Sunshine 100 China Holdings Ltd
陽光100中國控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2608)

PRELIMINARY ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

SUMMARY OF 2024 ANNUAL RESULTS

- Revenue amounted to RMB2,018.8 million, representing a decrease of 4.0% as compared to 2023. The gross loss amounted to RMB189.7 million, and negative gross profit margin was 9.4%.
- Loss for the year amounted to RMB5,798.0 million. Loss for the year increased by 82.0% as compared to 2023, which was mainly due to the gross loss incurred on the delivered properties, the increase in the expensing of interest expenses, and the increase in write-down of properties under development and completed properties held for sale and impairment losses on other receivables as compared to last year.
- Basic and diluted loss per share was RMB2.19 and RMB2.19, respectively.
- Total assets amounted to RMB46,097.4 million. The total deficit attributable to equity shareholders of the Company amounted to RMB6,010.2 million.
- Contracted sales amounted to RMB384.4 million, representing a decrease of 33.8% as compared to 2023.
- Total gross floor area ("**GFA**") of the land reserves were approximately 5.2 million square meters as of 31 December 2024.

The board (the "**Board**") of directors (the "**Directors**") of Sunshine 100 China Holdings Ltd (the "**Company**") is pleased to announce the consolidated annual results of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2024 (the "**Reporting Period**"), together with the comparative figures for the corresponding period of 2023. The annual results of the Group for the Reporting Period have been reviewed by the audit committee of the Company (the "**Audit Committee**") and approved by the Board on 28 March 2025.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024
(Expressed in Renminbi)

	Notes	**2024** *RMB'000* **(Unaudited)**	2023 *RMB'000* (Audited)
Revenue	4	**2,018,823**	2,101,938
Cost of sales/services		**(2,208,559)**	(1,706,827)
Gross (loss) profit		**(189,736)**	395,111
Valuation losses on investment properties		**(414,877)**	(371,632)
Other income	5(a)	**355,826**	24,807
Selling expenses		**(64,737)**	(108,732)
Administrative expenses		**(202,857)**	(254,192)
Other operating expenses	5(b)	**(1,256,222)**	(450,686)
Impairment losses on trade receivables	5(c)	**(3,878)**	(64,283)
Impairment losses on other receivables	5(c)	**(894,324)**	(74,003)
Impairment losses on loans provided to third parties	5(c)	**(9,684)**	(84,952)
Loss from operations		**(2,680,489)**	(988,562)
Finance income	6	**461,146**	349,251
Finance costs	6	**(3,046,858)**	(1,833,368)
Share of results of associates		**(465)**	(82,434)
Loss before taxation		**(5,266,666)**	(2,555,113)
Income tax expenses	7	**(531,341)**	(630,730)
Loss for the year		**(5,798,007)**	(3,185,843)

	Note	2024 *RMB'000* (Unaudited)	2023 *RMB'000* (Audited)
Other comprehensive (loss) income for the year (after tax and reclassification adjustments)			
Item that may not be reclassified subsequently to profit or loss:			
Fair value change of other financial assets classified as fair value through other comprehensive income		**(761)**	(1,272)
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of overseas subsidiaries		**(3,299)**	9,436
Other comprehensive (loss) income for the year		**(4,060)**	8,164
Total comprehensive loss for the year		**(5,802,067)**	(3,177,679)
Loss for the year attributable to:			
Equity shareholders of the Company		**(5,586,238)**	(2,985,800)
Non-controlling interests		**(211,769)**	(200,043)
Loss for the year		**(5,798,007)**	(3,185,843)
Total comprehensive loss for the year attributable to:			
Equity shareholders of the Company		**(5,590,298)**	(2,977,636)
Non-controlling interests		**(211,769)**	(200,043)
Total comprehensive loss for the year		**(5,802,067)**	(3,177,679)
Loss per share *(RMB)*	8		
Basic		**(2.19)**	(1.17)
Diluted		**(2.19)**	(1.17)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024
(Expressed in Renminbi)

