

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

## **Powerlong Commercial Management Holdings Limited**

**寶龍商業管理控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 9909)**

### **2024 ANNUAL RESULTS ANNOUNCEMENT**

#### **SUMMARY OF RESULTS**

- Revenue of the Group for the year ended 31 December 2024 amounted to approximately RMB2,617.3 million, representing a decrease of approximately 0.7% as compared with approximately RMB2,635.7 million for the year ended 31 December 2023.
- Gross profit of the Group for the year ended 31 December 2024 amounted to approximately RMB834.0 million, representing a decrease of approximately 6.0% as compared with approximately RMB887.0 million for the year ended 31 December 2023.
- Gross profit margin of the Group for the year ended 31 December 2024 amounted to approximately 31.9%, representing a decrease of approximately 1.8 percentage points as compared with approximately 33.7% for the year ended 31 December 2023.
- The Group's profit attributable to shareholders of the Company ("**Shareholders**") for the year ended 31 December 2024 amounted to approximately RMB216.0 million, representing a decrease of approximately 52.3% as compared with approximately RMB453.0 million for the year ended 31 December 2023.
- As at 31 December 2024, the contracted gross floor area ("**GFA**")<sup>Note 1</sup> of the Group's commercial operational services segment amounted to approximately 14.5 million square meters ("**sq.m.**"); and the GFA in operation of the Group's commercial operational services segment amounted to approximately 11.1 million sq.m..

*Note 1:* Unless otherwise stated, all "GFA" of commercial properties referred to in this announcement include car parks.

## ANNUAL RESULTS

The board of directors (the “**Board**”) of Powerlong Commercial Management Holdings Limited (the “**Company**” or “**Powerlong CM**”) is pleased to announce the annual consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2024, together with comparative figures for the year ended 31 December 2023, as follows.

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Year ended 31 December	
		2024	2023
	Note	RMB'000	RMB'000
Revenue	4(a)	2,617,305	2,635,746
Cost of services		<u>(1,783,353)</u>	<u>(1,748,725)</u>
<b>Gross profit</b>		<b>833,952</b>	887,021
Selling and marketing expenses		(128,476)	(78,589)
Administrative expenses		(174,375)	(222,944)
Other income and other losses – net	5	35,894	55,734
Impairment losses on financial assets – net		(219,441)	(48,344)
Fair value losses on financial asset at fair value through profit or loss		<u>(629)</u>	<u>(1,248)</u>
<b>Operating profit</b>		<b>346,925</b>	591,630
Finance (costs)/income – net		(19,196)	19,114
Share of results of joint ventures		35	(52)
Share of results of associates		<u>3,176</u>	<u>996</u>
<b>Profit before income tax</b>		<b>330,940</b>	611,688
Income tax expenses	6	<u>(106,555)</u>	<u>(159,297)</u>
<b>Profit and total comprehensive income for the year</b>		<b><u>224,385</u></b>	<u>452,391</u>
<b>Profit and total comprehensive income attributable to:</b>			
– Shareholders of the Company		216,016	452,952
– Non-controlling interests		<u>8,369</u>	<u>(561)</u>
		<b><u>224,385</u></b>	<u>452,391</u>
<b>Earnings per share for profit attributable to shareholders of the Company for the year (expressed in RMB cents per share)</b>			
– Basic earnings per share	7	33.89	71.33
– Diluted earnings per share	7	<u>33.89</u>	<u>71.33</u>

## CONSOLIDATED BALANCE SHEET

	<i>Note</i>	As at 31 December	
		2024	2023
		<i>RMB'000</i>	<i>RMB'000</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment		45,307	45,753
Financial assets at fair value through profit and loss		9,261	9,890
Investment properties		972,085	749,749
Deferred income tax assets		158,198	92,127
Goodwill		20,640	20,640
Intangible assets		4,281	6,752
Interests in joint ventures		807	772
Interests in associates		50,859	54,516
		<u>1,261,438</u>	<u>980,199</u>
<b>Current assets</b>			
Inventories		10,620	9,602
Operating lease and trade receivables	9	413,173	412,357
Prepayments and other receivables		223,583	328,939
Current income tax recoverables		134	161
Cash and bank balances		4,131,562	3,881,880
		<u>4,779,072</u>	<u>4,632,939</u>
<b>Total assets</b>		<u><b>6,040,510</b></u>	<u><b>5,613,138</b></u>

## CONSOLIDATED BALANCE SHEET (continued)

		As at 31 December	
		2024	2023
	Note	RMB'000	RMB'000
<b>EQUITY</b>			
Share capital and share premium		1,004,400	967,206
Other reserves		29,869	120,223
Shares held for shares award scheme		–	(44)
Retained earnings		2,181,899	1,965,883
		<u>3,216,168</u>	<u>3,053,268</u>
<b>Capital and reserves attributable to shareholders of the Company</b>			
Non-controlling interests		8,640	4,271
		<u>8,640</u>	<u>4,271</u>
<b>Total equity</b>		<u>3,224,808</u>	<u>3,057,539</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred income tax liabilities		722	1,235
Lease liabilities		1,187,789	931,103
		<u>1,188,511</u>	<u>932,338</u>
<b>Current liabilities</b>			
Trade and other payables	10	1,028,913	1,097,366
Advances from lessees		37,828	22,087
Current income tax liabilities		203,259	138,223
Lease liabilities		82,909	64,550
Contract liabilities	4(b)	274,282	301,035
		<u>1,627,191</u>	<u>1,623,261</u>
<b>Total liabilities</b>		<u>2,815,702</u>	<u>2,555,599</u>
<b>Total equity and liabilities</b>		<u>6,040,510</u>	<u>5,613,138</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 GENERAL INFORMATION

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

The Company and its subsidiaries (the “**Group**”) are primarily engaged in the provision of commercial operational services and residential property management services in the People’s Republic of China (the “**PRC**”).

