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五礦地產
MINMETALS LAND

中國五礦

五礦地產有限公司
MINMETALS LAND LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 230)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED
31 DECEMBER 2024

FINANCIAL RESULTS

The board of directors (“Directors”) of Minmetals Land Limited (the “Company”) hereby announces the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2024, together with the comparative figures in 2023, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2024

	Notes	2024 HK\$'000	2023 HK\$'000
REVENUE	4	9,882,956	12,630,739
Cost of sales		<u>(9,277,654)</u>	<u>(10,458,171)</u>
Gross profit		605,302	2,172,568
Other income	5	86,147	103,892
Fair value changes on investment properties		(187,044)	(2,284)
Selling and marketing expenses		(535,115)	(416,249)
Administrative and other expenses		(487,540)	(588,659)
Allowance for impairment of inventories		(1,741,066)	(503,034)
Impairment losses recognised under expected credit loss model, net		(366,246)	(173,661)
Finance income		217,336	184,386
Finance costs		(534,689)	(477,416)
Share of results of associates		(823,337)	(209,869)
Share of results of joint ventures		59,678	33,889
(LOSS)/PROFIT BEFORE TAX	6	(3,706,574)	123,563
Income tax expense	7	(41,823)	(649,249)
LOSS FOR THE YEAR		(3,748,397)	(525,686)
Loss for the year attributable to:			
Equity holders of the Company		(3,520,690)	(1,015,518)
Non-controlling interests		(227,707)	489,832
		(3,748,397)	(525,686)
LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY, IN HK CENTS			
Basic and diluted	9	(105.19)	(30.34)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2024

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
LOSS FOR THE YEAR	<u>(3,748,397)</u>	<u>(525,686)</u>
OTHER COMPREHENSIVE EXPENSE		
Other comprehensive expense that may be reclassified to profit or loss in subsequent periods:		
Currency translation differences	(350,694)	(366,903)
Fair value loss on hedging instruments in cash flow hedges	(2,303)	(28,861)
Share of other comprehensive expense of associates	(26,386)	(30,840)
Share of other comprehensive expense of joint ventures	(7,174)	(4,347)
	<u>(386,557)</u>	<u>(430,951)</u>
Other comprehensive income/(expense) that will not be reclassified to profit or loss in subsequent periods:		
Fair value gain/(loss) on financial assets at fair value through other comprehensive income	55,515	(222,309)
	<u>55,515</u>	<u>(222,309)</u>
OTHER COMPREHENSIVE EXPENSE FOR THE YEAR, NET OF TAX	<u>(331,042)</u>	<u>(653,260)</u>
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR	<u>(4,079,439)</u>	<u>(1,178,946)</u>
Total comprehensive expense for the year attributable to:		
Equity holders of the Company	(3,678,233)	(1,532,460)
Non-controlling interests	(401,206)	353,514
	<u>(4,079,439)</u>	<u>(1,178,946)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	Notes	2024 HK\$'000	2023 HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		696,812	677,511
Investment properties		2,661,098	2,806,263
Interests in associates		1,125,206	2,028,924
Interests in joint ventures		329,267	333,897
Financial assets at fair value through other comprehensive income		234,634	179,119
Other financial assets		106	—
Other receivables		17,682	7,775
Deferred tax assets		335,733	458,949
Total non-current assets		<u>5,400,538</u>	<u>6,492,438</u>
CURRENT ASSETS			
Inventories		24,699,194	33,601,789
Prepayments, trade and other receivables	10	7,166,458	8,821,507
Prepaid income tax		760,980	729,270
Contract assets		68,397	191,082
Contract costs		68,707	222,274
Other financial assets		—	2,409
Cash and bank deposits, restricted		44,787	103,640
Cash and bank deposits, unrestricted		2,821,859	3,410,744
Total current assets		<u>35,630,382</u>	<u>47,082,715</u>
Total assets		<u>41,030,920</u>	<u>53,575,153</u>
EQUITY			
Share capital		334,691	334,691
Reserves	11	1,274,145	4,952,378
Equity attributable to equity holders of the Company		<u>1,608,836</u>	<u>5,287,069</u>
Non-controlling interests		<u>7,648,133</u>	<u>9,060,576</u>
Total equity		<u>9,256,969</u>	<u>14,347,645</u>
NON-CURRENT LIABILITIES			
Borrowings		5,388,587	8,093,545
Other payables	12	206,936	229,080
Deferred tax liabilities		156,383	204,910
Lease liabilities		—	2,707
Total non-current liabilities		<u>5,751,906</u>	<u>8,530,242</u>
CURRENT LIABILITIES			
Borrowings		16,294,582	15,223,126
Trade and other payables	12	7,546,508	9,114,886
Contract liabilities		1,647,646	5,706,814
Lease liabilities		2,649	3,720
Taxation payable		530,660	648,720
Total current liabilities		<u>26,022,045</u>	<u>30,697,266</u>
Total liabilities		<u>31,773,951</u>	<u>39,227,508</u>
Total equity and liabilities		<u>41,030,920</u>	<u>53,575,153</u>
Net current assets		<u>9,608,337</u>	<u>16,385,449</u>
Total assets less current liabilities		<u>15,008,875</u>	<u>22,877,887</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

1. CORPORATE AND GROUP INFORMATION

Minmetals Land Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) are principally engaged in real estate development, specialised construction and property investment. The People’s Republic of China is the major market for the Group’s businesses.