	Note	**2024** *RMB'000* **(Unaudited)**	2023 *RMB'000* (Audited)
Non-current assets			
Property and equipment		**417,623**	458,886
Investment properties		**9,639,188**	11,187,568
Intangible assets		**–**	–
Restricted bank deposits		**28,222**	26,466
Investments in associates		**864,345**	1,225,893
Trade and other receivables	9	**43,023**	44,038
Deferred tax assets		**770,453**	1,196,483
Other financial assets		**69,405**	72,548
Total non-current assets		**11,832,259**	14,211,882
Current assets			
Properties under development and completed properties held for sale		**22,459,930**	25,039,108
Land development for sale		**3,390,519**	3,265,292
Contract costs		**235,762**	247,074
Trade and other receivables	9	**7,120,260**	6,989,014
Trading securities		**20,252**	42,083
Other financial assets		**359,404**	354,129
Restricted bank deposits		**47,913**	54,174
Cash and cash equivalents		**631,109**	629,012
Total current assets		**34,265,149**	36,619,886

	Notes	**2024** *RMB'000* **(Unaudited)**	2023 *RMB'000* (Audited)
Current liabilities			
Loans and borrowings		**22,864,264**	22,934,905
Trade and other payables	10	**16,504,458**	13,720,066
Contract liabilities		**2,885,575**	4,196,757
Lease liabilities		**10,978**	14,568
Contract retention payables		**38,180**	37,139
Current tax liabilities		**2,354,756**	2,083,456
Total current liabilities		**44,658,211**	42,986,891
Net current liabilities		**(10,393,062)**	(6,367,005)
Total assets less current liabilities		**1,439,197**	7,844,877
Non-current liabilities			
Loans and borrowings		**3,884,426**	4,082,782
Contract retention payables		**32,164**	28,868
Lease liabilities		**13,817**	26,520
Trade and other payables	10	**406,469**	466,860
Deferred tax liabilities		**2,093,198**	2,432,140
Total non-current liabilities		**6,430,074**	7,037,170
NET (LIABILITIES) ASSETS		**(4,990,877)**	807,707
CAPITAL AND RESERVES	11		
Share capital		**20,174**	20,174
Reserves		**(6,030,407)**	(440,109)
Total deficit attributable to equity shareholders of the Company		**(6,010,233)**	(419,935)
Non-controlling interests		**1,019,356**	1,227,642
TOTAL (DEFICIT) EQUITY		**(4,990,877)**	807,707

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with all IFRS Accounting Standards, which collective term includes all applicable individual IFRS Accounting Standards, IAS Standards and IFRIC Interpretations issued by the International Accounting Standards Board ("**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange ("**Listing Rules**").

The IASB has issued certain amendments to IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in the consolidated financial statements.

2 BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements for the year ended 31 December 2024 comprise the Company and its subsidiaries (the "**Group**") and the Group's interests in associates.

The consolidated financial statements are presented in Renminbi (**"RMB"**), rounded to the nearest thousand, which is the functional currency of the Company and the entities carrying out the principal activities of the Group in the People's Republic of China (the "**PRC**").

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

– investment properties, including interests in leasehold land and buildings held as investment properties where the Group is the beneficial owner of the property interest;

– investments in equity securities and investment funds; and

– derivative financial instruments.

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Going concern

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that the Group incurred a net loss of approximately RMB5,798,007,000 for the year ended 31 December 2024 and as at 31 December 2024, the Group recorded net current liabilities and net liabilities of approximately RMB10,393,062,000 and RMB4,990,877,000, respectively, while the Group reported capital deficits attributable to equity shareholders of the Company of approximately RMB6,010,233,000. In addition, as at 31 December 2024, the Group had total loans and borrowings of approximately RMB26,748,690,000 of which the current loans and borrowings amounted to approximately RMB22,864,264,000. However, the Group only had cash and cash equivalents of approximately RMB631,109,000.

As at 31 December 2024, the Group's loans and borrowings of approximately RMB14,787,514,000, convertible bonds of USD50,866,000 (equivalent to approximately RMB365,646,000), senior notes of USD258,100,000 (equivalent to approximately RMB1,855,327,000), senior green notes with principal of USD219,600,000 (equivalent to approximately RMB1,578,573,000) and corporate bonds of approximately RMB2,202,000,000 were overdue pursuant to the relevant borrowing agreements which constituted events of default.