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

The Company’s direct holding company is Powerlong Real Estate (BVI) Holdings Limited (“**Powerlong BVI Holdings**”). The Company’s indirect holding company is Powerlong Real Estate Holdings Limited (“**Powerlong Holdings**”) whose shares have been listed on the Main Board of the Stock Exchange since 14 October 2009. As at 31 December 2024, Mr. Hoi Kin Hong (“**Mr. Hoi**”) was interested in approximately 44.15% of the issued share capital of Powerlong Holdings.

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

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

## 2 BASIS OF PREPARATION AND APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS

### Basis of preparation

These 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**”). For the purpose of preparation of these consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, these consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and by the Hong Kong Companies Ordinance.

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

(i) *New and amendments to HKFRSs that are mandatorily effective for the current year*

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

Amendments to HKFRS 16 Amendments to HKAS 1	Lease Liability in a Sale and Leaseback Classification of Liabilities as Current or Non-current (the “ <b>2020 Amendments</b> ”)
Amendments to HKAS 1	Non-current Liabilities with Covenants (the “ <b>2022 Amendments</b> ”)
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

New and amendments to HKFRSs listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(ii) *Amendments to HKFRSs that are not mandatorily for the current year*

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

HKFRS 18	Presentation and Disclosure in Financial Statements
HKFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendment to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendment to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
Amendments to HKFRS Accounting Standards	Annual improvements to HKFRS Accounting Standards – Volume 11

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

### 3 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision-makers (“**CODM**”). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Company.

The Group has two business segments:

- Commercial operational services

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

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

– Residential property management services

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

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

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

*For the year ended 31 December 2024*

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

*For the year ended 31 December 2023*

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

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

*As at 31 December 2024*

	<b>Commercial operational services RMB'000</b>	<b>Residential property management services RMB'000</b>	<b>Elimination RMB'000</b>	<b>Group RMB'000</b>
Segment assets	1,601,230	280,619	(7,026)	1,874,823
Other assets				<u>4,165,687</u>
Total assets				<u><b>6,040,510</b></u>
Segment liabilities	2,274,910	335,487	(7,026)	2,603,371
Other liabilities				<u>212,331</u>
Total liabilities				<u><b>2,815,702</b></u>
Capital expenditure	<u>334,950</u>	<u>2,050</u>	<u>–</u>	<u><b>337,000</b></u>

*As at 31 December 2023*

	<b>Commercial operational services RMB'000</b>	<b>Residential property management services RMB'000</b>	<b>Elimination RMB'000</b>	<b>Group RMB'000</b>
Segment assets	1,674,099	246,848	(7,070)	1,913,877
Other assets				<u>3,699,261</u>
Total assets				<u><b>5,613,138</b></u>
Segment liabilities	2,122,495	280,461	(7,070)	2,395,886
Other liabilities				<u>159,713</u>
Total liabilities				<u><b>2,555,599</b></u>
Capital expenditure	<u>114,374</u>	<u>1,749</u>	<u>–</u>	<u><b>116,123</b></u>

*Segment assets are reconciled to total assets as follows:*

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

*Segment liabilities are reconciled to total liabilities as follows:*

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

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

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

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

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

## 4 REVENUE

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

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

- (i) External customers represented independent third parties.
- (ii) For the year ended 31 December 2024, revenue arising from the Remaining Powerlong Group and other entities controlled by Mr. Hoi (the “**Fellow Subsidiaries**”) contributed 8.8% of the Group’s revenue (2023: 14.0%). Other than the Fellow Subsidiaries, the Group has a large number of customers, none of whom contributed 10% or more of the Group’s revenue during the year (2023: none).
- (iii) Other related parties represented associates or jointly controlled entities of the Remaining Powerlong Group.

(b) Liabilities related to contracts with customers

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

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

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

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

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

(ii) *Unsatisfied performance obligations*

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

**5 OTHER INCOME AND OTHER LOSSES – NET**

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

**6 INCOME TAX EXPENSES**

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

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

	<b>Year ended 31 December</b>	
	<b>2024</b>	2023
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Profit before income tax	<u>330,940</u>	<u>611,688</u>
Tax charge at statutory tax rate of 25% to profits in the respective group entities	<b>122,250</b>	152,922
Tax effects of:		
– Share of results of joint ventures	<b>29</b>	13
– Share of results of associates	<b>906</b>	(249)
– Expenses not deductible for tax purposes	<u>(16,630)</u>	<u>6,611</u>
PRC corporate income tax	<u><b>106,555</b></u>	<u>159,297</u>

The effective income tax rate was 32.2% and 26.0% for the years ended 31 December 2024 and 31 December 2023 respectively.

