港龍中國地產
GANGLONG CHINA PROPERTY

Ganglong China Property Group Limited
港龍中國地產集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6968)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS

- Revenue for the year ended 31 December 2024 amounted to approximately RMB8,254 million, representing a year-on-year decrease of approximately 53% as compared to the year ended 31 December 2023.

- Net loss for the year ended 31 December 2024 amounted to approximately RMB982 million (2023: net profit of RMB718 million).

- Selling and marketing expenses and general and administrative expenses for the year ended 31 December 2024 amounted to approximately RMB184 million and RMB213 million, representing a year-on-year decrease of approximately 50% and 32% respectively, as compared to the year ended 31 December 2023.

- Bank and other borrowings of the Group as at 31 December 2024 amounted to approximately RMB4,552 million, representing a year-on-year decrease of approximately 6% as compared to 31 December 2023.

The board (the "**Board**") of directors (the "**Directors**") of Ganglong China Property Group Limited (the "**Company**") is pleased to announce the consolidated annual results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2024 with the comparative figures for the year ended 31 December 2023 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	**2024** *RMB'000*	2023 *RMB'000*
Revenue	*3*	**8,254,197**	17,579,219
Cost of sales		**(8,379,528)**	(15,190,430)
Gross (loss)/profit		**(125,331)**	2,388,789
Other income and other gains, net		**10,560**	27,058
Selling and marketing expenses	*4*	**(184,024)**	(368,347)
General and administrative expenses	*4*	**(213,403)**	(311,782)
Fair value loss on investment properties		**(14,500)**	(30,020)
Provision for impairment of financial assets		**(44,780)**	(56,145)
Operating (loss)/profit		**(571,478)**	1,649,553
Finance income		**4,493**	12,738
Finance costs		**(93,631)**	(92,125)
Finance costs, net	*5*	**(89,138)**	(79,387)
Share of results of joint ventures and associates		**(18,996)**	(24,029)
(Loss)/profit before income tax		**(679,612)**	1,546,137
Income tax expenses	*6*	**(302,544)**	(827,694)
(Loss)/profit and total comprehensive (expenses)/ income for the year		**(982,156)**	718,443
(Loss)/profit and total comprehensive (expenses)/ income attributable to:			
Owners of the Company		**(658,244)**	147,972
Non-controlling interests		**(323,912)**	570,471
		(982,156)	718,443
(Loss)/earning per share attributable to owners of the Company (expressed in RMB per share)			
– Basic and diluted	*7*	**(0.41)**	0.09

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	2024 RMB'000	2023 RMB'000
Assets			
Non-current assets			
Property, plant and equipment		**56,828**	70,991
Investment properties		**138,500**	153,000
Investments accounted for using the equity method		**1,321,238**	1,340,234
Deferred income tax assets		**173,504**	249,301
		1,690,070	1,813,526
Current assets			
Properties under development		**11,082,948**	17,705,994
Completed properties held for sale		**2,794,819**	3,509,779
Trade and other receivables and prepayments	*8*	**2,452,882**	2,308,387
Amounts due from associates		**131,078**	124,229
Amounts due from joint ventures		**248,624**	155,181
Amounts due from non-controlling interests		**3,827,435**	3,317,373
Tax recoverable		**247,422**	837,770
Restricted cash		**572,918**	1,120,284
Pledged time deposits		**11**	145,711
Cash and cash equivalents		**265,777**	570,167
		21,623,914	29,794,875
Total assets		**23,313,984**	31,608,401

	Notes	**2024** *RMB'000*	2023 *RMB'000*
Equity			
Capital and reserves attributable to the owners of the Company			
Share capital	*10*	**14,838**	14,838
Reserves		**3,420,602**	4,078,846
		3,435,440	4,093,684
Non-controlling interests		**4,642,701**	7,254,502
Total equity		**8,078,141**	11,348,186
Liabilities			
Non-current liabilities			
Borrowings		**1,630,522**	2,027,230
Deferred income tax liabilities		**214,469**	291,945
Lease liabilities		**39,587**	48,200
		1,884,578	2,367,375
Current liabilities			
Trade payables, bills payables and other payables	*9*	**3,469,824**	2,793,683
Lease liabilities		**8,613**	8,018
Contract liabilities		**2,746,401**	8,694,513
Amounts due to associates		**690,272**	736,644
Amounts due to joint ventures		**554,774**	532,942
Amounts due to non-controlling interests		**2,506,995**	1,918,756
Tax payable		**452,968**	411,657
Borrowings		**2,921,418**	2,796,627
		13,351,265	17,892,840
Total liabilities		**15,235,843**	20,260,215
Total equity and liabilities		**23,313,984**	31,608,401

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 8 October 2018 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands. The principal place of business of the Company and its subsidiaries (collectively referred to as the "**Group**") in the People's Republic of China (the "**PRC**") is located at No. 11 Building, Portmix South District, No. 2177 Shenkun Road, Minhang District, Shanghai, PRC. The principal place of business of the Company in Hong Kong is located at Unit 1201, 12/F, C C Wu Building, 302-308 Hennessy Road, Wan Chai, Hong Kong.