As at 31 December 2024, the Group had not finalised the land appreciation tax returns with the tax authorities for certain property development projects which had already met the requirement of finalisation of the PRC land appreciation tax ("**Land Appreciation Tax**"). The potential Land Appreciation Tax payment obligations arising from the clearance may have a significant impact on the liquidity position of the Group.

As at and subsequent to 31 December 2024, the Group is subjected to a number of legal proceedings which mainly in relation to disputes under construction contracts in respect of its various property development projects and defaults of repayment of several loans and borrowings, which arose during the normal course of business. Based on the best estimation on the possible outcomes of the disputes by the management in consideration of the development of negotiations with the creditors and advice sought from the independent legal advisors and internal legal counsel, the possible further obligations (other than those liabilities/provisions that have been recognised in the consolidated financial statements) arose from litigations are expected to be immaterial to the consolidated financial statements of the Group. However, it is uncertain for the timing of crystallisation of the relevant legal proceedings.

The above events or conditions indicate the existence of multiple material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

In view of these circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain plans and measures have been taken or will be taken by the directors of the Company to mitigate the liquidity pressure and to improve its financial position which include, but are not limited to, the following:

(i) the Group has been actively negotiating with a number of creditors and lenders for renewal and extension of interest-bearing borrowings which would be due within 12 months, in which the Group has already successfully renewed interest-bearing borrowings of approximately RMB24,490,000 and extended interest-bearing borrowings of approximately RMB4,302,666,000 for 1 to 3 years during the year ended 31 December 2024;

(ii) the Group has been actively negotiating with a number of creditors and lenders for debt restructuring of interest-bearing borrowings;

(iii) the Group has been actively negotiating with existing lenders for persuading them not to take action to demand for immediate repayment of the borrowings with interest payments in default including the prevention from the auction of the Group's pledged properties, in which the Group has successfully negotiated and convinced the lenders to withdraw the winding-up petition against the Company regarding the outstanding convertible bonds;

(iv) the Group has been actively negotiating with various financial institutions and potential lenders/investors to identify various options for financing the Group's working capital and commitments in the foreseeable future, in which the Group has already successfully obtained new loans and borrowings from third parties of approximately RMB13,337,000 during the year ended 31 December 2024;

(v) the Group has implemented plans to dispose several investment properties instead of generating rental income to improve the cash flow of the Group in future;

(vi) the Group has accelerated or will accelerate the pre-sale and sale of its properties under development and completed properties held for sale;

(vii) the Group has implemented measures to speed up the collection of outstanding sale proceeds and loans to third parties;

(viii) the Group will continue to improve the operating efficiency by implementing measures to tighten cost controls over various operating expenses in order to enhance its profitability and to improve the cash flow from its operation in future;

(ix) the Group has been actively looking for larger property development enterprises and cooperating with investors to develop properties under development of the Group through joint effort;

(x) the Group has been actively procuring and negotiating the preliminary terms with larger property development enterprises for the sale of property development projects at a price deemed appropriate; and

(xi) the Group has been actively negotiating with the local tax authorities to postpone the finalisation and payment of Land Appreciation Tax of the property development projects which had already met the requirement of finalisation of Land Appreciation Tax.

Based on the latest information available, the directors of the Company are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis.

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

(i) successfully negotiating with the lenders on the renewal of or extension for repayment of outstanding borrowings, including those with overdue principal and interests;

(ii) successfully negotiating with the creditors and lenders on debt restructuring of interest-bearing borrowings;

(iii) successfully persuading the Group's existing lenders not to take action to demand for immediate repayment of the borrowings with interest payments in default including the prevention from the auction of the Group's pledged properties;

(iv) successfully negotiating with various financial institutions and potential lenders/investors and identifying various options for financing the Group's working capital and commitments in the foreseeable future;

(v) successfully implemented plans to dispose several investment properties instead of generating rental income to improve the cash flow in future;