#### **PRC corporate income tax**

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

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

#### **Overseas income tax**

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

#### **Hong Kong profits tax**

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

#### **PRC withholding income tax**

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

## 7 EARNINGS PER SHARE

### (a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year ended 31 December 2024.

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

### (b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

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

## 8 DIVIDEND

No final dividend for the year ended 31 December 2023 and no interim dividend for the six months ended 30 June 2024 was recommended by the Board.

## 9 OPERATING LEASE AND TRADE RECEIVABLES

	<b>As at 31 December</b>	
	<b>2024</b>	2023
	<b>RMB'000</b>	<b>RMB'000</b>
Operating lease receivables ( <i>Note (a)</i> )		
– Third parties	<u>15,937</u>	<u>29,064</u>
Trade receivables ( <i>Note (a)</i> )		
– Related parties	<b>371,819</b>	215,952
– Third parties	<u>262,604</u>	<u>245,629</u>
	<u>634,423</u>	<u>461,581</u>
Less: allowance for impairment of trade receivables ( <i>Note (b)</i> )	<u>(237,187)</u>	<u>(78,288)</u>
	<u><b>413,173</b></u>	<u>412,357</u>

- (a) The Group's revenue is derived from provision of commercial operational services, residential property management services and lease of properties. Proceeds in respect of service rendering and rental income are to be received in accordance with the terms of relevant property service agreements and tenant contracts.

As at the respective balance sheet date, the aging analysis of the operating lease and trade receivables due from related parties and third parties based on the demand note dates is as follows:

	<b>As at 31 December</b>	
	<b>2024</b>	2023
	<b>RMB'000</b>	<b>RMB'000</b>
within 1 year	<b>405,686</b>	393,353
1-2 years	<b>172,897</b>	53,313
2-3 years	<b>33,085</b>	25,213
over 3 years	<u>38,692</u>	<u>18,766</u>
	<u><b>650,360</b></u>	<u>490,645</u>

- (b) The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9. As at 31 December 2024, a provision of RMB237,187,000 was made against the gross amounts of operating lease and trade receivables (31 December 2023: RMB78,288,000).
- (c) As at 31 December 2024 and 31 December 2023, the operating lease and trade receivables were denominated in RMB, and the fair values approximated their carrying amounts.

## 10 TRADE AND OTHER PAYABLES

	As at 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables		
– Related parties	510	595
– Third parties	<u>153,773</u>	<u>173,923</u>
	<u>154,283</u>	<u>174,518</u>
Other payables		
– Related parties	136,050	141,117
– Payables for promotion fees on behalf of owners of the commercial properties ( <i>Note (a)</i> )	35,473	66,985
– Receipts on behalf of tenants or residents ( <i>Note (b)</i> )	73,735	84,243
– Deposits received ( <i>Note (c)</i> )	535,312	534,787
– Others	<u>8,350</u>	<u>11,404</u>
	<u>788,920</u>	<u>838,536</u>
Accrued payroll	68,508	71,389
Other taxes payables	<u>17,202</u>	<u>12,923</u>
	<u>1,028,913</u>	<u>1,097,366</u>

- (a) The balance represented the receipts on behalf of owners of commercial properties to settle the expenses relating to promotion and marketing activities of car parks, common areas and advertising spaces.
- (b) Amounts represented the receipts on behalf of tenants or residents to settle the bills of utilities charges.
- (c) Amounts mainly represented deposits received from tenants as performance securities in relation to tenant agreements or property management service agreements.

- (d) As at 31 December 2024 and 2023, the carrying amounts of trade and other payables approximated their fair values.
- (e) As at the respective balance sheet date, the ageing analysis of the trade payables (including amounts due to related parties) based on invoice dates is as follows:

	<b>As at 31 December</b>	
	<b>2024</b>	2023
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 1 year	<b>138,993</b>	161,689
1 to 2 years	<b>6,175</b>	9,931
2 to 3 years	<b>6,755</b>	1,940
Over 3 years	<b>2,360</b>	958
	<b><u>154,283</u></b>	<u>174,518</u>

- (f) Trade and other payables (excluding accrued payroll and other tax payables) were denominated in the following currencies:

	<b>As at 31 December</b>	
	<b>2024</b>	2023
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
RMB	<b><u>943,203</u></b>	<u>1,013,054</u>

## MANAGEMENT DISCUSSION AND ANALYSIS

### OVERVIEW

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

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

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

### BUSINESS REVIEW

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

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

It primarily included:

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

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

1. Entrusted operation and management

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

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

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

2. Advisory consultation

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

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

3. Sub-lease services

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

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

4. Net earning sharing

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

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

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

It primarily included:

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

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

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

## COMMERCIAL OPERATIONAL SERVICES

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

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

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

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

Notes:

- (1) Comprises Shanghai Municipality, Zhejiang Province, Jiangsu Province and Anhui Province.
- (2) Comprises cities except those mentioned in (1) above.

