.

Corporate governance is the process by which the Board instructs management of the Group to conduct its affairs with a view to ensuring that its objectives are met. The Board is committed to maintaining and developing robust corporate governance practices that are intended to ensure:

- satisfactory and sustainable returns to shareholders;
- that the interests of those who deal with the Company are safeguarded;
- that overall business risk is understood and managed appropriately;
- the delivery of high-quality products and services to the satisfaction of customers; and
- that high standards of ethics are maintained.

Corporate Governance Practices

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") as its own code of corporate governance. The Company has been in compliance with the principles and code provisions as set out in Part 2 of the CG Code during the year ended 31 December 2024 except for deviation from code provisions C.2.1 and B.2.4(b), details of which are set out below.

Code Provision C.2.1

In accordance with code provision C.2.1 set out in Part 2 of the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. However, Mr. Yan Hao ("**Mr. Yan**") held both positions of chairman and chief executive officer of the Company for the year ended 31 December 2024.

Since the listing of the Company, Mr. Yan had been acting as the co-chairman of the Board and the chief executive officer. On 30 March 2023, Mr. Yan re-designated as the chairman of the Board from the co-chairman. Upon this re-designation, Mr. Yan assumed the roles of both the chairman of the Board and chief executive officer. This is a deviation from the code provision C.2.1 of the CG Code. The Board believes that Mr. Yan, as one of the founders of the Group, is instrumental to the Group's growth and business expansion since 1999 and that vesting the roles of chairman and chief executive officer in Mr. Yan facilitates and maximizes the effectiveness of the execution of the Group's business strategies. The Board also believes that the balance of power and authority between chairman and chief executive officer would not be impaired by such arrangement, and the significant weight of the non-executive Directors (including independent non-executive Directors) enables the Board as a whole to effectively exercise its non-bias judgement. As at the date of this annual report, the Board comprises three executive Directors (including Mr. Yan), one non-executive Director and three independent non-executive Directors and therefore has a strong independence element in its composition. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG code.

Code Provision B.2.4(b)

In accordance with code provision B.2.4(b) set out in Part 2 of the CG Code, an issuer shall appoint a new independent non-executive director at the next AGM if all independent non-executive directors on the board of the issuer have been in office for more than nine years. Mr. Han Jiong, Mr. Qian Shi Zheng and Dr. Lo Wing Yan William were all appointed as independent non-executive Directors with effect from 6 October 2013 and they have all been acting as independent non-executive Directors for more than nine years as of 1 January 2023.

Due to the inability to identify new suitable candidates for nomination and appointment as new qualified independent non-executive Directors, the Company did not appoint a new independent non-executive Director at the AGMs held on 27 June 2023 and 18 June 2024, and this is a deviation from the code provision B.2.4(b) of the CG Code.

On 5 December 2024, the Board had no independent non-executive Director following the resignations of Mr. Han Jiong, Mr. Qian Shi Zheng and Dr. Lo Wing Yan William as independent non-executive Directors. On 31 December 2024, Mr. Tianmin Liu, Ms. Wu Jilan and Ms. Hong Ting were appointed by the Company as independent non-executive Directors to fill the vacancies. Subsequent to the aforesaid appointments, pursuant to code provision B.2.4, as the Company does not have any independent non-executive director on the Board who has served for more than nine years, the Company has re-complied with the relevant code provision and is not required to appoint a new independent non-executive director at the next AGM in accordance with code provision B.2.4(b).

(A) The Board

The Board shall be accountable to the shareholders, responsible for the general strategy, risk management and internal control of the Group. In order to supervise the specific affairs of the Company, the Board has established three board committees, including the Audit Committee, Remuneration Committee and Nomination Committee (together, the "**Board Committees**"). The Board has delegated to the Board Committees responsibilities as set out in their respective terms of reference.

Composition of the Board

On 5 December 2024, Mr. Han Jiong resigned as an independent non-executive Director, the chairman of each of the Remuneration Committee and the Nomination Committee as well as a member of the Audit Committee, so as to devote more time to his other business commitments; Mr. Qian Shi Zheng resigned as an independent non-executive Director and the chairman of the Audit Committee, due to his personal health reasons; and Dr. Lo Wing Yan William resigned as an independent non-executive Director, a member of each of the Audit Committee, Remuneration Committee and the Nomination Committee in order to devote more time to his other businesses. For details, please refer to the announcement of the Company dated 5 December 2024.

Following the above resignations, the Board only comprises three executive Directors and one non-executive Director. Accordingly, the number of independent non-executive Directors and the number of the members of each of the Audit Committee, the Remuneration Committee and the Nomination Committee were below the respective minimum numbers required under Rules 3.10(1), 3.10A, 3.21, 3.25 and 3.27A of the Listing Rules, and the Company fails to comply with the relevant requirements of the Listing Rules.

On 31 December 2024, Mr. Tianmin Liu has been appointed as an independent non-executive Director, the chairman of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee; Ms. Wu Jilan has been appointed as an independent non-executive Director, the chairman of the Remuneration Committee and a member of each of the Audit Committee and the Nomination Committee; and Ms. Hong Ting has been appointed as an independent non-executive Director, the chairman of the Audit Committee and a member of each of the Remuneration Committee and the Nomination Committee. For details, please refer to the announcement of the Company dated 31 December 2024.

Following such appointments, (i) the Board comprises three executive Directors, one non-executive Director and three independent non-executive Directors; (ii) the three independent non-executive Directors represent over one-third of the Board; (iii) the Audit Committee comprises all three independent non-executive Directors; and (iv) each of the Remuneration Committee and the Nomination Committee is chaired by an independent non-executive Director and comprise a majority of independent non-executive Directors. Accordingly, the Company has re-complied with the requirements under Rules 3.10(1), 3.10A, 3.21, 3.25 and 3.27A of the Listing Rules.

As at the date of this annual report, the Board consists of three executive Directors (namely Mr. Yan Hao, Mr. Xu Hai Feng and Mr. Chen Chao), one non-executive Director (namely Mr. Chen Xin Ge) and three independent non-executive Directors (namely Mr. Tianmin Liu, Ms. Wu Jilan and Ms. Hong Ting). The biographies of the Directors are set out under the section headed "Directors and Senior Management" of this annual report.

During the year ended 31 December 2024 and up to the date of this annual report, the Board has complied with the Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

Under Rule 3.10A of the Listing Rules, independent non-executive directors shall account for at least one-third of the board members. The Company has three independent non-executive Directors currently representing more than one-third of the Board members and therefore the Company has complied with Rule 3.10A of the Listing Rules.

Independent Non-Executive Directors' Independence Evaluation Mechanism

The independent non-executive Directors play an important role on the Board as they provide impartial advice on the Group's strategy, performance and control issues by taking into account the interests of all shareholders. All of the independent non-executive Directors have appropriate academic qualifications, professional qualifications or relevant financial management experience. None of the independent non-executive Directors hold any other positions with the Company or any of its subsidiaries nor do they have any interest in any shares of the Company.

The independent non-executive Directors are responsible for ensuring that the Company maintains high standards of governance, strikes a balance between the powers of the Board and makes effective and independent judgments on corporate actions and operations. The Company has put in place mechanisms to ensure that the Board has access to independent views and opinions. All independent non-executive Directors have devoted sufficient time to attend all meetings of the Board and/or all meetings of their respective committees and to share their views and opinions at such meetings. During the reporting period, the chairman of the Board also held private meetings with the independent non-executive Directors without the presence of other Directors to receive their independent views on matters relating to the Group. The independent non-executive Directors may seek independent professional advice as required by reasonable request to help them discharge their duties to the Company. The Board has confirmed the implementation and effectiveness of the independent non-executive Directors in providing independent views and opinions to the Board for the year ended 31 December 2024.

To ensure that independent non-executive Directors can provide independent views and opinions to the Board, the Nomination Committee and the Board annually evaluate the independence of independent non-executive Directors, and all relevant factors considered include:

- the personality, integrity, expertise, experience and stability requisite to the performance of his/her duties;
- the dedication of time and attention to the affairs of the Company;
- the commitment to performing his/her duties as an independent non-executive Director and to devoting himself/herself to the work of the Board;
- to declare matters of conflict of interest in relation to serving as an independent non-executive Director;
- not be involved in the day-to-day management of the Company and not having any relationship or circumstance which would influence his or her independent judgment; and
- the chairman of the Board regularly meets with the independent non-executive Directors in the absence of the executive Directors.

The Company has received written annual confirmation of independence from each independent non-executive Director as required by the Listing Rules. The Company considers all the independent non-executive Directors to be independent for the purpose of the independence guidelines set out in Rule 3.13 of the Listing Rules.

None of the Directors has any personal relationship (including financial, business, family or other material/relevant relationship) with any other Directors.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Independent non-executive Directors are invited to serve on the Audit Committee, the Remuneration Committee and the Nomination Committee.

As regards the code provision of the CG Code requiring directors to disclose to the issuer the number and nature of offices held in public companies or organizations and other significant commitments as well as the names of such companies or organizations and the time involved in such offices, each Director has agreed to disclose their commitments to the Company in a timely manner.

Induction and Continuous Professional Development

Each newly appointed Director is provided with necessary induction and information to ensure that he/she has a proper understanding of the Company's operations and businesses as well as his/her responsibilities under relevant statute, laws, rules and regulations. Pursuant to code provision C.1.4 of the CG Code on continuous professional development, the Company also arranges regular seminars to provide Directors with updates on the latest development and changes in the Listing Rules and other relevant laws and regulations from time to time. The Directors are also provided with regular updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties.

During the year ended 31 December 2024 and up to the date of this annual report, all Directors participated in continuous professional development. They developed and updated their knowledge and skills in respect of the Listing Rules and other statutory and regulatory requirements through participation in training programs or external seminars, thus making contributions to the Board.

According to the information provided by the Directors, a summary of training received by the Directors during the reporting period is as follows:

Name	Nature of Continuous Professional Development Programmes (Notes)
Executive Directors:	
Mr. Yan Hao	D
Mr. Xu Hai Feng	D
Mr. Chen Chao	D
Non-executive Director:	
Mr. Chen Xin Ge	D
Independent Non-executive Directors:	
Mr. Han Jiong *(resigned on 5 December 2024)*	D
Mr. Qian Shi Zheng *(resigned on 5 December 2024)*	D
Dr. Lo Wing Yan William *(resigned on 5 December 2024)*	D
Mr. Tianmin Liu *(appointed on 31 December 2024)*	C/D
Ms. Wu Jilan *(appointed on 31 December 2024)*	C/D
Ms. Hong Ting *(appointed on 31 December 2024)*	C/D

Notes:

A: Attending seminars and/or meetings and/or forums and/or briefings

B: Giving talks in the seminars and/or meetings and/or forums

C: Attending training conducted by lawyers

D: Reading materials relevant to corporate governance, director's duties and responsibilities, listing rules and other relevant ordinances

Board Diversity and Diversity Policy

As required by Rule 13.92 of the Listing Rules, the Nomination Committee (or the Board) shall develop a policy concerning board diversity. The Company has adopted a board diversity policy (the "**Board Diversity Policy**") on 18 March 2014, which was amended on 19 December 2018. The existing Directors, who are different from each other in terms of cultural and educational background, professional experience, skills, knowledge, independence and diversity in length of service, can complement each other in corporate governance practices for the formation of a relatively complete corporate governance system. Biographies of our Directors are set out under the section headed "Directors and Senior Management" of this annual report.

Board and Employee Diversity

Board Level

Our incumbent Directors, each with different backgrounds, are complementary to the governance of the Company and form a relatively complete corporate governance system. The nomination policy of the Board is continuing to be improved. We will select qualified candidates who meet these needs in accordance with our growing business requirements to help the Company achieve growth in the future.

The Board has appointed two female Directors to the Board prior to 31 December 2024 with a significant increase in the proportion of female members on the Board, representing a marked improvement in gender diversity on the Board. During the Reporting Period, the Board consisted of five male members and two female members, covering a wide age band ranging from 39 to 64. The Nomination Committee and the Board are of the view that the composition of the Board is consistent with the Board Diversity Policy (including gender diversity).

In addition, the Board aims to maintain at least the current proportion of female members on the Board. The Board will actively consider increasing the proportion of female members if there are suitable candidates available in the future. The Board will continue to search for potential successors to the Board to achieve greater gender diversity through selecting and nominating such candidates by the Nomination Committee.

The Nomination Committee is mainly responsible for identifying talent with adequate qualification to serve as a board member, and will take into account the Board Diversity Policy. The implementation of Board Diversity Policy would be reviewed by the Board on an annual basis to ensure continuous efficiency. Pursuant to the Board Diversity Policy, in relation to reviewing and assessing the Board composition, the Nomination Committee is committed to attaining diversity at all levels and will consider a number of aspects, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and regional and industry experience.

Taking into consideration of the Company's current business model and specific requirements, as well as the different backgrounds, competence, ages and genders of the Directors, the Directors are of the opinion that all the Directors (including independent non-executive Directors) have brought various valuable business experience, knowledge and professional skills to the Board to ensure its effective operation and that the board diversity policy has been effectively implemented.

Employee level

For the year ended 31 December 2024, the workforce of the Company, including senior management, totaled 2,661 employees, of which 53.4% were male and 46.6% were female. The Company considers that it has sufficient diversity in terms of gender and therefore has not set any measurable targets. The Company aims to avoid any form of harassment and discrimination in the workplace regarding age, gender, race, nationality, religion, marital status or disability through the implementation of human resources management policies and to ensure that all employees are treated equally and fairly. The Company will also ensure that gender diversity is promoted in the recruitment of middle and senior level employees and that they are provided with more appropriate on-the-job training and development, job promotion and compensation benefits, thereby achieving greater gender diversity.

Duties of the Board

The functions and duties of the Board include convening general meetings, reporting on the Board's work at these meetings, implementing the resolutions passed at these meetings, determining business and investment plans, formulating our annual budget and final accounts, and formulating our proposals for profit distributions and for the increase or reduction of registered capital. In addition, the Board is responsible for exercising other powers, functions and duties in accordance with the memorandum and articles of association of the Company (the "**Articles**").

Name	Position and role
Mr. Yan Hao	Executive Director, chairman and chief executive officer and member of Remuneration Committee (overall strategic planning and business direction and day-to-day business and management)
Mr. Xu Hai Feng	Executive Director and vice president (assisting the chairman and chief executive officer and responsible for the day-to-day business and management of Jingrui Properties)
Mr. Chen Chao	Executive Director, vice president and chief financial officer (assisting the chairman and chief executive officer and responsible for the finance, financing, capital markets and fund business)
Mr. Chen Xin Ge	Non-executive Director and member of Nomination Committee (overall strategic planning and business direction)
Mr. Tianmin Liu	Independent non-executive Director and chairman of Nomination Committee, member of the Audit Committee and Remuneration Committee, responsible for supervising and providing independent judgment to the Board
Ms. Hong Ting	Independent non-executive Director and chairman of the Audit Committee, member of the Remuneration Committee and Nomination Committee, responsible for supervising and providing independent judgment to the Board
Ms. Wu Jilan	Independent non-executive Director and chairman of the Remuneration Committee, member of the Audit Committee and Nomination Committee, responsible for supervising and providing independent judgment to the Board

Appointment and Re-election of Directors

Each of the executive Directors, non-executive Directors and independent non-executive Directors has entered into a service agreement or letter of appointment with the Company with specified terms, and is subject to retirement and re-election at the forthcoming annual general meeting of the Company.

Each of the executive Directors has entered into a service agreement with the Company. Mr. Yan Hao, an executive Director, has an initial fixed period of three years commencing from 31 October 2013. In October 2016 and August 2019, the Company renewed the service agreements with Mr. Yan Hao, an executive Director, for a further period of three years. In October 2022, the Company entered into a renewed service agreement with Mr. Yan Hao, an executive Director, for a further fixed period of three years commencing from 31 October 2022 unless terminated earlier.

On 15 March 2018, the Company entered into a service agreement with Mr. Xu Hai Feng, an executive Director, for a fixed period of three years commencing from 15 March 2018. In March 2021, the Company has renewed the service agreement with Mr. Xu Hai Feng, an executive Director, for a further period of three years. In March 2024, the Company entered into a renewed service agreement with Mr. Xu Hai Feng, an executive Director, for a further fixed period of three years commencing from 15 March 2024 unless terminated earlier.

On 30 March 2020, the Company entered into a service agreement with Mr. Chen Chao, an executive Director, for a fixed period of three years commencing from 30 March 2020. In March 2023, the Company has renewed the service agreement with Mr. Chen Chao, an executive Director, for a further fixed period of three years commencing from 30 March 2023 unless terminated earlier.

On 30 March 2023, the Company entered into a letter of appointment with Mr. Chen Xin Ge, a non-executive Director, for a fixed term of three years initially commencing from 30 March 2023 unless terminated earlier.

Each of Mr. Tianmin Liu, Ms. Wu Jilan and Ms. Hong Ting, the independent non-executive Directors, has entered into a letter of appointment with the Company, for an initial term of three years commencing from 31 December 2024 unless terminated earlier.

Mr. Tianmin Liu, Ms. Wu Jilan and Ms. Hong Ting, who have been newly appointed as the independent non-executive Directors during the Reporting Period, have obtained the legal advice referred to under Rule 3.09D of the Listing Rules on 31 December 2024, as regards the requirements under the Listing Rules that are applicable to each of them as a director of a listed issuer and the possible consequences of making a false declaration or giving false information to the Stock Exchange, and they have confirmed that they understood their obligations as a director of a listed issuer.

Save as disclosed above, none of the Directors has entered into a service contract which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

In accordance with the Articles, all Directors are subject to retirement by rotation at least once every three years and any new Director appointed to fill a causal vacancy shall offer himself/herself for election by shareholders at the first general meeting of the Company after appointment and new Directors appointed as an addition to the Board shall offer himself/herself for re-election by shareholders at the next following general meeting of the Company after appointment.

As at the date of this annual report, the Nomination Committee has assessed the independence of the independent non-executive Directors and has reviewed the proposed appointment of the Directors. In addition, the Nomination Committee has approved the retirement and re-election of five Directors of the Company, namely Mr. Xu Hai Feng, Mr. Chen Chao, Mr. Tianmin Liu, Ms. Wu Jilan and Ms. Hong Ting at the annual general meeting to be held on 17 June 2025.

The procedures and process of appointment, re-election and removal of Directors are set out in the Articles. The Nomination Committee is responsible for reviewing the Board composition, re-election and succession planning of Directors.

Mechanism to Ensure Board Independence

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

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

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

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

Board Meetings

The Company has adopted the practice of holding Board meetings regularly, at least four times a year, and at approximately quarterly intervals. Notices of not less than fourteen days for all regular board meetings are given to all Directors to attend the meetings and the relevant subjects would be included in the agenda for such regular meeting. For other Board and committee meetings, reasonable notice is generally given by the Company. The agenda and related board and committee papers are dispatched to the Directors or committee members at least three days before the meetings to ensure that they have sufficient time to review the papers and be adequately prepared for the meeting. When Directors or committee members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the chairman prior to the meeting. Minutes of meetings are kept by the company secretary of the Company with copies circulated to all Directors for information and records.

Minutes of the Board meetings and committee meetings are recorded in sufficient detail the matters considered by the Board and the committees and the decisions reached, including any concerns raised by the Directors. Draft minutes of each Board meeting and committee meeting are sent to the Directors for comments within a reasonable time after the date on which the meeting is held. The minutes of the Board meetings are open for inspection by the Directors.

During the year ended 31 December 2024, seven Board meetings were held and the attendance of the individual Directors at these meetings is set out in the table below:

Role	Name	Attendance/ number of meetings required to attend	Attendance rate
Executive Director	Mr. Yan Hao	7/7	100%
Executive Director	Mr. Xu Hai Feng	7/7	100%
Executive Director	Mr. Chen Chao	7/7	100%
Non-executive Director	Mr. Chen Xin Ge	7/7	100%
Independent non-executive Director *(resigned on 5 December 2024)*	Mr. Han Jiong	5/6	83.3%
Independent non-executive Director *(resigned on 5 December 2024)*	Mr. Qian Shi Zheng	5/6	83.3%
Independent non-executive Director *(resigned on 5 December 2024)*	Dr. Lo Wing Yan William	5/6	83.3%
Independent non-executive Director *(appointed on 31 December 2024)*	Mr. Tianmin Liu	1/1	100%
Independent non-executive Director *(appointed on 31 December 2024)*	Ms. Wu Jilan	1/1	100%
Independent non-executive Director *(appointed on 31 December 2024)*	Ms. Hong Ting	1/1	100%

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Specific enquiries have been made to all the Directors and each of the Directors has confirmed that he/she has complied with the Model Code during the year ended 31 December 2024.

Delegation by the Board

The Board reserves its decision on all major matters of the Company, including approval and monitoring of all policy matters, overall strategies and budgets, risk management and internal control systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters. Directors could have resources to seek independent professional advice in performing their duties at the Company's expense and are encouraged to consult with the Company's senior management independently.

The daily management, administration and operation of the Group are delegated to the senior management. The delegated functions and responsibilities are periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transactions entered into by the management.

Corporate Governance Function

The corporate governance functions (including those set out in code provision A.2.1 of the CG Code) to be performed by the Board include:

(1) to develop and review the corporate governance policies and practices and to make recommendations to the Board;

(2) to review and monitor the training and continuous professional development of the Directors and senior management;

(3) to review and monitor the policies and practices on compliance with legal and regulatory requirements;

(4) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the employees and Directors; and

(5) to review the compliance with the CG Code and disclosure in the corporate governance report.

The Board has carried out the abovementioned corporate governance functions during the reporting period.

Committees of the Board

Audit Committee

As at the date of this annual report, the Audit Committee comprises three independent non-executive Directors, being Ms. Hong Ting (Chairman), Mr. Tianmin Liu and Ms. Wu Jilan (they were all appointed on 31 December 2024). The main duties of the Audit Committee are:

(1) to be primarily responsible for making recommendations to the Board on the appointment, re-appointment and removal of the external auditors, to approve the remuneration and terms of engagement of the external auditors, and to deal with any questions of their resignation or dismissal;

(2) to review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The Audit Committee should discuss with the auditors the nature and scope of the audit and reporting obligations before the audit commences;

(3) to develop and implement policy on engaging external auditors to supply non-audit services. For this purpose, "external auditor" includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The Committee should report to the Board, identifying and making recommendations on any matters where action or improvement is needed;

(4) to monitor integrity of the Company's financial statements and annual reports and accounts, interim reports and, if prepared for publication, quarterly reports, and to review significant financial reporting judgments contained in them. In reviewing these reports before submission to the Board, the Committee should focus particularly on:

(4.1) any changes in accounting policies and practices;

(4.2) major judgmental areas;

(4.3) significant adjustments resulting from audit;

(4.4) the going concern assumptions and any qualifications;

(4.5) compliance with accounting standards; and

(4.6) compliance with the Listing Rules and legal requirements in relation to financial reporting;

(5) regarding paragraph (4) above

(5.1) members of the Audit Committee should liaise with the Board and the Company's senior management and the Audit Committee must meet, at least twice a year, with the Company's external auditors; and

(5.2) the Audit Committee should consider any significant or unusual items that are or may need to be, reflected in the report and accounts, and it should give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or auditors;

(6) to review the Company's financial controlling, risk management and internal control systems;

(7) to discuss the risk management and internal control systems with management to ensure that management has performed its duty to establish and maintain effective internal control systems. This discussion should include the adequacy of resources, staff qualifications and experience, training programs and budget of the Company's accounting and financial reporting function;

(8) to consider major investigation findings on risk management and internal control matters on its own initiative or as delegated by the Board and management's response to these findings;

(9) to ensure coordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;

(10) to review the Group's financial and accounting policies and practices;

(11) to review the external auditors' management letter, any material queries raised by the auditors to management about accounting records, financial accounts or systems of control and management's response;

(12) to ensure that the Board will provide a timely response to the issues raised in the external auditors' management letter;

(13) to report to the Board on the matters included under the heading "Audit Committee" in Appendix C1 (formerly known as Appendix 14) to the Listing Rules;

(14) to review arrangements which employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. The Committee shall ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action;

(15) to act as the key representative body for overseeing the Company's relations with the external auditors;

(16) the Company shall establish a whistleblowing policy and system for employees and those who deal with the Company to raise concerns, in confidence and anonymity, with the Company about possible improprieties in any matter related to the Company;

(17) to supervise and monitor the legal sanctions risks faced by the Company and the effectiveness of implementing relevant internal monitoring policies and procedures adopted by the Company;

(18) to review the risk assessment reports that need to be reviewed by the Board, and to make recommendation to the Board on improvement of the Company's risk management;

(19) to evaluate and provide opinions on the risks involved in major decisions that require review by the Board and the solutions to major risks; and

(20) to consider other matters as referred to the Audit Committee by the Board.

As at the date of this annual report, the Audit Committee has reviewed the audit plan, audit scope and major audit issues of the external auditor for the year ended 31 December 2024. In addition, the Audit Committee has held several meetings during the reporting period to discuss and review the matters including the annual results and annual report of the Group for the year ended 31 December 2023, the interim results and interim report of the Group for the six months ended 30 June 2024, and held a meeting on 28 March 2025 to discuss and review the annual results and annual report of the Group for the year ended 31 December 2024, and also reviewed the auditors' remuneration and made recommendation to the Board on the reappointment of auditors, which is subject to approval by the shareholders at the annual general meeting.

Moreover, the Audit Committee has completed (i) an annual review of the risk management and internal control systems of the Group for the year ended 31 December 2024, including amongst others, sufficiency of resources, qualification and experience of staff, and their training plans and budgets; and (ii) a review of the effectiveness of the internal audit function.

During the year ended 31 December 2024, six meetings were held by the Audit Committee and the attendance of each respective member at the meeting of the Audit Committee held in 2024 is set out in the following table:

Name	Attendance/ number of meetings held
Mr. Qian Shi Zheng *(resigned on 5 December 2024)*	6/6
Dr. Lo Wing Yan William *(resigned on 5 December 2024)*	6/6
Mr. Han Jiong *(resigned on 5 December 2024)*	6/6
Ms. Hong Ting *(appointed on 31 December 2024)*	N/A
Mr. Tianmin Liu *(appointed on 31 December 2024)*	N/A
Ms. Wu Jilan *(appointed on 31 December 2024)*	N/A

Remuneration Committee

As at the date of this annual report, the Remuneration Committee comprises four members, being independent non-executive Directors, Ms. Wu Jilan (Chairman), Mr. Tianmin Liu and Ms. Hong Ting (they were all appointed on 31 December 2024) and an executive Director, Mr. Yan Hao. A majority of the members of the Remuneration Committee are independent non-executive Directors. The main duties of the Remuneration Committee are:

(1) to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

(2) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;

(3) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

(4) to make recommendations to the Board on the remuneration of the non-executive Directors;

(5) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;

(6) to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;

(7) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;

(8) to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;

(9) to consult with the Company's chairman and/or the president/managing director/chief executive officer about their remuneration proposals for other executive Directors;

(10) to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules; and

(11) to consider all other matters as referred to the Remuneration Committee by the Board.

The Remuneration Committee has adopted the model of remuneration committee described in code provision E.1.2(c)(ii) of the CG Code.

As at the date of this annual report, the Remuneration Committee has reviewed the performance appraisals of the Directors and senior management of the Company in 2024, and at the same time, made recommendations on performance appraisal standards in 2025. In addition, the Remuneration Committee has reviewed the Group's current remuneration policies for the Directors and the implementation of employment contracts.

For the year ended 31 December 2024, the remuneration payable to Ms. Jiang Bing Xian, a senior management staff of the Company, as the company secretary, is within the range of HKD1,000,000.

During the year ended 31 December 2024, one meeting was held by the Remuneration Committee and the attendance of each respective member at the meeting of the Remuneration Committee held in 2024 is set out in the following table:

Name	Attendance/ number of meetings held
Mr. Han Jiong *(resigned on 5 December 2024)*	1/1
Dr. Lo Wing Yan William *(resigned on 5 December 2024)*	1/1
Mr. Yan Hao	1/1
Ms. Wu Jilan *(appointed on 31 December 2024)*	N/A
Mr. Tianmin Liu *(appointed on 31 December 2024)*	N/A
Ms. Hong Ting *(appointed on 31 December 2024)*	N/A

Nomination Committee

As at the date of this annual report, the Nomination Committee comprises three members, being independent non-executive Directors, Mr. Tianmin Liu (Chairman), Ms. Wu Jilan and Ms. Hong Ting (they were all appointed on 31 December 2024) and a non-executive Director, Mr. Chen Xin Ge. A majority of the members of the Nomination Committee are independent non-executive Directors. The main duties of the Nomination Committee are:

(1) to review the structure, size and composition (including cultural and educational background, professional experience, skills, knowledge, independence, gender and length of service) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

(2) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;

(3) to assess the independence of independent non-executive Directors; and

(4) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief executive.

The main policy and procedures for nomination of Directors are:

(1) the nomination of new Directors shall be first deliberated by the Nomination Committee and then considered and approved by the Board;

(2) when nominating a Director, the Nomination Committee shall assess whether the nominee has the integrity, skills, experience and diverse perspectives required by the business of the Company, and can devote time and energy to fulfilling the duties and responsibilities;

(3) when nominating a Director, the Nomination Committee shall take into account of the contributions the nominee can bring to the Board in terms of culture and education background, professional experience, skills, knowledge, independence, gender and length of service diversity; and

(4) the responsibility of the selection and appointment of Directors shall be taken by all Directors.

As at the date of this annual report, the Nomination Committee has assessed the independence of the independent non-executive Directors, reviewed the proposed appointment of the Directors during the Year and conducted preliminary discussions on the Company's future plans for appointment of Directors in accordance with the new requirements of the Listing Rules and the CG Code on the term of office of independent non-executive Directors and the appointment of Directors. In addition, the Nomination Committee has approved the retirement and re-election of five Directors, namely Mr. Xu Hai Feng, Mr. Chen Chao, Mr. Tianmin Liu, Ms. Wu Jilan and Ms. Hong Ting at the annual general meeting to be held on 17 June 2025.

During the year ended 31 December 2024, two meetings were held by the Nomination Committee and the attendance of each respective member at the meeting of the Nomination Committee held in 2024 is set out in the following table:

Name	Attendance/ number of meetings held
Mr. Han Jiong *(resigned on 5 December 2024)*	1/2
Dr. Lo Wing Yan William *(resigned on 5 December 2024)*	1/2
Mr. Chen Xin Ge	2/2
Mr. Tianmin Liu *(appointed on 31 December 2024)*	N/A
Ms. Wu Jilan *(appointed on 31 December 2024)*	N/A
Ms. Hong Ting *(appointed on 31 December 2024)*	N/A

(B) Financial Reporting, Risk Management and Internal Control

Directors' Responsibilities for Financial Reporting in respect of Financial Statements

The Directors acknowledge their responsibilities for preparing the financial statements for the year ended 31 December 2024 which give a true and fair view of the affairs of the Company and the Group and of the Group's results and cash flows.

The management has provided to the Board such explanation and information as necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval. The Company provides all members of the Board with monthly updates on the Company's performance, financial position and prospects.

The statement by the auditor of the Company regarding their reporting responsibilities on the consolidated financial statements of the Company is set out in the section headed "Independent Auditor's Report" of this annual report.

Risk Management and Internal Control

The Board, through the Audit Committee, has conducted an annual review of the effectiveness of the risk management and internal control systems of the Group including the adequacy of resources, qualifications and experience of staff of the Group's accounting, internal audit and financial reporting function, and their training programs and budget.

The Board takes full responsibilities for maintaining sound and effective risk management and internal controls to safeguard the Company's assets and shareholders' interests. The Directors confirm that the Company, through the Audit Committee, conducts regular review at least annually on office procedures, practices and systems to prevent assets from inappropriate use, maintain proper accounts and ensure compliance with regulations. The regular reviews also cover all major controls, including financial, operational and compliance supervision and risk management functions of the Company.

In addition to the Audit Committee, the Company has an internal audit function. The risk management and internal control systems of the Group are 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. The internal auditor and the Audit Committee review and evaluate the control process, monitor any risk factors on a regular basis, and reports to the Board on any findings and measures to address the variances and identified risks. However, the mechanism under the risk management and internal control systems are designed to manage, rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

The Company has established sound risk management and internal control systems, and formulated internal guidance covering a full range of businesses including investment, operation, marketing, finance and human resources management, with a complete organizational structure and clear responsibilities and authorizations.