The Company is a limited liability company incorporated in Bermuda. The Company is listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its immediate holding company is June Glory International Limited (incorporated in the British Virgin Islands) and its ultimate controlling shareholder is China Minmetals Corporation (“China Minmetals”) (incorporated in Mainland China).

The addresses of the registered office and principal place of business of the Company are disclosed in the Corporate Information section to the annual report.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). In addition, these financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and by the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, derivative financial instruments and equity investments which have been measured at fair value. These financial statements are presented in Hong Kong dollars (“HK\$” or “HK dollar(s)”) which is also the functional currency of the Company, and all values are rounded to the nearest thousand except when otherwise indicated.

Going Concern

The Group recorded a net loss of approximately HK\$3,748 million for the year ended 31 December 2024. As of 31 December 2024, the Group recorded net current assets of HK\$9,608 million. The Group’s current portion of interest-bearing bank and other borrowings amounted to HK\$16,295 million, while the Group’s cash and cash equivalents amounted to HK\$2,822 million.

The Group was in the progress of obtaining waivers from banks for non-compliance with the financial covenants of certain facility agreement and caused certain cross defaults of other bank borrowings for the year ended 31 December 2024. Taking into consideration the Group’s cash flow projections prepared by the management, the Group’s financial position, the support from China Minmetals and one of its fellow subsidiaries, the unutilised credit facilities offered from financial institutions, and other financial resources, as at the date of this report, the directors of the Company are satisfied that the Group is able to meet its financial obligations in full as and when they fall due for the coming 12 months. Accordingly, the consolidated financial information has been prepared on a going concern basis.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

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

The nature and impact of the revised HKFRSs that are applicable to the Group are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

- (c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments did not have any significant impact on the Group's financial statements.

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

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

HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ³
HKFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i> ³
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ²
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
Amendments to HKAS 21	<i>Lack of Exchangeability</i> ¹
<i>Annual Improvements to HKFRS Accounting Standards — Volume 11</i>	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 ²

¹ Effective for annual periods beginning on or after 1 January 2025

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual/reporting periods beginning on or after 1 January 2027

⁴ No mandatory effective date yet determined but available for adoption

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

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

HKFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other HKFRSs. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in HKFRS 10 *Consolidated Financial Statements*, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with HKFRSs. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply HKFRS 19.

Amendments to HKFRS 9 and HKFRS 7 clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 10 and HKAS 28 address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 was removed by the HKICPA. However, the amendments are available for adoption now.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. Earlier application is permitted. When applying the amendments, an entity cannot restate comparative information. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. The amendments are not expected to have any significant impact on the Group's financial statements.

Annual Improvements to HKFRS Accounting Standards — Volume 11 set out amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- *HKFRS 7 Financial Instruments: Disclosures*: The amendments have updated certain wording in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing HKFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the *Guidance on implementing HKFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- **HKFRS 9 *Financial Instruments*:** The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 of HKFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wording in paragraph 5.1.3 of HKFRS 9 and Appendix A of HKFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group’s financial statements.
- **HKFRS 10 *Consolidated Financial Statements*:** The amendments clarify that the relationship described in paragraph B74 of HKFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of HKFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group’s financial statements.
- **HKAS 7 *Statement of Cash Flows*:** The amendments replace the term “cost method” with “at cost” in paragraph 37 of HKAS 7 following the prior deletion of the definition of “cost method”. Earlier application is permitted. The amendments are not expected to have any impact on the Group’s financial statements.

3. OPERATING SEGMENT INFORMATION

The chief operating decision maker has been identified as the executive directors. The executive directors review the Group’s internal financial reports in order to assess performance and allocate resources. The executive directors have determined the operating segments based on these reports as follows:

Real estate development:	Development and sales of residential and commercial properties
Specialised construction:	Design, installation and selling of curtain walls and aluminum windows, doors and other materials
Property investment:	Holding of properties to generate rental income and/or to gain from the appreciation in properties’ values in the long-term

No operating segments identified by the executive directors have been aggregated in arriving at the reportable segments of the Group.

Segment revenue and results

	Real estate development		Specialised construction		Property investment		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue								
Total segment revenue	9,832,285	12,307,637	716	271,906	53,674	55,541	9,886,675	12,635,084
Inter-segment revenue	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(3,719)</u>	<u>(4,345)</u>	<u>(3,719)</u>	<u>(4,345)</u>
Sales to external customers	<u>9,832,285</u>	<u>12,307,637</u>	<u>716</u>	<u>271,906</u>	<u>49,955</u>	<u>51,196</u>	<u>9,882,956</u>	<u>12,630,739</u>
Results								
Segment results	<u>(2,040,133)</u>	<u>864,377</u>	<u>(176,889)</u>	<u>(28,145)</u>	<u>(216,844)</u>	<u>(3,627)</u>	<u>(2,433,866)</u>	<u>832,605</u>
Unallocated corporate expenses, net							<u>(191,696)</u>	<u>(240,032)</u>
							(2,625,562)	592,573
Finance income							217,336	184,386
Finance costs							(534,689)	(477,416)
Share of results of associates							(823,337)	(209,869)
Share of results of joint ventures							<u>59,678</u>	<u>33,889</u>
(Loss)/profit before tax							<u>(3,706,574)</u>	<u>123,563</u>

The accounting policies of the reportable and operating segments are the same as the Group's accounting policies. Segment results represent the (loss)/profit before tax without allocation of unallocated corporate income and expenses, finance income, finance costs, and share of results of associates and joint ventures.