## New Projects in Operation

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

No.	Name of Project	Opening Date <i>month-year</i>	City	Geographic Region	Source of Project	Manager	Management Model	Total GFA <i>(sq.m.)</i>	Shopping Mall <i>(sq.m.)</i>	Commercial Street <i>(sq.m.)</i>	Car Park <i>(sq.m.)</i>
<i>Powerlong Plaza</i>											
1	Taizhou Duqiao Powerlong Plaza (台州杜橋寶龍廣場)	January 2024	Taizhou	Yangtze River Delta	Third Party	Powerlong CM	Sublease	67,990	50,215	-	17,775
2	Hangzhou Gongshu Powerlong Plaza (杭州拱墅寶龍廣場)	May 2024	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Powerlong CM	Entrusted management	98,264	64,749	-	33,515
3	Shanghai Fengfa Powerlong Plaza (上海奉發寶龍廣場)	December 2024	Shanghai	Yangtze River Delta	Powerlong Real Estate	Powerlong CM	Entrusted management	83,550	56,300	8,340	18,910
4	Jiyuan Powerlong Plaza (濟源寶龍廣場)	December 2024	Jiyuan	Others	Third Party	Powerlong CM	Net earning sharing	94,255	94,255	-	-
5	Shengzhou Powerlong Plaza (嵊州寶龍廣場)	December 2024	Shengzhou	Yangtze River Delta	Third Party	Powerlong CM	Net earning sharing	159,338	80,240	29,129	49,970
<b>Sub-total</b>								<b>503,397</b>	<b>345,759</b>	<b>37,469</b>	<b>120,170</b>
<i>Powerlong Land</i>											
1	Shanghai Jiading Powerlong Land (上海嘉定寶龍天地)	September 2024	Shanghai	Yangtze River Delta	Powerlong Real Estate	Powerlong CM	Entrusted management	21,600	-	21,600	-
2	Xiangshan Powerlong Land (象山寶龍天地)	September 2024	Ningbo	Yangtze River Delta	Powerlong Real Estate	Powerlong CM	Entrusted management	11,118	-	11,118	-
<b>Sub-total</b>								<b>32,718</b>	<b>-</b>	<b>32,718</b>	<b>-</b>
<i>Powerlong Xinghui</i>											
1	Yueqing Powerlong Plaza (樂清寶龍廣場)	January 2024	Yueqing	Yangtze River Delta	Third Party	Powerlong Xinghui	Entrusted management	56,000	41,000	-	15,000
2	Yueqing Central Park (樂清中金匯)	June 2024	Yueqing	Yangtze River Delta	Third Party	Powerlong Xinghui	Advisory consultation	62,000	-	42,000	20,000
3	Shangrao Shuinanjie (上饒水南街)	December 2024	Shangrao	Others	Third Party	Powerlong Xinghui	Advisory consultation	158,000	-	158,000	-
4	Dongyang Powerlong Plaza (東陽寶龍廣場)	December 2024	Jinhua	Yangtze River Delta	Third Party	Powerlong Xinghui	Advisory consultation	30,008	-	20,080	9,929
<b>Sub-total</b>								<b>306,008</b>	<b>41,000</b>	<b>220,080</b>	<b>44,929</b>
<b>Total</b>								<b>842,124</b>	<b>386,759</b>	<b>290,267</b>	<b>165,098</b>

## Projects for which Contracts were Terminated

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

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

## Projects in Operation

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

No.	Name of Project	Opening Date month-year	City	Geographic Region	Source of Project	Management Model	Total GFA (sq.m.)	Shopping Mall (sq.m.)	Commercial Street (sq.m.)	Car Park (sq.m.)
<i>Powerlong One Mall</i>										
1	Xiamen Powerlong One Mall (廈門寶龍一城)	September 2018	Xiamen	Others	Powerlong Real Estate	Entrusted management	170,585	121,670	5,365	43,550
<b>Sub-total</b>							<b>170,585</b>	<b>121,670</b>	<b>5,365</b>	<b>43,550</b>