The day-to-day operation of various departments is conducted in accordance with the abovementioned internal guidance with cross checks and balances between different departments. In addition, the status of risk management and internal control is further supervised by the departments at a higher level through daily inspection, process assessment and special guidance, and by the independent internal audit department through the review of amendments to internal control procedures, special audit and risk interview, which facilitates the Company to be aware of, identify, assess and manage risks on a timely basis, and to take effective measures to control and mitigate risks.

The Audit Committee also conducts regular review and assessment of inside information, discusses with the management or authorized persons of the Company about disclosure of inside information, and reports to the Board once it has identified any dissemination of such information. Inside information disclosure policies are formulated by the Company to provide employees with guidelines on report and disseminating inside information, confidentiality and compliance with restrictions on trading.

Procedures to Identify, Evaluate and Manage Significant Risks

(1) Establishment of the risk context: evaluating and reviewing the effectiveness of the risk management and internal control systems of the Group to reduce the costs of operational risk and ensure compliant operation of the Company.

(2) Formulation of the risk management policies: ensuring that the Group carries out consistent procedures and criteria for risk identification, measurement and reporting.

(3) Identification of the risks: identifying any potential risks of various business segments and key procedures.

(4) Evaluation on the risks: evaluating and rating the impact on business and its likelihood of the risks identified.

(5) Handling of the risks: evaluating the risk management solutions and the effectiveness of risk management.

(6) Report and monitor: monitoring and reviewing the policies and evaluating procedures for risk management, and the measures for managing and effectiveness of controlling significant risks, and report the findings to the Board.

Summary of Major Risk Management and Internal Control Initiatives during the Year

(1) The nature of and changes in key risk items identified during the year ended 31 December 2023 were reviewed and the likelihood of such risks and their impact on business were re-evaluated.

(2) Potential risks of those key business initiatives and management procedures newly introduced in 2024 were identified and evaluated.

(3) The appropriateness and effectiveness of the measures and actions to control and reduce key risks were reviewed.

The Directors consider that the Group's existing risk management and internal control systems and the internal audit function of the Company are effective and adequate.

Anti-corruption and Whistleblowing Policy

The Group establishes an effective whistle-blowing policy for reporting suspected irregularities, fraud and corruption via specified channels for employees and the relevant third parties (i.e. customers, suppliers, creditors, debtors, etc.). All reported matters will be investigated independently and, in the meantime, all information received from a whistleblower and its identity will be kept confidential. The Group also continues to improve its internal control and monitoring system. If any irregularities are identified, the Group takes immediate action.

The Board and the Audit Committee will regularly review the whistle-blowing policy and mechanism to improve its effectiveness.

The Company has developed its Disclosure of Inside Information Policy which provides a general guide to the Company's Directors, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries.

Control procedures have been implemented by the Company to ensure that unauthorized access and use of inside information are strictly prohibited.

The Group has in place anti-corruption mechanism which forms a part of the corporate governance framework of the Group. The anti-corruption mechanism is reviewed and updated periodically to align with the applicable laws and regulations and the best practice of the industry.

Detailed information on anti-corruption and whistle-blowing policy and the performance of the Group will be disclosed in the Environmental, Social and Governance Report to be published separately.

External Auditor

The remuneration paid/payable to the Company's auditor, CCTH CPA Limited, in connection with the interim review and the annual audit of the Group's consolidated financial statements for the Year, amounted to a total of approximately RMB1,500,000. In addition to this, CCTH CPA Limited did not provide any other non-audit services to the Group.

Disclaimer of Opinion

The Company's independent auditor, CCTH CPA Limited ("**CCTH**"), has expressed a disclaimer of opinion on the consolidated financial statements of the Group, details of which are set out in the Independent Auditor's Report.

Basis for Disclaimer of Opinion

Material uncertainties relating to going concern

As set out in note 2.1 to the consolidated financial statements, during the year ended 31 December 2024, the Group recorded a loss for the year of RMB3,245,057,000. As at 31 December 2024, the Group had net current liabilities of RMB3,770,987,000, current and non-current borrowings amounted to RMB13,206,007,000 and RMB2,736,256,000 respectively, while the Group's cash and cash equivalents and restricted cash only amounted to RMB217,757,000 and RMB108,583,000 respectively.

Furthermore, as at 31 December 2024, the Group's borrowings including bank loans, senior notes and trust financing arrangements amounting to RMB11,452,417,000 and the corresponding interests amounting to RMB2,398,255,000 were defaulted due to overdue payment of principals and interests. The above default in repayments entitled the lenders and note holders the right to demand immediate repayment of the financial liabilities from the Group. In addition, certain lenders have initiated legal actions against the Group on the defaulted financial liabilities of RMB430,702,000. These financial conditions indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern.

The Directors have taken various plans and measures to improve the Group's liquidity and financial position as described in note 2.1 to the consolidated financial statements. After taking into account the financial conditions, plans and measures, the directors of the Group are of the opinion that the Group will have sufficient funds to maintain its operations and to meet its financial obligations as and when they fall due within the next 12 months from the date of these consolidated financial statements and therefore have prepared the consolidated financial statements based on a going concern basis.

However, the Company's independent auditor was unable to obtain sufficient appropriate evidence to satisfy ourselves that the plans and measures taken by the Group underpinning the cash flow forecast of the Group for going concern assessment are reasonable and supportable, including but not limited to, whether the Group will be able to enter into agreements with the lenders on the extension of the repayment schedule of certain borrowings and whether there will be new financing from other financial institutions. As a result, the Company's independent auditor was unable to satisfy ourselves about the appropriateness of the use of the going concern basis of accounting in the preparation of the consolidated financial statements by the Directors.

Should the Group be unable to achieve the plans and measures and operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify noncurrent assets and non-current liabilities as current assets and current liabilities, respectively. The consolidated financial statements do not include any such adjustments.

Management's Position, View and Evaluation of Disclaimer of Opinion

In view of the uncertainties relating to going concern, the Group have taken various plans and measures to improve the Group's liquidity and financial position, including:

i. The Group has appointed Admiralty Harbour Capital Limited as its financial adviser to assess the Group's capital structure, evaluate the liquidity of the Group and explore all feasible solutions to ease the current liquidity issue and reach an optimal solution for all the stakeholders, including the extension or rearrangement of repayment schedules;

ii. The Group has been proactively communicating with the relevant lenders to explain the Group's business, operations and financial condition. As at the date of this report, based on the status of the ongoing discussions, the Directors are of the view that the relevant lenders will not exercise their rights to request the Group for immediate repayment of the loans prior to their scheduled contractual repayment dates;

iii. The Group will continue to maintain continuous communication and agree with major constructors and suppliers to arrange payments to these vendors and complete the construction progress as scheduled;

iv. The Group will continue to take measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of sales proceeds and other receivables. The Group will also continue to actively adjust sales and pre-sale activities to better respond to changing markets so as to achieve the latest budgeted sales and pre-sales volumes and amounts;

v. The Group is conducting active negotiations with the lenders on the extension of the repayment schedule of certain borrowings;

vi. The Group will continuously seek for new financing from other financial institutions;

vii. The Group will continuously enhance payment collection progress from customers in respect of the property sales and pre-sales through closely following up with customers and communicating and coordinating with banks for timely grant of individual mortgage loans to the customers; and

viii. The Group will continue to take active measures to control administrative costs and maintain containment of capital expenditures.

In respect of the acceleration of sales of properties, the Company has (i) optimized the management structure in the business department so as to enable the senior management of the Company to have access to the first-hand knowledge on the market demand for making timely decision on the selling strategies; and (ii) implemented the sales incentive policy for the sales team including the sales commission and bonus to motivate the sales team. The Company has published monthly operating statistics in order to keep Shareholders updated of the sales of properties.

In addition, the Company has closely monitored the collection of the outstanding sales proceeds with the coordination between different departments. The finance department has closely worked with the business department so as to ensure mortgage loans from the banks will be timely released to the customers to settle the outstanding sales proceeds. In terms of expenses and cost control, the Group has streamlined its management structure, downsized the business department and strategically reduced its cost and expenses on project designing.

The Directors have reviewed the Group's cash flow forecast prepared by the management and are of the opinion that, taking into account the above mentioned financial conditions, plans and measures, the Group will have sufficient funds to maintain its operations and to meet its financial obligations as and when they fall due within the next 12 months from the date of approval of these consolidated financial statements. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

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

The management will consider taking appropriate actions to address the Disclaimer of Opinion. This will include, among others, implementing and optimizing the plans and measures on an ongoing basis, and discussing with the Company's independent auditor on an ongoing basis to address the Disclaimer of Opinion.

The Company will continue to take proactive measures so to resolve its liquidity issue and will publish an appropriate announcement if there is any material development in accordance with the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Audit Committee's View on Disclaimer of Opinion

The Audit Committee has critically reviewed the disclaimer of opinion as well as the management's position on the disclaimer of opinion (the "**Management's Position**") and the measures taken by the Group in response to the disclaimer of opinion. Based on the above reasons, the Audit Committee agrees with the Management's Position. Furthermore, the Audit Committee requested the management to take all necessary actions to remove the uncertainties of the going concern related disclaimer of opinion so as to resolve the going concern basis issue as soon as possible. The Audit Committee has also discussed with CCTH the financial position of the Group, the measures taken and to be taken by the Group, and has considered the reasons and understood the considerations of CCTH in arriving at its opinion.

(C) Company Secretary and Shareholders' Rights

Company Secretary

Ms. Jiang Bing Xian ("**Ms. Jiang**") is the company secretary of the Company, and is responsible for advising the Board on corporate governance matters and ensuring that the Board policy and procedures, and applicable laws, rules and regulations are followed.

Ms. Jiang has undertaken not less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules for the year ended 31 December 2024.

Shareholders' Rights

To safeguard shareholders' interests and rights, a separate resolution will be proposed for each issue at general meetings, including the election of individual Directors.

All resolutions put forward at general meetings will be voted by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and the Stock Exchange in a timely manner after each general meeting. The annual general meeting for the year ended 31 December 2024 will be held on 17 June 2025.

Convening of extraordinary general meeting and putting forward proposals

Pursuant to Article 66 of the Articles, any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary to require an extraordinary general meeting to be called by the Board, with the transaction of any business specified in such requisition. The written requisition can be lodged at the Company's principal place of business in Hong Kong for the attention of the company secretary of the Company.

Enquiries to the Board

Shareholders who intend to put forward their enquiries about the Company to the Board could send their enquiries to the principal place of business for the Company in Hong Kong at Room 1222, 12/F, China Resources Building, 26 Harbour Road, Hong Kong.

(D) Investor Relations and Communication with Shareholders

The Company considers that effective communication with shareholders is essential for enhancing investor relations and understanding of the Group's business, performance and strategies. The Company also recognizes the importance of timely and non-selective disclosure of information, which will enable shareholders and investors to make the informed investment decisions.

To promote effective communication, the Company adopts a shareholders' communication policy which aims at establishing a two-way relationship and communication between the Company and its shareholders and maintains a website (www.jingruis.com), where up-to-date information on the Company's business operations and development, financial information, corporate governance practices and other information are available for public access.

The general meetings are valuable forums for direct communications between the Board and shareholders. The Directors and members of each Board Committees will attend the general meetings of the Company. Shareholders can raise questions directly to the Board in respect of the performance and future development of the Group. The Company maintains relevant and uniform disclosure of information to investors to ensure that they are kept informed of the business development, operational strategies and industry related updates of the Group on a regular or ad hoc basis; meanwhile, the Company adopts various channels and means to actively develop investor relations to ensure effective two-way communication and a strong connection with investors. Investors can make enquiries to the Company through the following channels:

Address: Room 1222, 12/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong;
Telephone: 852-36118183;
Email: ir@jingruis.com;
Company's website: www.jingruis.com.

The Board has reviewed the implementation and effectiveness of the shareholders' communication policy of the Company and confirmed that the Company had disclosed all necessary information to the shareholders in compliance with Listing Rules and included communication channels for shareholders to express their opinions on various matters affecting the Company, and that the Company had taken appropriate and sufficient measures to solicit and understand the opinions from shareholders and stakeholders. The Company is of the view that the current shareholders' communication policy is effectively implemented via the aforesaid channels and means.

During the year ended 31 December 2024, an annual general meeting was held by the Company on 18 June 2024 and the attendance of the individual Directors at this general meeting is set out in the table below:

Name	Attendance/ number of meetings held
Mr. Yan Hao	1/1
Mr. Xu Hai Feng	1/1
Mr. Chen Chao	1/1
Mr. Chen Xin Ge	1/1
Mr. Han Jiong *(resigned on 5 December 2024)*	0/1
Mr. Qian Shi Zheng *(resigned on 5 December 2024)*	1/1
Dr. Lo Wing Yan William *(resigned on 5 December 2024)*	0/1
Mr. Tianmin Liu *(appointed on 31 December 2024)*	N/A
Ms. Wu Jilan *(appointed on 31 December 2024)*	N/A
Ms. Hong Ting *(appointed on 5 December 2024)*	N/A

In accordance with code provision F.2.2 of the CG Code, Mr. Yan Hao, Mr. Xu Hai Feng, Mr. Chen Chao, Mr. Chen Xin Ge and Mr. Qian Shi Zheng have attended the annual general meeting either in person or online. Mr. Han Jiong and Dr. Lo Wing Yan William did not attend the annual general meeting due to other business arrangements.

Dividend Policy

The Company established its dividend policy in October 2013. The Articles provides that dividends may be declared and paid out of profit of the Company, realized or unrealized, or from any reserve set aside from profits in our Directors' discretion. With the sanction of an ordinary resolution, dividends may also be declared and paid out of our share premium account or any other fund or account which can be authorized for this purpose in accordance with the Companies Act, Cap. 22 of the Cayman Islands (the "**Companies Act**") and the Articles.

The Directors will declare dividends, if any, in Hong Kong dollars with respect to shares on a per share basis and will pay such dividends in Hong Kong dollars. Any final dividend for a fiscal year will be subject to our shareholders' approval. The amount of dividend actually distributed to the shareholders of the Company will depend upon earnings and financial condition, operating requirements, capital requirements of the Company and any other conditions that our Directors may deem relevant.

The Directors currently intend to distribute to our shareholders no less than 20% of any net distributable profits from our PRC operating entities derived during the relevant period, excluding net fair value gains or losses on investment properties, for each fiscal year. However, the Company will re-evaluate our dividend policy annually and there is no assurance that dividends of any amount will be declared or distributed in any given year. At the same time, the declaration and/or payment of dividends may be limited by legal restrictions and/or by contracts or agreements that the Company may enter into in the future.

Information Disclosure

The Company discloses information in compliance with the Listing Rules, and publishes periodic reports and announcements to the public in accordance with the relevant laws and regulations. The primary focus of the Company is to ensure information disclosure is timely, fair, accurate, truthful and complete, thereby enabling shareholders, investors as well as the public to make rational and informed decisions.

Constitutional Documents

There have been no changes in the Company's constitutional documents during the reporting period.

Report of the Directors

The Directors present their report and the audited financial statements of the Company and the Group for the year ended 31 December 2024.

Global Offering

The Company was incorporated in the Cayman Islands under the Companies Act as an exempted company with limited liability on 7 March 2013. The shares of the Company were listed on the Stock Exchange on 31 October 2013.

Principal Activities

The Company is an investment holding company, and the principal activities of its subsidiaries are development of and investment in real estate projects as well as management of properties. Details of the principal subsidiaries of the Company are set out in Note 40 to the consolidated financial statements.

An analysis of revenue of the Group for the year ended 31 December 2024 by principal activities is set out in Note 5 to the consolidated financial statements.

Business Review

Environmental Policies and Performance

The Group is subject to a number of environmental laws and regulations in the PRC concerning overall environmental protection, impact to the environment, noise pollution and environmental protection for construction projects.

We place high emphasis on complying with relevant environmental laws and regulations. We require our staff and construction contractors to comply with the PRC laws and regulations relating to the quality of construction including environmental, labour, social and safety regulations, as well as our own standards and specifications.

We believe that during the Year we have been in compliance in all material respects with applicable laws and regulations in the PRC.

Detailed information on environmental policies and performance of the Group will be disclosed in the Environmental, Social and Governance Report to be published separately.

Relationships with Employees, Customers and Suppliers

During the Year, the Group ensured that its employees were offered competitive remuneration packages, as well as benefits such as social insurance, housing fund and physical examination, so as to maintain its competitiveness. As such, the Group has maintained good relationships with its employees with low outflow of key talents.

The Group focused on taking customers' views and positioned the establishment of our transformation towards a "customized lifestyle service provider". We will strive to become a customized lifestyle service provider with remarkable regional influence, gaining respect from our customers and even suppliers.

During the Year, the Group's procurement from its five largest suppliers accounted for 50.1% (2023: 42.6%) of its procurement while the Group's sales to its five largest customers accounted for 4.6% (2023: 1.4%) of its sales.

The Group maintains a high standard in selecting reputable and reliable suppliers and contractor, in order to meet our own quality, safety, environmental and product criteria. During the year ended 31 December 2024 and up to the date of this annual report, the Group has maintained good relationships with its suppliers and contractors.

The sustainable development of the Group depends on the supports and efforts of all parties concerned including our customers, suppliers and contractors, particularly the efforts and contributions of all our staff.

Compliance with Related Laws and Regulations

The Company was incorporated in the Cayman Islands and its shares are listed on the Main Board of the Stock Exchange. The subsidiaries of the Group were incorporated in British Virgin Islands, Hong Kong and the PRC. The operations of the Group were mainly engaged by its subsidiaries incorporated in the PRC. The Group has an administrative place of business in Hong Kong.

Our business and operations are subject to related laws and regulations of the Cayman Islands, the British Virgin Islands, Hong Kong and the PRC. During the year ended 31 December 2024 and up to the date of this annual report, we have complied with all related laws and regulations of the Cayman Islands, the British Virgin Islands, Hong Kong and the PRC, which would have significant impact on the Group.

Business Review and Prospect

Review on the business of the Group during the Year and the description of its future business development are set out under the sections headed "Chairman's Statement" and "Management Discussion and Analysis" of this annual report.

Financial Results

The key financial indicators set out on page 5 of this annual report under sub-section headed "Key Financial Indicators" were adopted to analyze the Group's performance during the Year. The financial risk management objectives and policy of the Group are set out in Note 3 to the consolidated financial statements.

Risks and Uncertainties

The financial conditions and operating results of the Group may be subject to various potential risks and uncertainties. Other than the risks disclosed below, the sections headed "Chairman's Statement" and "Management Discussion and Analysis" of this annual report also set out certain other risks to which the Group may be exposed.

Policy Risk

The real estate industry, as an important pillar of the overall national economic development, is relatively susceptible to macroeconomic and industrial policies as a whole.

The risks of the real estate policy in 2024 were primarily reflected in the following aspects:

Market demand-side risk

Slow recovery in demand: despite the ongoing loose policy, property purchasers had a strong wait-and-see sentiment, showing low willingness to take on leverage. The demand-side recovery remained sluggish, with overall market demand staying weak and sale-side pressure persisting. The policy spreading effect remained limited.

Intensifying regional disparities: in spite of a recovery in the property prices and land markets in first-tier cities, most lower-tier cities experienced continuous decline in property prices amid severe inventory backlogs. In view of intensifying market differentiation, lower-tier cities faced greater pressure.

Credit risk of real estate enterprises

Financing difficulties: although the overall debt scale of real estate enterprises decreased, securing new financing remained difficult, especially for private and high debt real estate enterprises. With intensifying market concern about their credit risks, the financing environment was difficult to be substantially improved in the short term.

Great debt repayment pressure: real estate enterprises witnessed diminished debt repayment resources including cash and owner's equity, while short-term debt repayment pressure increased. This led to liquidity risks for certain real estate enterprises, with credit risks remaining effectively unresolved.

Land market risk

Double decline in land supply and demand: the land market experienced contraction on both supply and demand sides with shrinking overall land transfer transaction scale, while the regional structure became more concentrated with rising proportion of land transactions in first-tier cities. However, the overall land transfer revenue decreased significantly, impacting local finance.

Inventory backlog and cautious land acquisition: real estate enterprises had inventory backlog for undeveloped land, while adopting more cautious approaches in acquiring new land. In the future, they may face a situation where there is no available inventory, further affecting market supply.

Policy effect and spreading risk

Poor policy spreading: despite unprecedented policy efforts, the market confidence recovery and demand-side revival still required some time. Some policy effects fell short of expectations, such as the makeovers of urban villages and the acquisition and reserve policies, which had limited impact on the market.

Local fiscal pressure: the downturn in real estate industry affected local finance, with limited efforts in supporting acquisition and reserve by local finance, forming a cycle of "real estate affecting local finance – insufficient local fiscal support – difficult stabilization in real estate industry".

Macroeconomic and industry transformation risk

Macroeconomic pressure: due to the factors such as the mutual influence between the real estate market and macroeconomy, slow economic growth and uncertainty in residents' income growth, the complexity of the real estate market was further exacerbated and the difficulty of policy regulation was heightened.

Industry transformation challenges: the real estate industry entered a period of transformation, with a decline in revenue and profit from traditional development business. Real estate enterprises need to adjust their operation strategies and seek new business growth points. However, during the transformation process, the industry faced numerous uncertainties, such as unfavorable conditions in commercial real estate and leasing markets.

In 2025, the real estate policy will focus on "stabilizing the market, promoting demand, preventing risks, and facilitating transformation". At the macroeconomic policy level, along with the positive signals released from economic growth targets and the moderately loose monetary policies, the fiscal and financial support will inject impetus for the market. On the demand side, multiple measures will be implemented to stimulate property purchase demand, including optimizing housing fund policies, increasing property purchase subsidies, launching innovative financial products, and accelerating urban village renovation and monetised resettlement. On the supply side, along with the support of destocking by special bonds and promotion of basic system reforms, the pre-sale system, land management, and financial systems will be gradually optimized, whilst the construction standards for "quality houses" will be implemented to promote quality upgrading. The policy will focus on the demand of new citizens with expediating construction of affordable houses. On the market trend, core cities are expected to lead the market recovery, with the expansion of pilot sales of existing houses amid ongoing market differentiation. In overall, the policy aims to boost the stable and healthy development of the real estate market and accelerate industry transformation and construction of new models.

Business Risk

Property project development comprises multiple phases which include site selection, land acquisition, planning, design, construction, sales and after-sales service. Project development typically requires long turnover periods, significant financial investments and interaction with numerous parties. It is also subject to approval and supervision by a number of government authorities, such as authorities for the administration of land and resources, housing and urban-rural development, fire prevention and environmental protection, and will also be affected by factors such as market conditions.

In recent years, the government has announced policies containing more stringent approval requirements for land transactions, housing layout planning, and application for construction permits and sales permits. This may result in longer turnover periods for the Company's property development and sales, and increase our development costs and development risks.

At present, the transfer of land sites for development and construction in the PRC is conducted through the "tender, auction and listing" system of transfer in the public market. Property development companies face intense competition in land acquisition. If the Company is unable to acquire land sites required for project development in a timely manner and maintain a dynamic land bank required for ongoing development, the Company's development will be restrained and the continuous growth in the Company's revenue and operating results will be affected as a result.

On the other hand, Jingrui also has a certain scale of projects for holding. The operating and profit model of projects for holding is substantially different from the property development projects, and the external environment is more complicated. In the event that the Company fails to identify the operating characteristics of the projects for holding and is unable to make adjustments in time to cope with changes in the market situation, the contribution of the projects for holding to the Company's revenue growth will be subject to limitations.

Significant Subsequent Events

Details of significant subsequent events of the Group are set out in Note 42 to the consolidated financial statements.

Results

Details of the Group's results for the year ended 31 December 2024 are set out in the consolidated income statement on page 69 of this annual report.

Subsidiaries

Details of the Company's principal subsidiaries as at 31 December 2024 are set out in Note 40 to the consolidated financial statements.

Final Dividend

At the Board meeting held on 28 March 2025, the Board has resolved not to recommend the distribution of final dividend for the year ended 31 December 2024 (2023: Nil).

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

Financial Summary/Financial Review

Financial summary of results, assets and liabilities and financial review of the Group for the past five financial years are set out on page 181 of this annual report. The summary does not constitute a part of the audited consolidated financial statements.

Major Customers and Suppliers

For the year ended 31 December 2024, the Group's procurement from its five largest suppliers accounted for 50.1% (2023: 42.6%) of the Group's total procurement, while the procurement from the largest supplier accounted for 20.6% (2023: 15.7%). For the year ended 31 December 2024, the Group's sales to its five largest customers accounted for 4.6% (2023: 1.4%) of the Group's total sales.

None of the Directors or any of their close associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any interest in the Group's five largest customers and suppliers.

Property, Plant and Equipment

Details of movements in the property, plant and equipment of the Company and the Group during the year ended 31 December 2024 are set out in Note 6 to the consolidated financial statements.

Investment Properties

Details of movements in the investment properties of the Company and the Group during the year ended 31 December 2024 are set out in Note 7 to the consolidated financial statements.

Share Capital

Details of movements in the share capital of the Company during the Year are set out in Note 17 to the consolidated financial statements.

Share Issuance

For the year ended 31 December 2024, the Company did not issue any shares or any securities convertible into shares in exchange for cash.

Reserves

Details of movements in the reserves of the Group during the Year are set out in the consolidated statement of changes in equity on page 71 of this annual report and in Note 18 to the consolidated financial statements respectively.

In addition, details of movements in the reserves of the Company during the Year are set out in Note 41(a) to the consolidated financial statements.

Distributable Reserves

As at 31 December 2024, the Company's reserves available for distribution, calculated in accordance with the provisions of the Companies Act, amounted to approximately RMB1,626.9 million.

Bank Loans and Other Borrowings

Particulars of bank loans and other borrowings of the Company and the Group as at 31 December 2024 are set out in Note 19 to the consolidated financial statements.

Directors

The Directors during the year ended 31 December 2024 and up to the date of this annual report were:

Executive Directors:

Mr. Yan Hao
Mr. Xu Hai Feng
Mr. Chen Chao

Non-executive Director:

Mr. Chen Xin Ge

Independent Non-executive Directors:

Mr. Han Jiong *(resigned on 5 December 2024)*
Mr. Qian Shi Zheng *(resigned on 5 December 2024)*
Dr. Lo Wing Yan William *(resigned on 5 December 2024)*
Mr. Tianmin Liu *(appointed on 31 December 2024)*
Ms. Wu Jilan *(appointed on 31 December 2024)*
Ms. Hong Ting *(appointed on 31 December 2024)*

Board of Directors and Senior Management

Biographies of the Directors and senior management of the Company are set out on pages 28 to 30 of this annual report.

Confirmation of Independence of Independent Non-Executive Directors

The Company has received an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules from each of the independent non-executive Directors and the Company considers these Directors to be independent for the year ended 31 December 2024.

Directors' Service Agreements and Letter of Appointments

Mr. Yan Hao, an executive Director, has entered into a service agreement with the Company on 6 October 2013 for an initial term of three years commencing from 31 October 2013 unless terminated earlier.

In October 2016, August 2019 and October 2022, the Company has renewed the service agreements with Mr. Yan Hao, an executive Director for a further term of three years commencing from 31 October 2016, 31 October 2019 and 31 October 2022 unless terminated earlier.

On 15 March 2018, the Company entered into a service agreement with Mr. Xu Hai Feng, an executive Director, for a fixed period of three years commencing from 15 March 2018. In March 2021 and March 2024, the Company has renewed the service agreement with Mr. Xu Hai Feng, an executive Director, for a further term of three years commencing from 15 March 2021 and 15 March 2024 unless terminated earlier.

On 30 March 2020, the Company entered into a service agreement with Mr. Chen Chao, an executive Director, for a fixed period of three years commencing from 30 March 2020. In March 2023, the Company has renewed the service agreement with Mr. Chen Chao for a further term of three years commencing from 30 March 2023 unless terminated earlier.

Mr. Chen Xin Ge, a non-executive Director, has signed a letter of appointment with the Company on 30 March 2023 for an initial term of three years commencing from 30 March 2023 unless terminated earlier.

Each of the independent non-executive Directors has signed a letter of appointment with the Company for an initial term of three years commencing from 31 December 2024 unless terminated earlier.

Directors' Remuneration

The Directors' remuneration is determined by reference to each Director's duties and responsibilities, individual performance and the results of the Group.

Details of the remuneration of the Directors and five highest paid individuals of the Group for the year ended 31 December 2024 are set out in Note 29 to the consolidated financial statements. For the year ended 31 December 2024, there was no agreement under which a Director waived or agreed to waive any emoluments.

Directors' Rights to Acquire Shares or Debentures

At no time during the year ended 31 December 2024 was the Company or any of its subsidiaries a party to any arrangement to enable the Directors, their respective spouse or minor children to acquire benefits by means of the acquisitions of shares in the Company or in any other body corporate.

Director's Interests in Competing Business

As at 31 December 2024, none of the Directors had any interest in business which competes or may compete directly or indirectly with the business of the Group.

Compliance with Non-Competition Undertaking

Each of Mr. Yan Hao, Mr. Chen Xin Ge, Beyond Wisdom Limited and Sunny King International Limited (the "**Covenantors**") has entered into a deed of non-competition (the "**Deed of Non-Competition**") with and in favor of the Company on 15 October 2013 and 27 December 2018, respectively, pursuant to which the Covenantors have unconditionally, irrevocably, jointly and severally undertaken with the Group that they shall not (except through the Group), and shall procure that all their respective associates (excluding any member of the Group), shall not directly or indirectly, carry on, participate, acquire or hold any right or interest or otherwise be interested, involved or engaged in or connected with, any business which is in any respect in competition with or similar to or is likely to be in competition with the business of the Group (the "**Restricted Business**").

The independent non-executive Directors have reviewed the compliance with the non-competition undertaking by the Covenantors under the Deed of Non-Competition and are of the view that such non-competition undertaking has been complied with during the year ended 31 December 2024. Each of the Covenantors has provided to the Company a written confirmation in respect of his/its compliance with the Deed of Non-Competition.

Directors' and Controlling Shareholders' Interests in Transactions, Arrangement and Contracts

Save as disclosed in this annual report, no transaction, arrangement and contract of significance to which the Company or any of its subsidiaries was a party and in which a Director and/or any of its connected entity had a material interest, whether directly or indirectly, subsisted as at 31 December 2024 or at any time during the Year. The Company did not provide any loans to the Directors or the management personnel of the Company during the Year; in addition, no transaction, arrangement or contract of significance between the Company or any of its subsidiaries and the Company's controlling shareholders or any of their respective subsidiaries, subsisted as at 31 December 2024 or at any time during the Year.

Employees and Remuneration Policies

For details regarding the employees and remuneration policies of the Group during the Year, please refer to the sections headed "Directors' Remuneration" on page 57 and "Employees and Remuneration Policies" on page 20 of this annual report.

The Company has adopted the Share Option Scheme on 7 May 2019. Details of the Share Option Scheme are set out below and in the section headed "Share Option Scheme".

Management Contract

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

Pre-emptive rights

There is no provision regarding pre-emptive rights under the Articles and the laws of the Cayman Islands.

Equity-Linked Agreements

Save for the Share Option Scheme as disclosed in the section headed "Share Option Scheme" of this Report of the Directors, the Company has not entered into any equity-linked agreement for the year ended 31 December 2024.

Tax Concession

The Company is not aware of any tax concession or exemption available to the shareholders of the Company by reason of their respective holding of the Company's securities.

Senior Notes and Corporate Bonds

Suspension of Payment Due for USD Denominated Senior Notes

As stated in the Company's announcement dated 31 August 2022, in light of the Company's consideration of a potential holistic restructuring of all USD denominated senior notes for treating all creditors fairly, the Company has suspended the payment due for offshore USD denominated senior notes.

The non-payment of the principal and interest of such senior notes may lead to a request for acceleration of repayment. As at the date of this report, the Company has not received any notice for acceleration of repayment by holders of its USD denominated senior notes. The Company has appointed Admiralty Harbour Capital Limited as its financial adviser and Sidley Austin as its legal adviser in respect of its potential offshore restructuring. The offshore creditors of the Company can contact its financial adviser. Further details regarding the senior notes are disclosed in the announcements of the Company dated 17 June 2022, 22 July 2022, 31 August 2022, 17 February 2023, 26 October 2023 and 25 January 2024.

Details of outstanding senior notes and corporate bonds of the Group during the Year are set out in Note 19 to the consolidated financial statements.