The Company is an investment holding company. The Group is principally engaged in the development of real estate projects in the PRC. The Company's shares were listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 15 July 2020.

The consolidated financial statements are presented in Renminbi ("**RMB**"), unless otherwise stated.

The consolidated financial statements have been approved for issue by the Board of the Company on 28 March 2025.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622 ("**HKCO**"). The consolidated financial statements have been prepared under the historical cost convention, except as modified by financial assets at fair value through profit or loss and investment properties which are measured at fair value.

The preparation of the consolidated financial statements in conformity 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. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements.

(a) ***Amendments to HKFRSs that are mandatory effective for current year***

In current year, the Group has applied the following new and revised to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") for the first time, which are mandatorily effective for annual periods beginning on a after 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 adoption of the above new and amendments to standards did not have significant financial impact on the consolidated financial statements.

(b) ***New and amendments to HKFRSs in issue but not yet effective***

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[3]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[3]
Amendments to HKAS 21	Lack of Exchangeability[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[4]

1 Effective for annual periods beginning on or after a date to be determined.
2 Effective for annual periods beginning on or after 1 January 2025.
3 Effective for annual periods beginning on or after 1 January 2026.
4 Effective for annual periods beginning on or after 1 January 2027.

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions, except for the adoption of HKFRS 18 as stated in Note 2(d).

(c) Going concern basis

The Group recorded a net loss of RMB982,156,000 for the year ended 31 December 2024. As at 31 December 2024, (i) the Group's total interest-bearing bank and other borrowings and senior notes amounted to RMB4,551,940,000, out of which RMB2,921,418,000 will be due for repayment within the next twelve months, while its total bank balance and cash (including restricted cash and pledged time deposit) amounted to RMB838,706,000; (ii) an aggregate principal amount of RMB192,991,000 of interest-bearing bank and other borrowings had not been repaid according to their scheduled repayment dates, triggering (a) an event of default for senior notes of RMB1,281,556,000; and (b) certain interest-bearing bank and other borrowings amounting to RMB931,740,000 becoming repayable on demand.

The above conditions indicated the existence of material uncertainties which may cast significant doubt over the Group's ability to continue as a going concern. In view of such circumstances, the directors of the Company have undertaken a number of plans and measures to improve the Group's liquidity and financial position, including:

(a) the Group has been actively negotiating with the major noteholder of the Group's senior notes, who is interested in 89.7% of the Group's outstanding senior notes, with a view to waiving the event of default resulted from the non-payment of an onshore loan. As at date of this announcement, the Company has not received any acceleration notice in connection therewith from the trustee and holders of its senior notes;

(b) the Group has been actively negotiating with the Group's existing onshore debt holders to seek renewal or extension for repayment of the Group's bank and other borrowings;

(c) the Group will continue to seek other alternative financing and borrowings to finance the settlement of its existing financial obligations and future operating and capital expenditures;

(d) the Group has prepared a business strategy plan focusing on the acceleration of the sales of properties;

(e) the Group has implemented measures to speed up the collection of outstanding sales proceeds and effectively control costs and expenses;

(f) the Group will continue to negotiate with construction contractors and other parties to resolve any claims and disputes; and

(g) the Group will continue to seek suitable opportunities to dispose of its equity interests in certain project development companies in order to generate additional cash inflows.

The directors of the Company are of the opinion that, taking into account the above plans and measures, the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due within the following twelve months from 31 December 2024. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare the consolidated financial statements of the Group for the year ended 31 December 2024 on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the management of the Group will be able to implement the aforementioned plans and measures. Whether the Group will be able to continue as a going concern will depend upon the Group's ability to generate adequate financing and operating cash flows through the following:

(i) successfully negotiate with the major noteholder of the Group's senior notes, who is interested in 89.7% of the Group's outstanding senior notes, to obtain a waiver of event of default;

(ii) successfully negotiate with the Group's existing onshore debt holders for the renewal or extension for repayment of the Group's bank and other borrowings;

(iii) successfully obtain additional new sources of financing as and when needed;

(iv) successfully carry out the Group's business strategy plan including the acceleration of the sales of properties;

(v) successfully implement measures to speed up the collection of outstanding sales proceeds and effectively control costs and expenses;

(vi) successfully resolve the claims and disputes with construction contractors and other parties; and

(vii) successfully dispose of the Group's equity interests in project development companies when suitable.

Should the Group be unable to operate as a going concern, adjustments may have to be made to write down the carrying values of 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 effect of these adjustments has not been reflected in the consolidated financial statements.

(d) ***HKFRS 18 Presentation and Disclosure in Financial Statements***

HKFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

The executive directors of the Company (the "**Executive Directors**") have been identified as the chief operating decision-maker. Management determines the operating segments based on the Group's internal reports, which are then submitted to the Executive Directors for performance assessment and resources allocation.