Inter-segment revenue is charged at prevailing market rates.

Segment assets and liabilities

	Real estate development		Specialised construction		Property investment		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Assets								
Segment assets	<u>37,264,382</u>	<u>49,149,888</u>	<u>79,314</u>	<u>228,500</u>	<u>1,872,757</u>	<u>2,053,128</u>	<u>39,216,453</u>	<u>51,431,516</u>
Unallocated corporate assets							<u>1,814,467</u>	<u>2,143,637</u>
Total assets							<u>41,030,920</u>	<u>53,575,153</u>
Liabilities								
Segment liabilities	<u>30,733,975</u>	<u>38,063,573</u>	<u>79,262</u>	<u>70,875</u>	<u>16,118</u>	<u>20,183</u>	<u>30,829,355</u>	<u>38,154,631</u>
Unallocated corporate liabilities							<u>944,596</u>	<u>1,072,877</u>
Total liabilities							<u>31,773,951</u>	<u>39,227,508</u>

Segment assets consist primarily of interests in associates, interests in joint ventures, property, plant and equipment, investment properties, other financial assets, inventories, receivables, contract assets, contract costs and operating cash but exclude items such as financial assets at fair value through other comprehensive income, bank deposits for corporate use and deferred tax assets. Segment liabilities comprise all operating liabilities but exclude items such as taxation and certain other payables.

Other segment information

	Real estate development		Specialised construction		Property investment		Segment total		Unallocated		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Amounts included in the measure of segment profit or loss or segment assets:												
Interests in associates	1,125,206	2,028,924	—	—	—	—	1,125,206	2,028,924	—	—	1,125,206	2,028,924
Interests in joint ventures	329,267	333,897	—	—	—	—	329,267	333,897	—	—	329,267	333,897
Capital expenditures	108,996	96,372	—	34	961	4,962	109,957	101,368	235	482	110,192	101,850
Depreciation recognised	12,900	25,462	41	59	1,393	138	14,334	25,659	4,052	4,711	18,386	30,370
Fair value changes on investment properties	16,750	(22,474)	—	—	170,294	24,758	187,044	2,284	—	—	187,044	2,284
Allowance for impairment of inventories, net	1,741,066	503,034	—	—	—	—	1,741,066	503,034	—	—	1,741,066	503,034
Impairment losses recognised/(reversed) under expected credit loss model, net	265,585	177,321	101,072	(2,707)	(411)	(953)	366,246	173,661	—	—	366,246	173,661

Geographical information

The Group operates its businesses in two main geographical areas:

Hong Kong:	Real estate development, specialised construction and property investment
Mainland China:	Real estate development and property investment

In presenting geographical information, sales are presented based on the geographical locations of the customers. Total non-current assets exclude financial instruments and deferred tax assets.

	Hong Kong		Mainland China		Total	
	2024	2023	2024	2023	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
External sales	3,820,868	328,627	6,062,088	12,302,112	9,882,956	12,630,739
Total non-current assets	<u>1,955,046</u>	<u>2,125,797</u>	<u>2,857,337</u>	<u>3,720,798</u>	<u>4,812,383</u>	<u>5,846,595</u>

Information about major customer

No revenue from transaction with single external customer is amounted to 10% or more of the Group's revenue for both years.

4. REVENUE

An analysis of revenue is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<i>Revenue from contracts with customers</i>	9,833,001	12,579,543
<i>Revenue from other sources</i>		
Rental and management fee income from investment properties	<u>49,955</u>	<u>51,196</u>
	<u><u>9,882,956</u></u>	<u><u>12,630,739</u></u>

5. OTHER INCOME

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Government subsidies	18,172	18,088
Dividend income	7,798	8,658
Management fee income from a fellow subsidiary	2,481	2,666
Consultancy fee income from fellow subsidiaries	2,225	23,056
Others	<u>55,471</u>	<u>51,424</u>
	<u><u>86,147</u></u>	<u><u>103,892</u></u>

6. (LOSS)/PROFIT BEFORE TAX

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Cost of properties sold (i)	9,197,242	10,156,653
Cost of specialised construction	63,279	283,849
Direct operating expenses incurred for investment properties that generated rental income	17,133	17,669
Depreciation	18,386	30,370
Auditor's remuneration	4,150	4,280
Employee benefit expense (including directors' emoluments)	266,969	278,993
Allowance for impairment of inventories	1,741,066	503,034
Net exchange (gain)/loss	<u>(14,701)</u>	28,859

(i) Included in cost of properties sold are capitalised interest expenses of HK\$1,170,154,000 (2023: HK\$706,442,000).

7. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong. Under the two-tiered profits tax regime, the first HK\$2,000,000 (2023: HK\$2,000,000) of the profits of qualifying group entities established in Hong Kong have been taxed at 8.25%, and profits above that amount have been subject to the tax rate of 16.5%. The profits of the group entities not qualifying for the two-tiered profits tax rate regime have been continued to be taxed at a rate of 16.5%.

The PRC enterprise income tax had been calculated on the estimated assessable profit for the year derived in Mainland China at the rate of 25% (2023: 25%).

Land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including costs of land and development and construction expenditures.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax		
PRC enterprise income tax	15,297	200,267
PRC land appreciation tax	(52,922)	120,657
Hong Kong profits tax	3,391	3,118
	<u>(34,234)</u>	324,042
Deferred tax	76,057	325,207
	<u>41,823</u>	<u>649,249</u>

8. DIVIDENDS

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

9. LOSS PER SHARE — BASIC AND DILUTED

The calculation of basic loss per share is based on the loss attributable to equity holders of the Company divided by the weighted average number of ordinary shares in issue during the year.