(vi) successfully accelerating the pre-sales and sales of properties under development and completed properties and speeding up the collection of outstanding sales proceeds and loans to third parties, and controlling costs and capital expenditure so as to generate adequate net cash inflows;

(vii) successfully looking for larger property development enterprises and cooperating with investors to develop properties under development of the Group through joint effort;

(viii) successfully procuring and negotiating the preliminary terms with larger property development enterprises for the sale of property development projects at a price deemed appropriate; and

(ix) successfully negotiating with the local tax authorities to postpone the finalisation and payment of Land Appreciation Tax of the property development projects which had already met the requirements of finalisation of Land Appreciation Tax.

The directors of the Company believe that the aforementioned plans and measures will be successful, based on the continuous efforts made by the management of the Company. However, should the Group fail to achieve the abovementioned plans and measures, it may not have sufficient funds to operate as a going concern, in which case adjustments might have to be made to reduce the carrying values of the Group's assets to their recoverable amounts, to reclassify the non-current assets and non-current liabilities as current assets and current liabilities, respectively, and to provide for any further liabilities which might arise. The effects of these adjustments have not been reflected in the consolidated financial statements.

3 CHANGES IN ACCOUNTING POLICIES

The Group has applied, for the first time, the following amendment to IFRS Accounting Standards to these consolidated financial statements for the current reporting period:

Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Amendments to IAS 1: Non-current Liabilities with Covenants

The amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the consolidated financial statements.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

(i) Disaggregation of revenue

The principal activities of the Group are property and land development, property investment, property management and hotel operation, and light-asset operation. Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Revenue from contracts with customers within the scope of IFRS 15		
Sale of properties	**1,374,084**	1,385,485
Property management and hotel operation income	**492,828**	533,329
Light-asset operation income	**–**	12,303
	1,866,912	1,931,117
Revenue from other sources		
Rental income from investment properties	**151,911**	170,821
	2,018,823	2,101,938
Disaggregated by timing of revenue recognition		
At a point in time	**1,332,843**	1,301,166
Over time	**534,069**	629,951
	1,866,912	1,931,117

Disaggregation of revenue from contracts with customers by segment and by the timing of revenue recognition is set out in Note 4(b).

The Group's customer base is diversified and there are no customers with whom transactions have exceeded 10% of the Group's revenue.

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

At 31 December 2024, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is approximately RMB3,751,904,000 (2023: approximately RMB5,594,427,000). This amount represents revenue expected to be recognised in the future from sale of properties. The Group will recognise the expected revenue within three years. This amount does not include variable consideration which is constrained.

(b) Segment reporting

The Group manages its businesses based on its products and services, which are divided into property development that comprises mixed-use business complexes projects and multi-functional residential communities, investment properties, property management and hotel operation, and light asset operation. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management, being identified as the chief operating decision makers ("**CODM**"), for the purposes of resources allocation and performance assessment focuses on types of goods delivered or services rendered. Specifically, the Group has presented the following five reportable segments:

(a) the mixed-use business complexes segment that develops and sells business complex products;

(b) the multi-functional residential communities segment that develops and sells residential properties and develops land;

(c) investment properties segment that leases offices and commercial premises;

(d) the property management and hotel operation segment that provides property management services, and hotel accommodation services; and

(e) the light-asset operation segment that provides property selling agency and brand-use services.

No operating segments identified by the CODM have been aggregated to form the above reportable segments of the Group.

(i) ***Segment results, assets and liabilities***

For the purposes of assessing segment performance and allocating resources between segments, the CODM monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets and liabilities include all non-current assets and liabilities and current assets and liabilities other than unallocated head office and corporate assets and liabilities.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation of assets attributable to those segments. Head office and corporate expenses are not allocated to individual segments.

Segment (loss) profit represents the (loss) profit after taxation generated by individual segments.

Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

Management is provided with segment information concerning revenue, cost of sales/services, valuation losses on investment properties, other income, net operating expenses, impairment losses on trade and other receivables, net finance costs, income tax, additions on investment properties and property and equipment, write-down of properties under development and completed properties held for sale and loans and borrowings.