The Executive Directors assess the performance of the operating segment based on a measure of (loss)/profit before income tax and regard these to be only one operating segment – property development. Accordingly, segment disclosures are not presented. No geographical segment analysis is presented as the majority of the assets and operation of the Group are located in Mainland China, which is considered as one geographical location in an economic environment with similar risk and returns.

For the years ended 31 December 2024 and 2023 there was no transaction with a single external customer that amounted to 10% or more of the Group's revenue.

The revenue from contracts with customers recognised during the years ended 31 December 2024 and 2023 are sales of properties in the PRC, all of which were recognised at a point in time.

The revenue from external parties is derived from numerous external customers and the revenue reported to the Executive Directors is measured in a manner consistent with that in the consolidated financial statements.

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Sales of properties	**8,254,197**	17,579,219

4. EXPENSES BY NATURE

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Cost of properties sold – including construction cost, land cost, capitalised interest expenses	**7,753,001**	14,430,210
Provision for impairment of properties under development and completed properties held for sale (included in cost of sales)	**609,886**	670,566
Other taxes and surcharges	**16,641**	89,654
Employee benefit expenses	**110,594**	202,188
Management and consulting services fee	**45,339**	58,037
Donation	**–**	237
Advertising and promotion expenses	**51,174**	119,191
Office expenses	**53,935**	62,340
Depreciation on property, plant and equipment and right-of-use assets	**21,888**	26,836
Entertainment expenses	**14,023**	26,913
Expenses related to short-term and low-value leases	**–**	3,704
Recruitment fee	**–**	88
Motor vehicle expenses	**1,171**	5,446
Auditors' remuneration		
– Audit services	**1,020**	3,000
– Non-audit services	**–**	–
Legal and professional service fees	**12,246**	24,898
Travelling and transportation expenses	**3,654**	6,363
Sales commission	**64,266**	139,039
Others	**18,117**	1,849
Total cost of sales, selling and marketing expenses and general and administrative expenses	**8,776,955**	15,870,559

5. FINANCE COSTS, NET

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Finance income		
– Interest income from bank deposits	**(4,493)**	(12,738)
Finance costs		
– Bank and other borrowings	**388,531**	535,108
– Amount due to associates and a joint venture	**31,430**	13,098
– Amounts due to non-controlling interests	**–**	757
– Lease liabilities	**3,921**	4,558
– Less: capitalised interest	**(330,251)**	(461,396)
	93,631	92,125
Finance costs, net	**89,138**	79,387

6. INCOME TAX EXPENSES

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Current income tax:		
– PRC corporate income tax	**267,474**	534,196
– PRC land appreciation tax	**36,749**	86,533
	304,223	620,729
Deferred income tax	**(1,679)**	206,965
	302,544	827,694

PRC corporate income tax

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

The corporate income tax rate applicable to the group entities located in Mainland China is 25% according to the Corporate Income Tax Law of the People's Republic of China (the "**CIT Law**").

PRC land appreciation tax ("LAT")

Pursuant to the requirements in relation to LAT in the PRC, all income from the sale or transfer of state-owned land use rights, building and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, with an exemption provided for sales of ordinary residential properties if their appreciation values do not exceed 20% of the sum of the total deductible items.

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

PRC withholding tax

Pursuant to the Detailed Implementation Regulations for implementation of the Corporate Income Tax Law issued on 6 December 2017, dividends distributed from the profits generated by the PRC companies after 1 January 2008 to their foreign investors shall be subject to this withholding income tax of 10%, a lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are incorporated in Hong Kong and fulfill the requirements to the tax treaty arrangements between the PRC and Hong Kong.

On 21 December 2020 and 2 June 2023, the immediate holding companies of the PRC subsidiaries have obtained the Certificate of Resident Status from the Inland Revenue Department and fulfill the requirements to the tax treaty arrangements between the PRC and Hong Kong. Therefore, a lower 5% withholding tax rate shall be applied to dividend distribution thereafter.

7. (LOSS)/EARNING PER SHARE

(a) Basic

Basic (loss)/earning per share is calculated by dividing the (loss)/profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the respective years.

	Year ended 31 December	
	2024	2023
(Loss)/profit attributable to owners of the Company *(RMB'000)*	**(658,244)**	147,972
Weighted average number of ordinary shares in issue *(in thousand)*	**1,621,799**	1,621,799
Basic (loss)/earning per share *(RMB)*	**(0.41)**	0.09

(b) Diluted

The Company did not have any potential dilutive shares outstanding during the years ended 31 December 2024 and 2023. Accordingly, diluted (loss)/earning per share is the same as the basic (loss)/earning per share.

8. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Trade receivables from third parties *(Note (a))*	**131,309**	42,011
Other receivables	**796,287**	780,026
Prepayments	**1,525,286**	1,486,350
	2,452,882	2,308,387

The carrying amounts of the trade and other receivables and prepayments approximate their fair values and are denominated in RMB.