Since there were no dilutive potential ordinary shares, the diluted loss per share is equal to basic loss per share.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss attributable to equity holders of the Company	<u>(3,520,690)</u>	<u>(1,015,518)</u>
	2024 Number of shares '000	2023 Number of shares '000
Weighted average number of ordinary shares in issue during the year	<u>3,346,908</u>	<u>3,346,908</u>

10. PREPAYMENTS, TRADE AND OTHER RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables, net (a)	157,224	188,061
Deposits	112,502	129,074
Prepayments (b)	504,582	542,416
Prepayments for land cost (c)	138,784	141,817
Amounts due from associates	897,814	938,144
Amounts due from joint ventures	1,961,830	2,365,977
Amounts due from non-controlling shareholders of subsidiaries	3,099,609	4,163,243
Others	294,113	352,775
	<u>7,166,458</u>	<u>8,821,507</u>

- (a) The aging analysis of trade receivables based on due date for rental receivables, date of properties delivered to purchasers and billing date of construction services certified is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 90 days	79,844	131,902
91 to 180 days	13,986	13,621
181 days to 1 year	23,025	8,505
1 to 2 years	39,745	24,935
Over 2 years	55,033	49,020
	<u>211,633</u>	<u>227,983</u>
Less: Allowance for impairment	<u>(54,409)</u>	<u>(39,922)</u>
	<u>157,224</u>	<u>188,061</u>

- (b) As at 31 December 2024, prepayments included prepaid other taxes and other charges of approximately HK\$429,705,000 (2023: HK\$447,862,000).
- (c) Prepayments for land cost represented payments to Bureau of Planning and Natural Resources of PRC for the acquisition of land in Mainland China and the amount will be reclassified to inventory upon issuance of land use right certificates.

11. RESERVES

	Share premium <i>HK\$'000</i>	Contributed surplus <i>HK\$'000</i>	Capital redemption reserve <i>HK\$'000</i>	Investment revaluation reserve <i>HK\$'000</i>	Cash flow hedging reserve <i>HK\$'000</i>	Revaluation reserve <i>HK\$'000</i>	Other reserve <i>HK\$'000</i>	Exchange reserve <i>HK\$'000</i>	Retained earnings <i>HK\$'000</i>	Total <i>HK\$'000</i>
Balance as at 1 January 2023	4,275,172	515,336	769	(184,647)	31,270	46,509	(296,142)	(1,316,173)	3,412,744	6,484,838
Fair value loss of financial assets at fair value through other comprehensive income	—	—	—	(222,309)	—	—	—	—	—	(222,309)
Fair value loss on hedging instruments in cash flow hedges	—	—	—	—	(28,861)	—	—	—	—	(28,861)
Currency translation adjustments	—	—	—	—	—	—	—	(265,772)	—	(265,772)
Loss for the year	—	—	—	—	—	—	—	—	(1,015,518)	(1,015,518)
Balance as at 31 December 2023	<u>4,275,172</u>	<u>515,336</u>	<u>769</u>	<u>(406,956)</u>	<u>2,409</u>	<u>46,509</u>	<u>(296,142)</u>	<u>(1,581,945)</u>	<u>2,397,226</u>	<u>4,952,378</u>
Fair value gain of financial assets at fair value through other comprehensive income	—	—	—	55,515	—	—	—	—	—	55,515
Fair value loss on hedging instruments in cash flow hedges	—	—	—	—	(2,303)	—	—	—	—	(2,303)
Currency translation adjustments	—	—	—	—	—	—	—	(210,755)	—	(210,755)
Loss for the year	—	—	—	—	—	—	—	—	(3,520,690)	(3,520,690)
Balance as at 31 December 2024	<u>4,275,172</u>	<u>515,336</u>	<u>769</u>	<u>(351,441)</u>	<u>106</u>	<u>46,509</u>	<u>(296,142)</u>	<u>(1,792,700)</u>	<u>(1,123,464)</u>	<u>1,274,145</u>

12. TRADE AND OTHER PAYABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade, bills and contract payables (a)	1,854,384	2,012,465
Retention payables	5,740	27,941
Accrued construction costs, other accruals and other payables	4,424,053	5,451,350
Rental deposits received	12,291	14,149
Amounts due to a fellow subsidiary	132,641	153,399
Amounts due to non-controlling shareholders of subsidiaries	175,492	398,764
Amounts due to associates	903,952	979,949
Amount due to a joint venture	18,375	56,406
Deferred revenue (b)	<u>226,516</u>	<u>249,543</u>
	7,753,444	9,343,966
Less: Deferred revenue, amortise after 1 year shown under non-current liabilities	<u>(206,936)</u>	<u>(229,080)</u>
Amounts due for settlement within 1 year shown under current liabilities	<u><u>7,546,508</u></u>	<u><u>9,114,886</u></u>

(a) The aging analysis of trade, bills and contract payables of the Group based on invoice date is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 90 days	887,832	1,161,379
91 to 180 days	87,377	210,182
181 days to 1 year	349,378	202,729
1 year to 2 years	169,758	261,710
Over 2 years	<u>360,039</u>	<u>176,465</u>
	<u><u>1,854,384</u></u>	<u><u>2,012,465</u></u>