No.	Name of Project	Opening Date <i>month-year</i>	City	Geographic Region	Source of Project	Management Model	Total GFA <i>(sq.m.)</i>	Shopping Mall <i>(sq.m.)</i>	Commercial Street <i>(sq.m.)</i>	Car Park <i>(sq.m.)</i>
<b>Powerlong City</b>										
1	Shanghai Qibao Powerlong City (上海七寶寶龍城)	October 2016	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	150,567	70,719	12,759	67,089
2	Hangzhou Binjiang Powerlong City (杭州濱江寶龍城)	December 2016	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	295,562	140,877	37,512	117,173
3	Taizhou Jiaojiang Powerlong City (台州椒江寶龍城)	June 2022	Taizhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	127,936	93,620	-	34,316
<b>Sub-total</b>							<b>574,065</b>	<b>305,216</b>	<b>50,271</b>	<b>218,578</b>
<b>Powerlong Plaza</b>										
1	Fuzhou Powerlong Plaza (福州寶龍廣場)	April 2007	Fuzhou	Others	Powerlong Real Estate	Entrusted management	186,178	161,008	-	25,170
2	Qingdao Chengyang Powerlong Plaza (青島城陽寶龍廣場)	October 2009	Qingdao	Others	Powerlong Real Estate	Entrusted management	443,262	335,506	-	107,756
3	Zhengzhou Powerlong Plaza (鄭州寶龍廣場)	December 2009	Zhengzhou	Others	Powerlong Real Estate	Entrusted management	235,606	198,108	6,565	30,933
4	Bengbu Powerlong Plaza (蚌埠寶龍廣場)	December 2009	Bengbu	Yangtze River Delta	Powerlong Real Estate	Entrusted management	346,880	222,966	48,503	75,411
5	Wuxi Powerlong Plaza (無錫寶龍廣場)	October 2010	Wuxi	Yangtze River Delta	Powerlong Real Estate	Entrusted management	192,865	142,753	-	50,112
6	Anxi Powerlong Plaza (安溪寶龍廣場)	December 2010	Quanzhou	Others	Powerlong Real Estate	Entrusted management	85,374	55,489	28,034	1,851
7	Suqian Powerlong Plaza (宿遷寶龍廣場)	September 2011	Suqian	Yangtze River Delta	Powerlong Real Estate	Entrusted management	150,660	120,645	-	30,015
8	Yancheng Powerlong Plaza (鹽城寶龍廣場)	September 2011	Yancheng	Yangtze River Delta	Powerlong Real Estate	Entrusted management	199,409	135,112	29,720	34,577
9	Qingdao Jimo Powerlong Plaza (青島即墨寶龍廣場)	December 2011	Qingdao	Others	Powerlong Real Estate	Entrusted management	175,513	130,462	-	45,051
10	Luoyang Powerlong Plaza (洛陽寶龍廣場)	December 2011	Luoyang	Others	Powerlong Real Estate	Entrusted management	138,350	69,735	37,225	31,390
11	Tai'an Powerlong Plaza (泰安寶龍廣場)	September 2012	Tai'an	Others	Powerlong Real Estate	Entrusted management	118,255	102,677	-	15,578
12	Xinxiang Powerlong Plaza (新鄉寶龍廣場)	September 2012	Xinxiang	Others	Powerlong Real Estate	Entrusted management	262,690	90,321	84,394	87,975
13	Shanghai Caolu Powerlong Plaza (上海曹路寶龍廣場)	December 2013	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	81,720	57,200	-	24,520
14	Jinjiang Powerlong Plaza (晉江寶龍廣場)	December 2013	Jinjiang	Others	Powerlong Real Estate	Entrusted management	283,378	128,570	11,126	143,682
15	Hangzhou Xiasha Powerlong Plaza (杭州下沙寶龍廣場)	November 2014	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	98,660	15,575	10,323	72,762
16	Chongqing Hechuan Powerlong Plaza (重慶合川寶龍廣場)	December 2014	Chongqing	Others	Powerlong Real Estate	Entrusted management	147,403	103,793	-	43,610
17	Tianjin Yujiapu Powerlong Plaza (天津于家堡寶龍廣場) <sup>(1)</sup>	December 2014	Tianjin	Others	Powerlong Real Estate	Entrusted management	162,836	87,613	-	75,223
18	Jiaozhou Powerlong Plaza (膠州寶龍廣場)	February 2015	Qingdao	Others	Powerlong Real Estate	Entrusted management	164,772	75,224	27,002	62,546
19	Zhenjiang Powerlong Plaza (鎮江寶龍廣場)	September 2015	Zhenjiang	Yangtze River Delta	Powerlong Real Estate	Entrusted management	153,818	70,170	32,797	50,851
20	Shanghai Fengxian Powerlong Plaza (上海奉賢寶龍廣場)	November 2015	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	117,715	49,816	14,847	53,053
21	Shanghai Lingang Powerlong Plaza (上海臨港寶龍廣場)	December 2015	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	70,720	40,069	9,931	20,719
22	Hangzhou Xiaoshan Powerlong Plaza (杭州蕭山寶龍廣場)	December 2015	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	143,836	68,687	12,217	62,932
23	Shanghai Luodian Powerlong Plaza (上海羅店寶龍廣場)	December 2015	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	35,854	28,481	-	7,373
24	Hangzhou Fuyang Powerlong Plaza (杭州富陽寶龍廣場)	December 2015	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	77,186	21,728	10,741	44,718
25	Changzhou Powerlong Plaza (常州寶龍廣場)	June 2016	Changzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	202,917	105,598	48,597	48,722