SHARE OPTION SCHEME

On 7 May 2019, the Company adopted the Share Option Scheme, details of which are set out below:

1. Objectives

The purpose of the Share Option Scheme is to recognize and acknowledge the contributions made or may have made by the eligible participants to the Group. The Share Option Scheme will provide eligible participants with an opportunity to hold personal interests in the Company, thereby stimulating eligible participants to enhance performance efficiency for the benefit of the Group and to attract and retain eligible participants or otherwise maintain a continuous business relationship with eligible participants and the contributions of such eligible participants benefit or will benefit the Group's long-term development.

2. Eligible Participants

The Board may, at its discretion, grant a share option to the following persons to subscribe for the relevant number of new shares as may be determined by the Board at an exercise price determined as follows: (i) any senior executive or director of the Group (including non-executive directors and independent non-executive directors); and (ii) any senior management staff of the Group.

In accepting the relevant share options, the grantee is required to pay HKD1.00 to the Company as the consideration for the grant of the share options.

3. Maximum Limit

The maximum number of shares in the share options that may be granted under the Share Option Scheme and any other share option scheme of the Company shall not exceed 10% of the total number of issued shares on the date of adoption. If the Company has issued a circular and approved by the shareholders at the general meeting and/or complies with such other requirements as may be prescribed by the Listing Rules from time to time, the Board may: re-determine the cap at any time at 10% of the shares in issue on the date of approval of the general meeting; and/or granting more than 10% of the options to eligible participants selected by the Board. The maximum number of shares that may be issued at any time after the exercise of all the outstanding share options granted but not yet exercised under the Share Option Scheme and any other share option scheme of the Company shall not exceed 30% of the shares in issue from time to time. On 7 May 2019, the Company received a plan authorization limit of 10% of the total number of issued shares of the Company on that date, which was a total of 140,019,421 shares, representing 9.10% of the number of shares issued by the Company as at the date of this report.

As at 1 January 2024 and 31 December 2024, the maximum number of the shares available for grant under the Share Option Scheme was 110,019,421 shares and 110,019,421 shares, respectively, representing approximately 7.15% of the issued share capital of the Company as at the date of this report. As at 31 December 2024, the total number of shares available for issue under the Share Option Scheme was 115,869,421 shares, representing approximately 7.53% of the issued share capital of the Company as at the date of this report. During the year ended 31 December 2024, except for the cancellation of 1,350,000 share options, no other share options were exercised, cancelled or lapsed under the Share Option Scheme.

4. **Duration and Termination**

The scheme is effective as of 7 May 2019. The share options may be exercised at any time during the period prior to the expiration of 10 years from the date on which the options are deemed to have been granted and accepted, in accordance with the terms of the Share Option Scheme. The exercise period of the share options will be determined by the Board at its sole discretion, but not more than 10 years after the grant of the share options.

No share options may be granted after 10 years from the date of approval of the Share Option Scheme. Unless the Company terminates early through the general meeting or the Board, the Share Option Scheme will become effective and valid for a period of 10 years from the date of adoption, up to 6 May 2029.

5. **The Maximum Number of Shares That Each Participant can be Authorized to Benefit from**

The total number of shares issued or to be issued upon the exercise of all share options (including exercised and outstanding share options) granted to each of the participants under the Share Option Scheme or any other share option scheme of the Company in any 12-month period must not exceed 1% of the total number of issued shares. If the number of share options further granted exceeds the maximum of 1%, the proposed grant of share options shall be approved by the shareholders by voting at the general meeting.

Where shares issued or to be issued upon the exercise of the entire share options which have been or will be granted to participants who are substantial shareholders, independent non-executive directors or any of their associates under the Share Option Scheme or any other share option scheme of the Company during the 12-month period up to and including the date of grant, including those exercised, cancelled and outstanding, (1) totalled more than 0.1% of the total number of issued shares; and (2) have a total value in excess of HKD5,000,000 calculated based on the closing price of the shares on the date of each grant, the proposed grant of share options must be approved by the shareholders at the general meeting by way of poll.

6. **Share Subscription Price**

The subscription price of the shares of any particular share options granted under the Share Option Scheme shall be the price determined by the Board at its sole discretion, provided that the price is not lower than the following highest:

(i) The official closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date of grant (which is the date on which the Stock Exchange is opened for securities trading business);

(ii) The average of the official closing prices of the shares stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the grant; and

(iii) The nominal value of a share.

7. Details of the Movement in the Share Options under the Share Option Scheme during the year ended 31 December 2024

Movements in the number of share options during the Year are set out below:

Name of grantee	Date of grant	Exercise period	Closing price at the date of grant (HKD per share)	Exercise price (HKD per share)	Number of share options as at 1 January 2024	Granted during the Year	Exercised during the Year	Cancelled during the Year	Lapsed during the Year	Number of share options as at 31 December 2024
Executive Directors										
Mr. Xu Hai Feng	9 September 2019 (1)	From 9 September 2019 to 8 September 2029	2.53	2.53	1,350,000	–	–	–	–	1,350,000
Other senior management										
Other senior management	9 September 2019 (1)	From 9 September 2019 to 8 September 2029	2.53	2.53	2,700,000	–	–	–	–	2,700,000
	8 June 2021 (2)	From 8 June 2021 to 7 June 2031	2.24	2.53	450,000	–	–	–	–	450,000
Total					4,500,000	–	–	–	–	4,500,000

Notes:

(1) Share options granted by the Company on 9 September 2019 will be vested by batches from 2019 to 2022. The vesting of the share options is conditional upon the achievement of certain performance targets related to the Group including but not limited to contracted sales of the Group and net profits attributable to equity holders per financial year during the period from 2019 to 2021.

(2) The vesting of the share options granted by the Company on 8 June 2021 is conditional upon the achievement of certain performance targets related to the Group including but not limited to contracted sales of the Group and net profits attributable to equity holders per financial year during the period from 2020 to 2021.

Charitable Donations

No charitable or other donations were made by the Group for the year ended 31 December 2024.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 31 December 2024, the interests or short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("**SFO**")) which will be required to be notified to the Company and the Stock Exchange pursuant to which will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to in relevant provision, or which will be required, pursuant to the Model Code as set out in Appendix C3 to the Listing Rules, to be notified to our Company and the Stock Exchange, are as follows:

Name of Director	Nature of interest	Number of shares held (4)	Approximate percentage of shareholding interest (5)
Mr. Yan Hao	Founder of a discretionary trust (1)	649,276,613 (L)	42.20%
	Beneficial owner	200,000 (L)	0.01%
Mr. Chen Xin Ge	Founder of a discretionary trust (2)	409,805,918 (L)	26.63%
	Beneficial owner	782,000 (L)	0.05%
Mr. Xu Hai Feng	Beneficial owner (3)	2,014,738 (L)	0.13%
Mr. Chen Chao	Beneficial owner	1,574,772 (L)	0.10%

Notes:

(1) Yan Trust, as a trustee, is deemed to be interested in 649,276,613 shares through its control over Beyond Wisdom Limited. The details are as follows:

Name of controlled corporation	Name of controlling shareholder	Percentage of shareholding (%)	Interest held directly	Number of shares
Beyond Wisdom Limited	Yan Trust	100	Y	649,276,613 (L)

(2) Cantrust (Far East) Limited, as a trustee, is deemed to be interested in 409,805,918 shares through its control over New Decent King Investment Limited and Sunny King International Limited. The details are as follows:

Name of controlled corporation	Name of controlling shareholder	Percentage of shareholding (%)	Interest held directly	Number of shares
New Decent King Investment Limited	Cantrust (Far East) Limited	100	N	409,805,918 (L)
Sunny King International Limited	New Decent King Investment Limited	100	Y	409,805,918 (L)

(3) Mr. Xu Hai Feng is interested in 1,350,000 share options of the Company. Details of the share options were disclosed in the section headed "Share Option Scheme".

(4) (L) represents long positions in these securities.

(5) There were 1,538,813,213 shares in issue as at 31 December 2024.

Save as disclosed above and to the best knowledge of the Directors, as at 31 December 2024, none of the Directors or the chief executives of the Company had any interest or short position in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be entered in the register referred to in relevant provision under the Section 352 of the SFO, or which will be required to be notified to the Company and the Stock Exchange under the Model Code.

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

As at 31 December 2024, so far as the Directors were aware, the following persons (other than the Directors or the chief executive of the Company) had interests and/or short positions in the shares or underlying shares of the Company as required to be kept under section 336 of the SFO:

Name	Nature of interest	Number of shares [3]	Percentage of shareholding interest [4]
Beyond Wisdom Limited	Beneficial owner [1]	649,276,613 (L)	42.20%
Yan Trust	Trustee [1]	649,276,613 (L)	42.20%
Sunny King International Limited	Beneficial owner [2]	409,805,918 (L)	26.63%
New Decent King Investment Limited	Interest of a controlled corporation [2]	409,805,918 (L)	26.63%
Cantrust (Far East) Limited	Trustee [2]	409,805,918 (L)	26.63%

Notes:

(1) Yan Trust, as a trustee, is deemed to be interested in 649,276,613 shares through its control over Beyond Wisdom Limited and Mr. Yan Hao (as a founder of the discretionary trust) is deemed to be interested in 649,276,613 shares.

(2) New Decent King Investment Limited is deemed to be interested in 409,805,918 shares through its control over Sunny King International Limited and Cantrust (Far East) Limited, as a trustee, is deemed to be interested in 409,805,918 shares through its control over New Decent King Investment Limited while Mr. Chen Xin Ge (as a founder of the discretionary trust) is deemed to be interested in 409,805,918 shares.

(3) (L) represents long positions in these securities.

(4) There were 1,538,813,213 shares in issue as at 31 December 2024.

Save as disclosed above and to the knowledge of the Directors, as at 31 December 2024, no other person had an interest or short position in the shares or underlying shares of the Company required to be entered in the register referred to in relevant provision under the Section 336 of the SFO.

Directors' Indemnities

Pursuant to Article 181 of the Articles, each Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise.

During the year ended 31 December 2024, all Directors were covered under the liability insurance purchased by the Company for the Directors.

Report of the Directors

Related Party Transactions

Details of the related party transactions of the Group during the year ended 31 December 2024 are set out in Note 39(b) to the consolidated financial statements.

All the related party transactions listed in Note 39(b) to the consolidated financial statements are not regarded as connected transactions under Chapter 14A of the Listing Rules as the counterparties are joint ventures and associates of the Company which do not fall under the definition of connected persons under Chapter 14A of the Listing Rules. The Board confirmed that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of its Directors, as at the date of this annual report, there is sufficient public float of more than 25% of the Company's total issued share capital as required under the Listing Rules.

Repurchase, Sale or Redemption of Listed Securities of the Company

The Company or any of its subsidiaries (other than the trust of the share award scheme) did not purchase, sell or redeem any of the Company's listed securities during the year ended 31 December 2024 (including sale of any treasury shares (as defined under the Listing Rules)). The Company did not have any treasury shares as of 31 December 2024.

Changes of Information of Directors

Pursuant to Rule 13.51B(1) of the Listing Rules, from the date of the 2024 interim report of the Company to the date of this annual report, there was no other change in the information of the Directors which is required to be disclosed pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules.

Review by Audit Committee

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group, and discussed with them the audit, internal control and financial reporting matters of the Group, including review of the annual results and financial statements for the Year.

Code of Conduct Regarding Directors' Securities Transactions

The Company has adopted the Model Code as its own code of conduct regarding directors' securities transactions. Specific enquiries to the Directors have been made and each of the Directors has confirmed that he/she has complied with the Model Code during the year ended 31 December 2024.

Corporate Governance

The Company is committed to maintaining the highest standard of corporate governance practices. The Company has complied with the principles and code provisions as set out in Part 2 of the CG Code contained in Appendix C1 to the Listing Rules for the year ended 31 December 2024, save for the deviation from code provisions C.2.1 and B.2.4(b) as explained on page 31 of this annual report. Information on the corporate governance practices adopted by the Company is set out in the section headed "Corporate Governance Report" on pages 31 to 51 of this annual report.

Auditor

PricewaterhouseCoopers ("**PwC**") was the Company's auditor, on 31 May 2022, PwC has resigned as the auditor of the Company. On 27 June 2022, the Company appointed Elite Partners CPA Limited ("**Elite Partners**") as the auditor of the Company. With effect from 19 August 2024, Elite Partners has resigned as the auditor of the Company. With effect from 20 August 2024, the Company appointed CCTH as the auditor of the Company. For details, please refer to the announcements of the Company dated 10 June 2022, 27 June 2022 and 19 August 2024 respectively, in relation to the change of auditor.

CCTH was the Company's auditor for the year ended 31 December 2024, and the financial statements of the Group have been audited by CCTH, who will retire at the forthcoming annual general meeting and being eligible, will offer itself for re-appointment. A resolution will be proposed at the forthcoming annual general meeting to re-appoint CCTH as the auditor of the Company.

On behalf of the Board
Yan Hao
Chairman

CCTH CPA LIMITED
中正天恆會計師有限公司

To the Shareholders of Jingrui Holdings Limited
(incorporated in the Cayman Islands with limited liability)

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of Jingrui Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") set out on pages 67 to 180, which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the consolidated cash flows statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of this report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

Material uncertainties relating to going concern

As set out in note 2.1 to the consolidated financial statements, during the year ended 31 December 2024, the Group recorded a loss for the year of RMB3,245,057,000. As at 31 December 2024, the Group had net current liabilities of RMB3,770,987,000, current and non-current borrowings amounted to RMB13,206,007,000 and RMB2,736,256,000 respectively, while the Group's cash and cash equivalents and restricted cash only amounted to RMB217,757,000 and RMB108,583,000 respectively.

Furthermore, as at 31 December 2024, the Group's borrowings including bank loans, senior notes and trust financing arrangements amounting to RMB11,452,417,000 and the corresponding interests amounting to RMB2,398,255,000 were defaulted due to overdue payment of principals and interests. The above default in repayments entitled the lenders and note holders the right to demand immediate repayment of the financial liabilities from the Group. In addition, certain lenders have initiated legal actions against the Group on the defaulted financial liabilities of RMB430,702,000. These financial conditions indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern.

The directors of the Group have taken various plans and measures to improve the Group's liquidity and financial position as described in note 2.1 to the consolidated financial statements. After taking into account the financial conditions, plans and measures, the directors of the Group are of the opinion that the Group will have sufficient funds to maintain its operations and to meet its financial obligations as and when they fall due within the next 12 months from the date of these consolidated financial statements and therefore have prepared the consolidated financial statements based on a going concern basis.

However, we were unable to obtain sufficient appropriate evidence to satisfy ourselves that the plans and measures taken by the Group underpinning the cash flow forecast of the Group for going concern assessment are reasonable and supportable, including but not limited to, whether the Group will be able to enter into agreements with the lenders on the extension of the repayment schedule of certain borrowings and whether there will be new financing from other financial institutions. As a result, we were unable to satisfy ourselves about the appropriateness of the use of the going concern basis of accounting in the preparation of the consolidated financial statements by the directors of the Group.

Should the Group be unable to achieve the plans and measures and operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify noncurrent assets and non-current liabilities as current assets and current liabilities, respectively. The consolidated financial statements do not include any such adjustments.

OTHER MATTER

The consolidated financial statements of the Group for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion with material uncertainty related to going concern paragraph on those statements on 28 March 2024.

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

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

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

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

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

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants and to issue an auditor's report solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. However, because of the matters described in the Basis for Disclaimer of Opinion section of this report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

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.

CCTH CPA Limited
Certified Public Accountants
Hong Kong, 28 March 2025

Lam Man Chi
Practising Certificate Number: P05324

Unit 1510-1517, 15/F, Tower 2,
Kowloon Commerce Centre,
No. 51 Kwai Cheong Road, Kwai Chung,
New Territories, Hong Kong

Consolidated Balance Sheet

As at 31 December 2024

	Notes	As at 31 December 2024 RMB'000	2023 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment	6	**69,567**	80,129
Right-of-use assets	6	**119,245**	121,838
Investment properties	7	**4,193,600**	4,646,900
Intangible assets	8	**54,346**	85,547
Investments in joint ventures	9	**839,861**	943,240
Investments in associates	10	**524,943**	820,068
Deferred income tax assets	22	**444,160**	519,030
Financial assets at fair value through profit or loss	12	**569,050**	686,134
Financial assets at fair value through other comprehensive income	12	**429,000**	442,788
Trade and other receivables and prepayments	15	**716,583**	703,857
		7,960,355	9,049,531
Current assets			
Prepayments for leasehold land	13	**54,304**	54,304
Properties under development and properties held for sale	14	**14,342,629**	20,979,614
Trade and other receivables and prepayments	15	**6,947,509**	7,506,588
Prepaid income taxes		**368,613**	394,784
Contract acquisition costs		**101,457**	269,531
Financial assets at fair value through profit or loss	12	**516,566**	626,957
Restricted cash	16	**108,583**	291,719
Cash and cash equivalents	16	**217,757**	334,532
		22,657,418	30,458,029
Total assets		**30,617,773**	39,507,560
OWNERS' EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	17	**87,813**	87,813
Reserves	18	**(2,955,025)**	64,795
		(2,867,212)	152,608
Non-controlling interests	40	**3,551,951**	4,052,215
Total equity		**684,739**	4,204,823

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet

As at 31 December 2024

	Notes	As at 31 December 2024 RMB'000	2023 RMB'000
LIABILITIES			
Non-current liabilities			
Borrowings	19	**2,736,256**	4,571,679
Deferred income tax liabilities	22	**768,288**	1,012,013
Lease liabilities	6	**85**	13,423
		3,504,629	5,597,115
Current liabilities			
Borrowings	19	**13,206,007**	12,304,443
Trade and other payables	20	**7,628,469**	8,233,763
Contract liabilities		**2,883,601**	6,124,433
Amounts due to non-controlling interests of subsidiaries	21	**718,898**	937,583
Current income tax liabilities		**1,986,338**	2,092,957
Lease liabilities	6	**5,092**	12,443
		26,428,405	29,705,622
Total liabilities		**29,933,034**	35,302,737
Total equity and liabilities		**30,617,773**	39,507,560

The consolidated financial statements on pages 67 to 180 were approved by the Board of Directors on 28 March 2025 and the consolidated balance sheet was signed on its behalf by:

Yan Hao
Director

Chen Chao
Director

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated Income Statement

For the year ended 31 December 2024

	Notes	Year ended 31 December 2024 RMB'000	2023 RMB'000
Revenue	23	**5,906,400**	7,294,475
Cost of sales	26	**(6,158,911)**	(6,830,159)
Gross (loss)/profit		**(252,511)**	464,316
Fair value loss on investment properties under capital platform	7	**(144,910)**	(100,298)
Fair value loss on investment properties under other platforms	7	**(149,000)**	(6,000)
Selling and marketing costs	26	**(350,191)**	(320,980)
Administrative expenses	26	**(666,973)**	(310,838)
Other income	24	**8,232**	16,049
Other gains or losses – net	25	**(862,248)**	(453,969)
Operating loss		**(2,417,601)**	(711,720)
Finance income	27	**1,156**	17,052
Finance costs	27	**(873,090)**	(915,504)
Finance costs – net		**(871,934)**	(898,452)
Share of results of joint ventures	9	**(16,548)**	(111,518)
Share of results of associates	10	**(27,936)**	6,178
		(44,484)	(105,340)
Loss before income tax		**(3,334,019)**	(1,715,512)
Income tax credit/(expense)	30	**88,962**	(125,819)
Loss for the year		**(3,245,057)**	(1,841,331)
Attributable to:			
Equity holders of the Company		**(3,003,782)**	(1,721,220)
Non-controlling interests		**(241,275)**	(120,111)
		(3,245,057)	(1,841,331)
Loss per share attributable to equity holders of the Company			
– Basic loss per share	32	**RMB(1.95)**	RMB(1.12)
– Diluted loss per share	32	**RMB(1.95)**	RMB(1.12)

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

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2024

	Year ended 31 December 2024 RMB'000	2023 RMB'000
Loss for the year	**(3,245,057)**	(1,841,331)
Other comprehensive (loss)/income		
Item that will not be reclassified subsequently to profit or loss		
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax	**(16,038)**	94,561
Other comprehensive (loss)/income for the year, net of tax	**(16,038)**	94,561
Total comprehensive losses for the year, net of tax	**(3,261,095)**	(1,746,770)
Attributable to:		
Equity holders of the Company	**(3,019,820)**	(1,626,659)
Non-controlling interests	**(241,275)**	(120,111)
	(3,261,095)	(1,746,770)

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

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

	Attributable to equity holders of the Company							
	Share capital RMB'000 (Note 17)	Share premium RMB'000 (Note 18)	Treasury shares RMB'000 (Note 18)	Other reserves RMB'000 (Note 18)	Accumulated losses RMB'000 (Note 18)	Sub-total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2024	**87,813**	**424,007**	**–**	**903,149**	**(1,262,361)**	**152,608**	**4,052,215**	**4,204,823**
Comprehensive loss								
Loss for the year 2024	–	–	–	–	(3,003,782)	(3,003,782)	(241,275)	(3,245,057)
Other comprehensive loss								
Net changes in fair value of financial assets through other comprehensive income (Note 12)	–	–	–	(13,788)	–	(13,788)	–	(13,788)
Taxes on fair value changes on financial assets through other comprehensive income (Note 22)	–	–	–	(2,250)	–	(2,250)	–	(2,250)
Total comprehensive loss for the year 2024	–	–	–	(16,038)	(3,003,782)	(3,019,820)	(241,275)	(3,261,095)
Transactions with equity holders of the Company								
Change from a subsidiary to an associate	–	–	–	–	–	–	(89,508)	(89,508)
Acquisition of additional interests in a subsidiary (Note 37)	–	–	–	–	–	–	(2,450)	(2,450)
Disposal of subsidiaries (Note 38)	–	–	–	–	–	–	(167,031)	(167,031)
	–	–	–	–	–	–	(258,989)	(258,989)
Balance at 31 December 2024	87,813	424,007	–	887,111	(4,266,143)	(2,867,212)	3,551,951	684,739

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

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

	Attributable to equity holders of the Company							
	Share capital RMB'000 (Note 17)	Share premium RMB'000 (Note 18)	Treasury shares RMB'000 (Note 18)	Other reserves RMB'000 (Note 18)	Accumulated losses RMB'000 (Note 18)	Sub-total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2023	87,813	424,007	(4,333)	827,326	458,859	1,793,672	4,605,025	6,398,697
Comprehensive income/(loss)								
Loss for the year 2023	–	–	–	–	(1,721,220)	(1,721,220)	(120,111)	(1,841,331)
Other comprehensive income/(loss)								
Net changes in fair value of financial assets through other comprehensive income (Note 12)	–	–	–	126,081	–	126,081	–	126,081
Taxes on fair value changes on financial assets through other comprehensive income (Note 22)	–	–	–	(31,520)	–	(31,520)	–	(31,520)
Total comprehensive income/(loss) for the year 2023	–	–	–	94,561	(1,721,220)	(1,626,659)	(120,111)	(1,746,770)
Transactions with equity holders of the Company								
Share award scheme (Note 31(a))	–	–	4,333	(4,333)	–	–	–	–
Capital reduction of non-controlling interests	–	–	–	–	–	–	(43,500)	(43,500)
Capital injection from non-controlling interests	–	–	–	–	–	–	1,065	1,065
Acquisition of additional interests in subsidiaries (Note 37)	–	–	–	(14,405)	–	(14,405)	(259,277)	(273,682)
Dividends of subsidiaries (Note 34(b))	–	–	–	–	–	–	(130,987)	(130,987)
	–	–	4,333	(18,738)	–	(14,405)	(432,699)	(447,104)
Balance at 31 December 2023	87,813	424,007	–	903,149	(1,262,361)	152,608	4,052,215	4,204,823

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

Consolidated Cash Flow Statement

For the year ended 31 December 2024

	2024 RMB'000	2023 RMB'000
Operating activities		
Net cash generated from operations (Note 34(a))	**183,079**	1,757,476
Interest paid	**(104,029)**	(325,060)
PRC income tax paid	**(16,090)**	(63,551)
PRC land appreciation tax paid	**(16,865)**	(24,333)
Net cash generated from operating activities	**46,095**	1,344,532
Investing activities		
Purchase of property, plant and equipment	**(7,126)**	(2,524)
Purchase of intangible assets	**–**	(25)
Acquisition cost of and capitalised expenditures incurred on investment properties	**–**	(51)
Proceeds from disposal of property, plant and equipment	**10**	214
Capital injection to associates	**(450)**	–
Disposal of interests in associates	**55,760**	2,941
Acquisition of financial assets at fair value through profit or loss	**–**	(85,844)
Disposal of shares in subsidiaries	**38,702**	127,718
Disposal of financial assets at fair value through profit or loss	**36,569**	37,146
Investment income from financial assets at fair value through profit or loss	**–**	120
Dividend received from financial assets at fair value through other comprehensive income	**–**	2,327
(Advances to)/repayments from related parties	**(22,773)**	82,438
Cash advance to non-controlling interests of subsidiaries	**(18,398)**	(85,870)
Cash receipt from non-controlling interests of subsidiaries	**28,552**	245,613
Dividend received from joint ventures and associates	**13,903**	10,375
Interest received	**1,156**	17,009
Acquisition of subsidiaries, net of cash acquired	**–**	(80,760)
Net cash generated from investing activities	**125,905**	270,827

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

Consolidated Cash Flow Statement

For the year ended 31 December 2024

	2024 RMB'000	2023 RMB'000
Financing activities		
Proceeds from borrowings	99,990	673,642
Repayments of borrowings	(371,109)	(2,310,166)
Capital contribution from non-controlling interests	–	1,065
Cash receipt from non-controlling interests of subsidiaries	804	275
Repayment to non-controlling interests of subsidiaries	(21,791)	(70,000)
Changes in advance from related parties	34,579	15,902
Repayment of the payables for acquisition of equity investments	(34,404)	(247,694)
Principal elements of lease payments	(4,074)	(12,173)
Changes in deposits paid to secured borrowings	7,245	(25,824)
Net cash used in financing activities	(288,760)	(1,974,973)
Net decrease in cash and cash equivalents	(116,760)	(359,614)
Effect of foreign exchange rate changes	(15)	23,736
Cash and cash equivalents at beginning of the year	334,532	670,410
Cash and cash equivalents at end of the year (Note 16)	217,757	334,532

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

1 General information

Jingrui Holdings Limited (the "Company") was incorporated in the Cayman Islands on 7 March 2013 as an exempted company with limited liability under the Companies Law Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is One Nexus Way, Camana Bay, Grand Cayman, KY1-9005, Cayman Islands.

The Company is an investment holding company and its subsidiaries (together with the Company, referred to as "the Group") are principally engaged in property development business in the People's Republic of China (the "PRC").

The holding company or the ultimate holding company of the Company is Beyond Wisdom Limited, a company incorporated in the Cayman Islands with limited liability. The ultimate controlling shareholder of the Company is Mr. Yan Hao.

The Company's shares began to list on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 31 October 2013.

These consolidated financial statements are presented in thousands of Renminbi ("RMB'000"), unless otherwise stated.

2 Material accounting policy information

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange and the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income, which are carried at fair value.

The preparation of financial statements in accordance with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

During the year ended 31 December 2024, the Group recorded a loss for the year of RMB3,245,057,000. As at 31 December 2024, the Group had net current liabilities of RMB3,770,987,000, current and non-current borrowings amounted to RMB13,206,007,000 and RMB2,736,256,000 respectively, while the Group's cash and cash equivalents and restricted cash only amounted to RMB217,757,000 and RMB108,583,000 respectively.

Furthermore, as at 31 December 2024, the Group's borrowings including bank loans, senior notes and trust financing arrangements amounting to RMB11,452,417,000 and the corresponding interests amounting to RMB2,398,255,000 were defaulted due to overdue payment of principals and interests. The above default in repayments entitled the lenders and note holders the right to demand immediate repayment of the financial liabilities from the Group. In addition, certain lenders have initiated legal actions against the Group on the defaulted financial liabilities of RMB430,702,000. These events and conditions indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern.

The above conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

2 Material accounting policy information (continued)

2.1 Basis of preparation (continued)

In view of such circumstances, the directors of the Company (the "Directors") have given careful consideration to the future liquidity and its available sources of financing in assessing whether the Group will have sufficient funds to fulfil its financial obligations and continue as a going concern. The following plans and measures are formulated to mitigate the liquidity pressure and to improve its cash flows:

i. The Group has appointed Admiralty Harbour Capital Limited as its financial adviser to assess the Group's capital structure, evaluate the liquidity of the Group and explore all feasible solutions to ease the current liquidity issue and reach an optimal solution for all the stakeholders, including the extension or rearrangement of repayment schedules;

ii. The Group has been proactively communicating with the relevant lenders to explain the Group's business, operations and financial condition. As at the date of this report, based on the status of the ongoing discussions, the Directors are of the view that the relevant lenders will not exercise their rights to request the Group for immediate repayment of the loans prior to their scheduled contractual repayment dates;

iii. The Group will continue to maintain continuous communication and agree with major constructors and suppliers to arrange payments to these vendors and complete the construction progress as scheduled;

iv. The Group will continue to take measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of sales proceeds and other receivables. The Group will also continue to actively adjust sales and pre-sale activities to better respond to changing markets so as to achieve the latest budgeted sales and pre-sales volumes and amounts;

v. The Group is conducting active negotiations with the lenders on the extension of the repayment schedule of certain borrowings;

vi. The Group will continuously seek for new financing from other financial institutions;

vii. The Group will continuously enhance payment collection progress from customers in respect of the property sales and pre-sales through closely following up with customers and communicating and coordinating with banks for timely grant of individual mortgage loans to the customers; and

viii. The Group will continue to take active measures to control administrative costs and maintain containment of capital expenditures.

The Directors have reviewed the Group's cash flow forecast prepared by the management and are of the opinion that, taking into account the above mentioned financial condition, plans and measures, the Group will have sufficient funds to maintain its operations and to meet its financial obligations as and when they fall due within the next 12 months from the date of approval of these consolidated financial statements. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

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

2 Material accounting policy information (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policies and disclosures

Save as described below, the accounting policies and calculation methods applied in the Group's annual financial statements for the year ended 31 December 2024 are consistent with those set out in the Group's annual financial statements for the year ended 31 December 2023.

In the current year, the Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on 1 January 2024 for the preparation of the consolidated financial statements:

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

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

New and amendments to HKFRSs in issue but not yet effective

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.

HKFRS 18	*Presentation and Disclosure in Financial Statements*[3]
HKFRS 19	*Subsidiaries without Public Accountability: Disclosures*[3]
Amendments to HKFRS 9 and 7	*Amendments to the Classification and Measurement of Financial Instruments*[2]
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*[2]
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
Amendments to HKAS 21	*Lack of Exchangeability*[1]
Annual Improvements to HKFRS Accounting Standards – Volume 11	*Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7*[2]

1 Effective for annual periods beginning on or after 1 January 2025.
2 Effective for annual periods beginning on or after 1 January 2026.
3 Effective for annual periods beginning on or after 1 January 2027.
4 No mandatory effective date yet determined but available for adoption.

The Group has already commenced an assessment of the impact of these new standards, amendments and interpretation, certain of which are relevant to the Group's operation. According to the preliminary assessment made by the Directors, the Group does not anticipate that the adoption when they become effective will result in any material impact on the Group's results of operations and financial position.

2 Material accounting policy information (continued)

2.2 Subsidiaries

2.2.1 Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2 Material accounting policy information (continued)

2.2 Subsidiaries (continued)

2.2.2 Separate financial statements

In the Company's balance sheet, the investments in subsidiaries are stated at cost less impairment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

2.3 Joint arrangements

Joint arrangements are classified as either joint ventures or joint operations depending on the contracted rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures.

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. A joint venture gives the parties rights to the net assets or outcome of the arrangement. A joint venture does not have rights to individual assets or obligations for individual liabilities of the joint venture. Instead, joint ventures share the net assets and, in turn, the outcome (profit or loss) of the activity undertaken by the joint venture. In contrast, a joint operation is a joint arrangement that gives parties to the arrangement direct rights to the assets and obligations for the liabilities. A joint operator will recognise its interest based on its involvement in the joint operation (that is, based on its direct rights and obligations) rather than on the participation interest it has in the joint arrangement.

Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investment in a joint venture is accounted for using the equity method of accounting and is initially recognised at cost. The consolidated income statement include the Group's share of the post-acquisition results of joint ventures, and the consolidated balance sheet include the Group's share of the net assets of the joint ventures and goodwill identified on acquisition net of any accumulated impairment losses.