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the CODM for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2024 and 2023 is set out below:

	Year ended 31 December 2024 (Unaudited)					
	Mixed-use business complexes *RMB'000*	Multi-functional residential communities *RMB'000*	Investment properties *RMB'000*	Property management and hotel operation *RMB'000*	Light-asset operation *RMB'000*	Total *RMB'000*
Disaggregated by timing of revenue recognition						
At a point in time	**146,971**	**1,185,872**	**-**	**-**	**-**	**1,332,843**
Over time	**23,200**	**18,041**	**-**	**492,828**	**-**	**534,069**
Revenue from external customers	**170,171**	**1,203,913**	**-**	**492,828**	**-**	**1,866,912**
Revenue from other sources	**-**	**-**	**151,911**	**-**	**-**	**151,911**
	170,171	**1,203,913**	**151,911**	**492,828**	**-**	**2,018,823**
Inter-segment revenue	**-**	**-**	**6,625**	**8,868**	**35,780**	**51,273**
Reportable segment revenue	**170,171**	**1,203,913**	**158,536**	**501,696**	**35,780**	**2,070,096**
Cost of sales/services	**(124,542)**	**(1,647,796)**	**-**	**(474,698)**	**(130)**	**(2,247,166)**
Reportable segment gross profit (loss)	**45,629**	**(443,883)**	**158,536**	**26,998**	**35,650**	**(177,070)**
Valuation losses on investment properties	**-**	**-**	**(414,877)**	**-**	**-**	**(414,877)**
Other income	**801**	**42,229**	**386**	**2,055**	**98**	**45,569**
Net operating expenses	**(596)**	**(4,097)**	**(691,186)**	**(1,604)**	**(21,450)**	**(718,933)**
Impairment losses on trade receivables	**(2,220)**	**(1,476)**	**-**	**(182)**	**-**	**(3,878)**
Impairment losses on other receivables	**(29,108)**	**(863,711)**	**-**	**(451)**	**-**	**(893,270)**
Net finance costs	**(931,982)**	**(928,805)**	**(2,365)**	**(5,083)**	**-**	**(1,868,235)**

	Year ended 31 December 2024 (Unaudited)					
	Mixed-use business complexes	Multi-functional residential communities	Investment properties	Property management and hotel operation	Light-asset operation	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Reportable segment (loss) profit before taxation	**(917,476)**	**(2,199,743)**	**(949,506)**	**21,733**	**14,298**	**(4,030,694)**
Income tax (expenses) credit	**(35,328)**	**(734,408)**	**239,779**	**(1,040)**	**-**	**(530,997)**
Reportable segment (loss) profit	**(952,804)**	**(2,934,151)**	**(709,727)**	**20,693**	**14,298**	**(4,561,691)**
Additions on investment properties and property and equipment	**219**	**1,561**	**34,754**	**474**	**363**	**37,371**
Write-down of properties under development and completed properties held for sale	**-**	**451,779**	**-**	**-**	**-**	**451,779**

	At 31 December 2024 (Unaudited)					
	Mixed-use business complexes	Multi-Functional residential communities	Investment properties	Property management and hotel operation	Light-asset operation	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Loans and borrowings	**9,043,699**	**12,206,245**	**-**	**586,946**	**-**	**21,836,890**
Reportable segment assets	**18,315,497**	**14,870,269**	**9,943,315**	**153,254**	**97,311**	**43,379,646**
Reportable segment liabilities	**18,498,923**	**24,301,819**	**224,209**	**968,831**	**63,753**	**44,057,535**