(b) Deferred revenue

As at 31 December 2024, included in deferred revenue was a government subsidy of HK\$224,180,000 (2023: HK\$246,701,000) towards the cost of construction of its assets. It transferred to other income on a systematic basis over certain period when the related assets commence to use.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATION REVIEW

Overview

In 2024, the downturn in China's real estate sector entered its fourth year, with both sales and investment, dropping by double digits. During the year, facing complicated environment with ongoing market downturn, the Group focused on cash flow management, insisted on steady operation with stringent control of operational risks. During the year, the Group achieved consolidated revenue of HK\$9,883 million, representing a year-on-year decrease of 21.8%; the core loss attributable to the equity holders of the Company¹ amounted to approximately HK\$566 million. Taking into account the provisions for impairment loss relating to real estate development projects and fair value changes of investment properties, which are non-cash in nature, the Group recorded a net loss attributable to equity holders of the Company of approximately HK\$3,521 million for the year ended 31 December 2024 (2023: HK\$1,016 million). The above-mentioned provisions for impairments made during the year were intended to reflect the latest market conditions amidst fragile property market sentiment.

Business Development

(1) *Real Estate Development*

Contracted Sales

In 2024, the central government responded decisively by continuously enhancing policy to stabilise the property market. These actions, addressing both the supply and demand sides to stabilise the real estate market, began with a proposal at the meeting of the Political Bureau of the Central Committee in April to “absorb existing property inventory and optimise the supply of new housing”, followed by efforts in September to “promote the stabilisation and recovery of the property market,” and an emphasis in December on “stabilising the property market”. However, while some cities have shown signs of stabilisation, overall uncertainty in the market remains relatively high. The market as a whole was still in the process of bottoming out, with a challenging path toward stability.

Note 1: “Core loss attributable to equity holders of the Company” excludes provision for impairment of inventories, share of impairment of inventories of associates and joint ventures, exchange gains and losses, fair value changes of investment properties and impairment loss recognised under expected credit loss model.

The contracted sales of the Company together with its subsidiaries, joint ventures and associates in 2024 decreased by 37.9% year-on-year to RMB7.02 billion (2023: RMB11.30 billion) whilst the gross floor area (“GFA”) contracted for sale decreased by 24.1% year-on-year to 421,000 square meters (2023: 555,000 square meters). The Group’s contracted sales were mainly derived from the real estate development projects in Tier 1 and core Tier 2 cities.

The contracted sales breakdown was listed as below:

Location	For the year ended 31 December			
	2024		2023	
	Contracted amount (RMB million)	Contracted GFA (sq.m.)	Contracted amount (RMB million)	Contracted GFA (sq.m.)
Pan Bohai Rim	2,359	150,388	3,955	162,121
Yangtze River Delta	702	34,407	2,014	67,023
Central China Region	1,190	94,348	1,540	132,194
Chengdu-Chongqing Region	686	49,645	1,238	86,483
Pearl River Delta (including Hong Kong)	2,078	92,051	2,549	107,126
Total	7,015	420,839	11,296	554,947

(2) Specialised Construction

In 2024, the Hong Kong property market remained in the doldrums with intensified market competition and a significant shrinking market capacity. In the face of the challenges, the Group insisted on stable operation, optimised its organisational structure and management processes, as well as strengthened its technology and core competitiveness to ensure long-term development.

During the year, settlement management of the Montego Bay project in Yau Tong and the A3 project of SkyCity at Hong Kong International Airport served as a focus of specialized construction business, optimising the resources allocation and maintaining financial stability. At the same time, the Group proactively adjusted its strategy to expand into the government public works market to minimise risks arising from market fluctuations and enhance counter-cyclical capacities.

Although no new projects were launched during the year, the Group still maintained its competitive advantage with optimized management model, profound technical accumulation and prudent risk management, and was well prepared for the market recovery to ensure sustainable business growth.

(3) Property Investment

The Group's property investment business primarily comprises two commercial office buildings in Hong Kong, namely China Minmetals Tower in Tsimshatsui and LKF29 in Central. As at 31 December 2024, LKF29 recorded an occupancy rate of 75.3% (2023: 91.8%), decreased by 16.5% year-on-year; while China Minmetals Tower underwent further renovation and replanning of office space for leasing in 2024 to enhance its market competitiveness with an occupancy rate of 86.9% (2023: 91.9%), representing a year-on-year decrease of 5.0%.

Land Bank

As at 31 December 2024, the Group's total developable GFA ("Land Bank") amounted to 5,761,000 square meters. The composition of the Group's Land Bank was listed as below:

City Tier	Land Bank (<i>'000 sq.m.</i>)	Percentage share of Land Bank
First tier cities	1,739	30.2%
Second tier cities	2,069	35.9%
Third tier cities	1,953	33.9%
Total	5,761	100.0%

Location	Land Bank (<i>'000 sq.m.</i>)	Percentage share of Land Bank
Pan Bohai Rim	2,057	35.7%
Yangtze River Delta	200	3.5%
Central China Region	1,045	18.1%
Chengdu-Chongqing Region	1,204	20.9%
Pearl River Delta (including Hong Kong)	1,255	21.8%
Total	5,761	100.0%

Entrusted Asset Management

During the year, the Group recorded a management service income of RMB2.4 million under the entrusted management service agreement, of which China Minmetals entrusted the Company with the management of its non-listed assets within its real estate development segment, including real estate development projects in Beijing, Tianjin, Shenyang, Liaoning, Jiangsu, Hunan and Guangdong.