(a) Trade receivables from third parties

Trade receivables mainly arise from sales of properties. Proceeds in respect of sales of properties are generally received in accordance with the terms stipulated in the sale and purchase agreements. There is generally no credit period granted to the property purchasers.

Ageing analysis of the trade receivables based on invoice dates is as follows:

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
0–30 days	**131,309**	42,011

As at 31 December 2024, trade receivables of RMB131,309,000 (2023: RMB42,011,000) were overdue but not impaired.

For these past due trade receivables, the Group has assessed the expected credit losses by considering historical loss experiences, existing market conditions and forward-looking information. Based on the assessment, expected credit loss rate of trade receivables is close to zero. Therefore, the loss allowance provision for these receivables balances was not material.

9. TRADE PAYABLES, BILLS PAYABLES AND OTHER PAYABLES

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Trade payables *(Note (a))*	**3,210,536**	2,581,193
Bills payables	**3,021**	5,941
Other payables	**256,267**	206,549
	3,469,824	2,793,683

(a) The ageing analysis of the trade payables based on invoice dates or contractual terms is as follows:

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
0–30 days	**677,840**	1,996,901
31–60 days	**500,004**	380,853
61–90 days	**500,678**	202,113
Over 90 days	**1,532,014**	1,326
	3,210,536	2,581,193

10. SHARE CAPITAL

	Number of shares	**Share capital**
		HK$
Authorised:		
At 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	10,000,000,000	100,000,000

	Number of shares	**Share capital**
		RMB'000
Issued:		
At 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	1,621,799,000	14,838

11. DIVIDEND

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

GENERAL OVERVIEW

Ganglong China Property is an established property developer in China. The Company was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (Stock Code: 6968.HK) by way of the Global Offering on 15 July 2020. This marked an important milestone in the development of the Company.

Headquartered in Shanghai, the Group is an active real estate developer in China. Adhering to our core value of "striving for innovation, building with integrity", the Group believes that we have developed splendid reputation in our market for constant innovation, excellent quality of our various products and credibility.

Despite the supportive policies introduced by the PRC Central Government, the Group had experienced another very difficult year in 2024. Nevertheless, the Group managed to achieve contracted sales of approximately RMB5,409 million for the year ended 31 December 2024.

In the coming year, the Group will continue to find opportunities. We will make progress in the development of the business development of the Group to reward our shareholders.

BUSINESS REVIEW

The Group derives its revenue primarily from sales of properties. For the year ended 31 December 2024, the Group recorded a total revenue of approximately RMB8,254 million.

Contracted sales

For the year ended 31 December 2024, including those of joint ventures and associates, the Group recorded unaudited contracted sales of approximately RMB5,409 million. Contracted gross floor area ("**GFA**") sold was approximately 529,789 sq.m. The average selling price ("**ASP**") of our contracted sales for the year ended 31 December 2024 was approximately RMB10,210 per sq.m.

As of 31 December 2024, the Group had contract liabilities of approximately RMB2,746 million.

Sales of properties

For the year ended 31 December 2024, the Group recognised the revenue from sales of properties of approximately RMB8,254 million. The Group recognised total GFA of approximately 753,249 sq.m.

The following table sets out the recognised sales and GFA sold by type of properties and city for the year ended 31 December 2024:

	Recognised GFA *sq.m.*	Recognised ASP *RMB/sq.m.*	Recognised revenue *RMB'000*
Residential, retail and commercial			
Shaoxing	107,053	13,009	1,392,679
Huaian	96,293	9,779	941,620
Taizhou	77,472	10,925	846,355
Yancheng	83,039	8,470	703,368
Wuhu	83,741	7,446	623,559
Fuyang	66,249	8,903	589,799
Nanjing	49,849	11,067	551,669
Hefei	51,868	10,599	549,757
Foshan	33,355	13,447	448,523
Yangzhou	44,999	8,645	389,002
Suzhou	21,948	13,450	295,202
Haian	22,042	12,148	267,762
Huangshang	15,341	10,596	162,546
Car parks and garage/storage and other remaining units			492,356
Total	753,249	10,958	8,254,197

Land reserves

As of 31 December 2024, the Group (together with its joint ventures and associates) had 55 projects with land reserves amounting to approximately 4,018,441 sq.m., of which 48 projects were located in cities in the Yangtze River Delta region.

The following table sets out the GFA breakdown of the total land reserve of our Group by provinces or cities as of 31 December 2024:

Provinces/Cities	**Total land reserve[1]** *(sq.m.)*	**Percentage of total land bank** *(%)*
Guangdong	1,606,729	40
Jiangsu	1,216,102	30
Anhui	592,186	15
Guizhou	267,212	7
Zhejiang	154,747	4
Henan	140,176	3
Sichuan	26,504	1
Shanghai	14,785	0
Total	4,018,441	100

Notes:

(1) Total land reserve equals to the sum of (i) total GFA available for sale and total leasable GFA for completed properties; (ii) total GFA for properties under development; and (iii) total GFA for properties held for future development.

(2) For projects developed by our subsidiaries, joint ventures or associated companies, 100% of total GFA are accounted for the respective projects.