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

No.	Name of Project	Opening Date <i>month-year</i>	City	Geographic Region	Source of Project	Management Model	Total GFA <i>(sq.m.)</i>	Shopping Mall <i>(sq.m.)</i>	Commercial Street <i>(sq.m.)</i>	Car Park <i>(sq.m.)</i>
26	Shanghai Jiading Powerlong Plaza (上海嘉定寶龍廣場)	October 2016	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	144,072	64,054	24,902	55,115
27	Penglai Powerlong Plaza (蓬萊寶龍廣場)	November 2016	Yantai	Others	Powerlong Real Estate	Entrusted management	148,213	43,431	59,871	44,911
28	Yantai Powerlong Plaza (煙臺寶龍廣場)	December 2016	Yantai	Others	Powerlong Real Estate	Entrusted management	100,027	37,869	20,629	41,530
29	Yangzhou Powerlong Plaza (揚州寶龍廣場)	January 2017	Yangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	143,559	58,407	30,252	54,900
30	Shanghai Wujing Powerlong Plaza (上海吳淞寶龍廣場)	July 2017	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	49,918	26,794	11,337	11,787
31	Yiwu Fotang Powerlong Plaza (義烏佛堂寶龍廣場)	November 2017	Yiwu	Yangtze River Delta	Third Party	Entrusted management	90,992	50,000	15,992	25,000
32	Fuyang Powerlong Plaza (阜陽寶龍廣場)	December 2017	Fuyang	Yangtze River Delta	Powerlong Real Estate	Entrusted management	140,441	103,890	-	36,551
33	Chongqing Fuling Powerlong Plaza (重慶涪陵寶龍廣場)	December 2017	Chongqing	Others	Third Party	Entrusted management	113,854	96,204	-	17,650
34	Shanghai Qingpu Powerlong Plaza (上海青浦寶龍廣場)	September 2018	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	171,673	54,281	38,461	78,930
35	Hangzhou Lin'an Powerlong Plaza (杭州臨安寶龍廣場)	November 2019	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	103,700	55,700	-	48,000
36	Tianjin Binhai Powerlong Plaza (天津濱海寶龍廣場)	December 2019	Tianjin	Others	Powerlong Real Estate	Entrusted management	61,883	36,400	6,100	19,383
37	Shanghai Baoyang Powerlong Plaza (上海寶楊寶龍廣場)	December 2019	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	148,407	77,873	15,155	55,379
38	Nanjing Gaochun Powerlong Plaza (南京高淳寶龍廣場)	December 2019	Nanjing	Yangtze River Delta	Powerlong Real Estate	Entrusted management	87,542	56,200	17,000	14,342
39	Ningbo Yinzhou Powerlong Plaza (寧波鄞州寶龍廣場)	December 2019	Ningbo	Yangtze River Delta	Powerlong Real Estate	Entrusted management	93,924	63,596	-	30,328
40	Hangzhou Qingshan Lake Powerlong Plaza (Phase 1) (杭州青山湖寶龍廣場(一期))	October 2020	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	189,524	98,000	-	91,524
41	Yongkang Powerlong Plaza (永康寶龍廣場)	November 2020	Jinhua	Yangtze River Delta	Powerlong Real Estate	Entrusted management	89,900	62,900	-	27,000
42	Hangzhou Dajiangdong Powerlong Plaza (杭州大江東寶龍廣場)	November 2020	Hangzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	95,373	62,373	-	33,000
43	Shaoxing Keqiao Powerlong Plaza (紹興柯橋寶龍廣場)	November 2020	Shaoxing	Yangtze River Delta	Third Party	Sublease	99,787	54,787	-	45,000
44	Suzhou Xingyun Powerlong Plaza (蘇州星韻寶龍廣場)	December 2020	Suzhou	Yangtze River Delta	Third Party	Sublease	40,774	40,774	-	-
45	Yancheng Chengdong Powerlong Plaza (鹽城城東寶龍廣場)	December 2020	Yancheng	Yangtze River Delta	Powerlong Real Estate	Entrusted management	135,932	76,927	-	59,004
46	Wenling Powerlong Plaza (溫嶺寶龍廣場)	June 2021	Taizhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	108,065	82,338	-	25,727
47	Zhuji Powerlong Plaza (諸暨寶龍廣場)	June 2021	Shaoxing	Yangtze River Delta	Powerlong Real Estate	Entrusted management	138,600	61,700	35,300	41,600
48	Zhoushan Powerlong Plaza (舟山寶龍廣場)	June 2021	Zhoushan	Yangtze River Delta	Powerlong Real Estate	Entrusted management	107,720	69,880	26,840	11,000