	Year ended 31 December 2023 (Audited)					
	Mixed-use business complexes *RMB'000*	Multi-functional residential communities *RMB'000*	Investment properties *RMB'000*	Property management and hotel operation *RMB'000*	Light-asset operation *RMB'000*	Total *RMB'000*
Disaggregated by timing of revenue recognition						
At a point in time	711,147	577,716	–	–	12,303	1,301,166
Over time	95,732	890	–	533,329	–	629,951
Revenue from external customers	806,879	578,606	–	533,329	12,303	1,931,117
Revenue from other sources	–	–	170,821	–	–	170,821
	806,879	578,606	170,821	533,329	12,303	2,101,938
Inter-segment revenue	–	–	8,558	5,845	20,736	35,139
Reportable segment revenue	806,879	578,606	179,379	539,174	33,039	2,137,077
Cost of sales/services	(715,646)	(517,471)	–	(484,992)	(1,171)	(1,719,280)
Reportable segment gross profit	91,233	61,135	179,379	54,182	31,868	417,797
Valuation losses on investment properties	–	–	(371,632)	–	–	(371,632)
Other income	1,605	2,651	2,094	6,717	489	13,556
Net operating expenses	(174,167)	(394,460)	(28,557)	(101,507)	(21,516)	(720,207)
Impairment losses on trade receivables	(10,758)	(52,355)	–	(1,122)	–	(64,235)
Impairment losses on other receivables	4,688	(29,091)	(1,501)	–	–	(25,904)
Net finance costs	(220,148)	(405,763)	(4,042)	(4,536)	(9)	(634,498)

	Year ended 31 December 2023 (Audited)					
	Mixed-use business complexes *RMB'000*	Multi-functional residential communities *RMB'000*	Investment properties *RMB'000*	Property management and hotel operation *RMB'000*	Light-asset operation *RMB'000*	Total *RMB'000*
Reportable segment (loss) profit before taxation	(307,547)	(817,883)	(224,259)	(46,266)	10,832	(1,385,123)
Income tax (expenses) credit	(266,786)	(367,907)	5,058	456	(7)	(629,186)
Reportable segment (loss) profit	(574,333)	(1,185,790)	(219,201)	(45,810)	10,825	(2,014,309)
Additions on investment properties and property and equipment	267	42	16,269	930	739	18,247
Write-down of properties under development and completed properties held for sale	68,332	105,016	–	–	–	173,348

	At 31 December 2023 (Audited)					
	Mixed-use business complexes *RMB'000*	Multi-Functional residential communities *RMB'000*	Investment properties *RMB'000*	Property management and hotel operation *RMB'000*	Light-asset operation *RMB'000*	Total *RMB'000*
Loans and borrowings	9,048,628	12,526,269	–	588,966	–	22,163,863
Reportable segment assets	18,524,150	17,882,220	11,632,650	205,180	106,964	48,351,164
Reportable segment liabilities	17,980,359	24,636,671	242,033	920,931	49,892	43,829,886

(ii) Reconciliations of reportable segment revenue, loss, loans and borrowings, assets and liabilities

	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Revenue		
Reportable segment revenue	**2,070,096**	2,137,077
Elimination of intra-group revenue	**(51,273)**	(35,139)
Consolidated revenue *(Note 4(a) (i))*	**2,018,823**	2,101,938
Loss		
Reportable segment loss	**(4,561,691)**	(2,014,309)
Elimination of intra-group results	**41,772**	22,686
Unallocated head office and corporate loss	**(1,278,088)**	(1,194,220)
Consolidated loss	**(5,798,007)**	(3,185,843)
Loans and borrowings		
Reportable segment loans and borrowings	**21,836,890**	22,163,863
Unallocated head office and corporate loans and borrowings	**4,911,800**	4,853,824
Consolidated loans and borrowings	**26,748,690**	27,017,687
Assets		
Reportable segment assets	**43,379,646**	48,351,164
Elimination of intra-group balances	**(8,367,815)**	(8,625,040)
Unallocated head office and corporate assets	**11,085,577**	11,105,644
Consolidated total assets	**46,097,408**	50,831,768
Liabilities		
Reportable segment liabilities	**44,057,535**	43,829,886
Elimination of intra-group balances	**(8,367,815)**	(8,625,040)
Unallocated head office and corporate liabilities	**15,398,565**	14,819,215
Consolidated total liabilities	**51,088,285**	50,024,061

(iii) Geographical information

The Group's operations are substantially located in the PRC, therefore no geographical segment reporting is presented.