FINANCIAL REVIEW

Overall performance

During the year ended 31 December 2024, total revenue of the Group was approximately RMB8,254 million. Gross loss and net loss of the Group were approximately RMB125 million and RMB982 million, for the year ended 31 December 2024.

Revenue

For the year ended 31 December 2024, the Group recorded a total revenue of approximately RMB8,254 million. representing a year-on-year decrease of approximately 56%. The decrease was primarily attributable to lower contracted sales and recognition of properties sold.

Cost of sales

The cost of sales of the Group mainly represents the costs incurred directly for sale of properties, which comprised construction costs, land costs, capitalised interest and impairment recognised for properties under development and completed properties held for sale.

For the year ended 31 December 2024, the cost of sales of the Group was approximately RMB8,380 million (2023: RMB15,190 million), including a provision for impairment recognised for properties under development and completed properties held for sale of approximately RMB610 million (2023: RMB671 million).

Gross loss

For the year ended 31 December 2024, the gross loss of the Group was approximately RMB125 million. Gross profit margin was primarily affected by the selling prices, the construction costs and land costs of our properties delivered. For the year ended 31 December 2024, the Group recorded a gross loss margin of approximately 2% as compared to gross profit margin of approximately 14% in 2023. The change in the margin was mainly due to the decrease in selling prices of our properties delivered.

Other income and other gains, net

The Group had other income of approximately RMB11 million for the year ended 31 December 2024, as compared to income of approximately RMB27 million for the year ended 31 December 2023.

During the year ended 31 December 2024, it primarily consisted of rental, management and consulting service income of approximately RMB26 million netted off by charges for tax payment extension of approximately RMB8 million and compensation in relation to delivery of properties of approximately RMB9 million (2023: rental, management and consulting service income of approximately RMB40 million netted off by loss on disposal of a subsidiary of approximately RMB13 million).

The management and consulting services mainly comprise the assignment of staff and personnel to support the operation of the relevant project companies including but not limited to services with respect to managerial, operational, financial and marketing aspects and are provided exclusively to the Group's joint ventures and associates in relation to the property development projects.

Selling and marketing expenses

The Group's selling and marketing expenses decreased by approximately 50% year-on-year from approximately RMB368 million for the year ended 31 December 2023 to approximately RMB184 million for the year ended 31 December 2024. The decrease was attributable to the decrease in recognition of properties sold and sales commission, the better control measures in marketing and advertising costs and the reduction in staff costs.

General and administrative expenses

The Group's general and administrative expenses decreased by approximately 32% year-on-year from approximately RMB312 million for the year ended 31 December 2023 to approximately RMB213 million for the year ended 31 December 2024. The decrease in general and administrative expenses was primarily due to further organisation streamlining to lift efficiency at a lower cost.

Fair value loss on investment properties

The Group develops and holds certain retail units for rental income and/or capital appreciation. The fair value loss on investment properties amounted to approximately RMB15 million for the year ended 31 December 2024 (2023: RMB30 million).

Provision for impairment of financial assets

For the year ended 31 December 2024, impairment of financial assets amounted to approximately RMB45 million, which was mainly due to the Group's provision for other receivables and balances with associates and joint ventures after the assessment of expected credit losses by considering historical loss experiences, existing market conditions and forward looking information (2023: RMB56 million).

Finance costs – net

Net finance costs of the Group increased by approximately 13% year on-year from approximately RMB79 million for the year ended 31 December 2023 to approximately RMB89 million for the year ended 31 December 2024. The increase was due to the lower average cash balances to generate finance income.

Share of results of joint ventures and associates

The Group accounts for the results of joint ventures and associates using the equity method, which mainly represent the share of profits related to the projects delivered during the relevant period that have been offset by losses incurred by other joint ventures and associates.

Share of results of joint ventures and associates was approximately a loss of RMB19 million and RMB24 million for the years ended 31 December 2024 and 2023, respectively. The change was in line with the decrease in revenue from sales of properties of the joint ventures and associates.

Income tax expenses

Income tax expenses decreased by approximately 63% from approximately RMB828 million for the year ended 31 December 2023 to approximately RMB303 million for the year ended 31 December 2024, which was in line with the decrease in revenue from sales of properties.

Loss and total comprehensive expenses for the year

The Group's loss and total comprehensive expenses was approximately RMB982 million for the year ended 31 December 2024 (2023: profit and total comprehensive income of RMB718 million). The loss attributable to owners of the Company was approximately RMB658 million for the year ended 31 December 2024 (2023: profit attributable to owners of the Company of RMB148 million).

The basic and diluted loss per share of the Company was RMB0.41 per share for the year ended 31 December 2024 (2023: basic and diluted earnings of RMB0.09 per share).

Liquidity and financial resources

The Group has always pursued a prudent treasury management policy and actively manages its liquidity position to cope with daily operation and demands for capital for future development.

During the year ended 31 December 2024, the Group had mainly financed its working capital, capital expenditure and other capital requirements primarily through cash generated from operations, including proceeds from the pre-sale and sales of our properties.