2 Material accounting policy information (continued)

2.4 Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

The Group's share of its associates' post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movement in other comprehensive income is recognized in other comprehensive income with a corresponding adjustments to the carrying amount of the investment. When the Group's share of losses in an associate equal or exceeds its interests in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. The impairment amount, as the difference between the recoverable amount of the associate and its carrying value is recognised in the consolidated income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gain or losses on dilution of equity interest in associates are recognised in the consolidated income statement.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (the "CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as executive directors that make strategic decisions.

2.6 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). Since the majority of the assets and operations of the Group are located in the PRC, the financial statements are presented in RMB, which is the functional currency of the Company and the presentation currency of the Group.

2 Material accounting policy information (continued)

2.6 Foreign currency translation (continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated income statement within "Finance income or expenses – net". All other foreign exchange gains and losses are presented in the consolidated income statement within "Other gains or losses – net".

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

2.7 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any impairment losses.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their costs less their residual values over their estimated useful lives, as follows:

– Self-use properties and right-of-use assets-office properties	6-29 years
– Motor vehicles	6 years
– Furniture, fittings and equipment	5 years
– Leasehold improvements and others	shorter of remaining lease term or useful life estimated 5 years

The assets' residual value and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period, with the effect of any changes in estimated accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised as "Other gains or losses – net" in the consolidated income statement.

2 Material accounting policy information (continued)

2.8 Investment properties

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group. It also includes properties that are being constructed or developed for future use as investment properties.

Land held under operating leases are accounted for as investment properties when the rest of the definition of an investment property is met. In such cases, the operating leases concerned are accounted for as if they were finance leases.

Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Changes in fair values are recorded in the consolidated income statement in fair value gains or losses on investment properties.

Property that is currently being constructed or developed for future use as an investment property is classified as investment property and stated at fair value. If the fair value cannot be reliably determined, the investment property under construction will be measured at cost until such time as fair value can be determined or construction is completed, whichever is earlier. Any difference between the fair value of the property at that date and its then carrying amount shall be recognised in the consolidated income statement.

2.9 Intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the CGU level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(b) Computer software

Intangible assets of the Group mainly comprise acquired computer software which is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3 to 5 years.

2 Material accounting policy information (continued)

2.10 Impairment of investments in subsidiaries, joint ventures, associates and non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.11 Properties held or under development for sale

Properties held or under development for sale are included in current assets at the lower of cost and net realisable value. The costs of properties held or under development consist of costs of leasehold land, resettlement costs (if any), construction expenditure, capitalised borrowing costs and other direct costs incurred during the development period. The costs of properties held are determined by apportionment of the total development costs for that development project attributable to the unsold properties. Net realisable value is based on estimated selling price in the ordinary course of business as determined by management with reference to the prevailing market conditions, less further costs expected to be incurred to completion and selling and marketing costs.

2.12 Land use rights

All land in the PRC is state-owned or collectively-owned and no individual ownership right exists. Land use rights are acquired by the Group for development of properties. Land use rights held for development for sale are inventories and measured at lower of cost and net realisable value, of which those within normal operating cycle are classified as current assets and included in properties held or under development for sale, while those out of the normal operating cycle are classified as non-current assets. Land use rights fall within investment properties are classified as investment properties (Note 2.8).

2.13 Financial assets

2.13.1 Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ("FVOCI").

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

2 Material accounting policy information (continued)

2.13 Financial assets (continued)

2.13.2 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains or losses together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidation income statement.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the consolidation income statement.

- Debt Instruments are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

2 Material accounting policy information (continued)

2.13 Financial assets (continued)

2.13.2 Measurement (continued)

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other (losses)/gains – net in the consolidated income statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

2.13.3 Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9 Financial Instruments ("HKFRS 9"), which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Note 15 for further details.

2.14 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.15 Cash and cash equivalents

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

2 Material accounting policy information (continued)

2.16 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within twelve months after the reporting period (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

2.17 Borrowings and borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fees are deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fees are capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Borrowing costs include interest expense, finance charges in respect of finance lease and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. The exchange gains and losses that are an adjustment to interest costs include the interest rate differential between borrowing costs that would be incurred if the entity had borrowed funds in its functional currency, and the borrowing costs actually incurred on foreign currency borrowings. Such amounts are estimated based on forward currency rates at the inception of the borrowings.

When the construction of the qualifying assets takes more than one accounting period, the amount of foreign exchange differences eligible for capitalisation is determined for each annual period and are limited to the difference between the hypothetical interest amount for the functional currency borrowings and the actual interest incurred for foreign currency borrowings. Foreign exchange differences that did not meet the criteria for capitalisation in previous years should not be capitalised in subsequent years.

2 Material accounting policy information (continued)

2.18 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising on investments in subsidiaries, joint ventures and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, joint ventures and associates only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

(c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 Material accounting policy information (continued)

2.19 Employee benefits

In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the PRC under which the Group and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries, subject to a certain ceiling.

The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The assets of these plans are held separately from those of the Group in independently administrated funds managed by the PRC government.

The contributions are recognised as employee benefit expense when they are due.

2.20 Share-based payments

The Group operates equity-settled share based compensation plans under which the entity receives services from employees as consideration for equity instruments (including shares options and share awards) of the Group. The fair value of the employee services received in exchange for the grant of the shares is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the equity instruments granted:

- including any market performance conditions (for example, an entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (for example profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions

Non-market performance and service conditions are included in assumptions about the number of shares that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

At the end of each reporting period, the Group revises its estimates of the number of shares that are expected to vest based on the non-market performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

2 Material accounting policy information (continued)

2.21 Provisions and contingent liabilities

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

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

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

A contingent liability is a present obligation arising from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability and it is not recognised in the consolidated balance sheet.

The Group assesses continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the consolidated financial statements in the reporting period in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

2.22 Financial guarantee liabilities

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of

- the amount determined in accordance with the expected credit loss model under HKFRS 9 Financial Instruments; and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15 Revenue from Contracts with Customers.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

2 Material accounting policy information (continued)

2.23 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of properties and services in the ordinary course of the Group's activities. Revenue is shown net of returns, rebates and discounts and after eliminated sales within the Group. Revenue is recognised as follows:

(a) Sales of properties

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

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

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

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

For property development and sales contract for which the control of the property is transferred at a point in time, revenue is recognised when the property is accepted by the customer, or deemed as accepted according to the contract, which is the point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property, and the Group has present right to payment and the collection of the consideration is probable.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant. If on the contract commencement date, the Group expects that the interval between the customer's obtaining control of the property and the payment of consideration by the customer will not exceed 1 year, the financing component will not be considered as significant.

2 Material accounting policy information (continued)

2.23 Revenue recognition (continued)

(b) Service income

Revenue from services is recognised when services have been provided, total amount of revenue and costs can be estimated reliably and the collectability of the related receivables is reasonably assured.

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

(c) Sales of goods

Revenue from sale of goods is recognised when the goods are delivered and title has passed.

(d) Contract acquisition cost

Costs did not qualify for recognition as an asset were expensed when incurred. Costs related directly to the contract, generating resources used in satisfying the contract and expectedly to be recovered are capitalised as contract acquisition cost.

2.24 Dividend income

Dividends are received from financial assets measured at FVPL and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established.

2.25 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the consolidated income statement over the period necessary to match them with the costs they are intended to compensate. Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to an entity within the Group with no future related costs are recognised as income of the period in which they become receivable.

2.26 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

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

2 Material accounting policy information (continued)

2.26 Leases (continued)

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the entity, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets that meet the definition of investment property are measured at fair value applying the fair value model. Other right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets which do not meet the definition of investment property are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

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

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

3 Financial risk management

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), 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.

3.1 Market risk

(a) Foreign exchange risk

The Group is engaged in the development, sale and management of properties solely in the PRC with almost all transactions denominated in RMB. The Group's functional currency is RMB, accordingly cash and borrowings denominated in Hong Kong Dollar ("HKD") or United States Dollar ("USD") are subject to foreign exchange risk.

Fluctuation of the exchange rates for HKD and USD against RMB will affect the Group's result of operations. The Group currently does not have a foreign currency hedging policy. However, management closely monitors the foreign exchange exposure and will take actions when necessary.

As at 31 December 2024, if HKD had weakened/strengthened by 5% against RMB, all other variables held constant, post-tax loss of the Group for the year 2024 would have been higher/lower by RMB15,671,000 (2023: post-tax loss of the Group for the year would have been higher/lower by RMB8,727,000), mainly as a result of foreign exchange loss/gain from trade and other receivables and prepayments and bank deposits net off trade and other payables and bank borrowings denominated in HKD.

As at 31 December 2024, if USD had weakened/strengthened by 5% against RMB, all other variables held constant, post-tax loss of the Group for the year 2024 would have been lower/higher by RMB393,058,000 (2023: post-tax loss of the Group for the year would have been lower/higher by RMB348,464,000), mainly as a result of foreign exchange gain/loss from borrowings net off bank deposits denominated in USD.

(b) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Except for bank deposits with stable interest rates, the Group has no other significant interest-bearing assets.

The Group's exposure to changes in interest rates is mainly attributable to its borrowings from banks and non-bank financial institutions. Borrowings at variable rates expose the Group to cash flow interest rate risk. Borrowings at fixed rates expose the Group to fair value interest rate risk. The Group has not hedged its cash flow or fair value interest rate risk. The interest rate and terms of repayments of borrowings are disclosed in Note 19.

3 Financial risk management (continued)

3.1 Market risk (continued)

(b) Cash flow and fair value interest rate risk (continued)

Management does not anticipate significant impact to interest-bearing assets resulted from the changes in interest rates, because the interest rates of bank deposits are not expected to change significantly.

As at 31 December 2024 and 2023, if interest rates on borrowings at floating rates had been 50 basis points higher/lower with all other variables held constant, the post-tax results and capitalised interest for the years ended 31 December 2024 and 2023 would have changed as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Post-tax results increase/(decrease)		
– 50 basis points higher	**(2,708)**	(2,783)
– 50 basis points lower	**2,708**	2,783
Capitalised interest increase/(decrease)		
– 50 basis points higher	**491**	1,901
– 50 basis points lower	**(491)**	(1,901)

3.2 Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge the obligation under the terms of the financial instrument and cause a financial loss to the Group. The Group considered the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

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

3 Financial risk management (continued)

3.2 Credit risk (continued)

(a) Cash in banks

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

(b) Trade receivables

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

As at 31 December 2024 and 2023, on that basis, the loss allowance was determined as follows for trade receivables:

As at 31 December 2024	**Current RMB'000**	**More than 90 days past due RMB'000**	**More than 180 days past due RMB'000**	**Past due 1 year RMB'000**	**More than 1 year past due RMB'000**	**Total RMB'000**
Expected credit loss rate	**2.28%**	**6.62%**	**9.57%**	**11.81%**	**23.15%**	
Gross carrying amount	**185,067**	**87,512**	**88,369**	**147,249**	**200,847**	**709,044**
Loss allowance	**(4,225)**	**(5,797)**	**(8,460)**	**(17,388)**	**(46,492)**	**(82,362)**
Accounts receivables – net	**180,842**	**81,715**	**79,909**	**129,861**	**154,355**	**626,682**

As at 31 December 2023	Current RMB'000	More than 90 days past due RMB'000	More than 180 days past due RMB'000	Past due 1 year RMB'000	More than 1 year past due RMB'000	Total RMB'000
Expected credit loss rate	2.48%	6.08%	13.46%	9.22%	18.32%	
Gross carrying amount	175,855	100,111	102,658	156,741	169,062	704,427
Loss allowance	(4,361)	(6,087)	(13,813)	(14,445)	(30,972)	(69,678)
Accounts receivables – net	171,494	94,024	88,845	142,296	138,090	634,749

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. The Group made no written off for trade receivables during the years ended 31 December 2024 and 2023.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

3 Financial risk management (continued)

3.2 Credit risk (continued)

(c) Other receivables

The Group uses three categories for other receivables which reflect their credit risk and how the loss provision is determined for each of those categories. These internal credit risk ratings are aligned to external credit ratings.

A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

Category	Group definition of category	Basis for recognition of expected credit loss provision	Basis for calculation of interest revenue
Stage one	Customers have a low risk of default and a strong capacity to meet contractual cash flow	12 months expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime	Gross carrying amount
Stage two	Receivables for which there is a significant increase in credit risk since initial recognition	Lifetime expected losses (not credit-impaired)	Gross carrying amount
Stage three	Receivables for which there is credit loss since initial recognition	Lifetime expected losses (credit-impaired)	Amortised cost carrying amount (net of credit allowance)

3 Financial risk management (continued)

3.2 Credit risk (continued)

(c) Other receivables (continued)

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

Management considered other receivables to be low credit risk as they have a low risk of default and the counterparty has a strong capacity to meet contractual cash flow obligation in the near term, and thus the impairment provision recognised was based on 12 months expected losses.

	Receivables from government related bodies RMB'000	**Due from related parties and non-controlling interests RMB'000**	**Receivables from third parties other than government related bodies RMB'000**	**Total RMB'000**
As at 31 December 2024				
Expected credit loss rate	**0.28%**	**3.44%**	**24.44%**	
Gross carrying amount	**517,865**	**3,502,435**	**3,129,382**	**7,149,682**
Loss allowance	**(1,448)**	**(120,382)**	**(764,899)**	**(886,729)**
Other receivables – net	**516,417**	**3,382,053**	**2,364,483**	**6,262,953**

	Receivables from government related bodies RMB'000	Due from related parties and non-controlling interests RMB'000	Receivables from third parties other than government related bodies RMB'000	Total RMB'000
As at 31 December 2023				
Expected credit loss rate	0.06%	6.50%	8.79%	
Gross carrying amount	449,929	3,711,059	2,969,241	7,130,229
Loss allowance	(261)	(241,288)	(261,024)	(502,573)
Other receivables – net	449,668	3,469,771	2,708,217	6,627,656

3 Financial risk management (continued)

3.2 Credit risk (continued)

(c) Other receivables (continued)

Other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. The Group made no written off for other receivables during the years ended 31 December 2024 and 2023.

(d) Financial guarantee

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 repayments. 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 accrued thereon. 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 consider that the Group's credit risk is significantly reduced.

The Group also provides guarantees to certain related parties of the Group to obtain borrowings after assessing the credit history of these related parties. The Group closely monitors the repayment progress of the relevant borrowings by these related parties. In the opinion of the directors of the Group, the related party transactions were carried out in the normal course of business and at terms mutually negotiated between the Group and the respective related parties. The directors consider that the likelihood of default in payments is minimal and the financial guarantees measured at fair value is immaterial.

3 Financial risk management (continued)

3.3 Liquidity risk

Management of the Group aims to maintain sufficient cash through internally generated sales proceeds and an adequate amount of committed credit facilities to meet its operation needs and commitments in respect of property projects.

The table below analyses the Group's non-derivative financial liabilities and gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at 31 December 2024 and 2023 to the contractual maturity date. Derivatives financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within 1 year or on demand RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
As at 31 December 2024					
Borrowings	**13,206,007**	**104,000**	**2,382,972**	**249,284**	**15,942,263**
Trade and other payables	**7,166,137**	**–**	**–**	**–**	**7,166,137**
Amounts due to non-controlling interests of subsidiaries (Note 21)	**718,898**	**–**	**–**	**–**	**718,898**
Lease liabilities	**5,092**	**85**	**–**	**–**	**5,177**
Financial guarantees (Note 36(a) and (b))	**1,729,146**	**–**	**–**	**–**	**1,729,146**
	22,825,280	**104,085**	**2,382,972**	**249,284**	**25,561,621**

	Within 1 year or on demand RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
As at 31 December 2023					
Borrowings	12,304,443	3,744,576	679,103	148,000	16,876,122
Trade and other payables	7,514,881	–	–	–	7,514,881
Amounts due to non-controlling interests of subsidiaries (Note 21)	937,583	–	–	–	937,583
Lease liabilities	12,443	5,149	5,691	2,583	25,866
Financial guarantees (Note 36(a) and (b))	2,669,135	–	–	–	2,669,135
	23,438,485	3,749,725	684,794	150,583	28,023,587

3 Financial risk management (continued)

3.4 Capital risk management

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

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

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as total equity, as shown in the consolidated balance sheets, plus net debt.

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

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Borrowings	**15,942,263**	16,876,122
Less: cash at bank and on hand (Note 16)	**(217,757)**	(334,532)
Net debt	**15,724,506**	16,541,590
Total equity	**684,739**	4,204,823
Total capital	**16,409,245**	20,746,413
Gearing ratio	**96%**	80%

3.5 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as at 31 December 2024 and 2023 by level of the inputs to valuation techniques used to measure fair value.

3 Financial risk management (continued)

3.5 Fair value estimation (continued)

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 December 2024 and 2023.

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets at fair value through profit or loss				
31 December 2024	**18,373**	**–**	**1,067,243**	**1,085,616**
Financial assets at fair value through other comprehensive income				
31 December 2024	**–**	**–**	**429,000**	**429,000**

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets at fair value through profit or loss				
31 December 2023	31,612	–	1,281,479	1,313,091
Financial assets at fair value through other comprehensive income				
31 December 2023	–	–	442,788	442,788

There were no changes in valuation techniques during the year. The changes in the value of financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss during the years are presented in Note 12.

4 Critical accounting estimates and judgements

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

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

4.1 Write-down of properties held or under development for sale

The management makes the write-down of properties held or under development for sale based on the estimate of the net realisable value of the properties. Given the volatility of the property market in the PRC, the actual net realisable value may be higher or lower than the estimate made as at the end of the reporting period. Any increase or decrease in the write-down would affect the Group's operating performance in future years.

4.2 Fair value of investment properties

The fair value of investment properties is determined by using valuation techniques. Details of the judgement and assumptions have been disclosed in Note 7.

4.3 Development costs directly attributable to property development activities

The Group allocates portions of land and development costs to properties held and under development for sale. As certain of the Group's property development projects are developed and completed by phases, the budgeted development costs of the whole project are dependent on the estimate on the outcome of total development. Based on the experience and the nature of the development undertaken, the management makes estimates and assumptions concerning the future events that are believed to be reasonable under the circumstances. Given the uncertainties involved in the property development activities, the related actual results may be higher or lower than the amount estimated at the end of the reporting period. Any change in estimates and assumptions would affect the Group's operating performance in future years.

4.4 Land appreciation tax of the PRC

The Group is subject to land appreciation tax in the PRC. However, since the implementation and settlement of the tax varies among various tax jurisdictions in cities of the PRC, significant judgement is required in determining the amount of the land appreciation tax. The Group recognises the land appreciation tax based on management's best estimates according to its understanding of the interpretation of tax rules and latest practice of tax jurisdictions in the cities where the Group's projects are located. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the current income tax and the deferred income tax provision in the periods in which such taxes have been finalised with local tax authorities.

4 Critical accounting estimates and judgements (continued)

4.5 Current and deferred income tax

The Group is subject to corporate income tax in the PRC. Significant judgement is required in determining the provision for corporate income tax. There are transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that we initially recorded, such difference will impact the current income tax and deferred tax provision in the period in which such determination is made.

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

4.6 Fair value of financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss

The fair value of financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss that are not traded in an active market is determined by using valuation techniques or net asset value. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

4.7 Impairment of trade receivables and other receivables

For trade receivables, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the assets. The provision matrix is determined based on historical observed default rates over the expected life of trade receivables with similar credit risk characteristics and is adjusted for forward-looking estimates. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed. Impairment on other receivables are measured as either 12-month expected credit losses or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

4.8 Assumption of going concern

As stated in Note 2.1, the Group's consolidated financial statements for the year ended 31 December 2024 have been prepared on a going concern basis, when making assessment of the assumption of going concern, the Directors and management shall make significant judgements about the future outcome of events or conditions which are uncertain. The directors of the Company and management have been devising plans and measures to alleviate the Group's liquidity pressure and believe that it is appropriate to prepare the consolidated financial statements for the year ended 31 December 2024 on a going concern basis.

5 Segment information

Management has determined the operating segments based on the information reviewed by the CODM for the purposes of allocating resources and assessing performance. The reporting segments are as follows:

- Property development platform engages in real estate development in the PRC;
- Capital platform invests in office buildings and apartments in the PRC for their rental income potential and/or for capital appreciation; and
- All other platforms, including property management platform which provides management and security services to residential and commercial properties in the PRC, the property design and decoration platform, investment platform and other miscellaneous businesses. The revenue derived from all other platforms generally include service fees and investment income.

The three operating segments are consistent with the way in which information is reported internally to the Group's CODM for the purpose of resources allocation and performance assessment. No operating segments have been aggregated to form the above reportable segments.

The CODM assesses the performance of the operating segments based on a measure of revenue and profit or loss before income tax. The measurement basis excludes the effects of income tax expense.

The Group's revenue is mainly attributable to the market in the PRC and the Group's non-current assets are mainly located in the PRC.

5 Segment information (continued)

	Year ended 31 December 2024					
	Property development platform RMB'000	Capital platform RMB'000	All other platforms RMB'000	Total segment RMB'000	Elimination RMB'000	Total Group RMB'000
Segment revenue	5,033,994	131,516	796,824	5,962,334	(55,934)	5,906,400
Segment loss before income tax expense	(3,170,546)	(142,846)	(20,627)	(3,334,019)	–	(3,334,019)
Finance income	842	74	240	1,156	–	1,156
Finance costs	(800,628)	(65,613)	(6,849)	(873,090)	–	(873,090)
Share of results of joint ventures	(18,301)	–	1,753	(16,548)	–	(16,548)
Share of results of associates	(28,939)	–	1,003	(27,936)	–	(27,936)
Depreciation and amortisation	(4,714)	(3,378)	(4,662)	(12,754)	–	(12,754)
A reconciliation to loss for the year is as follows:						
Total segment losses before income tax credit						(3,334,019)
Income tax credit						88,962
Loss for the year						(3,245,057)

	As at 31 December 2024					
	Property development platform RMB'000	Capital platform RMB'000	All other platforms RMB'000	Total segment RMB'000	Elimination RMB'000	Total Group RMB'000
Segment assets	52,245,774	6,023,202	11,066,199	69,335,175	(38,717,402)	30,617,773
Segment assets include:						
Investments in joint ventures	796,171	–	43,690	839,861	–	839,861
Investments in associates	517,372	–	7,571	524,943	–	524,943
Additions to non-current assets (other than financial instruments and deferred income tax assets)	121	110	1,150	1,381	–	1,381
Segment liabilities	53,082,552	4,671,088	10,874,047	68,627,687	(38,694,653)	29,933,034

5 Segment information (continued)

	Year ended 31 December 2023					
	Property development platform RMB'000	Capital platform RMB'000	All other platforms RMB'000	Total segment RMB'000	Elimination RMB'000	Total Group RMB'000
Segment revenue	6,338,614	212,389	824,585	7,375,588	(81,113)	7,294,475
Segment (loss) profit before income tax expense	(1,658,220)	(112,590)	73,864	(1,696,946)	(18,566)	(1,715,512)
Finance income	3,112	544	13,396	17,052	–	17,052
Finance costs	(822,682)	(88,130)	(4,692)	(915,504)	–	(915,504)
Share of results of joint ventures	25,470	(138,605)	1,617	(111,518)	–	(111,518)
Share of results of associates	7,590	–	(1,412)	6,178	–	6,178
Depreciation and amortisation	(7,600)	(303)	(13,271)	(21,174)	–	(21,174)
A reconciliation to loss for the year is as follows:						
Total segment loss before income tax expense						(1,715,512)
Income tax expense						(125,819)
Loss for the year						(1,841,331)

	As at 31 December 2023					
	Property development platform RMB'000	Capital platform RMB'000	All other platforms RMB'000	Total segment RMB'000	Elimination RMB'000	Total Group RMB'000
Segment assets	61,646,395	6,418,076	11,332,630	79,397,101	(39,889,541)	39,507,560
Segment assets include:						
Investments in joint ventures	897,900	–	45,340	943,240	–	943,240
Investments in associates	760,018	–	60,050	820,068	–	820,068
Additions to non-current assets (other than financial instruments and deferred income tax assets)	421	746	726	1,893	–	1,893
Segment liabilities	59,139,531	4,865,717	11,016,625	75,021,873	(39,719,136)	35,302,737

6 Property, plant and equipment and right-of-use assets

6.1 Property, plant and equipment

	Motor vehicles RMB'000	Furniture, fittings and equipment RMB'000	Leasehold improvements and others RMB'000	Self-use properties and right-of-use assets-office properties RMB'000	Total RMB'000
At 1 January 2024					
Cost	32,527	39,267	50,283	106,386	228,463
Accumulated depreciation	(24,986)	(28,633)	(36,405)	(58,310)	(148,334)
Net book amount	7,541	10,634	13,878	48,076	80,129
Year ended 31 December 2024					
Opening net book amount	7,541	10,634	13,878	48,076	80,129
Additions	4,980	895	1,251	5,332	12,458
Disposals	(249)	(5,261)	(873)	(4,036)	(10,419)
Depreciation charge (Note 26)	(2,352)	(1,624)	(1,132)	(7,493)	(12,601)
Closing net book amount	9,920	4,644	13,124	41,879	69,567
At 31 December 2024					
Cost	35,159	29,851	49,520	91,846	206,376
Accumulated depreciation	(25,239)	(25,207)	(36,396)	(49,967)	(136,809)
Net book amount	9,920	4,644	13,124	41,879	69,567

6 Property, plant and equipment and right-of-use assets (continued)

6.1 Property, plant and equipment (continued)

	Motor vehicles RMB'000	Furniture, fittings and equipment RMB'000	Leasehold improvements and others RMB'000	Self-use properties and right-of-use assets-office properties RMB'000	Total RMB'000
At 1 January 2023					
Cost	32,288	39,207	44,130	99,891	215,516
Accumulated depreciation	(25,549)	(29,075)	(35,918)	(45,327)	(135,869)
Net book amount	6,739	10,132	8,212	54,564	79,647
Year ended 31 December 2023					
Opening net book amount	6,739	10,132	8,212	54,564	79,647
Disposal of a subsidiary	–	(271)	–	–	(271)
Additions	5,592	3,781	6,169	6,495	22,037
Disposals	(895)	(591)	(9)	–	(1,495)
Depreciation charge (Note 26)	(3,895)	(2,417)	(494)	(12,983)	(19,789)
Closing net book amount	7,541	10,634	13,878	48,076	80,129
At 31 December 2023					
Cost	32,527	39,267	50,283	106,386	228,463
Accumulated depreciation	(24,986)	(28,633)	(36,405)	(58,310)	(148,334)
Net book amount	7,541	10,634	13,878	48,076	80,129

Depreciation charges of the Group have all been included in administrative expenses and selling and marketing costs for both years ended 31 December 2024 and 2023.

During the year, the Group assessed the recoverable amount of all cash generating units and no impairment loss has been recognised (2023: Nil).

6 Property, plant and equipment and right-of-use assets (continued)

6.2 Lease

This note provides information for leases where the Group is a lessee.

(a) Amounts recognised in the consolidated balance sheet

The consolidated balance sheet shows the following amounts relating to leases:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Right-of-use assets		
– Office properties (included in property, plant and equipment)	**3,261**	4,552
– Land use rights	**119,245**	121,838
Investment properties (Note 7)	**3,600**	25,900
	126,106	152,290
Lease liabilities		
Current	**5,092**	12,443
Non-current	**85**	13,423
	5,177	25,866

(b) Amounts recognised in the consolidated income statement

The consolidated income statement shows the following amounts relating to leases:

	For the year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Depreciation charge of right-of-use assets		
– Office properties (included in property, plant and equipment)	**3,226**	7,492
– Land use rights	**2,593**	2,592
	5,819	10,084
Interest expense (included in finance costs – Note 27)	**1,247**	8,676
Expense relating to short-term leases (included in administrative expenses and selling and marketing costs – Note 26)	**3,039**	3,357

The total cash outflow for leases for the year ended 31 December 2024 was RMB4,074,000 (31 December 2023: RMB12,173,000).

6 Property, plant and equipment and right-of-use assets (continued)

6.2 Lease (Continued)

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

For both years ended 31 December 2024 and 2023, the Group leased various offices and apartments. Rental contracts are typically made for fixed periods of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

7 Investment properties and non-current assets held for sale

	Investment properties under capital platform RMB'000	Investment properties under other platforms RMB'000	Non-current assets held for sale RMB'000	Total RMB'000
Year ended 31 December 2024				
Opening balance	**3,748,900**	**898,000**	**–**	**4,646,900**
Subsequent expenditures capitalised	**1,510**	**–**	**–**	**1,510**
Fair value loss on investment properties under capital platform	**(144,910)**	**–**	**–**	**(144,910)**
Fair value loss on investment properties under other platforms	**–**	**(149,000)**	**–**	**(149,000)**
Disposals	**(13,900)**	**(147,000)**	**–**	**(160,900)**
Ending balance	**3,591,600**	**602,000**	**–**	**4,193,600**

	Investment properties under capital platform RMB'000	Investment properties under other platforms RMB'000	Non-current assets held for sale RMB'000	Total RMB'000
Year ended 31 December 2023				
Opening balance	4,242,100	904,000	128,000	5,274,100
Subsequent expenditures capitalised	98	–	–	98
Fair value losses on investment properties under capital platform	(100,298)	–	–	(100,298)
Fair value loss on investment properties under other platforms	–	(6,000)	–	(6,000)
Disposals	(18,000)	–	–	(18,000)
Disposal of subsidiaries	(375,000)	–	(128,000)	(503,000)
Ending balance	3,748,900	898,000	–	4,646,900

Note:

Beijing San Quan Apartments, investment properties located in Beijing amounting to RMB1,781,000,000 as at 31 December 2024 (31 December 2023: RMB1,796,000,000), is held by the Group, whose objective is to consume substantially all of the economic benefits embodied in the investment properties through sale. The Group has measured the deferred tax relating to the temporary differences of the investment properties using the tax rates and the tax base that are consistent with the expected manner of recovery of the investment properties.

In December 2022, the Group entered into agreements with a third party, pursuant to which the Group will sell a service apartment property to the third party, which was in the condition available for immediate sale and expected to be completed in 2023 within one year as at 31 December 2022. The service apartment properties were classified as held for sale as at 31 December 2022. In March 2023, the property has been sold.

7 Investment properties and non-current assets held for sale (continued)

Independent valuations of the Group's investment properties were performed by an independent professionally qualified valuer, Cushman & Wakefield, to determine the fair value of the investment properties as at 31 December 2024 and 2023. The following table analyses the investment properties carried at fair value, by valuation method.

Fair value hierarchy

Description	Fair value measurements at 31 December 2024 using Quoted prices in active markets for identical assets (Level 1) RMB'000	Significant other observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000
Recurring fair value measurements			
Investment properties located in the PRC:			
– Retail	**–**	**–**	**1,250,000**
– Office and car parks	**–**	**–**	**340,000**
– Service apartment and car parks	**–**	**–**	**2,603,600**
	–	**–**	**4,193,600**

Description	Fair value measurements at 31 December 2023 using Quoted prices in active markets for identical assets (Level 1) RMB'000	Significant other observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000
Recurring fair value measurements			
Investment properties located in the PRC:			
– Retail	–	–	1,577,000
– Office and car parks	–	–	378,000
– Service apartment and car parks	–	–	2,691,900
	–	–	4,646,900

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

There were no transfers between levels 1, 2 and 3 during both years.

7 Investment properties and non-current assets held for sale (continued)

Valuation processes of the Group

The Group's investment properties were valued at 31 December 2024 and 2023 by an independent professionally qualified valuer, Cushman & Wakefield, who hold a recognised relevant professional qualification and have recent valuation experience in the locations and segments of the investment properties. For all investment properties, their current use equates to the highest and best use.

The Group's finance team will review the valuation performed by the valuers, including:

- verifying all major inputs to the independent valuation report;
- assessing property valuations movements when compared to the prior year valuation report; and
- holding discussions with independent valuers.

Valuation techniques

The Group has seven investment properties as at 31 December 2024 (31 December 2023: eight), among which two (2023: three) investment properties located in Shanghai and Zhejiang Province are under other platforms and five (2023: five) investment properties located in Beijing and Shanghai are under capital platform, all of which were completed as at 31 December 2024.

The Group also has one right-of-use asset of investment properties which are located in Zhejiang Province under capital platform as at 31 December 2024 (31 December 2023: two).