5(a) OTHER INCOME

	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Gain on deregistration/deconsolidation of subsidiaries, net	**30,536**	2,967
Recovery of other receivables written off in previous year	**310,692**	–
Gain on early termination of lease	**731**	–
Others	**13,867**	21,840
	355,826	24,807

5(b) OTHER OPERATING EXPENSES

	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Write-down of properties under development and completed properties held for sale *(Note 5(c))*	**451,779**	173,348
Penalty	**849**	47,444
Loss on disposal of investment properties	**196,837**	–
Loss on disposal of associates	**128,234**	104,654
Loss on debt set-off by investment properties and properties under development	**472,772**	103,026
Loss on disposal of property and equipment	**2,716**	24
Others	**3,035**	22,190
	1,256,222	450,686

5(c) IMPAIRMENT LOSSES

The Chinese real estate market continued to be under pressure in a complex and changing economic environment, and the overall situation did not show signs of recovery as expected.

Despite frequent positive policies, the domestic new housing market did not respond positively, and new housing sales data remained weak, and therefore, certain property development projects have been suspended/delayed and the recoverability of certain assets and receivables, that were advanced to the Group's business partners for certain property development projects in the Group's ordinary course of business, was deteriorated. After due and careful consideration of the potential recoverable amounts, the Group recognised significant impairments on various assets as follows:

a) partial provision on trade receivables, other receivables and loans provided to third parties was made to reflect the expect credit loss ("**ECL**") exposure estimated by the management of the Company with reference to credit risk assessment made by the Group and/or a professional valuer; and

b) partial provision on properties under development and completed properties held for sale was made to reflect the decline in net realisable value of relevant properties development projects.

In determination of the required provision that should be made, the Group had considered the following factors, among others:

a) the existing and expected future real estate market conditions in the PRC;

b) the expected further costs to be incurred by the Group on the incompleted property development projects; and

c) the credit rating and/or other credit assessment results of the business partners, including aging analysis, settlement record, risk and time to realise the value of collaterals, etc.

6 FINANCE INCOME AND FINANCE COSTS

	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Finance income		
Interest income on financial assets measured at amortised cost	**(461,146)**	(349,251)
Finance costs		
Total interest expense on loans and borrowings	**3,009,237**	3,161,648
Less: Interest expense capitalised into land development for sale, properties under development and investment properties under construction* #	**(63,031)**	(1,480,862)
	2,946,206	1,680,786
Net change in fair value of the trading securities	**21,831**	44,221
Net change in fair value of financial assets measured at fair value through profit or loss	**2,382**	83
Interest element of lease rentals paid	**2,486**	3,726
Bank charges and others	**2,252**	14,688
Net foreign exchange loss	**71,701**	89,864
	3,046,858	1,833,368

* The borrowing costs have been capitalised at a rate of 3.20% – 12.00% per annum (2023: 6.00% – 16.52% per annum).

During the year ended 31 December 2024, there were number of construction project suspended without detailed plan for resumption, interest expenses were not capitalised for those suspended construction projects.

7 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	2024	2023
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Provision for the year		
– PRC Corporate Income Tax	**6,500**	30,434
– Land Appreciation Tax	**431,974**	217,410
Deferred tax	**92,867**	382,886
Income tax expenses	**531,341**	630,730

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Island (the **"BVI"**), the group entities incorporated in the Cayman Islands and the BVI, are not subject to any income tax.

In accordance with the Corporate Income Tax Law of the PRC, the income tax rate applicable to the Company's subsidiaries in the PRC is 25%.

In accordance with the Land Appreciation Tax Law of the PRC, Land Appreciation Tax is levied on the properties developed by the Group for sale in the PRC. Land Appreciation Tax is charged on the appreciated amount at progressive rates ranged from 30% to 60%, except for certain projects which are charged on the contract revenue of properties sold or pre-sold at different rates ranged from 5% to 7% based on types of properties.

8 LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to equity shareholders of the Company of approximately RMB5,586,238,000 (2023: approximately RMB2,985,800,000) and the weighted average of 2,550,811,477 ordinary shares (2023: 2,550,811,477 ordinary shares) in issue during the year ended 31 December 2024.