As of 31 December 2024, the Group had total cash (including restricted cash, pledged time deposits and cash and cash equivalents) of approximately RMB839 million (as at 31 December 2023: approximately RMB1,836 million).

During the year ended 31 December 2024, the aggregate new borrowings obtained by the Group amounted to approximately RMB208 million and repayment of borrowings was approximately RMB480 million. As of 31 December 2024, the Group's total bank and other borrowings amounted to approximately RMB4,552 million, representing a decrease of approximately 6% as compared to approximately RMB4,824 million as of 31 December 2023. Amongst bank and other borrowings, approximately RMB2,921 million (as at 31 December 2023: approximately RMB2,797 million) will be repayable within one year and approximately RMB1,631 million (as at 31 December 2023: approximately RMB2,027 million) will be repayable after one year. An aggregate principal amount of approximately RMB193 million of interest-bearing bank and other borrowings had not been repaid according to their scheduled repayment dates, triggering (a) an event of default for senior notes of approximately RMB1,282 million; and (b) certain interest-bearing bank and other borrowings amounting to RMB932 million becoming repayable on demand. Details of the going concern basis and plans and measures to improve the Group's liquidity and financial position are disclosed in Note 2(c) in the consolidated financial statements of this announcement.

Senior notes

On 6 November 2023, all of the outstanding senior notes of approximately principal amount of US$145 million was redeemed in full, and the redemption price was paid in kind with new notes issued in an aggregate principal amount of US$164,411,875 which bear interest at a fixed rate of 9.5% per annum, payable annually in arrears (the "**2024 Senior Notes**").

On 18 November 2024, all of the outstanding 2024 Senior Notes was redeemed in full, and the redemption price was paid in kind with new notes issued in an aggregate principal amount of US$180,551,641 which bear interest at a fixed rate of 9.5% per annum, payable semi-annually in arrears.

As at 31 December 2024, an aggregate principal amount of approximately RMB193 million of interest-bearing bank and other borrowings had not been repaid according to their scheduled repayment dates, triggering an event of default for senior notes. The Group has been actively negotiating with the major noteholder of the Group's senior notes, who is interested in 89.7% of the Group's outstanding senior notes, with a view to waiving the event of default resulted from the non-payment of an onshore loan. As at date of this announcement, the Company has not received any acceleration notice in connection therewith from the trustee and holders of its senior notes.

Key financial ratios

As of 31 December 2024, the Group's net gearing ratio (calculated as the total borrowings net of restricted cash, pledged time deposits and cash and cash equivalents divided by total equity) was 46% (as at 31 December 2023: 26%). As of 31 December 2024, the Group's liabilities to assets ratio after excluding contract liabilities was approximately 61% (as at 31 December 2023: 50%). As of 31 December 2024, the Group's total cash to short term debt ratio (calculated as cash and bank balances divided by short term bank and other borrowings) was 0.3 times (as at 31 December 2023: 0.7 times). The Group will continue to manage its working capital efficiently through working capital management policies and continue to utilise the Group's available financial resources including proceeds from sales and pre-sales of property projects, draw down of banking facilities and other borrowings and optimise the payment schedule to contractors through negotiation based on the latest construction progress.

The Group's current ratio is calculated based on its total current assets divided by its total current liabilities as of the respective dates. The Group's current ratio had decreased from approximately 1.67 times as of 31 December 2023 to approximately 1.62 times as of 31 December 2024. The current ratio was maintained at a stable level throughout the years.

Foreign exchange risk

The Group mainly operates its business in China. Other than the offshore senior notes which are denominated in USD, the Group did not have any other material direct exposure to foreign exchange fluctuations for the year ended 31 December 2024. The Directors expect that any fluctuation of RMB's exchange rate will not have any material adverse effect on the operation of the Group.

As of 31 December 2024, the Group has not entered into any hedging transactions. The Group manages its foreign exchange risk by closely monitoring the movement of the foreign currency rates and will consider hedging significant foreign currency exposure should the need arise.

Interest rate risk

The Group's interest rate risk arises from its borrowings. Except for the offshore senior notes the interest rate of which is fixed, most of the Group's borrowings are denominated in RMB, and their interest rates on the Group's borrowings are primarily affected by the benchmark interest rates set by the People's Bank of China. The Group manages its interest rate risk by closely monitoring the trend of interest rate fluctuation and its impact on the Group's interest rate risk exposure, as well as regulating the debt portfolio of the Group.

Pledge of assets

As of 31 December 2024, certain of the Group's bank and other borrowings were secured by its pledged time deposit, equity interests of group companies, properties under development, completed properties held for sale and investment properties with total carrying values of approximately RMB13,060 million (31 December 2023: RMB9,815 million).

Commitments

As of 31 December 2024, the Group had commitments that are contracted but not provided for as follows:

	31 December 2024 ***(RMB'000)***	31 December 2023 *(RMB'000)*
Contracted but not provided for	**3,733,793**	4,245,972

The amount represented capital commitment for construction contracts and agreed proposed development contracts determined based on current estimated budgets.