The valuation of completed retail properties and office buildings, service apartments and car parks were determined using a combination of the income capitalisation approach (term and reversionary method) which was based on capitalisation of net rental income derived from the existing tenancies with due allowance for the reversionary income potential of the properties and direct comparison approach by making reference to comparable sales transaction as available in the relevant market. For those investment properties with signed sales contract, the valuation were determined using the actual selling price.

The valuation of service apartments under renovation were determined using combination of the discounted cash flows with estimated renovation costs to complete approach and direct comparison approach by making reference to comparable sales transactions as available in the relevant market with incurred renovation costs.

The valuation of right-of-use assets of investment properties were determined using the income capitalisation approach (term and reversionary method) which was based on capitalisation of net rental income derived from the existing tenancies with due allowance for the reversionary income potential of the properties.

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

7 Investment properties and non-current assets held for sale (continued)

Information about fair value measurements as at 31 December 2024 using significant unobservable inputs (Level 3):

Description	Fair value at 31 December 2024 (RMB'000)	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Completed office buildings and car parks	340,000 (31 December 2023: 378,000)	Income capitalisation approach	Term yield (a)	Term yield of 3.5% (31 December 2023: 3.5%).	The higher the term yield, the lower the fair value
			Reversionary yield (b)	Reversionary yield of 4% (31 December 2023: 4%).	The higher the reversionary yield, the lower the fair value
			Market unit rent of individual unit (c)	RMB250~RMB298 (31 December 2023: RMB242~RMB273) per square meter per month.	The higher the market unit rent, the higher the fair value
		Direct comparison approach	Adjusted recent prices of similar properties (d)	RMB66,000~RMB74,750 (31 December 2023: RMB72,150~RMB81,750) per square meter.	The higher the unit price, the higher the fair value

Description	Fair value at 31 December 2024 (RMB'000)	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Service apartment and car parks	2,600,000 (31 December 2023: 2,666,000)	Income capitalisation approach	Term yield (a)	Term yield of 2.5%~3% (31 December 2023: 2.5%~3%).	The higher the term yield, the lower the fair value
			Reversionary yield (b)	Reversionary yield of 3%~3.5% (31 December 2023: 3%~3.5%).	The higher the reversionary yield, the lower the fair value
			Market unit rent of individual unit (c)	RMB183~RMB357 (31 December 2023: RMB191~RMB360) per square meter per month.	The higher the market unit rent, the higher the fair value
		Direct comparison approach	Adjusted recent prices of similar properties (d)	RMB32,703~RMB80,900 (31 December 2023: RMB32,978~RMB82,600) per square meter.	The higher the unit price, the higher the fair value

7 Investment properties and non-current assets held for sale (continued)

Information about fair value measurements as at 31 December 2024 using significant unobservable inputs (Level 3): (continued)

Description	Fair value at 31 December 2024 (RMB'000)	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Completed retail property	1,250,000 (31 December 2023: 1,577,000)	Income capitalisation approach	Term yield (a)	Term yield of 3%~4.5% (31 December 2023: 3.5%~4.5%).	The higher the term yield, the lower the fair value
			Reversionary yield (b)	Reversionary yield of 3.5%~5% (31 December 2023: 4%~5%).	The higher the reversionary yield, the lower the fair value
			Market unit rent of individual unit (c)	RMB76~RMB400 (31 December 2023: RMB66~RMB498) per square meter per month.	The higher the market unit rent, the higher the fair value
		Direct comparison approach	Adjusted recent prices of similar properties (d)	RMB13,500~RMB45,000 (31 December 2023: RMB8,931~RMB46,600) per square meter.	The higher the unit price, the higher the fair value

Description	Fair value at 31 December 2024 (RMB'000)	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Right-of-use assets of investment properties	3,600 (31 December 2023: 25,900)	Income capitalisation approach	Term yield (a)	Term yield of 4%~5% (31 December 2023: 4%~4.5%).	The higher the term yield, the lower the fair value
			Reversionary yield (b)	Reversionary yield of 4.5%~5.5% (31 December 2023: 4.5%~5%).	The higher the reversionary yield, the lower the fair value
			Market unit rent of individual unit (c)	RMB85~RMB90 (31 December 2023: RMB98~RMB107) per square meter per month.	The higher the market unit rent, the higher the fair value

7 Investment properties and non-current assets held for sale (continued)

(a) For term yield, the Group has taken into account of yield generated from comparable properties and adjustment to reflect the certainty of term income secured and to be received.

(b) For reversionary yield, the Group has taken into account of annual unit market rental income and unit market value of the comparable properties.

(c) For market unit rent of individual unit, the Group used direct market comparable and has taken into account of location and other individual factors, such as road frontage, size of property and facilities.

(d) For adjusted recent prices of similar properties, the Group has taken into account of location and other individual factors, such as road frontage, size of property and facilities.

(e) The rental income from investment properties has been recognised in the consolidated financial statement:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Rental income	**132,739**	167,888

The Group's interests in investment properties at their net book values are analysed as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
In the PRC, held on:		
Right-of-use assets of investment properties with original lease term of less than 11 years	**3,600**	25,900
Leases with original term of 70 years (and remaining unexpired period between 10 to 70 years)	**2,471,000**	2,516,000
Leases with original term of 50 years (and remaining unexpired period between 10 to 50 years)	**1,719,000**	2,105,000
	4,193,600	4,646,900

Investment properties with a total carrying amount of RMB2,557,728,000 and RMB2,899,052,000 at 31 December 2024 and 2023, respectively were pledged as collateral for the Group's borrowings (Note 19).

8 Intangible assets

	Goodwill RMB'000	Computer software RMB'000	Others RMB'000	Total RMB'000
At 1 January 2024				
Cost	**173,578**	**16,691**	**3,351**	**193,620**
Accumulated impairment and amortisation	**–**	**(16,538)**	**(3,351)**	**(19,889)**
Impairment on goodwill	**(88,184)**	**–**	**–**	**(88,184)**
Net book amount	**85,394**	**153**	**–**	**85,547**
Year ended 31 December 2024				
Opening net book amount	**85,394**	**153**	**–**	**85,547**
Impairment on goodwill	**(31,048)**	**–**	**–**	**(31,048)**
Amortisation charge (Note 26)	**–**	**(153)**	**–**	**(153)**
Closing net book amount	**54,346**	**–**	**–**	**54,346**
At 31 December 2024				
Cost	**173,578**	**16,691**	**3,351**	**193,620**
Accumulated impairment and amortisation	**–**	**(16,691)**	**(3,351)**	**(20,042)**
Impairment on goodwill	**(119,232)**	**–**	**–**	**(119,232)**
Net book amount	**54,346**	**–**	**–**	**54,346**
At 1 January 2023				
Cost	173,578	16,696	3,351	193,625
Accumulated impairment and amortisation	–	(15,274)	(3,230)	(18,504)
Impairment on goodwill	(54,426)	–	–	(54,426)
Net book amount	119,152	1,422	121	120,695
Year ended 31 December 2023				
Opening net book amount	119,152	1,422	121	120,695
Other additions	–	25	–	25
Impairment on goodwill	(33,758)	–	–	(33,758)
Amortisation charge (Note 26)	–	(1,264)	(121)	(1,385)
Disposal	–	(30)	–	(30)
Closing net book amount	85,394	153	–	85,547
At 31 December 2023				
Cost	173,578	16,691	3,351	193,620
Accumulated impairment and amortisation	–	(16,538)	(3,351)	(19,889)
Impairment on goodwill	(88,184)	–	–	(88,184)
Net book amount	85,394	153	–	85,547

Note:

Amortisation charges of the Group have all been included in administrative expenses for both years ended 31 December 2024 and 2023.

8 Intangible assets (continued)

Goodwill is allocated to the Group's CGUs identified according to business segment for impairment testing. A segment level summary of the goodwill is presented below:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Property development platform (a)	**–**	14,287
All other platforms (b)	**54,346**	71,107
	54,346	85,394

(a) As at 31 December 2024, goodwill of RMB14,287,000 (2023: RMB43,176,000) has been allocated to the cash-generated unit of the property development subsidiaries acquired for impairment testing.

The value in use calculation used pre-tax cash flow projections based on approved budgets covering a five-year period.

The following table sets forth each key assumption as at 31 December 2024 and 2023, on which management has based its cash flow projections to undertake impairment testing of goodwill:

	As at 31 December	
	2024	2023
Gross profit margin during the forecast period	**2.0%**	10.55%
Pre-tax discount rate	**9.0%**	9.0%

As at 31 December 2024, the recoverable amounts of the property development subsidiary was RMB14,287,000 lower than the carrying amount.

The directors of the Group believe that any reasonably possible changes in the key assumptions of the value in use calculation would not cause the excess of its carrying amounts significantly over the recoverable amounts of the property development subsidiaries acquired.

With reference to the recoverable amount assessed as at 31 December 2024, the directors of the Group determined that an impairment of goodwill of RMB14,287,000 (2023: RMB28,889,000) was required to make for the year ended 31 December 2024.

8 Intangible assets (continued)

(b) As at 31 December 2024, goodwill of RMB71,107,000 (2023: RMB75,976,000) has been allocated to the cash-generated unit of the property management subsidiaries acquired for impairment testing.

The value in use calculation used pre-tax cash flow projections based on approved budgets covering a five-year period.

The following table sets forth each key assumption as at 31 December 2024 and 2023, on which management has based its cash flow projections to undertake impairment testing of goodwill:

	As at 31 December 2024	As at 31 December 2023
Revenue growth rate during the forecast period	**1.9%-2.0%**	1.9%-2.0%
Gross profit margin during the forecast period	**13.5%-26.8%**	15.0%-26.5%
Pre-tax discount rate	**17.0%**	17.0%

As at 31 December 2024, the recoverable amounts of the property management subsidiaries was RMB16,761,000 lower than the carrying amount.

The directors of the Group believe that any reasonably possible changes in the key assumptions of the value in use calculation would not cause the excess of its carrying amounts significantly over the recoverable amounts of the property management subsidiaries acquired.

With reference to the recoverable amount assessed as at 31 December 2024, the directors of the Group were of the view that the provision for impairment of goodwill of RMB16,761,000 (2023: RMB4,869,000) was required to make as at 31 December 2024.

9 Investments in joint ventures

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
At beginning of the year	**943,240**	1,243,221
Share of results	**(16,548)**	(111,518)
Disposals	**–**	(182,963)
Dividends	**(3,402)**	(5,500)
Impairment	**(83,429)**	–
At end of the year	**839,861**	943,240

9 Investments in joint ventures (continued)

The particulars of the joint ventures of the Group, which are unlisted entities, are set out as follows:

Company name	Country/date of incorporation	Paid-in capital 2024	Paid-in capital 2023	% interests held As at 31 December 2024	% interests held As at 31 December 2023	Principal activities
Suzhou Lingrui Property Co., Ltd. ("Suzhou Lingrui")	8 June 2017, Jiangsu, the PRC	**RMB50,000,000**	RMB50,000,000	**50%**	50%	Property development
Suzhou Chengrui Property Co., Ltd. ("Suzhou Chengrui")	8 June 2017, Jiangsu, the PRC	**RMB50,000,000**	RMB50,000,000	**50%**	50%	Property development
Tianjin Yuanming Property Co., Ltd. ("Tianjin Yuanming")	9 October 2016, Tianjin, the PRC	**Nil**	Nil	**20%**	20%	Investment holding
Changshu Zhicheng Property Development Co., Ltd. ("Changshu Zhicheng")	8 May 2017, Jiangsu, the PRC	**RMB80,000,000**	RMB80,000,000	**25%**	25%	Property development
Tianjin Junyou Property Information Consultancy Co., Ltd. ("Tianjin Junyou")	31 January 2018, Tianjin, the PRC	**RMB1,000,000**	RMB1,000,000	**33%**	33%	Property development
Nanjing Shansheng Property Development Co., Ltd. ("Nanjing Shansheng")	21 August 2018, Jiangsu, the PRC	**RMB900,000,000**	RMB900,000,000	**19.75%**	19.75%	Property development
Ningbo Puhong Investment Management LLP ("Ningbo Puhong") (a)	11 May 2018, Zhejiang, the PRC	**RMB650,000,000**	RMB650,000,000	**46.17%**	46.17%	Investment holding
Shanghai Weishu Information & Technology Co., Ltd.	11 November 2015, Shanghai, the PRC	**RMB2,240,000**	RMB2,240,000	**28.05%**	28.05%	Information Technology
Tianjin Shunhe Decoration Engineering Co., Ltd.	28 September 2018, Tianjin, the PRC	**Nil**	Nil	**33%**	33%	Customised decoration
Yangzhou Hengyu Property Co., Ltd. ("Yangzhou Hengyu")	3 December 2020, Jiangsu, the PRC	**RMB1,100,000,000**	RMB1,100,000,000	**30%**	30%	Property development
Suzhou Jingjuan Consulting Management Co., Ltd. ("Suzhou Jingjuan")	14 November 2019, Jiangsu, the PRC	**RMB390,000,000**	RMB390,000,000	**33%**	33%	Property development

9 Investments in joint ventures (continued)

Company name	Country/date of incorporation	Paid-in capital 2024	Paid-in capital 2023	% interests held As at 31 December 2024	% interests held As at 31 December 2023	Principal activities
Suzhou Jingya Consulting Management Co., Ltd. ("Suzhou Jingya")	5 April 2017, Jiangsu, the PRC	RMB250,000	RMB250,000	40%	40%	Investment holding
Hunan Jinruihua City Management Co., Ltd. ("Hunan Jinruihua")	26 May 2021, Hunan, the PRC	RMB49,000,000	RMB49,000,000	39%	39%	Property management
Chongqing Jinghuanjin Property Co., Ltd. ("Chongqing Jinghuanjin")	12 October 2021, Chongqing, the PRC	RMB20,000,000	RMB20,000,000	51%	51%	Property development
Nantong Gaojing City Operation and Management Service Co., Ltd. ("Nantong Gaojing")	8 March 2022, Jiangsu, the PRC	RMB5,000,000	RMB5,000,000	49%	49%	Property management
Yangzhou Yingyu Property Co., Ltd. (揚州盈宇置業有限公司) ("Yangzhou Yingyu")	10 September 2024, Jiangsu, the PRC	Nil	N/A	30%	N/A	Property development

During the year ended 31 December 2024, the Group made an impairment provision of RMB83,429,000 (2023: Nil) against the carrying amounts of the investment in Suzhou Jingya.

Note:

(a) In 2023, the Group transferred 46.17% equity interests in a wholly owned subsidiary of Ningbo Puhong at a consideration of RMB0 to an independent third party. Loss on net disposal of equity interests of RMB50,739,000 was recognised and recorded as other losses.

9 Investments in joint ventures (continued)

Summarised financial information for material joint ventures

Set out below are the summarised financial information for Nanjing Shansheng and Yangzhou Hengyu, which are accounted for using the equity method.

Summarised balance sheet

	Nanjing Shansheng As at 31 December 2024 RMB'000	2023 RMB'000
Current		
Assets	**4,245,726**	4,223,611
Liabilities	**(3,106,849)**	(3,080,462)
Total current net assets	**1,138,877**	1,143,149
Non-current		
Assets	**–**	–
Liabilities	**–**	–
Total non-current net assets	**–**	–
Net assets	**1,138,877**	1,143,149

	Yangzhou Hengyu As at 31 December 2024 RMB'000	2023 RMB'000
Current		
Assets	**1,686,810**	2,044,875
Liabilities	**(340,868)**	(559,279)
Total current net assets	**1,345,942**	1,485,596
Non-current		
Assets	**84**	131
Liabilities	**(345,000)**	(425,000)
Total non-current net liabilities	**(344,916)**	(424,869)
Net assets	**1,001,026**	1,060,727

9 Investments in joint ventures (continued)

Summarised statement of comprehensive income

	Nanjing Shansheng For the year ended 31 December 2024 RMB'000	2023 RMB'000
Revenue	**28,608**	73,549
Loss before income tax	**(4,272)**	(15,701)
Income tax expense	**–**	–
Post-tax loss	**(4,272)**	(15,701)
Other comprehensive income	**–**	–
Total comprehensive loss	**(4,272)**	(15,701)
Dividends received from joint ventures	**–**	–

	Yangzhou Hengyu For the year ended 31 December 2024 RMB'000	2023 RMB'000
Revenue	**665,065**	965,638
(Loss)/profit before income tax	**(59,701)**	33,716
Income tax expense	**–**	–
Post-tax (loss)/profit	**(59,701)**	33,716
Other comprehensive income	**–**	–
Total comprehensive (loss)/income	**(59,701)**	33,716
Dividends received from joint ventures	**–**	–

The information above reflects the amounts presented in the financial statements of the joint ventures, adjusted for differences in accounting policies between the Group and the joint ventures, and not the Group's share of those amounts.

9 Investments in joint ventures (continued)

Summarised statement of comprehensive income (continued)

Reconciliation of summarised financial information presented to the carrying amount of the Group's investments in joint ventures is as follows:

	Nanjing Shansheng For the year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Opening net assets	**1,143,149**	1,158,850
Loss for the year	**(4,272)**	(15,701)
Closing net assets	**1,138,877**	1,143,149
Investments in joint ventures	**19.75%**	19.75%
Carrying value	**224,928**	225,772

	Yangzhou Hengyu For the year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Opening net assets	**1,060,727**	1,027,011
(Loss)/profit for the year	**(59,701)**	33,716
Closing net assets	**1,001,026**	1,060,727
Investments in joint ventures	**30%**	30%
Carrying value	**300,308**	318,218

The contingent liabilities relating to the Group's interests in joint ventures is presented in Note 36(b).

10 Investments in associates

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
At beginning of the year	**820,068**	824,390
Additions (a)	**450**	–
Disposals (b)(c)	**(203,555)**	–
Change from a subsidiary to an associate (d)	**100,000**	–
Share of results	**(27,936)**	6,178
Dividends	**(96,762)**	(10,500)
Impairment	**(67,322)**	–
At end of the year	**524,943**	820,068

10 Investments in associates (continued)

The particulars of the associates of the Group, all of which are unlisted, are set out as follows:

Company name	Country/date of incorporation	Paid-in capital 2024	2023	% interests held as at 31 December 2024	% interests held as at 31 December 2023	Principal activities
Nanjing Yuning Property Co., Ltd. ("Nanjing Yuning")	5 December 2016, Jiangsu, the PRC	**RMB60,000,000**	RMB60,000,000	**17%**	17%	Property development
Ningbo Rong'an Education and Investment Management Co., Ltd. ("Ningbo Rong'an Education") (c)	1 April 2016, Zhejiang, the PRC	**RMB5,000,000**	RMB5,000,000	**Nil**	25%	Investment holding
Ningbo Jiamu Investment Co., Ltd. ("Ningbo Jiamu")	4 August 2016, Zhejiang, the PRC	**RMB5,000,000**	RMB5,000,000	**40%**	40%	Investment holding
Hangzhou Zhenlu Investment Co., Ltd. ("Hangzhou Zhenlu")	2 December 2016, Zhejiang, the PRC	**RMB600,000,000**	RMB600,000,000	**7%**	7%	Investment holding
Tropica Development Limited ("Tropica Development")	31 August 2007, Hongkong, the PRC	**HKD100**	HKD100	**25%**	25%	Investment holding
Lingtu Education Investment (Beijing) Co., Ltd. ("Lingtu Education")	11 August 2016, Beijing, the PRC	**RMB1,015,620**	RMB1,015,620	**20%**	20%	Technology development
Shanghai Zhengmin Information Technology Co., Ltd. ("Shanghai Zhengmin")	28 February 2017, Shanghai, the PRC	**Nil**	Nil	**49%**	49%	Computer information technology development
Ningbo Jingfeng Property Co., Ltd. ("Ningbo Jingfeng")	23 June 2017, Zhejiang, the PRC	**RMB10,000,000**	RMB10,000,000	**50%**	50%	Property development
Tianjin Ruihui Commercial Management Co., Ltd. ("Tianjin Ruihui") (b)	5 July 2018, Tianjin, the PRC	**RMB375,000,000**	RMB375,000,000	**Nil**	49%	Investment holding
Yangling Guanghui (Tianjin) Real Estate Development Co., Ltd. ("Yangling Guanghui")	10 August 2012, Tianjin, the PRC	**RMB607,843,000**	RMB607,843,000	**49%**	49%	Property development
Shanghai Pinzhai Decoration Technology Co., Ltd. ("Shanghai Pinzhai")	17 July 2015, Shanghai, the PRC	**RMB22,850,000**	RMB22,850,000	**23.1%**	23.1%	Customised decoration
Changshu Songchuan Property Management Co., Ltd. (常熟崧川物業管理有限公司) ("Changshu Songchuan") (a)	12 September 2024, Jiangsu, the PRC	**RMB1,000,000**	Nil	**45%**	Nil	Property management
Wuhan Ruiyihongfa Real Estate Development Co., Ltd. (武漢瑞毅弘發房地產開發有限公司) ("Wuhan Ruiyihongfa") (d)	22 July 2019, Wuhan, the PRC	**RMB200,000,000**	RMB200,000,000	**50%**	N/A	Property development

10 Investments in associates (continued)

During the year ended 31 December 2024, the Group made an impairment provision of RMB4,720,000 (2023: Nil), RMB7,896,000 (2023: Nil), and RMB54,706,000 (2023: Nil) against the carrying amounts of the investments in Nanjing Yuning, Lingtu Education and Shanghai Pinzhai, respectively. Accordingly, an aggregate impairment provision for investments in associates of RMB67,322,000 (2023: Nil) was made during the year ended 31 December 2024.

Notes:

(a) In September 2024, the Group invested in Changshu Songchuan at cash consideration of RMB450,000 and held 45% of its equity interest, which was recorded as an associate.

(b) In March 2024, the Group disposed of 49% equity interests in Tianjin Ruihui to a third party at a consideration of RMB141,490,000. Losses of RMB58,307,000 on disposal of equity interests was recognised and recorded in "Other gains or losses – net" (Note 25).

(c) In December 2024, the Group disposed of 25% equity interests in Ningbo Rong'an Education to a third party at a consideration of RMB1,250,000. Losses of RMB2,508,000 on disposal of equity interests was recognised and recorded in "Other gains or losses – net" (Note 25).

(d) In September 2024, the Group loss control over Wuhan Ruiyihongfa but remained significant influence over Wuhan Ruiyihongfa in participating the financial and operating policy decision of Wuhan Ruiyihongfa. Accordingly, it considered as deemed disposal of a subsidiary and Wuhan Ruiyihongfa became an associate of the Group.

Summarised financial information for material associates

Set out below are the summarised financial information for Yangling Guanghui which is accounted for using the equity method.

Summarised balance sheet

	Yangling Guanghui	
	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Current		
Assets	**737,263**	829,715
Liabilities	**(319,877)**	(425,360)
Total current net assets	**417,386**	404,355
Non-current		
Assets	**33,671**	33,684
Liabilities	**(1,835)**	–
Total non-current net assets	**31,836**	33,684
Net assets	**449,222**	438,039

10 Investments in associates (continued)

Summarised statement of comprehensive income

	Yangling Guanghui Year ended 31 December 2024 RMB'000	2023 RMB'000
Revenue	37,486	121,244
Profit/(loss) before income tax	11,180	(2,901)
Income tax credit	3	132
Post-tax profit/(loss)	11,183	(2,769)
Other comprehensive income	–	–
Total comprehensive income	11,183	(2,769)
Dividends received from associates	–	–

The information above reflects the amounts presented in the financial statements of the associates, adjusted for differences in accounting policies between the Group and the associates, and not the Group's share of those amounts.

Reconciliation of summarised financial information presented to the carrying amount of the Group's investments in associates is as follows:

	Yangling Guanghui Year ended 31 December 2024 RMB'000	2023 RMB'000
Opening net assets	438,039	440,808
Profit/(loss) for the year	11,183	(2,769)
Closing net assets	449,222	438,039
Interests in associates	49%	49%
Carrying value	220,119	214,639

The contingent liabilities relating to the Group's interests in associates is presented in Note 36(b).

11 Financial instruments by category

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Financial assets		
Trade and other receivables excluding prepayments	**6,889,635**	7,262,405
Cash and cash equivalents	**217,757**	334,532
Restricted cash	**108,583**	291,719
Financial assets at fair value through other comprehensive income	**429,000**	442,788
Financial assets at fair value through profit or loss	**1,085,616**	1,313,091
	8,730,591	9,644,535

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Financial liabilities		
Borrowings	**15,942,263**	16,876,122
Trade and other payables excluding non-financial liabilities	**7,166,137**	7,514,881
Amounts due to non-controlling interests of subsidiaries	**718,898**	937,583
Lease liabilities	**5,177**	25,866
	23,832,475	25,354,452

12 Financial assets at fair value through other comprehensive income/at fair value through profit or loss

(i) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income comprise:

- Equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

(ii) Equity investments at fair value through other comprehensive income

	Year ended 31 December 2024 RMB'000	Year ended 31 December 2023 RMB'000
At beginning of the year	442,788	492,527
At end of the year	429,000	442,788
Less: non-current portion	(429,000)	(442,788)
Current portion	–	–

Financial assets at fair value through other comprehensive income include the following:

	Year ended 31 December 2024 RMB'000	Year ended 31 December 2023 RMB'000
Unlisted equity securities (a)	429,000	442,788

(a) The investments mainly represents the unlisted equity securities, the fair value of which were determined mainly based on the valuation techniques of comparison approach with Price-to-Sales multiple. The fair values are within level 3 of the fair value hierarchy.

Financial assets at fair value through other comprehensive income are denominated in the following currencies:

	Year ended 31 December 2024 RMB'000	Year ended 31 December 2023 RMB'000
RMB	429,000	442,788

12 Financial assets at fair value through other comprehensive income/at fair value through profit or loss (continued)

(iii) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss:

- debt investments that do not qualify for measurement at either amortised cost or FVOCI,
- equity investments that are held for trading, and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
At beginning of the year	**1,313,091**	1,641,879
At end of the year	**1,085,616**	1,313,091
Less: non-current portion	**(569,050)**	(686,134)
Current portion	**516,566**	626,957

Financial assets at fair value through profit or loss include the following:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Unlisted equity securities (a)	**313,881**	201,709
Debt investments (b)	**243,500**	238,000
Private fund investments (c)	**323,138**	815,728
Wealth management products (d)	**4,004**	26,042
Other financial assets (e)	**201,093**	31,612
	1,085,616	1,313,091

12 Financial assets at fair value through other comprehensive income/at fair value through profit or loss (continued)

(iii) Classification of financial assets at fair value through profit or loss (continued)

Notes:

(a) The fair value of unlisted equity securities are based on valuation techniques. The fair value is within level 3 of the fair value hierarchy. The significant unobservable inputs are the adjusted ratios of the comparable company.

(b) The fair values of debt investments are based on the discounted cash flows. The fair values are within level 3 of the fair value hierarchy. The significant unobservable inputs are the adjusted discount rate of the cash flows.

(c) The fair values of private fund investments are based on net asset value adjusted based on market prices of portfolio assets in the fund. The fair values are within level 3 of the fair value hierarchy. The significant unobservable inputs are the adjusted net assets price based on market prices of portfolio assets in the fund.

(d) Wealth management products are mainly investments in financial products issued by commercial banks. The fair values of these investments approximated their carrying values as at 31 December 2024 and 2023.

(e) The balance comprises debts investments as set out in note 19 repurchased and held by the Group at the end of the reporting period which are measured at fair value (Level 1 of then fair value hierarchy):

(i) amount of USD22,120,000 of Senior notes due 2022, issued in July 2019, as set out in note 19;

(ii) amount of USD8,000,000 of Senior notes due 2022, issued in June 2020, as set out in note 19;

(iii) amount of USD13,870,000 of Senior notes due 2023, issued in November 2020 and March 2021, as set out in note 19;

(iv) amount of USD11,020,000 of Senior notes due 2023, issued in March 2022 and April 2022, as set out in note 19;

(v) amount of USD28,000,000 of Senior notes due 2023, issued in April 2021, May 2021 and August 2021, as set out in note 19;

(vi) amount of USD15,525,000 of Senior notes due 2024, issued in September 2021, as set out in note 19;

Financial assets at fair value through profit of loss are denominated in the following currencies:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
RMB	**673,464**	395,109
HKD	**6,744**	30,244
USD	**405,408**	887,738
	1,085,616	1,313,091

13 Prepayments for leasehold land

The Group made prepayments of RMB54,304,000 as at 31 December 2024 (31 December 2023: RMB54,304,000) for the acquisition of leasehold land, which will be transferred to properties under development for sale upon receipt of ownership certificates or commencement of development activities.

14 Properties under development and properties held for sale

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Properties under development	**10,171,829**	14,965,754
Properties held for sale	**4,576,902**	6,283,443
	14,748,731	21,249,197
Less: provision for write-down	**(406,102)**	(269,583)
	14,342,629	20,979,614

The properties under development and properties held for sale are all located in the PRC.

Borrowing costs capitalised in properties under development and properties held for sale for the year ended 31 December 2024 were RMB130,879,000 (2023: RMB506,893,000).

The capitalisation rate of borrowings was 11.55% for the year ended 31 December 2024 (2023: 11.69%).

As at 31 December 2024 and 2023, the Group's following properties under development and properties held for sale were pledged as collateral for the Group's borrowings (Note 19).

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Carrying value pledged:		
Properties under development	**2,625,499**	3,382,400
Properties held for sale	**534,895**	1,368,685

As at 31 December 2024, properties under development with a total carrying amount of RMB2,593,590,000 (31 December 2023: RMB3,235,152,000) were related to property projects which were not scheduled to complete within one year from reporting period end although pre-sales of some of these properties may occur. The other balances in properties under development as at 31 December 2024 and 2023 were expected to be recovered within one year from respective reporting period end.

15 Trade and other receivables and prepayments

	As at 31 December 2024 RMB'000	2023 RMB'000
Trade receivables	**709,044**	704,427
Less: provision for impairment of trade receivables	**(82,362)**	(69,678)
Trade receivables – net	**626,682**	634,749
Prepaid taxes and surcharges and input value-added taxes to be deducted (a)	**442,972**	669,895
Prepayments of construction costs	**331,485**	278,145
Amounts due from related parties	**923,938**	1,098,767
Amounts due from non-controlling interests of subsidiaries	**2,319,895**	2,486,903
Deposits paid to secured borrowings	**194,765**	206,301
Deposits paid for potential investments	**288,016**	265,821
Other deposits paid (b)	**293,972**	277,212
Receivables from third parties (c)	**1,476,425**	1,452,527
Other receivables (d)	**1,652,671**	1,342,698
Less: provision for impairment (e)	**(886,729)**	(502,573)
	7,664,092	8,210,445
Less: non-current portion	**(716,583)**	(703,857)
	6,947,509	7,506,588

Notes:

(a) Turnover taxes and surcharges are levied when the Group receives advances from customers and the prepayments are recorded as prepaid taxes before the relevant revenue is recognised.

(b) Other deposits paid includes deposits paid for public housing fund centres and deposits paid for construction work.

(c) The balance as at 31 December 2024 includes the loan principals and interest receivables, totaling RMB1,476,425,000 (31 December 2023: totaling RMB1,452,527,000), due from third parties.

(d) Other receivables include temporary funding receivables, dividend receivables and miscellaneous.

(e) For amounts due from related parties, amounts due from non-controlling interests of subsidiaries, deposits paid to secured borrowings, deposits paid for potential investments, other deposits paid, receivables from third parties and other receivables, the Group has applied the general approach in HKFRS 9 to measure the loss allowance at 12-month ECL.

15 Trade and other receivables and prepayments (continued)

The aging analysis of trade receivables, based on the property delivery or service rendered date is as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Less than 1 year	**508,197**	535,365
Between 1 and 2 years	**93,929**	85,899
Between 2 and 3 years	**63,758**	67,835
Over 3 years	**43,160**	15,328
	709,044	704,427

Movements on the provision for impairment of trade and other receivables are as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
At beginning of the year	**572,251**	577,838
Impairment loss recognised/(reversal of impairment loss) recognised	**396,840**	(5,587)
At end of the year	**969,091**	572,251

The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of receivables mentioned above.

As at 31 December 2024 and 2023, the fair value of trade and other receivables approximate their carrying amounts.

Trade and other receivables with a total carrying amount of RMB10,150,000 as at 31 December 2024 (31 December 2023: RMB9,148,000) were pledged as collateral for the Group's borrowings (Note 19).