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

No.	Name of Project	Opening Date <i>month-year</i>	City	Geographic Region	Source of Project	Management Model	Total GFA <i>(sq.m.)</i>	Shopping Mall <i>(sq.m.)</i>	Commercial Street <i>(sq.m.)</i>	Car Park <i>(sq.m.)</i>
<i>Powerlong Land</i>										
1	Taicang Powerlong Land (太倉寶龍天地)	March 2007	Suzhou	Yangtze River Delta	Powerlong Real Estate	Entrusted management	25,476	-	25,476	-
2	Hangzhou Xiasha Powerlong Land (杭州下沙寶龍天地)	November 2014	Hangzhou	Yangtze River Delta	Third Party	Sublease	39,039	-	28,839	10,200
3	Shanghai Huaxin Powerlong Land (上海華新寶龍天地)	December 2015	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	51,113	-	24,447	26,666
4	Dongying Powerlong Land (東營寶龍天地)	September 2016	Dongying	Others	Powerlong Real Estate	Entrusted management	79,514	-	51,649	27,865
5	Haiyang Powerlong Land (海陽寶龍天地)	June 2017	Yantai	Others	Powerlong Real Estate	Entrusted management	39,108	-	37,470	1,638
6	Huai'an Powerlong Land (淮安寶龍天地)	July 2017	Huai'an	Yangtze River Delta	Powerlong Real Estate	Entrusted management	93,384	-	82,827	10,558
7	Jinhua Pan'an Powerlong Land (金華磐安寶龍天地)	September 2021	Jinhua	Yangtze River Delta	Powerlong Real Estate	Advisory consultation	33,649	-	31,479	2,170
8	Zhoushan Dinghai Powerlong Land (舟山定海寶龍天地)	November 2021	Zhoushan	Yangtze River Delta	Powerlong Real Estate	Entrusted management	28,100	-	16,100	12,000
9	Xiamen Jiangunci (廈門將軍祠)	December 2021	Xiamen	Others	Third Party	Sublease	6,470	-	6,470	-
10	Xiamen Tangbian Powerlong Land (廈門塘邊寶龍天地)	December 2022	Xiamen	Others	Third Party	Sublease	28,475	-	28,475	-
11	Zhoushan Putuo Powerlong Land (舟山普陀寶龍天地)	June 2023	Zhoushan	Yangtze River Delta	Powerlong Real Estate	Entrusted management	92,100	-	40,800	51,300
12	Xiamen Yuanboyuan Powerlong Land (廈門園博苑寶龍天地)	July 2023	Xiamen	Others	Third Party	Sublease	14,705	-	14,705	-
13	Xiamen Wenzao Powerlong Land (廈門文灶寶龍天地)	December 2023	Xiamen	Others	Third Party	Sublease	41,658	-	41,658	-
14	Shanghai Jiading Powerlong Land (上海嘉定寶龍天地)	September 2024	Shanghai	Yangtze River Delta	Powerlong Real Estate	Entrusted management	21,600	-	21,600	-
15	Xiangshan Powerlong Land (象山寶龍天地)	September 2024	Ningbo	Yangtze River Delta	Powerlong Real Estate	Entrusted management	11,118	-	11,118	-
<b>Sub-total</b>							<b>605,509</b>	<b>-</b>	<b>463,113</b>	<b>142,396</b>
<i>Powerlong Xinghui</i>										
1	Jiashan Xingyuecheng (嘉善星悅城)	October 2014	Jiaxing	Yangtze River Delta	Third Party	Sublease	35,000	35,000	-	-
2	Xingyue • Xicheng Plaza (星悅•西城廣場)	October 2017	Taizhou	Yangtze River Delta	Third Party	Sublease	38,100	33,000	-	5,100
3	Anji • Henglong Dadao (安吉•恒隆大道)	September 2018	Huzhou	Yangtze River Delta	Third Party	Advisory consultation	54,873	-	39,873	15,000
4	Ningbo Laowaitan (寧波老外灘)	June 2021	Ningbo	Yangtze River Delta	Third Party	Advisory consultation	114,000	-	114,000	-
5	Hangzhou Fuyang Dongfangmao Commercial (杭州富陽東方茂商業)	June 2022	Hangzhou	Yangtze River Delta	Third Party	Entrusted management	119,890	78,853	-	41,037
6	Haiyan Beidajie (海鹽北大街)	June 2023	Jiaxing	Yangtze River Delta	Third Party	Entrusted management	55,570	-	35,630	19,940
7	Tiantai Cultural Center Powerlong Land (天台文化中心寶龍天地)	July 2023	Taizhou	Yangtze River Delta	Third Party	Entrusted management	18,227	-	18,227	-
8	Shaoxing Guchengbei (紹興古城北)	November 2023	Shaoxing	Yangtze River Delta	Third Party	Advisory consultation	61,549	-	61,549	-
9	Yueqing Powerlong Plaza (樂清寶龍廣場)	January 2024	Yueqing	Yangtze River Delta	Third Party	Entrusted management	56,000	41,000	-	15,000
10	Yueqing Central Park (樂清中金匯)	June 2024	Yueqing	Yangtze River Delta	Third Party	Advisory consultation	62,000	-	42,000	20,000
11	Shangrao Shuinanjie (上饒水南街)	December 2024	Shangrao	Others	Third Party	Advisory consultation	158,000	-	158,000	-
12	Dongyang Powerlong Plaza (東陽寶龍廣場)	December 2024	Jinhua	Yangtze River Delta	Third Party	Advisory consultation	30,008	-	20,080	9,929
<b>Sub-total</b>							<b>803,218</b>	<b>187,853</b>	<b>489,359</b>	<b>126,006</b>
<b>Total</b>							<b>11,067,103</b>	<b>5,971,375</b>	<b>1,803,691</b>	<b>3,292,037</b>

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

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

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

### Newly Contracted Projects

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

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

## Pipeline Projects

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

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

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

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

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

## RESIDENTIAL PROPERTY MANAGEMENT SERVICES

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

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

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

Notes:

- (1) Comprises Shanghai Municipality, Zhejiang Province, Jiangsu Province and Anhui Province.
- (2) Comprises cities except those mentioned in (1) above.

## **WORK PLAN FOR YEAR 2025**

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

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

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

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

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

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

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

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

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

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

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

## FINANCIAL REVIEW

### Revenue

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

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

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

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

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

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

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

## **Commercial operation and management services**

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

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

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

## **Commercial property lease income**

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

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

## Residential Property Management Services

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

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

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

Revenue indicated by type of customers is as follows:

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

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

Revenue indicated by geographic regions is as follows:

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

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

### Cost of services

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

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

## Gross profit and gross profit margin

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

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

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

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

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

## Other income and other losses – net

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

### **Impairment losses on financial assets – net**

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

### **Finance (costs)/income – net**

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

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

### **Income tax expenses**

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

### **Profit for the year**

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

### **Operating lease and trade receivables**

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

### **Prepayments and other receivables**

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

## **Trade and other payables**

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

## **Contract liabilities**

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

## **Contingent liabilities**

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

## **Liquidity and capital resources**

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

## **Gearing ratio**

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

## Foreign exchange risk

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

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

## USE OF NET PROCEEDS

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

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

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

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

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

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

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

## (ii) Use of Proceeds from Subscription

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

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

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

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

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

## **HUMAN RESOURCES**

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

## **FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS**

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

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

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

## **EVENTS AFTER THE REPORTING PERIOD**

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

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

## **ANNUAL GENERAL MEETING**

The annual general meeting of the Company for the year ended 31 December 2024 is proposed to be held on Friday, 13 June 2025 (the "**Annual General Meeting**"). A notice convening the Annual General Meeting will be published and despatched in the manner as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") in due course.