Financial guarantees and contingent liabilities

As of 31 December 2024, the Group's total financial guarantees are as follows:

	31 December 2024 *(RMB'000)*	31 December 2023 *(RMB'000)*
Guarantee in respect of mortgage facilities for certain purchasers	**6,042,682**	7,653,612
Guarantee provided for the borrowings of joint ventures	**234,170**	234,170
Total	**6,276,852**	7,887,782

During the year ended 31 December 2024, the Group had arranged for bank financing for certain purchasers of our properties and provided guarantees to secure obligations of such purchasers for repayments. Such guarantees periods start from the date of grant of mortgage, and terminate upon the earlier of (i) the issuance of the property ownership certificate to the purchaser; or (ii) the satisfaction of mortgage loans by the purchasers of our properties. Pursuant to the terms of these guarantees, upon default of mortgage payments by these purchasers, the bank may demand us to repay the outstanding mortgage principal of the loan together with accrued interest owed by the defaulting purchasers to the banks. Under such circumstances, the Group are entitled to forfeit the relevant purchaser's deposit and resell the property to recover any amounts paid by the Group to the bank. The Directors consider that the likelihood of default of payments by the purchasers is minimal and the Group's credit risk is significantly mitigated.

The Group also provided guarantee for borrowings of the Group's joint ventures and associates from time to time in proportion to its equity interests. The relevant borrowings were primarily from banks to finance property development projects of these joint ventures and associates, whereby the land use rights of the joint ventures and associates were pledged to the banks and our guarantees were provided in addition to the pledges. The Directors consider that the likelihood of default in payments by the joint ventures and associates is minimal and therefore the financial guarantees measured at fair value is immaterial and no liabilities was recognised.

As of 31 December 2024, the Group had no other material contingent liabilities.

Material acquisitions and disposals of subsidiaries, associates and joint ventures

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

Future plans for material investments

The Group will continue to invest in its property development projects and acquire suitable land parcels, if it thinks fit. These investments would be funded by internal resources and/or external borrowings. Save as disclosed above, the Group did not have any future plans for material investments as of the date of this announcement.

Human resources

As of 31 December 2024, the Group had a total of 299 employees (31 December 2023: 402 employees). Total expenditure on salary and welfare of the Group's employees for the year ended 31 December 2024 amounted to approximately RMB111 million (for the year ended 31 December 2023: approximately RMB202 million). The Group has adopted a system of determining the remuneration of employees based on the performance of employees. In general, the Group provides competitive remuneration packages to employees, which include basic salaries, performance-based rewards and year-end bonus. The Group also pays social security insurance for the Group's employees, including medical insurance, work-related injury insurance, endowment insurance, maternity insurance, unemployment insurance and housing funds. In terms of employee training, the Group provides consistent and systematic training to employees based on their positions and expertise in order to enhance their expertise in real estate and their related fields.

FUTURE OUTLOOK

"Houses are not for speculation" determines that the overall keynote of the property market shall be of stability. Whether it is stabilizing land prices, housing prices, or expectations, it is all for the stable and sound development of the real estate market, and for the people to have a home to live in.

The real estate industry has undergone profound changes but is still facing considerable challenges. The market has become more demanding than ever in terms of quality, professionalism and services. The only way we can survive the new cycle is to stay united, pragmatic, aggressive and hardworking. With gratitude and the concept of open to mutual benefit, we will work together with property owners, employees, investors and suppliers to create common prosperity.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's shares or other listed securities during the year.

DIVIDEND

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

ANNUAL GENERAL MEETING AND CLOSURE OF THE REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the 2025 AGM

The annual general meeting of the Company (the "**2025 AGM**") is scheduled to be held on Friday, 6 June 2025. The register of members of the Company will be closed from Tuesday, 3 June 2025 to Friday, 6 June 2025, both days inclusive, during which period no share transfer will be effected, for the purpose of ascertaining shareholders' entitlement to attend and vote at the 2025 AGM. In order to be eligible to attend and vote at the 2025 AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Monday, 2 June 2025.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company, or the laws of the Cayman Islands, being the jurisdiction in which the Company is incorporated, which would oblige the Company to offer new shares on a pro-rata basis to its existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

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

CORPORATE GOVERNANCE

The Company recognises the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of its shareholders as a whole. The Company has adopted the code provisions set out in the Corporate Governance Code of the Appendix C1 of the Listing Rules (the "**CG Code**"), as its own code to govern its corporate governance practices. Save for the deviation in relation to the chairman of the Board and chief executive officer being the same individual, the Board considers that, the Company has complied with, to the extent applicable and permissible, the CG Code during the year ended 31 December 2024.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lui Ming is currently the Chairman of the Board and the chief executive officer of the Group, responsible for strategic planning and managing of the Group's overall business and operations. Mr. Lui Ming has been responsible for the overall management of the Group since the establishment of the Group. The Board believes that the current structure enables the Group to make and implement business decision swiftly and effectively which promotes the Group's development in line with other strategies and business direction. The Board considers that the balance of power and authority, accountability and independent decision making under the present arrangement will not be impaired because of the diverse background and experience of the non-executive Directors and independent non-executive Directors. Further, the audit committee of the Company, which consists of a majority of independent non-executive Directors, has free and direct access to the Company's external auditors and independent professional advisers when it considers necessary. Therefore, the Directors consider that the deviation from code provision C.2.1 of the CG Code is appropriate in such circumstance.