As at 31 December 2024 and 2023, the carrying amounts of trade and other receivables and prepayments are denominated in below currencies:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
– RMB	**5,753,836**	6,322,280
– USD	**1,482,891**	1,460,929
– HKD	**427,365**	427,236
	7,664,092	8,210,445

16 Cash at bank and on hand (Cash and cash equivalents and restricted cash)

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Cash at bank and on hand		
– denominated in RMB	**319,531**	619,805
– denominated in USD	**3,899**	4,086
– denominated in HKD	**2,910**	2,360
	326,340	626,251

Cash and cash equivalents of the Group were determined as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Cash at bank and on hand	**326,340**	626,251
Less: restricted cash	**(108,583)**	(291,719)
	217,757	334,532

Restricted cash of the Group comprised of the following:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Deposits as security for property purchasers' mortgage loans (a)	**592**	592
Deposits for advanced proceeds received from property purchasers in respect of pre-sale properties (b)	**83,522**	238,318
Deposits for ongoing litigations (c)	**17,640**	46,939
Others	**6,829**	5,870
	108,583	291,719

Notes:

(a) These bank deposits are restricted to secure the bank loans taken by certain property purchasers of the Group pursuant to the local regulations of certain cities. Such deposits will be released upon the transfer of the properties' ownership certificates to these purchasers.

(b) The proceeds are used for the operation of the Group for the relevant property development projects.

(c) Balance included the bank balance under preservation order from the count in relation to the litigation of the overdue borrowing set out in note 19(a).

17 Share capital

(a) Authorised share capital

	As at 31 December 2024 and 2023 US$'000
Authorised 10,000,000,000 shares of US$0.01 each	**100,000**

(b) Ordinary shares, issued and fully paid and treasury shares

	Number of ordinary shares	Ordinary shares (nominal value) RMB'000	Treasury shares RMB'000	Total RMB'000
As at 1 January 2023	1,538,813,213	87,813	(4,333)	83,480
Share award scheme	–	–	4,333	4,333
As at 31 December 2023, 1 January 2024 and 31 December 2024	1,538,813,213	87,813	–	87,813

18 Reserves

	Share premium RMB'000 (c)	Treasury shares RMB'000	Merger reserve RMB'000 (a)	Capital reserve RMB'000	Share award scheme RMB'000	Share option scheme RMB'000	Statutory surplus reserve RMB'000 (b)	Financial assets at fair value through other comprehensive income RMB'000 (d)	Retained earnings RMB'000	Total RMB'000
Balance at 1 January 2024	424,007	-	125,481	272,162	83,977	3,197	245,437	172,895	(1,262,361)	64,795
Comprehensive income										
Loss for the year 2024	-	-	-	-	-	-	-	-	(3,003,782)	(3,003,782)
Net changes in fair value of financial assets through other comprehensive income (Note 12)	-	-	-	-	-	-	-	(13,788)	-	(13,788)
Taxes on fair value changes on financial assets through other comprehensive income (Note 22)	-	-	-	-	-	-	-	(2,250)	-	(2,250)
Total comprehensive loss for the year 2024	-	-	-	-	-	-	-	(16,038)	(3,003,782)	(3,019,820)
Balance at 31 December 2024	424,007	-	125,481	272,162	83,977	3,197	245,437	156,857	(4,266,143)	(2,955,025)

18 Reserves (continued)

	Share premium RMB'000 (c)	Treasury shares RMB'000	Merger reserve RMB'000 (a)	Capital reserve RMB'000	Share award scheme RMB'000	Share option scheme RMB'000	Statutory surplus reserve RMB'000 (b)	Financial assets at fair value through other comprehensive income RMB'000 (d)	Retained earnings RMB'000	Total RMB'000
Balance at 1 January 2023	424,007	(4,333)	125,481	286,567	88,310	3,197	245,437	78,334	458,859	1,705,859
Comprehensive income										
Loss for the year 2023	–	–	–	–	–	–	–	–	(1,721,220)	(1,721,220)
Net changes in fair value of financial assets through other comprehensive income (Note 12)	–	–	–	–	–	–	–	126,081	–	126,081
Taxes on fair value changes on financial assets through other comprehensive income (Note 22)	–	–	–	–	–	–	–	(31,520)	–	(31,520)
Total comprehensive income for the year 2023	–	–	–	–	–	–	–	94,561	(1,721,220)	(1,626,659)
Transactions with owners										
Changes in ownership interests in subsidiaries without change of control (Note 37)	–	–	–	(14,405)	–	–	–	–	–	(14,405)
Share award scheme (Note 31)	–	4,333	–	–	(4,333)	–	–	–	–	–
	–	4,333	–	(14,405)	(4,333)	–	–	–	–	(14,405)
Balance at 31 December 2023	424,007	–	125,481	272,162	83,977	3,197	245,437	172,895	(1,262,361)	64,795

18 Reserves (continued)

Notes:

(a) Merger reserve

Merger reserve represent the difference of aggregate consideration paid by the Group for the acquisition of subsidiaries pursuant to the reorganisation in 2013 and the aggregate capital of the subsidiaries acquired, after elimination of investment in subsidiaries.

(b) Statutory surplus reserve

In accordance with the Company Law of the PRC and the articles of association of the PRC subsidiaries, these subsidiaries registered in the PRC shall appropriate 10% of its annual statutory profit (after offsetting any prior years' losses) to the statutory surplus reserve ("SSR") account. When the balance of SSR reaches 50% of the registered capital/share capital of these subsidiaries, any further appropriation is optional. The SSR can be utilised to offset prior years' losses or to increase paid-in capital. However, SSR shall be maintained at a minimum of 25% of registered capital/share capital after such utilisation.

The SSR are non-distributable except in the event of liquidation and subject to certain restrictions set out in the relevant PRC regulations.

(c) Under the Cayman Companies Law, the share premium account may be applied by the Company for paying distributions or dividends to shareholders if immediately following the date on which the Company proposes to distribute the dividend, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business. Details of the proposed final dividend are set out in Note 33.

(d) Financial assets at FVOCI

The Group has elected to recognise changes in the fair value of certain investments in equity securities in OCI, as explained in Note 2.13. These changes are accumulated within the FVOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

19 Borrowings

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Borrowings included in non-current liabilities		
– Bank loans, secured (a)	**2,123,856**	3,068,712
– Other loans, secured (k)	**868,787**	997,500
– Trust financing arrangements, secured (b)	**1,313,772**	1,329,382
– Senior notes due 2022, issued in July 2019, secured (c)	**1,868,984**	1,841,502
– Senior notes due 2022, issued in March 2020, secured (d)	**91,077**	89,738
– Senior notes due 2022, issued in June 2020, secured (e)	**1,078,260**	1,062,405
– Senior notes due 2023, issued in November 2020, secured (f)	**1,725,216**	1,699,848
– Senior notes due 2023, issued in March 2021, secured (f)	**790,724**	779,097
– Senior notes due 2023, issued in April 2021, secured (g)	**1,128,579**	1,111,984
– Senior notes due 2023, issued in May 2021, secured (g)	**237,217**	233,729
– Senior notes due 2023, issued in August 2021, secured (g)	**359,420**	354,135
– Senior notes due 2024, issued in September 2021, secured (h)	**1,186,086**	1,168,605
– Senior notes due 2023, issued in March 2022, secured (d)	**1,230,032**	1,211,946
– Senior notes due 2023, issued in April 2022, secured (d)	**143,049**	140,946
– Corporate bonds due from October 2027 to August 2029 (i)	**351,214**	351,214
– Corporate bonds due from July 2027 to May 2029 (j)	**1,350,000**	1,348,389
	15,846,273	16,789,132
Less: Current portion of long-term borrowings	**(13,110,017)**	(12,217,453)
	2,736,256	4,571,679
Borrowings included in current liabilities		
– Bank loans, secured (a)	**95,990**	86,990
	95,990	86,990
Add: Current portion of long-term borrowings	**13,110,017**	12,217,453
	13,206,007	12,304,443

19 Borrowings (continued)

Notes:

(a) The Group's bank borrowings are secured by properties held or under development for sale (Note 14), trade and other receivables (Note 15), investment properties (Note 7) and bank deposits (Note 16) of the Group or guaranteed by subsidiaries of the Company.

As at 31 December 2024, the Group had not repaid certain bank borrowings according to their scheduled repayment dates which entitled certain banks to demand immediate repayment of bank borrowings amounted to RMB300,000,000 from the Group. Certain banks have initiated legal actions against certain subsidiaries of the Group on the overdue borrowings. The relevant litigation were filed in November 2023. Certain assets of the relevant subsidiaries of the Group (included in properties held or under development for sale) of approximately RMB563,273,000 have been applied for preservation and an application for execution was filed for an amount of RMB322,248,000 on 20 January 2025. The Group expects to use the working capital of its subsidiaries or sell the pledged assets to repay these borrowings.

(b) These borrowings are mainly obtained through trust arrangements with trust financing companies. Borrowings under trust financing arrangements are secured by investment properties (Note 7), certain properties held or under development for sale (Note 14) and shares of certain subsidiaries of the Group or guaranteed by subsidiaries of the Company. Under the conventional loan trust financing arrangements, these trust financing companies provide loans to the Group through loan agreements entered into with the Group. As at 31 December 2024, the Group had not repaid certain trust financing arrangements according to their scheduled repayment dates. The overdue of these borrowings entitled certain creditors to demand immediate repayment of the borrowings from the Group. All of these borrowings amounted to RMB1,313,772,000 are overdue as at 31 December 2024.

(c) Senior notes due 2022, issued in July 2019

In July 2019, the Company issued 3-year senior notes with principal amount of USD260,000,000, which were listed on the Stock Exchange. These notes are denominated in USD, and bear interest from 25 July 2019 at 12% per annum payable semi-annually in arrears, and are due for repayment on 25 July 2022. The senior notes are jointly guaranteed by certain subsidiaries and secured by pledges of the shares of certain subsidiaries.

At any time and from time to time prior to 25 July 2022, the Company may at its option redeem the whole or a portion of the senior notes at redemption prices agreed in the terms, plus accrued and unpaid interest up to the redemption date.

The Company has not repaid the principal and interest due on 25 July 2022 for the senior notes, which constitutes an event of default, and has engaged a financial advisor to carry out the restructuring of USD debt (Note 2.1).

19 Borrowings (continued)

Notes: (continued)

(d) Senior notes due 2022, issued in March 2020, and senior notes due 2023, issued in March 2022 and April 2022

In March 2020, the Company issued 2-year senior notes with principal amount of USD190,000,000, which were listed on the Singapore Exchange Securities Trading Limited. These notes are denominated in USD, and bear interest from 11 March 2020 at 12% per annum payable semi–annually in arrears, and are due for repayment on 11 March 2022 ("Notes Due March 2022"). The senior notes are jointly guaranteed by certain subsidiaries and secured by pledges of the shares of certain subsidiaries.

At any time and from time to time prior to 11 March 2022, the Company may at its option redeem the whole or a portion of Notes Due March 2022 at redemption prices agreed in the terms, plus accrued and unpaid interest up to the redemption date.

On 22 February 2022, the Company commenced an exchange offer to the bond holders of Notes Due March 2022. On 9 March 2022, a total amount of USD175,330,000 (representing approximately 92.28% of the aggregate principal amount of outstanding existing notes) has been validly exchanged for new senior notes of USD171,113,500 due on 9 September 2023 with an annual interest rate of 12% ("Notes Due September 2023").

In connection with the exchange offer, on 9 March 2022, the Company also successfully solicited consents (the "Consent Solicitation") from holders of all its other outstanding senior notes such that the events of default provisions under each of them will carve out any cross-default events arising directly or indirectly from any defaults or events of default under the Notes Due March 2022.

On 21 April 2022, the Company issued USD19,900,000 Notes Due September 2023, including USD1,900,000 issued upon the acceptance of the exchange for USD2,000,000 Notes Due March 2022 pursuant to the conditions of the exchange offer dated February 2022, to be consolidated and form a single series with the USD171,113,500 Notes Due September 2023 issued on 9 March 2022.

At any time and from time to time prior to 9 September 2023, the Company may at its option redeem the whole or a portion of Notes Due September 2023 at redemption prices agreed in the terms, plus accrued and unpaid interest up to the redemption date.

The Company has not repaid the remaining USD12,670,000 of the principal and its interest of Notes Due March 2022 and the interest due on 9 September 2022 and 9 March 2023 and the principal and interest due on 9 September 2023 for Notes Due September 2023, which constitutes an event of default, and has engaged a financial advisor to carry out the restructuring of USD debt (Note 2.1).

(e) Senior notes due 2022, issued in June 2020

In June 2020, the Company issued 2-year senior notes with principal amount of USD150,000,000, which were listed on the Hong Kong Stock Exchange. These notes are denominated in USD, and bear interest from 26 June 2020 at 12% per annum payable semi-annually in arrears, and are due for repayment on 26 September 2022. The senior notes are jointly guaranteed by certain subsidiaries and secured by pledges of the shares of certain subsidiaries.

At any time and from time to time prior to 26 September 2022, the Company may at its option redeem the whole or a portion of the senior notes at redemption prices agreed in the terms, plus accrued and unpaid interest up to the redemption date.

The Company has not repaid the interest due on 26 March 2022 and the principal and interest due on 26 September 2022 for the senior notes, which constitutes an event of default, and has engaged a financial advisor to carry out the restructuring of USD debt (Note 2.1).

19 Borrowings (continued)

Notes: (continued)

(f) Senior notes due 2023, issued in November 2020 and March 2021

In November 2020, the Company issued 2-year senior notes with principal amount of USD240,000,000, USD142,815,000 of which are senior notes issued pursuant to the exchange offer with respect to the senior notes due 2021, issued in April 2018, including the principal amount of USD20,000,000 exchanged by Beyond Wisdom Limited (Note (c)). The senior notes due 2023, issued in November 2020 were listed on the Stock Exchange. These notes are denominated in USD, and bear interest from 19 November 2020 at 14.5% per annum payable semi-annually in arrears, and are due for repayment on 19 February 2023.

In March 2021, the Company issued 1-year senior notes with principal amount of USD110,000,000, which were consolidated and form a single series with the USD240,000,000 14.5% senior notes due 2023 issued by the Company in November 2020 and listed on the Stock Exchange. These notes are denominated in USD, and bear interest from 19 March 2021 at 14.5% per annum payable semi-annually in arrears, and are due for repayment on 19 February 2023.

The senior notes are jointly guaranteed by certain subsidiaries and secured by pledges of the shares of certain subsidiaries.

At any time and from time to time prior to 19 February 2023, the Company may at its option redeem the whole or a portion of the senior notes at redemption prices agreed in the terms, plus accrued and unpaid interest up to the redemption date.

The Company has not repaid the interest due on 19 May 2022 and 19 November 2022 and the principal and interest due on 19 February 2023 for the senior notes, which constitutes an event of default, and has engaged a financial advisor to carry out the restructuring of USD debt (Note 2.1).

(g) Senior notes due 2023, issued in April 2021 and May 2021 and August 2021

In April 2021, the Company issued 2.5-year senior notes with principal amount of USD157,000,000, which were listed on the Stock Exchange. These notes are denominated in USD, and bear interest from 26 April 2020 at 12.5% per annum payable semi-annually in arrears, and are due for repayment on 26 October 2023.

In May 2021, the Company issued 2-year senior notes with principal amount of USD33,000,000, which were consolidated and form a single series with our outstanding USD157,000,000 12.5% senior notes due 2023 issued in April 2021 and listed on the Stock Exchange. These notes are denominated in USD, and bear interest from 17 May 2021 at 12.5% per annum payable semi-annually in arrears, and are due for repayment on 26 October 2023.

In August 2021, the Company issued 2-year senior notes with principal amount of USD50,000,000, which were consolidated and form a single series with our outstanding USD157,000,000 12.5% senior notes due 2023 issued in April 2021 and USD33,000,000 12.5% senior notes due 2023 issued in May 2021 and listed on the Stock Exchange. These notes are denominated in USD, and bear interest from 17 August 2021 at 12.5% per annum payable semi-annually in arrears, and are due for repayment on 26 October 2023.

The senior notes are jointly guaranteed by certain subsidiaries and secured by pledges of the shares of certain subsidiaries.

At any time and from time to time prior to 26 October 2023, the Company may at its option redeem the whole or a portion of the senior notes at redemption prices agreed in the terms, plus accrued and unpaid interest up to the redemption date.

The Company has not repaid the interest due on 26 April 2022, 26 October 2022 and 26 April 2023 and the principal and interest due on 26 October 2023, which constitutes an event of default, and has engaged a financial advisor to carry out the restructuring of USD debt (Note 2.1).

19 Borrowings (continued)

Notes: (continued)

(h) Senior notes due 2024, issued in September 2021

In September 2021, the Company issued 2-year senior notes with principal amount of USD165,000,000, which were listed on the Stock Exchange. These notes are denominated in USD, and bear interest from 28 September 2021 at 12.0% per annum payable semi-annually in arrears, and are due for repayment on 28 January 2024. The senior notes are jointly guaranteed by certain subsidiaries and secured by pledges of the shares of certain subsidiaries.

At any time and from time to time prior to 28 January 2024, the Company may at its option redeem the whole or a portion of the senior notes at redemption prices agreed in the terms, plus accrued and unpaid interest up to the redemption date.

The early redemption options are regarded as embedded derivatives not closely related to the host contract. The directors of the Group are of the view that the fair values of the above early redemption options were insignificant on initial recognition and as at 31 December 2023 as the bonds were due and outstanding on 28 January 2024.

The Company has not repaid the interest due on 28 March 2022, 28 September 2022, 28 March 2023, 28 September 2023 and the principal and the interest due on 28 January 2024 for the senior notes, which constitutes an event of default, and has engaged a financial advisor to carry out the restructuring of USD debt (Note 2.1).

(i) Corporate bonds due August 2029

In August 2019, the Group issued five-year corporate bonds with principal amount of RMB500,000,000 ("Corporate Bonds Due August 2024"), which were listed on the Shanghai Stock Exchange. The corporate bonds due August 2024 are denominated in RMB, and bear interest rate at 7% per annum, payable annually in arrears.

The Group purchased back Corporate bonds due August 2024 in the net principal amount of RMB157,740,000 with unpaid accrued interest before 31 December 2022.

On 20 July 2023, the Group had launched a consent solicitation ("July 2023 Consent Solicitation") for the Corporate Bond Due August 2024 and obtained Consent Solicitation on 27 July 2023 by successfully gaining the consent from 100% of the bond holders. Following the completion of July 2023 Consent Solicitation, (i) the maturity of the corporate bond was extended for 36 months since 7 August 2023 (that is 7 August 2026) ("Corporate Bond due August 2026"); (ii) 1%, 6%, 6%, 6%, 6%, 6%, 10%, 10%, 10%, 13%, 13% and 13% of the principal amount of RMB500,000,000 will be gradually repaid on 7 October 2024, 7 December 2024, 7 February 2025, 7 April 2025, 7 June 2025, 7 August 2025, 7 October 2025, 7 December 2025, 7 February 2026, 7 April 2026, 7 June 2026 and 7 August 2026, respectively; (iii) interest rate of the corporate bond remains unchanged at 7.0% per annum; and (iv) a grace period of 30 days beyond the abovementioned due dates are granted to the Group.

On 28 July 2024, the Group had launched a consent solicitation ("August 2024 Consent Solicitation") for the Corporate Bond Due August 2026 and obtained Consent Solicitation on 30 August 2024 by successfully gaining the consent from 100% of the bond holders. Following the completion of August 2024 Consent Solicitation, (i) the maturity of the corporate bond was extended for 36 months since 7 August 2026 (that is 7 August 2029) ("Corporate Bond due August 2029"); (ii) 1%, 6%, 6%, 6%, 6%, 6%, 10%, 10%, 10%, 13%, 13% and 13% of the principal amount of RMB500,000,000 will be gradually repaid on 7 October 2027, 7 December 2027, 7 February 2028, 7 April 2028, 7 June 2028, 7 August 2028, 7 October 2028, 7 December 2028, 7 February 2029, 7 April 2029, 7 June 2029 and 7 August 2029, respectively; (iii) interest rate of the corporate bond remains unchanged at 7.0% per annum; and (iv) a grace period of 30 days beyond the abovementioned due dates are granted to the Group.

19 Borrowings (continued)

Notes: (continued)

(j) Corporate bonds due May 2029

In May 2021, the Group issued three-year corporate bonds with principal amount of RMB1,350,000,000 ("Corporate bonds due May 2024"), which were listed on the Shanghai Stock Exchange. The corporate bonds due May 2024 are denominated in RMB, and bear interest rate at 7.2% per annum for the first two years, payable annually in arrears.

On 17 May 2023, the Group had launched a consent solicitation ("May 2023 Consent Solicitation") for the Corporate Bond due May 2024 and obtained Consent Solicitation on 29 May 2023 by successfully gaining the consent from 94% of the bond holders. Following the completion of May 2023 Consent Solicitation, (i) the maturity of the corporate bond was extended for 36 months since 31 May 2023 (that is 31 May 2026) ("Corporate Bond due May 2026"); (ii) 1%, 6%, 6%, 6%, 6%, 6%, 10%, 10%, 10%, 13%, 13% and 13% of the principal amount of RMB1,350,000,000 will be repaid on 31 July 2024, 30 September 2024, 30 November 2024, 31 January 2025, 31 March 2025, 31 May 2025, 31 July 2025, 30 September 2025, 30 November 2025, 31 January 2026, 31 March 2026 and 31 May 2026, respectively; and (iii) interest rate of the corporate bond remains unchanged at 7.2% per annum.

On 30 May 2024, the Group had launched a consent solicitation ("June 2024 Consent Solicitation") for the Corporate Bond Due May 2026 and obtained Consent Solicitation on 28 June 2024 by successfully gaining the consent from 70.37% of the bond holders. Following the completion of June 2024 Consent Solicitation, (i) the maturity of the corporate bond was extended for 36 months since 31 May 2026 (that is 31 May 2029) ("Corporate Bond due May 2029"); (ii) 1%, 6%, 6%, 6%, 6%, 6%, 10%, 10%, 10%, 13%, 13% and 13% of the principal amount of RMB1,350,000,000 will be gradually repaid on 31 July 2027, 30 September 2027, 30 November 2027, 31 January 2028, 31 March 2028, 31 May 2028, 31 July 2028, 30 September 2028, 30 November 2028, 31 January 2029, 31 March 2029 and 31 May 2029, respectively; (iii) interest rate of the corporate bond remains unchanged at 7.2% per annum; and (iv) a grace period of 30 days beyond the abovementioned due dates are granted to the Group.

(k) Other loans

Other loans, mainly including the loans from other financial institutions, are secured by properties held or under development for sale, investment properties, trade and other receivables, equity interests in the subsidiaries of the Company and guaranteed by a subsidiary of the Company. Included in other loans, there is a commercial mortgage backed securitisation which was issued in July 2018 and is due on 28 November 2029 with principal amount of RMB720,000,000 including priority tranche of RMB684,000,000 with an annual interest rate at 5% and posterior tranche of RMB36,000,000 which were subscribed by the Group. The commercial mortgage backed securitisation are guaranteed by certain subsidiaries and secured by the investment properties of Beijing San Quan Apartment (Note 8) and accounts receivables of rental income generated from Beijing San Quan Apartment (Note 15). The commercial mortgage backed securitisation are denominated in RMB, and bear the above interest rate per annum for the second three years, payable quarterly in arrears.

In August 2023, the Group, the original creditor and the new creditor of the commercial mortgage-backed securitization has entered into a debt assignment and debt reorganization agreement, pursuant to which, (i) the loan of principal amount of RMB720,000,000 receivable from the Group are reorganized and to be transferred assigned to the new creditor; (ii) the loan is secured by the investment properties of Beijing San Quan Apartment (note 8) and the registration of the mortgagee will be change to the new creditor during the transition period starting from 23 August 2023 to January 2025; (iii) the loan is also secured by the receivables of rental income generated from the investment properties of Beijing San Quan Apartment (note 8), equity interest of certain subsidiaries and guaranteed by a subsidiaries of the Group; (iv) the loan is repayable by the Group in January 2025 and bearing interest from 6% to 8% payable to the new creditor during a transition period; (v) during the transition period, the original creditor and the new creditor will locate potential buyer and recommend to the Group for sales of the pledged investment properties of Beijing San Quan Apartment to repay the loan; (vi) the new creditor will have right to seize and dispose the secured investment properties of Beijing San Quan Apartment for proceeds to settle the loan if no potential buyers is located at the end of the transition period.

As at 31 December 2024, the fair value and carrying amount of the secured investment properties of Beijing San Quan Apartment (note 8) is RMB1,781,000,000 (31 December 2023: RMB1,976,000,000).

19 Borrowings (continued)

The maturity of non-current borrowings at the reporting dates is as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Between 1 and 2 years	**104,000**	3,744,576
Between 2 and 5 years	**2,382,972**	679,103
Above 5 years	**249,284**	148,000
	2,736,256	4,571,679

The range of effective interest rates as at 31 December 2024 and 2023 were as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Bank and other loans	**3.55%-8.5%**	3.45%-14.5%
Trust financing arrangements	**10.50%-11.5%**	10.50%-11.5%

The cost of financing of the trust financing arrangements includes the interest costs and administrative fees, such as arrangement or consultancy fees and trustee fees.

As at 31 December 2024 and 2023, the fair values for borrowings approximate their carrying amounts.

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates or maturity whichever is the earlier date is as follows:

	6 months or less RMB'000	6 – 12 months RMB'000	1 – 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
Borrowings included in non-current liabilities:					
As at 31 December 2024	–	–	2,486,972	249,284	2,736,256
As at 31 December 2023	–	–	4,423,679	148,000	4,571,679
Borrowings included in current liabilities:					
As at 31 December 2024	13,040,729	165,278	–	–	13,206,007
As at 31 December 2023	10,829,449	1,474,994	–	–	12,304,443

19 Borrowings (continued)

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
RMB	**6,103,619**	6,995,322
USD	**9,838,644**	9,693,934
HKD	**–**	186,866
	15,942,263	16,876,122

20 Trade and other payables

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Trade and notes payables	**1,873,420**	2,372,403
Amounts due to related parties	**1,400,670**	1,617,048
Turnover taxes payable	**415,105**	684,026
Interest payables	**2,763,448**	2,110,924
Dividend payable to non-controlling interests of certain subsidiaries	**223,582**	223,582
Other payables and accrued expenses (Note)	**952,244**	1,225,780
	7,628,469	8,233,763

Notes:

Other payables and accrued expenses include electricity fee and cleaning fee collected on behalf, deed tax collected on behalf, accrued payroll, temporary funding payable, construction deposits received from suppliers, deposits received from customers, consideration payables for acquisition, payables to related parties of non-controlling interests of subsidiaries, deposits received in connection with cooperation with third parties for property, development and property investment, payables for other investments and payables to third parties.

20 Trade and other payables (Continued)

The aging analysis of trade and notes payables, based on the invoice date or service rendered date are as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Less than 1 year	**1,565,992**	1,986,289
Between 1 and 2 years	**157,367**	197,817
Between 2 and 3 years	**121,772**	154,206
Over 3 years	**28,289**	34,091
	1,873,420	2,372,403

As at 31 December 2024 and 31 December 2023, the fair value of trade and other payables approximate their carrying amounts.

As at 31 December 2024 and 31 December 2023, the carrying amounts of trade and other payables are denominated in below currencies:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
RMB	**5,486,403**	7,160,275
USD	**2,129,690**	1,063,467
HKD	**12,376**	10,021
	7,628,469	8,233,763

21 Amounts due to non-controlling interests of subsidiaries

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Amounts due to non-controlling interests of subsidiaries	**718,898**	937,583

The balance as at 31 December 2023 includes amounts of RMB103,224,000, which were the outstanding principal balance of shareholder's loan of Tianjin Huajing Property Co., Ltd. ("Tianjin Huajing"), a non-controlling shareholder, to Tianjin Ruijun Real Estate Development Co., Ltd. ("Tianjin Ruijun"), a subsidiary of the Group. This shareholder's loan was guaranteed by Jingrui Properties (Group) Co., Ltd., ("Jingrui Properties") which was another subsidiary of the Group, and was secured over Tianjin Jingrui Yuexitai Project. Such balance was settled in 2024 through the disposal of equity interests in Tianjin Ruijun.

The balance as at 31 December 2023, in addition, includes amounts of RMB17,493,000, which were the outstanding principal balance of shareholder's loan from Tianjin Huajing, a non-controlling shareholder, to Tianjin Ruijun, a subsidiary of the Group. The shareholder's loan was unsecured, non-interest bearing and repayable on demand. Such balance was settled in 2024 through the disposal of equity interests in Tianjin Ruijun.

As at 31 December 2024 and 31 December 2023, except for the balances mentioned above, the fundings from non-controlling interests of certain subsidiaries for their operational purpose in property development are unsecured, non-interest bearing and repayable on demand.

22 Deferred income tax assets/liabilities

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Deferred tax assets to be recovered		
– within 12 months	**218,102**	281,035
– after 12 months	**226,058**	237,995
	444,160	519,030
Deferred tax liabilities to be settled		
– within 12 months	**(250,103)**	(294,340)
– after 12 months	**(518,185)**	(717,673)
	(768,288)	(1,012,013)
Deferred tax liabilities, net	**(324,128)**	(492,983)

22 Deferred income tax assets/liabilities (continued)

The gross movement on the deferred income tax account is as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Opening balance	**(492,983)**	(458,551)
Disposal of subsidiaries	**(19,689)**	52,890
Charged/(credited) to the consolidated income statement (Note 30)	**190,794**	(55,802)
Additions arising from other comprehensive income (Note 18)	**(2,250)**	(31,520)
Ending balance	**(324,128)**	(492,983)

As at 31 December 2024, RMB29,905,000 (31 December 2023: RMB29,905,000) of deferred income tax assets and deferred income tax liabilities were offset.

The movement in deferred income tax assets and liabilities for the years ended 31 December 2024 and 2023 without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred income tax assets

	Tax losses RMB'000	Provision for impairment of properties held for sale and receivables RMB'000	Elimination of inter-company transactions RMB'000	Temporary difference on recognition of sales and cost of sales RMB'000	Accruals RMB'000	Total RMB'000
At 1 January 2024	**72,052**	**189,542**	**4,123**	**278,590**	**4,628**	**548,935**
Disposal of subsidiaries	**–**	**–**	**–**	**(25,688)**	**–**	**(25,688)**
(Charged)/credited to the consolidated income statement	**(32,710)**	**34,130**	**(4,123)**	**(41,851)**	**(4,628)**	**(49,182)**
At 31 December 2024	**39,342**	**223,672**	**–**	**211,051**	**–**	**474,065**

22 Deferred income tax assets/liabilities (continued)

Deferred income tax assets (continued)

	Tax losses RMB'000	Provision for impairment of properties held for sale and receivables RMB'000	Elimination of inter-company transactions RMB'000	Temporary difference on recognition of sales and cost of sales RMB'000	Accruals RMB'000	Total RMB'000
At 1 January 2023	117,330	192,370	4,123	315,054	4,628	633,505
Disposal of subsidiaries	(1,095)	–	–	–	–	(1,095)
Charged to the consolidated income statement	(44,183)	(2,828)	–	(36,464)	–	(83,475)
At 31 December 2023	72,052	189,542	4,123	278,590	4,628	548,935

In accordance with the PRC laws and regulations, tax losses could be carried forward for a period of five years to offset against its future taxable profits. Deferred tax assets relating to unutilised tax losses are recognised to the extent that it is probable that sufficient taxable profit will be available to allow such deferred tax assets to be utilised.

The Group did not recognise deferred income tax assets of RMB1,908,514,000 (31 December 2023: RMB1,420,446,000) in respect of tax losses amounting to RMB7,634,054,000 (31 December 2023: RMB5,681,782,000) as at 31 December 2024. All these tax losses will expire within five years.