## **DIVIDEND**

The Board did not recommend the payment of a final dividend for the year ended 31 December 2024 (for the year ended 31 December 2023: Nil).

## **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining the Shareholders' rights to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, 10 June 2025 to Friday, 13 June 2025, both days inclusive, during which period no transfer of shares of the Company will be registered.

For the purpose of determining the entitlement to attend and vote at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 9 June 2025.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

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 the code for dealing in securities of the Company by the Directors. Having made specific enquiry by the Company to all the Directors, the Directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2024. Relevant employees who are likely to be in possession of unpublished inside information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code throughout the year ended 31 December 2024.

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

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

## **CORPORATE GOVERNANCE**

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

The Company has adopted the principles and code provisions contained in Part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the "**Corporate Governance Code**") as its own code on corporate governance and, to the best knowledge of the Directors, the Company had complied with all applicable code provisions set out in the Corporate Governance Code during the year ended 31 December 2024 (the "**Reporting Period**"), save for the deviation from code provision C.2.1 of the Corporate Governance Code as explained below.

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

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

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

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

## **AUDIT COMMITTEE**

The Company has established the audit committee (the “**Audit Committee**”), which comprises three independent non-executive Directors, in accordance with the requirements under Rule 3.21 of the Listing Rules.

The Audit Committee has reviewed the audited consolidated annual results of the Group for the year ended 31 December 2024 with the Company’s management and considered that such results have been prepared in accordance with applicable accounting standards and requirements with sufficient disclosure.

## **SCOPE OF WORK OF KTC PARTNERS CPA LIMITED**

The figures in respect of the Group’s consolidated balance sheet, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this announcement have been agreed by the Company’s external auditor, KTC Partners CPA Limited (“**KTC Partners**”), to the amounts set out in the Group’s audited consolidated financial statements for the year ended 31 December 2024. The work performed by KTC Partners in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently, no assurance has been expressed by KTC Partners in this announcement.

## **RETIREMENT AND RE-APPOINTMENT OF AUDITOR**

KTC Partners shall retire and, being eligible, will offer themselves for re-appointment at the Annual General Meeting, at which a resolution will be proposed for the re-appointment of KTC Partners as the auditor of the Company.

## **SUFFICIENCY OF PUBLIC FLOAT**

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, throughout the year ended 31 December 2024 and up to the date of this announcement, the Company has maintained a sufficient public float of not less than 25% of the total number of issued shares of the Company as required under the Listing Rules.

## **PUBLICATION OF THE 2024 ANNUAL RESULTS AND THE 2024 ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

This announcement is published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) as well as the website of the Company ([www.powerlongcm.com](http://www.powerlongcm.com)).

The annual report of the Company for the year ended 31 December 2024 will be made available on the abovementioned websites and (if necessary) despatched to the Shareholders in due course.

## **APPOINTMENT OF MEMBER OF NOMINATION COMMITTEE**

The Board of the Company announces that, Ms. Ng Yi Kum, Estella, an independent non-executive Director and the chairlady of the Audit Committee of the Company, has been appointed as a member of the nomination committee of the Company (the “**Nomination Committee**”) with effect from 26 March 2025.

The composition of the Nomination Committee henceforth comprises four members, including one executive Director, Mr. Hoi Wa Fong; and three independent non-executive Directors, Mr. Chan Wai Yan, Ronald, Dr. Lu Xiongwen and Ms. Ng Yi Kum, Estella. Mr. Hoi Wa Fong is the chairman of the Nomination Committee.

## **APPRECIATION**

The steady growth of the Group is attributable to the enormous support from the relevant parties for years. The Board would like to take this opportunity to express its sincere gratitude to the Group's investors, business partners and customers for their continuous trust and support. At the same time, the Board would also like to take this opportunity to thank the Board members for their work of high performance and the Group's staff for their contributions and dedication. The Group will continue to uphold its tradition of "honest, modest, innovative and devoted" while relying on an elite team with unified values, loyalty and commitment. It will adhere to its belief and rise to challenges in order to create better returns for its customers, shareholders and investors and to create greater values for the society.

By order of the Board  
**Powerlong Commercial Management Holdings Limited**  
**Hoi Wa Fong**  
*Chairman*

Hong Kong, 26 March 2025

*As at the date of this announcement, the Board comprises one executive Director, namely, Mr. Hoi Wa Fong, two non-executive Directors, namely, Ms. Hoi Wa Fan and Ms. Hoi Wa Lam, and three independent non-executive Directors, namely, Dr. Lu Xiongwen, Ms. Ng Yi Kum, Estella and Mr. Chan Wai Yan, Ronald.*

*This announcement is available for viewing on the Company's website at [www.powerlongcm.com](http://www.powerlongcm.com) and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk).*