The Board will continue to review and monitor the practices of the Company with an aim to maintaining a high standard of corporate governance.

MODEL CODE FOR SECURITIES TRANSACTIONS

During the year ended 31 December 2024, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its own code of conduct regarding dealings in the securities of the Company by the Directors and the Group's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company or its securities. Under specific enquiry, the Directors and the Group's senior management have complied with the Model Code during the year ended 31 December 2024.

AUDIT OPINION

The auditor of the Group does not express an opinion on the consolidated financial statements of the Group. An extract of the auditor's report is set out in the section headed "EXTRACT OF THE DISCLAIMER OPINION" below.

EXTRACT OF THE DISCLAIMER OPINION

DISCLAIMER OPINIONS

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 our 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, the Group recorded a net loss of RMB982,156,000 for the year ended 31 December 2024. As at 31 December 2024, (i) the Group's total interest-bearing bank and other borrowings and senior notes amounted to RMB4,551,940,000, out of which RMB2,921,418,000 will be due for repayment within the next twelve months; while its total bank balance and cash (including restricted cash and pledged time deposit) amounted to RMB838,706,000; (ii) an aggregate principal amount of RMB192,991,000 of interest-bearing bank and other borrowings had not been repaid according to their scheduled repayment dates, triggering (a) an event of default for senior notes of RMB1,281,556,000; and (b) certain interest-bearing bank and other borrowings amounting to RMB931,740,000 becoming repayable on demand.

These events and conditions, together with other matters described in Note 2 to the consolidated financial statements, 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 Company have been undertaking plans and measures to improve the Group's liquidity and financial position, which are set out in note 2.1 to the consolidated financial statements. The validity of the going concern assumption on which the consolidated financial statements have been prepared depends on the outcome of these measures, which are subject to material uncertainties including whether the Company is able to (i) successfully negotiate with the major noteholder of the Group's senior notes, who is interested in 89.7% of the Group's outstanding senior notes, to obtain a waiver of event of default; (ii) successfully negotiate with the Group's existing onshore debt holders for the renewal or extension for repayment of the Group's bank and other borrowings; (iii) successfully obtain additional new sources of financing as and when needed; (iv) successfully carry out the Group's business strategy plan including the acceleration of the sales of properties; (v) successfully implement measures to speed up the collection of outstanding sales proceeds and effectively control costs and expenses; (vi) successfully resolve the claims and disputes with construction contractors and other parties; and (vii) successfully dispose of the Group's equity interests in project development companies when suitable.

However, we have not been able to obtain sufficient appropriate audit evidence to satisfy ourselves that the measures mentioned above underpinning the cash flow forecast of the Group for going concern assessment are reasonable and supportable, including but not limited to the reasonableness of the management's plan regarding on obtaining the waiver of default from senior noteholders and obtaining additional new source of financing as and when needed. As a result, we are 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 management of the Group.

Should the Group fail to achieve the above-mentioned measures, it might not be able to continue to operate as a going concern, and 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 the consolidated financial statements.

EVENTS AFTER THE REPORTING PERIOD

There are no significant events subsequent to 31 December 2024 which would materially affect the Group's operating and financial performance as at the date of this announcement.

REVIEW OF FINANCIAL STATEMENTS

Audit Committee

The audit committee of the Company, comprising Mr. Chan Pak Hung, Mr. Lui Wing Nam, Ms. Tang Lo Nar and Mr. Wong Tung Yuen, has discussed with the management and the Board and reviewed this announcement of annual results of the Group for the year ended 31 December 2024.

Scope of work of CCTH CPA Limited

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, CCTH CPA Limited ("**CCTH**"), to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by CCTH in this respect did not constitute an assurance engagement and consequently, no opinion or assurance conclusion has been expressed by CCTH on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.glchina.group). The annual report of the Company for the year ended 31 December 2024 will be despatched to the shareholders of the Company (upon request) and published on the aforesaid websites in due course.

By Order of the Board
Ganglong China Property Group Limited
Lui Ming
Chairman and executive director

Hong Kong, 28 March 2025

As of the date of this announcement, the executive directors of the Company are Mr. Lui Ming (Chairman), Mr. Lui Jin Ling, and Mr. Lui Chi Chung Jimmy. The non-executive directors of the Company are Mr. Lui Wing Mau and Mr. Lui Wing Nam. The independent non-executive directors of the Company are Mr. Chan Pak Hung, Ms. Tang Lo Nar and Mr. Wong Tung Yuen.