Deferred income tax liabilities

	Temporary difference on recognition of fair value changes RMB'000	Temporary difference on recognition of cost of sales and expenses RMB'000	Undistributed profits of PRC subsidiaries RMB'000	Acquisition of subsidiaries RMB'000	Total RMB'000
At 1 January 2024	**339,802**	**199,843**	**16,524**	**485,749**	**1,041,918**
Disposal of subsidiaries	**–**	**(5,999)**	**–**	**–**	**(5,999)**
Charged to the consolidated income statement	**(78,286)**	**(153,762)**	**–**	**(7,928)**	**(239,976)**
Credited to other comprehensive income (Note 18)	**2,250**	**–**	**–**	**–**	**2,250**
At 31 December 2024	**263,766**	**40,082**	**16,524**	**477,821**	**798,193**
At 1 January 2023	335,099	201,363	16,524	539,070	1,092,056
Disposal of a subsidiary	(2,892)	–	–	(51,093)	(53,985)
Charged to the consolidated income statement	(23,925)	(1,520)	–	(2,228)	(27,673)
Credited to other comprehensive income (Note 18)	31,520	–	–	–	31,520
At 31 December 2023	339,802	199,843	16,524	485,749	1,041,918

23 Revenue

Revenue of the Group consists of the following:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Revenue from contracts with customers recognised at a point in time		
– Sales of properties	**4,976,408**	6,265,777
– Others	**21,634**	64,669
	4,998,042	6,330,446
Revenue from contracts with customers recognised over time		
– Property management service	**775,046**	793,658
Revenue from other source		
– Rental income	**133,312**	170,371
	5,906,400	7,294,475

24 Other income

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Government grants	**7,793**	13,146
Compensation income	**439**	2,903
	8,232	16,049

25 Other gains or losses – net

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Fair value loss of financial assets at fair value through profit or loss	**(547,094)**	(377,486)
Investment income from financial assets at fair value through profit or loss	**–**	1,731
Impairment loss on goodwill	**(31,048)**	(33,758)
(Loss)/gain on disposal of property, plant and equipment	**(4,951)**	128
Loss on disposal of a joint venture	**–**	(50,739)
Loss on disposal of associates	**(60,815)**	–
(Loss)/gain on disposal of a subsidiary (Note 38(a))	**(40,108)**	16,204
Compensation and late payment charges	**(16,087)**	(21,465)
Impairment losses on investments in associates and joint ventures	**(150,751)**	–
Loss on disposal of investment properties	**(104,143)**	–
Net foreign exchange gains	**32,030**	23,736
Gain on debt restructuring (Note)	**63,860**	–
Others	**(3,141)**	(12,320)
	(862,248)	(453,969)

Note: During the year ended 31 December 2024, Tianjin Ruiming Real Estate Development Co., Ltd., an indirect wholly-owned subsidiary of the Company entered into an offset agreement with the lender. Pursuant to the agreement, the borrowing under trust financing arrangements and the interest payables of the Group would be settled by transferring the Group's properties held for sales to the lender. Accordingly, a gain on debt restructuring of RMB63,860,000 was recognised during the year ended 31 December 2024.

26 Expenses by nature

Expenses included in cost of sales, selling and marketing costs and administrative expenses are analysed as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Cost of properties sold	**5,350,752**	6,120,384
Cost of properties management	**590,249**	570,354
Surcharges	**21,857**	28,729
Write-down of properties held or under development for sale	**161,085**	36,656
Depreciation of property, plant and equipment and right-of-use assets (Note 6)	**12,601**	19,789
Amortisation of intangible assets (Note 8)	**153**	1,385
Bank charges	**3,668**	7,303
Staff costs (Note 28)	**178,100**	226,329
Entertainment expenses	**12,362**	17,436
Stamp duty and other taxes	**20,366**	20,187
Professional fees	**34,688**	67,938
Auditors' remuneration		
– annual audit and interim review	**1,500**	2,300
Sales commission	**207,431**	162,885
Advertising and publicity costs	**18,677**	22,704
Office and meeting expenses	**22,750**	28,881
Expenses relating to short-term leases and low value assets (Note 6)	**3,039**	3,357
Travelling expenses	**3,996**	4,320
Net impairment/(reversal) of financial assets (Note 15)	**396,840**	(5,587)
Other expenses	**135,961**	126,627
Total cost of sales, selling and marketing costs and administrative expenses	**7,176,075**	7,461,977

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

The Group's subsidiaries in Hong Kong contribute funds which are calculated on fixed rate of the employee salary of current month subject to a certain ceiling.

Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees.

As at 31 December 2024 and 2023, the Group was not entitled to any forfeited contributions to reduce the Group's future contributions.

27 Finance costs – net

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Finance income		
– Interest income on bank deposits and financial assets	**1,156**	17,052
Finance costs		
– Interest on financing arrangements	**(852,885)**	(1,248,953)
– Net foreign exchange loss on financing activities	**(149,837)**	(164,768)
– Interest on lease liabilities (Note 6)	**(1,247)**	(8,676)
– Less: amount capitalised	**130,879**	506,893
	(873,090)	(915,504)
Finance costs – net	**(871,934)**	(898,452)

28 Staff costs (including directors' emoluments)

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Wages and salaries	**153,562**	186,743
Pension	**9,676**	12,094
Other welfare benefit expenses	**14,862**	27,492
	178,100	226,329

29 Benefits and interests of directors

(a) Directors' and chief executive's emoluments

The remuneration of each director and the chief executive is set out below:

Name of director	Fees RMB'000	Salaries and other allowances RMB'000	Employer's contribution to a retirement benefit scheme RMB'000	Share award scheme RMB'000	Total RMB'000
Year ended 31 December 2024:					
Chen Xin Ge (陳新戈) (ii)	–	–	–	–	–
Yan Hao (閆浩) (i) (ii)	–	1,278	101	–	1,379
Xu Hai Feng (徐海峰) (ii)	–	1,823	101	–	1,924
Chen Chao (陳超) (ii)	–	1,463	101	–	1,564
Han Jiong (韓炯) (iii)	261	–	–	–	261
Qian Shi Zheng (錢世政) (iii)	261	–	–	–	261
Lo Wing Yan (盧永仁) (iii)	261	–	–	–	261
	783	4,564	303	–	5,650
Year ended 31 December 2023:					
Chen Xin Ge (陳新戈) (ii)	–	–	–	–	–
Yan Hao (閆浩) (i) (ii)	–	1,315	86	–	1,401
Xu Hai Feng (徐海峰) (ii)	–	1,870	86	–	1,956
Chen Chao (陳超) (ii)	–	1,564	86	–	1,650
Han Jiong (韓炯) (iii)	278	–	–	–	278
Qian Shi Zheng (錢世政) (iii)	278	–	–	–	278
Lo Wing Yan (盧永仁) (iii)	278	–	–	–	278
	834	4,749	258	–	5,841

29 Benefits and interests of directors (continued)

(a) Directors' and chief executive's emoluments (continued)

Notes:

(i) The chief executive of the Company is Yan Hao, who is also one of the executive directors of the Company.

(ii) Yan Hao and Chen Xin Ge were appointed as the executive directors of the Company in October 2013. In October 2022, the Company renewed the service agreement with Yan Hao for a fixed term of three years commencing on 31 October 2022. Pursuant to the service agreement, the service agreement renewed between Chen Xin Ge and the Company was automatically renewed upon the expiry of the term on 31 October 2022 until 30 March 2023 at which time Chen Xin Ge resigned as an executive director of the Company and concurrently, on 30 March 2023, Chen Xin Ge was appointed as a non-executive director of the Company and signed a letter of appointment with the Company for a fixed term of three years commencing from 30 March 2023.

Xu Hai Feng was appointed as an executive director of the Company. In March 2021 and March 2024, the Company has renewed the service agreement with Mr. Xu Hai Feng for a further term of three years commencing from 15 March 2021 and 15 March 2024.

Chen Chao was appointed as an executive director of the Company. In March 2023, the Company has renewed the service agreement with Mr. Chen Chao for a further term of three years commencing from 30 March 2023.

(iii) Han Jiong (韓炯), Qian Shi Zheng (錢世政) and Lo Wing Yan (盧永仁) were appointed as independent non-executive directors of the Company. In October 2022, the Company entered into a renewed letter of appointment with each of independent non-executive directors for a further term of three years commencing from 31 October 2022. On 5 December 2024, the Board has no independent non-executive Director following the resignations of Mr. Han Jiong, Qian Shi Zheng and Dr. Lo Wing Yan William as independent non-executive Directors. On 31 December, 2024, Mr. Tianmin Liu, Ms. Wu Jilan and Ms. Hong Ting were appointed by the Company as independent non-executive directors to fill the vacancies. The Company has entered into a letter of appointment with each of the independent non-executive directors for a period of three years commencing on 31 December 2024.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group during the year ended 31 December 2024 include three (2023: three) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2023: two) individuals are as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Basic salaries, housing allowances, other allowances, share award, share option and benefits in kind	**1,914**	2,564
	1,914	2,564

The emoluments fell within the following bands:

	Number of individuals	
	2024	2023
Emoluments bands (in Hong Kong dollar)		
HKD1,000,000 and below	**1**	1
HKD1,000,001 – HKD1,500,000	**1**	–
HKD1,500,001 – HKD2,000,000	**–**	1
	2	2

29 Benefits and interests of directors (continued)

(c) During the year ended 31 December 2024, no retirement benefits operated by the Group were paid or made, directly or indirectly, to or receivable by a director in respect of his services as a director or other services in connection with the management of the affairs of the Company or its subsidiaries (2023: Nil).

During the year ended 31 December 2024, no payments or benefits in respect of termination of director's services were paid or made, directly or indirectly, to or receivable by a director; nor are any payable (2023: Nil).

During the year ended 31 December 2024, no consideration was provided to or receivable by third parties for making available director's services (2023: Nil).

No loans, quasi-loans and other dealings were made available in favour of directors, bodies corporate controlled by and entities connected with directors subsisted at the end of the year or at any time during the years ended 31 December 2024 and 2023.

30 Income tax (credit)/expense

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Current income tax		
– PRC land appreciation tax	**38,800**	15,655
– PRC corporate income tax	**63,032**	54,362
	101,832	70,017
Deferred income tax (credit)/expense (Note 22)	**(190,794)**	55,802
Income tax (credit)/expense for the year	**(88,962)**	125,819

The income tax on the Group's profit before income tax differs from the theoretical amount that would arise using the enacted tax rate of the home country of the companies within the Group as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Loss before income tax	**(3,334,019)**	(1,715,512)
PRC land appreciation tax	**(38,800)**	(15,655)
	(3,372,819)	(1,731,167)
Income tax calculated at statutory rate of 25%	**(843,205)**	(432,792)
Tax effect of expense not deductible for tax purposes	**43,882**	258,059
Share of results of joint ventures and associates	**11,121**	26,335
Tax effect of income not taxable for tax purposes	**(315)**	(729)
Tax losses and temporary differences not recognised as deferred tax assets	**488,068**	167,381
Other tax on change in fair value	**172,687**	91,910
PRC land appreciation tax	**38,800**	15,655
Total income tax expense	**(88,962)**	125,819

30 Income tax expense (continued)

PRC corporate income tax

Under the Corporate Income Tax Law of the PRC (the "CIT Law"), the CIT rate applicable to the Group's subsidiaries located in the PRC from 1 January 2008 is 25%.

The CIT Law and its implementation rules impose a withholding tax at 10% for dividends distributed by a PRC-resident enterprise to its immediate holding company outside PRC for earnings generated beginning from 1 January 2008 and undistributed earnings generated prior to 1 January 2008 are exempted from such withholding tax. A lower 5% withholding tax rate may be applied when the immediate holding companies are established in Hong Kong according to the tax treaty arrangement between the PRC and Hong Kong. The Directors of the Group had confirmed that retained earnings of the Group's PRC subsidiaries as at 30 June 2013 will not be distributed in the foreseeable future. No PRC withholding income tax was accrued for the year ended 31 December 2024 (2023: Nil). The Group controls the dividend policies of these subsidiaries and it has been determined that the remaining earnings will not be distributed in the foreseeable future.

Land appreciation tax

PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including lease charges for land use rights and all property development expenditures, and is included in the consolidated income statement as income tax expense.

31 Share-based payments

(a) New share award scheme

The Company's Board approved and adopted the Share Award Scheme on 29 November 2017 (the "New Share Scheme"). Pursuant to the New Share Scheme, subject to certain vesting conditions, the shares can be vested in tranches on 1 January 2018, 2019, 2020 and 2021 respectively. In May 2020 and April 2021, under the same scheme, certain shares were granted to the selected employees and can be vested in tranches in January 2021, January 2022 and January 2023 respectively.

In April 2022, under the same scheme, certain shares were granted to the selected employees and can be vested in tranches in April 2022, April 2023 and April 2024 respectively subject to certain vesting conditions, which are determined by the Board of the Company in September 2023 that shares which shall vest in 2024 were vested earlier in September 2023.

No expenses was recognised for the year ended 31 December 2024 in relation to the employees' service provided (2023: Nil).

31 Share-based payments (continued)

(b) Share option scheme

The Company's Board approved and adopted the Share Option Scheme on 7 May 2019. On 9 September 2019, the Company granted 27,000,000 share options with an exercise price of HKD2.53 per share to certain directors of the Group and certain employees of the Company and its subsidiaries. Under the same scheme, 3,000,000 share options were granted to a senior management of the Company in June 2021 with an exercise price of HKD2.53.

The amount of options that will vest depends on the achievement of certain targets of the Group mainly including contracted sales and net profits attributable to equity holders of the Company. Once vested, the options remain exercisable at any time during the period prior to the expiration of 10 years from the date on which the options are granted and accepted, in accordance with the terms of the Share Option Scheme.

Set out below are summaries of options granted under the plan:

	2024		2023	
	Exercise price per share option (HKD per share)	**Number of options**	Exercise price per share option (HKD per share)	Number of options
As at 1 January	**2.53**	**4,500,000**	2.53	5,850,000
Granted during the year	**–**	**–**	–	–
Lapsed during the year	**–**	**–**	–	–
Cancelled during the year	**–**	**–**	2.53	(1,350,000)
As at 31 December	**2.53**	**4,500,000**	2.53	4,500,000

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	**Expiry date**	**Exercise price in HKD per share**	**Share options at 31 December 2024**	Share options at 31 December 2023
9 September 2019	8 September 2029	2.53	**4,050,000**	4,050,000
8 June 2021	7 June 2031	2.53	**450,000**	450,000
			4,500,000	4,500,000

The Group has to estimate the expected percentage of grantees that will stay within the Group at the end of vesting periods of the shares options in order to determine the amount of share-based compensation expenses charged to profit or loss.

An independent valuation was performed by the valuer, Cushman & Wakefield, to determine the fair value of the share option at 9 September 2019. The valuation was determined using the Binomial model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, and the risk free interest rate for the term of the option. No expenses was recognised for the year ended 31 December 2024 (2023: Nil).

32 Loss per share

(a) Basic loss per share

Basic loss per share for the years ended 31 December 2024 and 2023 are calculated by dividing the Group's loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December	
	2024	2023
Group's loss attributable to equity holders of the Company (RMB'000)	**(3,003,782)**	(1,721,220)
Weighted average number of shares in issue (in thousand)	**1,538,813**	1,537,204
Basic loss per share (RMB)	**(1.95)**	(1.12)

(b) Diluted loss per share

As the Group incurred loss for the year ended 31 December 2023, the effect of dilutive potential ordinary shares in respect of share award scheme were not included in the calculation of the diluted loss per share as their inclusion would be anti-dilutive.

The computation of diluted loss per share for the years ended 31 December 2024 and 2023 does not assume the exercise of the Company's share options because the exercise price of those share options was higher than the average market price for the year.

33 Dividends

The Board did not recommend any payment of dividend for the years ended 31 December 2024 (2023: Nil).

34 Notes to the consolidated cash flow statement

(a) Net cash generated from operations:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Loss before income tax	**(3,334,019)**	(1,715,512)
Adjustments for:		
Depreciation of property, plant and equipment and right-of-use assets (Note 26)	**12,601**	19,789
Amortisation of intangible assets (Note 26)	**153**	1,385
Gain/(loss) on disposal of property, plant and equipment (Note 25)	**4,951**	(128)
Net impairment/(reversal) of financial assets (Note 26)	**396,840**	(5,587)
Losses/(gains) on disposal subsidiaries (Note 25)	**40,108**	(16,204)
Loss on disposal of associates (Note 25)	**60,815**	–
Loss on disposal of a joint venture (Note 25)	**–**	50,739
Fair value loss of financial assets at fair value through profit or loss (Note 25)	**547,094**	377,486
Impairment losses on investments in associates and joint ventures (Note 25)	**150,751**	–
Loss on termination of right-of-use assets and lease liabilities	**1,433**	–
Write-down of properties held or under development for sale (Note 26)	**161,085**	36,656
Fair value loss on investment properties under capital platform (Note 7)	**144,910**	100,298
Fair value loss on investment properties under other platforms (Note 7)	**149,000**	6,000
Share of results of joint ventures (Note 9)	**16,548**	111,518
Share of results of associates (Note 10)	**27,936**	(6,178)
Foreign exchange losses (Note 27)	**149,837**	164,768
Finance costs (Note 27)	**723,253**	750,736
Interest income (Note 27)	**(1,156)**	(17,052)
Investment income from financial assets at fair value through profit or loss (Note 25)	**–**	(1,731)
Impairment loss on goodwill (Note 25)	**31,048**	33,758
Changes in working capital		
– Restricted cash relating to operating activities	**183,136**	389,959
– Properties held or under development for sales (excluding capitalised interest)	**4,758,809**	4,327,286
– Trade and other receivables and prepayments	**361,370**	146,574
– Contract liabilities	**(3,240,832)**	(2,565,414)
– Trade and other payables	**(1,109,237)**	(558,362)
– Amounts due from related parties	**197,602**	140,529
– Amounts due to related parties	**(250,957)**	(13,837)
Net cash generated from operations	**183,079**	1,757,476

34 Notes to the consolidated cash flow statement (continued)

(b) Major non-cash transaction:

For the year ended 31 December 2024, the Group settled amounts due to a third party of RMB90,009,000 by transferring the equity of a subsidiary.

For the year ended 31 December 2024, the Group settled amounts due to a third party of RMB81,632,000 by transferring the equity of an associate.

During the year ended 31 December 2024, Tianjin Ruiming Real Estate Development Co., Ltd., an indirect wholly-owned subsidiary of the Company entered into an offset agreement with the lender. Pursuant to the agreement, the borrowing under trust financing arrangements and the interest payables of the Group would be settled by transferring the Group's properties held for sales to the lender. Such transaction was completed during the year ended 31 December 2024.

For the year ended 31 December 2023, the Group settled amounts due to third parties of RMB173,468,000 by transferring certain financial assets at fair value through other comprehensive income based on the fair value of such financial assets as at the transfer date.

For the year ended 31 December 2023, the Group settled amounts due to third parties of RMB195,616,000 by transferring the equity of certain subsidiaries.

For the year ended 31 December 2023, the Group settled amounts due to a third party of RMB100,000,000 by transferring the equity of a joint venture.

For the year ended 31 December 2023, the Group settled the dividend payable to non-controlling interests of the subsidiaries of RMB130,987,000 by netting off the amounts due from non-controlling interests of the subsidiaries.

(c) Net debt reconciliation:

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Net debt

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Borrowings	**15,942,263**	16,876,122
Leases liabilities	**5,177**	25,866
Amounts due to related parties	**81,279**	79,852
Amounts due to non-controlling interests of subsidiaries	**718,898**	937,583
	16,747,617	17,919,423

34 Notes to the consolidated cash flow statement (continued)

(c) Net debt reconciliation: (continued)

Net debt (continued)

	Borrowings RMB'000	Leases liabilities RMB'000	Amounts due to related parties RMB'000	Amounts due to non-controlling interests of subsidiaries RMB'000	Total RMB'000
Balance as at 1 January 2024	**16,876,122**	**25,866**	**79,852**	**937,583**	**17,919,423**
Net cash flows	**(271,119)**	**(4,074)**	**–**	**(20,987)**	**(296,180)**
Foreign exchange movements	**149,822**	**–**	**–**	**–**	**149,822**
Other non-cash movements	**(812,562)**	**(16,615)**	**1,427**	**(197,698)**	**(1,025,448)**
Balance as at 31 December 2024	**15,942,263**	**5,177**	**81,279**	**718,898**	**16,747,617**

	Borrowings RMB'000	Leases liabilities RMB'000	Amounts due to related parties RMB'000	Amounts due to non-controlling interests of subsidiaries RMB'000	Total RMB'000
Balance as at 1 January 2023	18,412,689	125,598	74,581	1,111,322	19,724,190
Net cash flows	(1,636,523)	(12,173)	–	(69,725)	(1,718,421)
Disposal of subsidiaries	(49,528)	–	–	–	(49,528)
Foreign exchange movements	164,768	–	–	–	164,768
Other non-cash movements	(15,284)	(87,559)	5,271	(104,014)	(201,586)
Balance as at 31 December 2023	16,876,122	25,866	79,852	937,583	17,919,423

35 Commitments

(a) Property development expenditure commitments

Property development expenditure committed at each balance sheet date but not yet incurred is as follows:

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Land use rights	**397,696**	397,696
Other property development expenditure	**2,505,891**	3,400,323
	2,903,587	3,798,019

35 Commitments (continued)

(b) Operating lease rental receivables

As at 31 December 2024 and 2023, the future aggregate minimum rental receipts under non-cancellable operating lease in respect of certain buildings are receivable in the following periods:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Within 1 year	**46,539**	75,481
1 to 5 years	**39,310**	72,984
After 5 years	**30,998**	39,466
	116,847	187,931

36 Financial guarantees and contingent liabilities

(a) Guarantees on mortgage facilities

The Group had the following contingent liabilities in respect of financial guarantees on mortgage facilities at each balance sheet date:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Guarantees in respect of mortgage facilities for certain purchasers of the Group's properties	**1,327,545**	2,236,327

The Group has arranged bank financing for certain purchasers of the Group's properties and provided guarantees to secure obligations of such purchaser for repayments. Such guarantees will terminate upon the earlier of (i) the transfer of the real estate ownership certificate to the purchaser, or (ii) the satisfaction of mortgage loans by the purchasers of the properties.

Pursuant to the terms of the guarantees, upon default of mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principal together with accrued interest owed by the defaulting purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee period starts from the date of grant of mortgage. The directors of the Group consider that the likelihood of default of payments by the purchasers is minimal and therefore the financial guarantee measured at fair value is immaterial.

(b) Guarantees provided to joint ventures and associates and joint ventures' related parties

As at 31 December 2024, the Group provided guarantees for a total of bank borrowings of RMB401,601,000 of its joint ventures, associates and joint ventures' related parties (31 December 2023: RMB432,808,000).

37 Changes in ownership interests in subsidiaries without change of control

Acquisition of additional interests in subsidiaries

(a) In January 2024, the Group acquired additional 49% equity interests of its subsidiary of Shaoxing Jingming Property Co., Ltd. ("Shaoxing Jingming") at a consideration of RMB2,450,000. The carrying amount of the non-controlling interests is the same as the carrying amount of RMB2,450,000.

(b) In July 2023, the Group acquired an additional 20% equity interests of its subsidiary of Taicang Jinghui Consulting Co., Ltd ("Taicang Jinghui") at a consideration of RMB80,760,000. The excess of RMB11,700,000 over the carrying amount of the non-controlling interests of RMB69,060,000 was recognised in equity attributable to equity holders of the Company.

(c) In August 2023, the Group acquired an additional 3% equity interests of its subsidiary of Suzhou Jinghan Consulting Management Co., Ltd. at a consideration of RMB12,922,000. The carrying amount of the non-controlling interests is the same as the carrying amount of RMB12,922,000.

(d) In August 2023, the Group acquired an additional 40% equity interests of its subsidiary of Shanghai Youjing Enterprise Management Co., Ltd. (" Shanghai Youjing") at a consideration of RMB180,000,000. The excess of RMB2,705,000 over the carrying amount of the non-controlling interests of RMB177,295,000 was recognised in equity attributable to equity holders of the Company.

The following table summarises the carrying amount of non-controlling interests acquired, considerations need to be paid to non-controlling interests and excess of consideration paid recognised within equity at the acquisition date.

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Consideration need be paid to non-controlling interests	**(2,450,000)**	(273,682)
Carrying amount of non-controlling interests acquired	**2,450,000**	259,277
Excess of consideration paid recognised within equity	**–**	(14,405)

Aggregate effects of all above transactions with non-controlling interests on the equity attributable to equity holders of the Company for the years ended 31 December 2024 and 2023.

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Excess of consideration paid recognised within equity	**–**	(14,405)
Net effects for transactions with non-controlling interests on equity attributable to equity holders for the Company	**–**	(14,405)

38 Disposal of subsidiaries

Disposal of subsidiaries in 2024

(a) In March 2024, the Group entered into a share transfer agreement with a third party, pursuant to which, the Group disposed of 51% equity interest in Tianjin Ruijun Commercial Management Co., Ltd. (天津瑞駿商業管理有限公司) at a consideration of RMB133,740,000. Upon completion of the transaction, the Group ceased to hold equity interest in Tianjin Ruijun Commercial Management Co., Ltd. (天津瑞駿商業管理有限公司), and the Group recognised loss on disposal of a subsidiary of RMB40,108,000.

Analysis of assets and liabilities of subsidiaries disposed of:

	RMB'000
Cash and cash equivalents	5,029
Trade and other receivables and prepayments	167,679
Properties under development and properties held for sale	413,912
Prepaid income taxes	1,105
Deferred income tax assets	1,495
Trade and other payables	(241,147)
Current income tax liabilities	(4,475)
Receipts in advance from properties	(2,719)
Net assets disposal of	340,879
Net assets attributable to non-controlling interests disposed of	(167,031)
Net assets attributable to the Group disposed of	173,848
Total considerations	(133,740)
Net loss on disposal of a subsidiary	40,108
Total considerations	133,740
Consideration received	43,731
Cash and cash equivalents disposed of	(5,029)
Net cash inflow	38,702

(b) In September 2024, the Group loss control over Wuhan Ruiyihongfa but remained significant influence over Wuhan Ruiyihongfa in participating the financial and operating policy decision of Wuhan Ruiyihongfa. Accordingly, it considered as deemed disposal of a subsidiary and Wuhan Ruiyihongfa became an associate of the Group.

38 Disposal of subsidiaries (continued)

Disposal of subsidiaries in 2023

(c) For the year ended 31 December 2023, the Group disposed of certain subsidiaries engaged in property management business at a total consideration of RMB325,330,000. Upon the completion of the disposals, the Group recognized a profit of approximately RMB16,204,000.

Analysis of assets and liabilities of subsidiaries disposed of:

	RMB'000
Cash and cash equivalents	1,996
Trade and other receivables and prepayments	20,960
Property, plant and equipment	271
Investment properties	503,000
Deferred income tax assets	1,095
Trade and other receivables and prepayments (non-current assets)	194
Borrowings (current liabilities)	(149,528)
Trade and other payables	(6,947)
Current income tax liabilities	(4,047)
Receipts in advance from properties	(3,882)
Deferred income tax liabilities	(53,986)
Net assets attributable to the Group disposed of	309,126
Total considerations	(325,330)
Net gain on disposal of subsidiaries	(16,204)
Total considerations	325,330
Consideration received	129,714
Cash and cash equivalents disposed of	(1,996)
Net cash inflow	127,718

39 Related-party transactions

(a) Name and relationship with related parties

Name	Relationship with the Group
Ningbo Jiamu	Associate
Ningbo Jinghang Property Co., Ltd. ("Ningbo Jinghang")	A subsidiary of an associate
Nanjing Yuning	Associate
Changshu Zhicheng	Joint venture
Tianjin Yuanming	Joint venture
Hangzhou Zhenlu	Associate
Hangzhou Lvcheng Guixi Real Estate Development Co., Ltd. ("Lvcheng Guixi")	A subsidiary of an associate
Suzhou Lingrui	Joint venture
Suzhou Chengrui	Joint venture
Chongqing Jinghuanjin	Joint venture
Ningbo Jingfeng	Associate
Tianjin Junyou	Joint venture
Tianjin Xinyou Property Co., Ltd. ("Tianjin Xinyou")	A subsidiary of a joint venture
Changshu Huihuang	An associate of a joint venture
Nanjing Shansheng	Joint venture
Tianjin Ruihui	An associate before March 2024, a third party thereafter
Tianjin Ruihui Real Estate Development Co., Ltd. ("Tianjin Ruihui Development")	A subsidiary of an associate before March 2024, a third party thereafter
Shanghai Pinzhai	Associate
Shanghai Jidong Decoration Engineering Co., Ltd. ("Shanghai Jidong")	A subsidiary of an associate
Shanghai Pinzhuang Jianzhu Design Consulting Co., Ltd. ("Pinzhuang Jianzhu")	A subsidiary of an associate
Yangling Guanghui	Associate
Shanghai Maglink Enterprise Management Co., Ltd. ("Shanghai Maglink")	A subsidiary of a joint venture before December 2023, a third party thereafter
Tianjin Changxin Decoration Co., Ltd. ("Tianjin Changxin")	Joint venture
Tianjin Xinghuacheng Property Co.,Ltd. ("Tianjin Xinghuacheng")	Joint venture
Hangzhou Yuerong Real Estate Development Co., Ltd. ("Hangzhou Yuerong")	A subsidiary of an associate
Suzhou Jingya	Joint venture
Yangzhou Hengyu	Joint venture
Suzhou Jingjuan	Joint venture
Taicang Jingyuan	A subsidiary of a joint venture
Ningbo Rongan Education	Associate
Ruiyihongfa	A subsidiary before September 2024, an associate thereafter
Beyond Wisdom Limited	A company wholly owned by Yan Hao
Sunny King International Limited	A company wholly owned by Chen Xin Ge
Yan Hao	Substantial shareholder, director, chairmen (re-designated from Co-chairman on 30 March 2024), chief executive officer
Chen Xin Ge	Substantial shareholder, director, co-chairmen (resigned on 30 March 2024)

39 Related-party transactions (continued)

(b) Transactions with related parties

		Year ended 31 December	
		2024	2023
		RMB'000	RMB'000
(i)	Receiving decoration services from related parties		
	– Shanghai Jidong	**129**	2,017
	– Shanghai Pinzhai	**–**	722
	– Pinzhuang Jianzhu	**–**	3,460
		129	6,199
(ii)	Providing property management services from related parties		
	– Shanghai Maglink	**–**	3,031
		–	3,031
(iii)	Interest income from related parties		
	– Shanghai Pinzhai	**–**	113
	– Yangling Guanghui	**9,245**	16,369
		9,245	16,482
(iv)	Providing consulting service to related parties		
	– Chongqing Jinghuanjin	**–**	909
	– Yangling Guanghui	**454**	1,259
	– Nanjing Yuning	**–**	6,277
		454	8,445
(v)	Senior notes subscribed by a related party Beyond Wisdom Limited		
	– Fully capitalised interest	**–**	4,979
		–	4,979
(vi)	Guarantee provided to joint ventures and associates (Note 36)		
	– Changshu Huihuang	**107,340**	111,840
	– Yangzhou Hengyu	**103,500**	127,500
	– Chongqing Jinghuanjin	**190,761**	193,468
		401,601	432,808

39 Related-party transactions (continued)

(c) Key management compensation

Key management includes directors (executive and non-executive), chief financial officer, vice presidents, head of Capital Platform, head of Jingrui Service, and company secretary. The compensation paid or payable to key management for employee services is shown below:

	Year ended 31 December 2024 RMB'000	2023 RMB'000
Salaries and other short-term employee benefits	**6,848**	7,641
Post-employment benefits	**599**	479
	7,447	8,120

(d) Related-party balances

	As at 31 December 2024 RMB'000	2023 RMB'000
(i) Amounts due from related parties (Note 15)		
– Ningbo Jinghang	**9,987**	9,970
– Tianjin Yuanming	**311,730**	311,730
– Ningbo Jingfeng	**5,509**	5,021
– Suzhou Chengrui	**59,897**	59,878
– Tianjin Junyou	**85,430**	85,430
– Chongqing Jinghuanjin	**64,176**	68,342
– Yangling Guanghui (Note)	**91,444**	91,444
– Shanghai Pinzhai	**1,083**	1,083
– Yangzhou Hengyu	**–**	219,847
– Ningbo Jiamu	**118,245**	98,845
– Suzhou Jingya	**116,731**	116,731
– Changshu Huihuang	**59,706**	30,444
– Tianjin Ruihui	**–**	2
	923,938	1,098,767

Note:

The balance as at 31 December 2024 includes an amount of RMB91,444,000 (31 December 2023: RMB91,444,000) due from Yangling Guanghui, which represents the outstanding principal for a shareholder's loan granted to Yangling Guanghui and interest receivable. The shareholder's loan has an annual interest rate of 10% and is unsecured.