FINANCIAL REVIEW

Revenue

The Group's revenue was primarily derived from three business segments, namely real estate development, specialised construction and property investment. The Group's consolidated revenue in 2024 amounted to HK\$9,883 million, representing a year-on-year decrease of 21.8% as compared to HK\$12,631 million last year.

The Group's consolidated revenue breakdown was listed as below:

	For the year ended 31 December				
	2024		2023		Year-on-year change
	HK\$ million	Percentage share of revenue	HK\$ million	Percentage share of revenue	
Real estate development	9,832	99.5%	12,308	97.4%	
Specialised construction	1	—	272	2.2%	-99.6%
Property investment	50	0.5%	51	0.4%	-2.0%
Total	<u>9,883</u>	<u>100.0%</u>	<u>12,631</u>	<u>100.0%</u>	<u>-21.8%</u>

Due to the decrease in the scale of real estate projects recognised during the year, the Group's revenue from the real estate development business decreased by 20.1% to HK\$9,832 million (2023: HK\$12,308 million) as compared to last year and accounted for 99.5% of the Group's consolidated revenue. Gross profit margin of the real estate development business decreased by 11.0 percentage points to 6.5% (2023: 17.5%) as compared to last year, mainly due to various sales strategies for real estate development business had been adopted in response to market conditions, including adjustments in sales prices to promote the sales of the projects that resulted in more real estate development projects with lower gross profit margins were recognised during the year.

Since projects on-hand have almost reached the completion stage and the absence of new projects were undertaken during the year, specialised construction business recorded a massive drop in revenue.

Revenue from the property investment business decreased by 2.0% to HK\$50 million (2023: HK\$51 million) as compared to last year, accounting for 0.5% of the Group's consolidated revenue. The revenue from the property investment business is mainly derived from two commercial buildings in Hong Kong. Gross profit margin of the property investment business increased by 0.2 percentage points to 65.7% (2023: 65.5%) as compared to last year.

The Group's overall gross profit margin decreased to 6.1% from 17.2% as compared to last year, mainly due to the gross profit margin of the products recognised from the real estate development business during the period was lower than that of last year.

Other Income

The Group's other income decreased by 17.3% year-on-year to HK\$86 million (2023: HK\$104 million), mainly due to the significant year-on-year decrease in consulting fees from fellow subsidiaries.

Fair Value Changes on Investment Properties

The Group recorded a fair value loss on investment properties of HK\$187.0 million in 2024 (2023: HK\$2.3 million), mainly due to the weak demand for office and retail space during the year and the continued pressure on the market rental levels for both renewed and newly leased properties.

Selling and Marketing Expenses

The Group's selling and marketing expenses increased by 28.6% to HK\$535 million (2023: HK\$416 million) as compared to last year, mainly due to the sales commissions and related sales and marketing expenses are charged to profit or loss during the year as a result of the delivery of the Montego Bay in Hong Kong during the year.

Administrative and Other Expenses

The Group's administrative and other expenses decreased by 17.1% to HK\$488 million (2023: HK\$589 million) as compared to last year, mainly due to the Group's stringent measures to reduce non-core and non-essential operating expenses.

Provision for Impairment of Inventories

During the year, prices of some of the Group's projects declined to varying degrees amid the sluggish real estate market. The Group made an impairment provision of HK\$1,741 million (2023: HK\$503 million) for inventories with indications of impairment.

Impairment loss recognised under expected credit loss model, net

The Group made an impairment provision of HK\$366 million for other receivables with indications of impairment, mainly arising from the expected credit loss on other receivables associated with several joint ventures and associates (2023: HK\$174 million).

Finance Costs

The Group's finance costs charged to the statement of profit or loss increased by 12.2% to HK\$535 million (2023: HK\$477 million) as compared to last year, mainly due to the declining interest capitalisation rate as a result of the completion of some projects during the year.

Share of Results of Associates

The Group's share of loss of associates increased by 291.9% to HK\$823 million (2023: HK\$210 million) as compared to last year. The loss was mainly due to the associates made a provision for the impairment of inventories with indications of impairment, which resulted in an increase in the proportionate share of loss by the Group.

Share of Results of Joint Ventures

The Group's share of profit of joint ventures increased by 76.5% to HK\$60 million (2023: HK\$34 million) as compared to last year, mainly attributable to the recognition of revenue by certain joint ventures of the Group.

Loss and Core Loss Attributable to Equity Holders of the Company

In view of the above, the Group's net loss was HK\$3,748 million (2023: HK\$526 million), representing a year-on-year increase of 612.5%. The loss attributable to equity holders of the Company was HK\$3,521 million (2023: HK\$1,016 million), representing a year-on-year increase of 246.6%. Core loss attributable to equity holders of the Company was HK\$566 million (2023: HK\$44 million). The basic loss per share was HK105.19 cents (2023: HK30.34 cents).

Financial Position

As at 31 December 2024, the Group's total assets decreased by 23.4% to HK\$41,031 million (2023: HK\$53,575 million) whilst net assets decreased by 35.5% to HK\$9,257 million (2023: HK\$14,348 million). The decrease in net assets was mainly attributable to the loss attributable to equity holders of the Company of HK\$3,521 million as well as the capital reduction and dividend distribution to shareholders for joint projects totalling HK\$1,011 million during the year.