39 Related-party transactions (continued)

(d) Related-party balances (continued)

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
(ii) Amounts due to related parties (Note 20)		
– Yangzhou Hengyu	**202,396**	421,996
– Ningbo Jiamu	**205,853**	205,853
– Ningbo Jinghang	**11**	11
– Changshu Zhicheng	**19,541**	19,540
– Suzhou Lingrui	**28,863**	28,363
– Suzhou Chengrui	**99,883**	99,883
– Ningbo Rong'an Education	**–**	20,500
– Lvcheng Guixi	**42,000**	42,000
– Hangzhou Zhenlu	**10,500**	10,500
– Tianjin Xinghuacheng	**14,955**	16,000
– Nanjing Yuning	**60,707**	60,707
– Ningbo Jingfeng	**17,128**	59,490
– Tianjin Xinyou	**60,258**	60,258
– Changshu Huihuang	**54,903**	22,602
– Nanjing Shansheng	**214,151**	214,151
– Hangzhou Yuerong	**32,513**	32,513
– Tianjin Ruihui Development	**–**	81,632
– Tianjin Changxin	**12,200**	12,200
– Suzhou Jingjuan	**153,786**	143,617
– Taicang Jingyuan	**393**	–
– Ruiyihongfa	**103,970**	–
– Beyond Wisdom Limited	**18,521**	18,124
– Sunny King international Limited (a)	**48,138**	47,108
	1,400,670	1,617,048

Note:

(a) The balance as at 31 December 2024 includes an amount of RMB48,138,000 (31 December 2023: RMB47,108,000) due to Sunny King international Limited, which represents the outstanding principal and interest for a loan received from Sunny King international Limited, and was matured in 2024. The loan has an annual interest rate of 8.88% and unsecured.

Except for those balances disclosed above, other fundings provided to or from related parties are unsecured, non-interest bearing and repayable on demand.

40 Particulars of principal subsidiaries

Particulars of the major subsidiaries of the Group as at 31 December 2024 and 2023 are as follows:

Company name	Date of incorporation/ establishment	Authorised or registered capital RMB'000	Issued and fully paid capital RMB'000	Percentage of attributable equity interest as at 31 December 2024	2023	Principal activities
Subsidiaries established in the PRC						
Jingrui Properties (Group) Co., Ltd. (景瑞地產(集團)有限公司) ("Jingrui Properties") (b)	8 September 1993	1,621,079	1,621,079	100%	100%	Property land investment holding
Ningbo Jingrui Property Co., Ltd. (寧波景瑞置業有限公司)	20 February 2013	620,000	620,000	100%	100%	Property development
Equity International Urban Facilities Development (Tianjin) Co, Ltd. (權益城市設施開發(天津)有限公司) (b)	25 June 2007	USD71,600	USD71,600	100%	100%	Urban infrastructure development
EI Urban Facilities Development (Tianjin) Co., Ltd. (天津億安城市設施開發有限公司) (b)	15 August 2007	533,325	533,325	100%	100%	Urban infrastructure development
Shanghai Xiaoyi Investment Co., Ltd. (上海驍意投資有限公司) ("Shanghai Xiaoyi") (c)	13 May 2014	100	100	65%	65%	Investment holding
Suzhou Jinghui Property Co., Ltd. (蘇州璟輝置業有限公司)	14 April 2016	600,000	600,000	100%	100%	Property development
Wuhan Ruixiao Real Estate Investment Co., Ltd. (武漢瑞驍房地產投資有限公司) ("Wuhan Ruixiao")	17 March 2017	1,003,000	1,003,000	100%	100%	Investment holding
Wuhan Ruiqian Business Consulting Co., Ltd. (武漢瑞乾商務諮詢有限公司) ("Wuhan Ruiqian") (c)	12 December 2017	200,000	200,000	60%	60%	Investment holding
Taicang Jingrui Business Consulting Co., Ltd. (太倉璟睿諮詢有限公司)	1 April 2017	1,000,000	1,000,000	100%	100%	Investment holding
Shanghai Shenran Business Consulting Co., Ltd. (上海燊冉商務諮詢有限公司) ("Shanghai Shenran") (c)	17 December 2018	1,000,000	1,000,000	30%	30%	Investment holding

40 Particulars of principal subsidiaries (continued)

Company name	Date of incorporation/ establishment	Authorised or registered capital RMB'000	Issued and fully paid capital RMB'000	Percentage of attributable equity interest as at 31 December 2024	2023	Principal activities
Subsidiaries established in the PRC						
Shanghai Guicui Information Consulting Co., Ltd. (上海晷翠信息諮詢有限公司) ("Shanghai Guicui") (c)	17 December 2018	1,000,000	1,000,000	30%	30%	Investment holding
Shanghai Jingrui Property Management Co., Ltd. (上海景瑞物業管理有限公司) ("Jingrui Property Management")	31 December 1996	47,882	47,882	82%	82%	Property management
Shanghai Lichen Building Decoration Engineering Co., Ltd. (上海立臣建築裝飾工程有限公司)	4 November 2011	500,000	500,000	100%	100%	Building decoration engineering
Shanghai Jingrui Investment Co., Ltd. (上海景瑞投資有限公司)	22 July 2003	100,000	100,000	100%	100%	Investment holding
Changzhou Jingshen Property Co., Ltd. (常州景申置業有限公司)	14 April 2006	80,000	80,000	100%	100%	Property development
Changzhou Jingshang Property Co., Ltd. (常州景尚置業有限公司))	23 February 2011	620,000	620,000	100%	100%	Property development
Nantong Jingrui Property Co., Ltd. (南通景瑞置業有限公司) ("Nantong Jingrui")	26 January 2010	210,520	210,520	100%	100%	Property development
Zhoushan Jingrui Property Co., Ltd. (舟山景瑞置業有限公司)	16 February 2006	50,000	50,000	100%	100%	Property development
Zhoushan Jingshang Property Co., Ltd. (舟山景尚置業有限公司) ("Zhoushan Jingshang")	17 August 2010	200,000	200,000	100%	100%	Property development
Shaoxing Jingrui Property Co., Ltd. (紹興景瑞置業有限公司)	27 June 2011	100,000	100,000	100%	100%	Property development
Shanghai Huajiang Construction and Development Co., Ltd. (上海華江建設發展有限公司) ("Shanghai Huajiang")	16 August 2002	10,000	10,000	67.5%	67.5%	Property development
Hainan Jingshen Investment Management Co., Ltd. (海南景申投資管理有限公司)	14 May 2013	10,000	10,000	100%	100%	Property management and investment holding
Hainan Jingshang Commercial Management Co., Ltd. (海南景尚商業管理有限公司)	17 April 2013	USD2,000	USD2,000	100%	100%	Property management and investment holding
Shanghai Fengxiang Property Development Co., Ltd. (上海鳳翔房地產開發有限公司)	23 June 1998	100,000	100,000	100%	100%	Property development
Shaoxing Jingming Property Co., Ltd. (紹興景明置業有限公司)	22 January 2014	5,000	5,000	100%	51%	Property development
Shanghai Hefu Investment Co., Ltd. (上海合福投資管理有限公司)	16 October 2015	100,000	100,000	100%	100%	Investment holding
Shanghai Shangpu Investment Fund Management Center LLP (上海上璞股權投資基金管理中心(有限合夥))	23 July 2015	192,030	192,030	100%	100%	Investment holding

40 Particulars of principal subsidiaries (continued)

Company name	Date of incorporation/ establishment	Authorised or registered capital RMB'000	Issued and fully paid capital RMB'000	Percentage of attributable equity interest as at 31 December 2024	2023	Principal activities
Subsidiaries established in the PRC						
Ningbo Gangcheng Business and Trading Co., Ltd. (寧波港程商貿有限公司)	28 February 2014	50,000	50,000	**50%**	50%	Property development
Suzhou Ailide Trade Co., Ltd. (蘇州艾力得貿易有限公司) ("Suzhou Ailide") (c)	8 January 2015	50,000	50,000	**50%**	50%	Hardware and building materials
Ningbo Harbour City Business Management Co., Ltd. (寧波海港城商業管理有限公司)	23 April 2014	1,000	1,000	**50%**	50%	Investment holding
Hangzhou Jingcheng Property Co., Ltd. (杭州景程置業有限公司)	6 November 2017	5,000	5,000	**100%**	100%	Property development
Tianjin Tianrui Investment Development Co., Ltd. (天津天瑞投資發展有限公司)	14 October 2011	30,000	30,000	**70%**	70%	Property development
Ningbo Jingshen Property Co., Ltd. (寧波景申置業有限公司) ("Ningbo Jingshen") (c)	31 May 2016	30,000	30,000	**65%**	65%	Property development
Ningbo Jingjun Property Co., Ltd. (寧波景鈞置業有限公司) ("Ningbo Jingjun")	21 October 2016	10,000	10,000	**100%**	100%	Property development
Ningbo Xiaoyong Investment Co., Ltd. (寧波驍勇投資有限公司) ("Ningbo Xiaoyong")	19 October 2016	10,000	10,000	**100%**	100%	Investment holding
Wuhan Yanzhuo Building Decoration Engineering Co., Ltd. (武漢衍琢裝飾工程有限公司) ("Wuhan Yanzhuo") (c)	27 June 2018	20,000	20,000	**40%**	40%	Property development
Shanghai Xiaoze Investment Co., Ltd. (上海驍澤投資有限公司)	7 May 2014	100,000	100,000	**70%**	70%	Investment holding
Shanghai Linjia Life Development Co., Ltd. (上海鄰加生活企業發展股份有限公司)	23 December 2015	30,000	30,000	**100%**	100%	Property management
Ningbo Xiangjun Investment Co., Ltd. (寧波翔竣投資有限公司) ("Ningbo Xiangjun")	19 October 2016	400,000	400,000	**51%**	51%	Investment holding
Beijing Jingxiu Business Management Centre (Limited Partner) (北京景秀商業管理中心(有限合夥))	12 January 2017	1,000	1,000	**100%**	100%	Property management
Ningbo Meishan Free Trade Port Youyue Investment Co., Ltd. (寧波梅山保税港區優鉞資產管理有限公司)	23 February 2017	100,000	30,000	**100%**	100%	Investment holding
Ningbo Jingtong Property Co., Ltd. (寧波景通置業有限公司)	23 May 2017	40,000	40,000	**100%**	100%	Property development
Shanghai Ruiyue Hotel Management Co., Ltd. (上海瑞越酒店管理有限公司)	16 March 2017	100,000	40,000	**100%**	100%	Property management

40 Particulars of principal subsidiaries (continued)

Company name	Date of incorporation/ establishment	Authorised or registered capital RMB'000	Issued and fully paid capital RMB'000	Percentage of attributable equity interest as at 31 December 2024	2023	Principal activities
Subsidiaries established in the PRC						
Beijing Zhongguan Xinyuan Management LLP (北京中關信苑企業管理有限公司)	8 March 2017	10,000	10,000	**100%**	100%	Property management
Shanghai Hutai Real Estate Development Co., Ltd. (上海滬泰房地產發展有限公司) ("Shanghai Hutai") (a)	16 November 1992	79,475	79,475	**100%**	100%	Property management
Wuhan Yingjin Jiayuan Real Estate Development Co., Ltd. (武漢盈錦嘉園房地產開發有限公司) (" Wuhan Jiayuan") (c)	23 November 2016	60,000	60,000	**40%**	40%	Property development
Hangzhou Ruimeng Hotel Management Co., Ltd. (杭州瑞夢酒店管理有限公司)	27 December 2017	10,000	10,000	**100%**	100%	Property management
Zhongguan Yayuan Enterprise Management Co., Ltd. (北京中關雅苑企業管理有限公司)	9 March 2017	10,000	10,000	**100%**	100%	Property management
Zhongfa Wenchan Property(Wuhan) Co., Ltd. (中法文產置業(武漢)有限公司)	15 June 2017	55,000	55,000	**60%**	60%	Property development
Tianjin Ruihua Real Estate Development Co., Ltd. (天津瑞華房地產開發有限責任公司)	14 February 2018	30,000	30,000	**100%**	100%	Property development
Tianjin Ruisheng Real Estate Development Co., Ltd. (天津瑞盛房地產開發有限公司) ("Tianjin Ruisheng") (a)	7 March 2018	30,000	30,000	**100%**	100%	Property development
Hangzhou Jingqi Corporate Management Consulting Co., Ltd. (杭州景祺企業管理諮詢有限公司) ("Hangzhou Jingqi")	17 May 2018	330,000	330,000	**100%**	100%	Investment holding
Hangzhou Jingsheng Property Co., Ltd. (杭州景勝置業有限公司)	17 May 2018	330,000	330,000	**100%**	100%	Property development
Shanghai Shanding Property Management Co., Ltd. (上海山鼎物業管理有限公司)	7 November 2017	1,000	1,000	**100%**	100%	Property management
Shanghai Shenshi Property Co., Ltd. (上海申實置業有限公司)	28 April 2017	10,000	10,000	**100%**	100%	Property management
Tianjin Ruijun Real Estate Development Co., Ltd. (天津瑞駿房地產開發有限責任公司) ("Tianjin Ruijun")	13 June 2019	337,000	337,000	**N/A**	51%	Property development
Ningbo Jingxin Property Co., Ltd. (寧波景心置業有限公司)	12 June 2019	1,222,320	1,092,655	**100%**	100%	Property development

40 Particulars of principal subsidiaries (continued)

Company name	Date of incorporation/ establishment	Authorised or registered capital RMB'000	Issued and fully paid capital RMB'000	Percentage of attributable equity interest as at 31 December 2024	2023	Principal activities
Subsidiaries established in the PRC						
Hangzhou Juanheng Property Co., Ltd. (杭州雋恒置業有限公司)	22 September 2019	350,000	350,000	**100%**	100%	Property development
Hangzhou Xiaoying Real Estate Development Co., Ltd. (杭州銷穎房地產開發有限公司) ("Hangzhou Xiaoying") (c)	13 January 2011	30,000	30,000	**50%**	50%	Property development
Wuhan Botongshirong Real Estate Development Co., Ltd. (武漢博通世融房地產開發有限公司) ("Wuhan Botongshirong") (c)	22 July 2019	10,000	10,000	**60%**	60%	Property development
Shanghai Jingyao Property Co., Ltd. (上海璟曜置業有限公司)	25 May 2020	285,000	285,000	**100%**	100%	Property development
Chengdu Jingxu Property Co., Ltd. (成都景旭置業有限公司)	13 March 2020	10,000	–	**100%**	100%	Property development
Chongqing Jiuruixin Trading Co., Ltd. (重慶九睿鑫貿易有限責任公司) ("Chongqing Jiuruixin") (a)	23 September 2019	237,969	217,969	**100%**	100%	Property development
Chengdu Jingyu Property Co., Ltd. (成都景煜置業有限公司)	14 April 2020	10,000	10,000	**100%**	100%	Property development
Hangzhou Jinghui Property Co., Ltd. (杭州景暉置業有限公司)	11 June 2020	100,000	100,000	**100%**	100%	Property development
Chongqing Hushenghui Management Consulting Co., Ltd. (重慶滬昇暉企業管理諮詢有限公司)	11 June 2020	10,000	10,000	**100%**	100%	Investment holding
Yangzhou Jingxiao Property Co., Ltd. (揚州景驍置業有限公司) (a)	27 September 2020	20,000	20,000	**100%**	100%	Property development
Wuxi Jingyi Property Co., Ltd. (無錫景屹置業有限公司)	9 September 2020	200,000	200,000	**100%**	100%	Property development
Changzhou Jingrong Property Co., Ltd. (常州景榮置業有限公司)	16 September 2020	20,000	20,000	**100%**	100%	Property development
Chengdu Shijichunqiu Property Co., Ltd. (成都世紀春秋置業有限公司) ("Chengdu Shijichunqiu")	23 July 2014	20,000	20,000	**100%**	100%	Property development
Shanghai Youjing Enterprise Management Co., Ltd (上海優璟企業管理有限公司) ("Shanghai Youjing")	19 November 2020	450,000	450,000	**100%**	100%	Property management
Shanghai Youshou Enterprise Management Co., Ltd (上海優朔企業管理有限公司) ("Shanghai Youshou") (c)	19 November 2020	450,000	450,000	**38%**	38%	Property management

40 Particulars of principal subsidiaries (continued)

Company name	Date of incorporation/ establishment	Authorised or registered capital RMB'000	Issued and fully paid capital RMB'000	Percentage of attributable equity interest as at 31 December 2024	2023	Principal activities
Subsidiaries established in the PRC						
Chengdu Yaqing Trading Co., Ltd. (成都亞慶貿易有限責任公司) ("Chengdu Yaqing")	28 October 1994	8,800	8,800	**80%**	80%	Property development
Tianjin Ruiming Real Estate Development Co., Ltd. (天津瑞明房地產開發有限公司) (a)	11 November 2020	30,000	30,000	**100%**	100%	Property development
Wuxi Jinghang Consultant Management Co., Ltd. (無錫璟航諮詢管理有限公司) ("Wuxi Jinghang")	13 November 2020	255,000	255,000	**71%**	71%	Investment holding
Changshu Jiangnan Zhongying Real Estate Property Co., Ltd. (常熟市江南中盈房地產置業有限責任公司) ("Jiangnan Zhongying")	2 April 2011	306,200	306,200	**34%**	34%	Property development
Changshu Jiangnan Guotai Real Estate Property Co., Ltd. (常熟市江南國泰房地產置業有限責任公司) ("Jiangnan Guotai")	15 March 2011	400,000	400,000	**34%**	34%	Property development
Shanghai Youkun Management Consulting Co., Ltd. (上海優昆企業管理有限公司) ("Shanghai Youkun") (c)	19 November 2020	450,000	180,000	**64%**	64%	Investment holding
Changshu Junchun Trading Co., Ltd. (常熟駿淳貿易集團有限公司) ("Changshu Junchun") (c)	4 September 2018	500,000	500,000	**34%**	34%	Investment holding
Taicang Jinghui Consulting Co., Ltd. (太倉璟惠諮詢管理有限公司) ("Taicang Jinghui")	1 April 2017	364,000	364,000	**99%**	99%	Investment holding
Hunan Kunpeng Property Service Co., Ltd. (湖南鯤鵬物業服務有限公司) ("Hunan Kunpeng")	31 March 2005	20,000	20,000	**51%**	51%	Property management
Jiangsu Xinxiang Property Co., Ltd. (江蘇欣祥物業有限公司) ("Jiangsu Xinxiang")	25 January 2008	10,000	5,000	**51%**	51%	Property management
Jiaxing Jinghong Property Co., Ltd. (嘉興璟鴻置業有限公司) ("Jiaxing Jinghong") (c)	20 December 2019	300,000	300,000	**40%**	40%	Property development
Ningbo Meishan Free Trade Port Jingkai investment management Co., Ltd. (寧波梅山保稅港區景凱投資管理有限公司) ("Meishan Jingkai")	21 December 2017	410,000	207,750	**100%**	100%	Investment holding
Ningbo Jingcheng Property Co., Ltd. (寧波景程置業有限公司) ("Ningbo Jingcheng") (a)	2 April 2021	5,000	–	**100%**	100%	Property development
Nanjing Caicheng Property Co., Ltd. (南京彩程置業有限公司) ("Nanjing Caicheng")	18 July 2017	100,000	100,000	**100%**	100%	Property development
Wuhan Ruixuan Real Estate Development Co., Ltd. (武漢瑞軒房地產開發有限公司) ("Wuhan Ruixuan") (c)	19 August 2020	10,000	10,000	**60%**	60%	Property development
Suzhou Jinghan Consulting Management Co., Ltd. (蘇州璟翰諮詢管理有限公司) (c)	28 July 2020	100	100	**66%**	66%	Property management

40 Particulars of principal subsidiaries (continued)

Company name	Date of incorporation/ establishment	Authorised or registered capital RMB'000	Issued and fully paid capital RMB'000	Percentage of attributable equity interest as at 31 December 2024	2023	Principal activities
Subsidiaries established in the PRC						
Taicang Jingchen Consulting Management Co., Ltd. (太倉璟辰諮詢管理有限公司) ("Taicang Jingchen")	1 April 2017	135,494	135,494	**100%**	100%	Investment holding
Tianjin Xuming Property Co., Ltd. (天津旭明房地產開發有限公司) ("Tianjin Xuming")	7 December 2015	170,000	170,000	**100%**	100%	Property development
Jiangsu Shengfeng City service Co., Ltd. (江蘇盛豐城市服務有限公司) ("Changshu Shengfeng")	8 August 2014	1,000	1,000	**70%**	70%	Property management
Tianjin Hesheng Real Estate Development Co., Ltd. (天津和勝房地產開發有限公司) ("Tianjin Hesheng")	5 March 2019	170,000	170,000	**100%**	100%	Property development
Jinhua Jingxi Property Co., Ltd. (金華景熙置業有限公司) ("Jinghua Jingxi") (a)	2 July 2021	10,000	–	**100%**	100%	Property development
Wuhan Yaozhitai Property Co., Ltd. (武漢市耀之泰置業有限公司) ("Wuhan Yaozhitai")	7 December 2020	10,000	10,000	**90%**	90%	Property development
Subsidiaries incorporated in Hong Kong						
Jingrui HK Holdings Limited ("EI HK") (b)	25 June 2007	USD10	USD10	**100%**	100%	Property and investment holding
Sincere Paragon Limited	5 February 2013	HKD380,000	HKD380,000	**100%**	100%	Investment holding
Subsidiaries incorporated in BVI						
Faithful Gem Limited	18 September 2013	USD50,000	–	**100%**	100%	Investment holding
Natural Apex Limited	9 January 2013	USD50,000	USD50,000	**100%**	100%	Investment holding

(a) Certain equity interests in the subsidiaries of the Company were pledged for trust financing arrangement as at 31 December 2024 and 2023 (Note 19). For details, please refer to the table below:

	As at 31 December 2024	2023
Percentage of equity interests in Tianjin Ruiming	**–**	100%
Percentage of equity interests in Tianjin Ruisheng	**100%**	100%
Percentage of equity interests in Ningbo Jingcheng	**100%**	100%
Percentage of equity interests in Jinghua Jingxi	**100%**	100%
Percentage of equity interests in Yangzhou Jingxiao	**100%**	100%
Percentage of equity interests in Shanghai Hutai	**100%**	100%
Percentage of equity interests in Chongqing Jiuruixin	**100%**	100%

40 Particulars of principal subsidiaries (continued)

(b) The companies are investment holding companies without any business other than the holding of 20.3% equity interests in Jingrui Properties. They were acquired by the Group in April 2013 for the purpose of the reorganisation.

(c) As at 31 December 2024, the Group owned 50% equity interests in Suzhou Ailide, 40% equity interests in Wuhan Jiayuan, 40% equity interests in Wuhan Yanzhuo, 30% equity interests in Shanghai Shenran, 30% equity interests in Shanghai Guicui, 60% equity interests in Wuhan Ruiyue, 60% equity interests in Wuhan Botongshirong, 60% equity interests in Wuhan Ruiqian, 60% equity interests in Wuhan Ruixuan, 40% equity interests in Jiaxing Jinghong, 34% equity interests in Changshu Junchun, 50% equity interests in Hangzhou Xiaoying, 65% equity interests in Shanghai Xiaoyi, 65% equity interests in Ningbo Jingshen, 64% equity interests in Shanghai Youkun, 38% equity interests in Shanghai Youshuo and 66% equity interests in Suzhou Jinghan.

The directors of the Group consider that the Group has effective control over the above-mentioned companies, because according to agreements between the Group and other shareholders of these companies, other shareholders of these companies follow the Group on all substantive decision on the operating and financing policies during the life of these companies.

(d) Summarised financial information on subsidiaries with non-controlling interests material to the Group.

The non-controlling interests of the Group are as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Non-controlling interests for		
– Ningbo Xiangjun	**17,126**	17,160
– Wuhan Ruiqian	**57,741**	71,616
– Wuhan Jiayuan	**601,930**	633,297
– Shanghai Guicui	**699,993**	699,994
– Shanghai Shenran	**699,993**	699,994
– Tianjin Ruijun	**–**	169,955
– Wuhan Yanzhuo	**141,964**	143,679
– Taicang Jinghui	**3,113**	3,460
– Shanghai Huajiang	**63,981**	64,247
– Jiaxing Jinghong	**212,461**	219,119
– Changshu Junchun	**332,263**	447,507
– Wuxi Jinghang	**47,906**	62,253
– Shanghai Youkun	**169,746**	142,989
– Shanghai Youshuo	**194,496**	194,496
– Suzhou Jinghan	**126,822**	143,148
– Other subsidiaries	**182,416**	339,301
	3,551,951	4,052,215

41 Balance sheet and reserve movements of the Company

Balance sheet of the Company

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
ASSETS		
Non-current assets		
Investments in subsidiaries	**2,520,888**	2,659,129
Financial assets at fair value through profit or loss	**63,670**	159,175
	2,584,558	2,818,304
Current assets		
Amounts due from subsidiaries	**5,251,399**	5,252,521
Cash at bank and on hand	**406**	436
Trade and other receivables and prepayments	**225,490**	225,449
Financial assets at fair value through profit or loss	**5,105**	22,098
	5,482,400	5,500,504
Total assets	**8,066,958**	8,318,808
OWNERS' EQUITY		
Capital and reserves attributable to equity holders of the Company		
Share capital	**87,813**	87,813
Reserves (Note (a))	**(6,550,826)**	(5,855,960)
Total losses	**(6,463,013)**	(5,768,147)
LIABILITIES		
Current liabilities		
Trade and other payables	**2,082,550**	1,791,135
Amounts due to subsidiaries	**2,590,256**	2,396,896
Amounts due to a related party	**18,521**	18,124
Borrowings	**9,838,644**	9,880,800
	14,529,971	14,086,955
Total liabilities	**14,529,971**	14,086,955
Total equity and liabilities	**8,066,958**	8,318,808

The balance sheet of the Company was approved by the Board of Directors on 28 March 2025 and was signed on its behalf by:

Yan Hao
Director

Chen Chao
Director

41 Balance sheet and reserve movements of the Company (continued)

(a) Reserve movements of the Company

	Share premium RMB'000	Treasury shares RMB'000	Share award scheme RMB'000	Share option scheme RMB'000	Contributed surplus RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Total RMB'000
Balance at 1 January 2024	**424,007**	**–**	**83,978**	**3,197**	**1,115,742**	**(2,364)**	**(7,480,520)**	**(5,855,960)**
Comprehensive loss								
Loss for the year 2024	–	–	–	–	–	–	(694,866)	(694,866)
Other comprehensive income	–	–	–	–	–	–	–	–
Total comprehensive loss for the year 2024	–	–	–	–	–	–	(694,866)	(694,866)
Balance at 31 December 2024	**424,007**	**–**	**83,978**	**3,197**	**1,115,742**	**(2,364)**	**(8,175,386)**	**(6,550,826)**
Balance at 1 January 2023	424,007	(4,333)	88,311	3,197	1,115,742	(2,364)	(6,485,303)	(4,860,743)
Comprehensive loss								
Loss for the year 2023	–	–	–	–	–	–	(995,217)	(995,217)
Other comprehensive income	–	–	–	–	–	–	–	–
Total comprehensive loss for the year 2023	–	–	–	–	–	–	(995,217)	(995,217)
Transactions with owners								
Share award scheme (Note 31)	–	4,333	(4,333)	–	–	–	–	–
Balance at 31 December 2023	424,007	–	83,978	3,197	1,115,742	(2,364)	(7,480,520)	(5,855,960)

42 Events after the reporting period

Save as disclosed below, there is no other material subsequent event undertaken by the Group after 31 December 2024.

A winding-up petition (the "Petition") was filed by China CITIC Financial AMC International Holdings Limited (the "Petitioner") on 10 October 2024 at the High Court of the Hong Kong Special Administrative Region (the "High Court") against the Company, on the ground that the Company is indebted to the Petitioner as guarantor in relation to a loan facility owing by Natural Apex Limited (a wholly-owned subsidiary of the Company) as the borrower in the principal amount of approximately US$108 million, plus accrued interest and penalty interest. The Petition was scheduled to be heard before the High Court on 18 December 2024. On 18 December 2024, the High Court ordered the hearing of the Petition to be adjourned to 22 January 2025. At the hearing of the Petition on 22 January 2025, the High Court ordered the hearing of the Petition to be further adjourned to 19 February 2025. At the hearing of the Petition on 19 February 2025, the High Court ordered the hearing of the Petition to be further adjourned to 22 April 2025. For details in relation to the winding-up petition and adjournment of the petition hearing against the Company, please refer to the announcements of the Company dated 15 October 2024, 18 December 2024, 22 January 2025 and 19 February 2025, respectively.

The filing of the Petition does not represent the successful winding up of the Company by the Petitioner. No winding up order has been granted by the High Court to wind up the Company as at the date of this report.

The Company will strongly oppose the Petition and take all necessary measures to protect the Company's legal rights. The Company will make further announcement(s) to keep its shareholders and investors informed of any significant developments in relation to the Petition as appropriate and as required under the Listing Rules.

43 Authorisation for issue of the consolidated financial statements

The consolidated financial statements were approved and authorised for issue by the board of directors of the Company on 28 March 2025.

Five-Year Financial Information

1 Key data of income statement

	2020 RMB'000	2021 RMB'000	2022 RMB'000	2023 RMB'000	**2024** **RMB'000**
Revenue	12,782,429	13,551,644	7,907,906	7,294,475	**5,906,400**
Cost of sales	(10,278,382)	(11,111,689)	(7,792,740)	(6,830,159)	**(6,158,911)**
Gross profit/(loss)	2,504,047	2,439,955	115,166	464,316	**(252,511)**
Fair value gains/(losses) of investment properties under capital platform	56,687	37,908	(175,252)	(100,298)	**(144,910)**
Fair value (losses)/gains on investment properties under other platform	(17,000)	1,000	–	(6,000)	**(149,000)**
Selling and marketing costs	(522,334)	(580,343)	(560,455)	(320,980)	**(350,191)**
Administrative expenses	(664,564)	(650,866)	(922,511)	(310,838)	**(666,973)**
Other income	223,121	20,574	20,210	16,049	**8,232**
Other gains or losses – net	327,373	196,213	(623,219)	(453,969)	**(862,248)**
Operating profit/(loss)	1,907,330	1,464,441	(2,146,061)	(711,720)	**(2,417,601)**
Finance income	1,013,552	590,338	299,290	17,052	**1,156**
Finance costs	(752,519)	(859,158)	(2,129,418)	(915,504)	**(873,090)**
Finance income/(costs) – net	261,033	(268,820)	(1,830,128)	(898,452)	**(871,934)**
Share of results of joint ventures	40,609	(189,355)	(82,859)	(111,518)	**(16,548)**
Share of results of associates	130,034	33,992	(32,393)	6,178	**(27,936)**
Profit/(loss) before income tax	2,339,006	1,040,258	(4,091,441)	(1,715,512)	**(3,334,019)**
Income tax (expense)/credit	(1,065,502)	(646,445)	(186,439)	(125,819)	**88,962**
Profit/(loss) for the year	1,273,504	393,813	(4,277,880)	(1,841,331)	**(3,245,057)**
Attributable to:					
Equity holders of the Company	958,092	127,543	(4,269,792)	(1,721,220)	**(3,003,782)**
Non-controlling interests	315,412	266,270	(8,088)	(120,111)	**(241,275)**
	1,273,504	393,813	(4,277,880)	(1,841,331)	**(3,245,057)**

2 Key data of financial position

	2020 RMB'000	2021 RMB'000	2022 RMB'000	2023 RMB'000	**2024** **RMB'000**
Total non-current assets	12,108,187	11,097,427	10,204,815	9,049,531	**7,960,355**
Total current assets	56,211,056	52,152,316	36,905,029	30,458,029	**22,657,418**
Total assets	68,319,243	63,249,743	47,109,844	39,507,560	**30,617,773**
Total non-current liabilities	13,858,588	13,001,227	6,280,466	5,597,115	**3,504,629**
Total current liabilities	43,163,789	39,011,524	34,430,681	29,705,622	**26,428,405**
Total liabilities	57,022,377	52,012,751	40,711,147	35,302,737	**29,933,034**
Total equity attributable to:					
Equity holders of the Company	6,166,547	6,038,491	1,793,672	152,608	**(2,867,212)**
Non-controlling interests	5,130,319	5,198,501	4,605,025	4,052,215	**3,551,951**
Total equity	11,296,866	11,236,992	6,398,697	4,204,823	**684,739**

景瑞控股
JINGRUI HOLDINGS