The contract liabilities, which mainly represent pre-sale proceeds received by the Group that will subsequently be recognised as the Group's revenue when presold properties are completed and delivered to buyers. During the year, the Group's contract liabilities decreased by 71.1% to HK\$1,648 million (2023: HK\$5,707 million), which was mainly due to the Group's recognised revenue exceeding the receipt from new contracted sales during the year.

As at 31 December 2024, the Group's gearing ratio (total liabilities to total assets) was 77.4% (2023: 73.2%). The gearing ratio, net of contract liabilities and deferred revenue, was 76.4% (2023: 69.9%). The net gearing ratio (net debt to total equity) was 203.3% (2023: 138.0%). The increase in net gearing ratio was mainly due to the loss attributable to the equity holders of the Company of HK\$3,521 million during the year.

LIQUIDITY AND FINANCIAL RESOURCES

During the year, the Group's working capital was mainly derived from cash flows generated from business operations and borrowings.

For offshore financing, the Group entered into a 2-year club loan agreement of HK\$2.6 billion with certain banks in January 2024 and issued a total of RMB1.0 billion 366-day credit enhancement bonds from March to April 2024, the proceeds of which were used to replace the existing Hong Kong dollar borrowings. In terms of onshore financing, the Group entered into several construction loans in the first half of 2024. The Group proactively adjusted its borrowing structure to increase the proportion of RMB borrowings and reduce the size of offshore borrowings, and actively reduced the size of borrowings to effectively safeguard the Company's capital.

Total borrowings of the Group amounted to HK\$21,683 million as at 31 December 2024 (2023: HK\$23,317 million). The Group will continue to optimize its borrowings portfolio and step up its borrowings reduction.

The maturity profile of the Group's borrowings was as follows:

	31 December 2024		31 December 2023	
	HK\$ million	Percentage share of borrowings	HK\$ million	Percentage share of borrowings
Within one year	16,295	75.2%	15,223	65.3%
In the second year	4,316	19.9%	2,077	8.9%
In the third to fifth year	743	3.4%	6,017	25.8%
More than five years	329	1.5%	—	—
Total	21,683	100.0%	23,317	100.0%

The currency profile of the Group's borrowings was as follows:

	31 December 2024		31 December 2023	
	HK\$ million	Percentage share of borrowings	HK\$ million	Percentage share of borrowings
Hong Kong Dollar	8,785	40.5%	11,271	48.3%
Renminbi	10,521	48.5%	7,359	31.6%
United States Dollar	2,377	11.0%	4,687	20.1%
Total	21,683	100.0%	23,317	100.0%

The Group was in the progress of obtaining waivers from banks for non-compliance with the financial covenants of certain facility agreements with bank borrowings amounting to HK\$9,878 million, which also caused cross defaults to other bank borrowings amounting to HK\$1,762 million as at 31 December 2024. Non-compliance with the financial covenants and causing cross defaults give the banks the unconditional right to demand repayment at any time. In accordance with HKAS 1, the non-current portion of the aforementioned borrowings, which have not been given waivers before 31 December 2024, amounting to HK\$8,174 million have been reclassified to current liabilities as at 31 December 2024. As at the reporting date, the Group has not received any loan repayment notice from banks to repay the aforementioned borrowings.

During the year, the finance cost recognised in profit or loss amounted to HK\$535 million (2023: HK\$477 million) after deducting of capitalisation of HK\$674 million (2023: HK\$886 million) into properties under development.

As at 31 December 2024, the Group's cash and bank deposits (excluding restricted cash and bank deposits) amounted to HK\$2,822 million (2023: HK\$3,411 million), of which 76.9%, 19.1% and 4.0% (2023: 93.7%, 5.9% and 0.4%) were denominated in Renminbi, Hong Kong dollar and United States dollar respectively. The unutilised banking facilities of the Group as at 31 December 2024 amounted to HK\$4,089 million (2023: HK\$6,996 million).

EXPOSURE TO FLUCTUATION IN EXCHANGE RATES AND INTEREST RATES

Exchange Rate Risk

The Group's principal business is located in Mainland China where revenue is primarily denominated in Renminbi and external financing is primarily denominated in Hong Kong dollar. The Group is exposed to exchange rate risk in transactions that are denominated in a currency other than Hong Kong dollar, the reporting and functional currency of the Company. The Group has been closely monitoring the fluctuation in Renminbi exchange rate and has considered necessary measures to minimise the impact arising from exchange rate fluctuation including adjustment to the proportion of borrowings in foreign currencies and utilisation of foreign exchange hedging instruments such as forward foreign exchange contracts or capped forward contracts.

Interest Rate Risk

The Group is also exposed to interest rate risk resulting from fluctuation in interest rates. Most of the Group's borrowings bear a floating rate and therefore, an increase in interest rate would raise the Group's finance costs. In order to mitigate the interest rate risk, the Group entered into an interest rate swap contract in which the Group would receive interest of one-month HIBOR and pay monthly interest at a fixed rate based on the notional amount of HK\$0.8 billion. As at 31 December 2024, 41.3% (2023: 27.6%) of the Group's borrowings bears interest at a fixed rate, while the remaining balance bears interest at a floating rate.

As at 31 December 2024, save as disclosed above, the Group did not have/held any financial instruments for hedging or speculative purposes.

CHARGES ON ASSETS OF THE GROUP

As at 31 December 2024, certain assets of the Group were pledged to secure certain banking facilities granted to the Group and mortgage loan facilities to the purchasers of the Group's properties, and these pledged assets of the Group included:

- i. inventories with carrying amounts of HK\$4,265 million (2023: HK\$13,515 million);
- ii. property, plant and equipment with carrying amounts of HK\$312 million (2023: HK\$272 million); and
- iii. investment properties with carrying amounts of HK\$317 million (2023: HK\$274 million).

FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES

As at 31 December 2024, guarantees given to banks for mortgage facilities granted to purchasers of the Group's properties amounted to HK\$4,681 million (2023: HK\$7,051 million). Such guarantees will terminate upon the earlier of (i) the issuance of the property ownership certificate (generally within one year after the purchasers take possession of the relevant properties); or (ii) the repayment of mortgage loans by the purchasers. After taking into account the net realisable value of these properties and the low default rate, the Directors consider that the fair value of the financial guarantee at initial recognition and subsequently at the end of subsequent reporting period is not significant.

EMPLOYEES

The total number of staff (including the Directors) of the Group, decreased 7.0% to 1,017 (2023: 1,094) as at 31 December 2024. The Group will continue to adopt a remuneration policy in line with market practice where it operates. The total remuneration and benefits for the Directors and staff of the Group for the year ended 31 December 2024 amounted to HK\$392 million (2023: HK\$425 million).

SHARE OPTION SCHEME

A share option scheme was adopted by the Company on 7 June 2013 (the "Share Option Scheme") to recognise and acknowledge eligible persons for their contribution or potential contribution to the Group. The Share Option Scheme shall remain in force for 10 years from its adoption date and has expired on 6 June 2023. Details of the Share Option Scheme will be set out in the 2024 annual report of the Company.

During the life of the Share Option Scheme, no share options have been granted by the Company under the terms of the Share Option Scheme.

ANNUAL GENERAL MEETING

An annual general meeting of the shareholders of the Company will be convened to be held on Thursday, 19 June 2025 (the “2025 AGM”). The notice of the 2025 AGM which forms part of the circular to shareholders of the Company will be despatched together with the 2024 annual report.

CLOSURE OF REGISTER OF MEMBERS FOR 2025 AGM

The register of members of the Company will be closed from Monday, 16 June 2025 to Thursday, 19 June 2025 (both days inclusive), during which period no transfer of shares will be registered for the purpose of determining shareholders’ entitlement to attend and vote at the 2025 AGM.

To be entitled to attend and vote at the 2025 AGM, all share certificates together with completed transfer forms must be lodged with the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on Friday, 13 June 2025.

CORPORATE GOVERNANCE

Corporate Governance Code

In the opinion of the Directors, throughout the year ended 31 December 2024, the Company has complied with the code provisions of the Corporate Governance Code (“CG Code”) as set out in Appendix C1 to the Listing Rules, except for deviations from code provisions B.2.2 and C.2.1.

Every Director, including those appointed for a specific term, are subject to retirement by rotation in the manner as set out in code provision B.2.2 of the CG Code, except for the chairman and the managing director of the Company where they are not required to do so pursuant to the Private Company Act 1981 of Bermuda under which the Company is incorporated.

Deviating from code provision C.2.1 of the CG Code, Mr. He Jianbo, an executive director of the Company, serves as the chairman of the board of director of the Company (the “Board”). He is responsible for the overall strategic direction of the Group, management of the Board as well as organising the management of the Company for strategic planning and business operations to enable more effective implementation of long-term strategies. It is believed that the balance of power and authority is adequately ensured as major decisions have been made in consultation with the Board, which comprises three independent non-executive Directors and two non-executive Directors offering their experience, expertise, independent advice and views from different perspectives.

Code for Securities Transactions by Directors

The Company has established a set of guidelines as its own “Rules and Procedures for Directors and Relevant Employees of the Company in respect of Dealings in Securities of the Company” (the “Rules for Securities Transactions”) on terms no less exacting than those contained in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules.

Having made specific enquiries, all the Directors have confirmed in writing that they have complied with the Rules for Securities Transactions throughout the year ended 31 December 2024.

REVIEW BY AUDIT COMMITTEE

The audit committee of the Company has discussed with the management of the Company and the Group’s auditor, Ernst & Young, on the consolidated financial statements of the Group for the year ended 31 December 2024 and has also reviewed the accounting principles and practices adopted by the Group, internal control and other financial reporting matters. The consolidated financial statements of the Group for the year ended 31 December 2024 were recommended by the audit committee of the Company to the Board for approval.

SCOPE OF WORK OF ERNST & YOUNG

The figures as set out in this announcement in relation to the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 have been agreed by the Group’s auditor, Ernst & Young, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and accordingly, no assurance has been expressed by Ernst & Young on this announcement.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2024.

By order of the Board
Minmetals Land Limited
He Jianbo
Chairman

Hong Kong, 27 March 2025

The Company's 2024 annual report containing, inter alia, the corporate governance report, the report of the directors and the consolidated financial statements for the year ended 31 December 2024 will be published on the Company's website at www.minmetalsland.com and the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk in due course.

As at the date of this announcement, the Board comprises nine directors, namely Mr. He Jianbo as the Chairman and an executive director, Mr. Liu Bo, Mr. Chen Xingwu and Mr. Yang Shangping as executive directors, Ms. He Xiaoli and Mr. Huang Guoping as non-executive directors, and Mr. Lam Chung Lun, Billy, Ms. Law Fan Chiu Fun, Fanny and Professor Wang Xiuli as independent non-executive directors.