(b) Diluted loss per share

For the years ended 31 December 2024 and 2023, diluted loss per share is the same as basic loss per share as the effect of potential ordinary share is anti-dilutive.

9 TRADE AND OTHER RECEIVABLES

	Notes	31 December 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Trade receivables, net of loss allowance	(a)	**450,660**	398,170
Loans provided to third parties, net of loss allowance	(b)	**3,325,458**	3,076,903
Loans provided to non-controlling interests of subsidiaries, net of loss allowance		**152,160**	306,286
Loans provided to associates, net of loss allowance		**39,807**	38,480
Consideration receivables, net of loss allowance		**296,010**	295,565
Other receivables, net of loss allowance		**1,333,068**	1,153,153
Financial assets measured at amortised cost, net of loss allowance		**5,597,163**	5,268,557
Deposits and prepayments		**1,566,120**	1,764,495
		7,163,283	7,033,052
Less: non-current portion of other receivables		**(43,023)**	(44,038)
		7,120,260	6,989,014

(a) Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables (net of loss allowance), based on the revenue recognition date, is as follows:

	31 December 2024 *RMB'000* **(Unaudited)**	31 December 2023 *RMB'000* (Audited)
Within 6 months	**73,851**	5,982
6 months to 1 year	**9,841**	9,278
Over 1 year	**366,968**	382,910
	450,660	398,170

(b) Loans provided to third parties

The balance mainly represented loans provided to third parties which were interest bearing at a weighted interest rate of 12% (2023: 12%) per annum. The management of the Company measures loss allowance for loans provided to third parties on an individual basis at an amount equal to 12-month ECL unless there has been a significant increase in credit risk of the loan balance since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECL.

During the year ended 31 December 2024, a total loss allowance of approximately RMB10 million (2023: approximately RMB85 million), representing the lifetime ECL (2023: lifetime ECL), was recognised in the profit or loss on the loans provided to third parties, which was related to loans provided to a number of companies with credit risk increased. No reversal of loss allowance was recognised in profit or loss during the years ended 31 December 2024 and 2023.

During the year ended 31 December 2024, loans provided to third parties of approximately RMB30,000 (2023: approximately RMB1,173,000) were made to certain payees, which are independent third parties, by the payment instructions received from the relevant contracting parties.

10 TRADE AND OTHER PAYABLES

	Note	**31 December 2024** *RMB'000* **(Unaudited)**	31 December 2023 *RMB'000* (Audited)
Trade payables	(a)	**3,432,583**	3,675,074
Advances received from third parties		**358,657**	359,079
Consideration payables in respect of acquisition of subsidiaries		**687,882**	843,184
Amounts due to related parties		**281,750**	281,196
Other payables		**11,226,317**	7,896,406
Financial liabilities measured at amortised cost		**15,987,189**	13,054,939
Other taxes payables		**923,738**	1,131,987
		16,910,927	14,186,926
Less: non-current portion of trade payables		**(406,469)**	(466,860)
		16,504,458	13,720,066

(a) As of the end of reporting period, the ageing analysis of trade payables (which are included in trade and other payables) based on invoice date, is as follows:

	31 December 2024 *RMB'000* **(Unaudited)**	31 December 2023 *RMB'000* (Audited)
Within 1 year	**1,847,556**	1,724,015
1 to 2 years	**346,884**	824,516
Over 2 years but within 5 years	**1,238,143**	1,126,543
	3,432,583	3,675,074

11 CAPITAL AND RESERVES

(a) Dividend

No dividend was paid or proposed for ordinary shareholders of the Company during the years ended 31 December 2024 and 2023, nor has any dividend been proposed since 31 December 2024 (2023: Nil).

(b) Share capital

	2024		2023	
	No. of shares (Unaudited)	***HKD'000*** **(Unaudited)**	No. of shares (Audited)	*HKD'000* (Audited)
Authorised:				
Ordinary shares of HK$0.01 each	**4,000,000,000**	**40,000**	4,000,000,000	40,000

	2024		2023	
	No. of shares (Unaudited)	***RMB'000*** **(Unaudited)**	No. of shares (Audited)	*RMB'000* (Audited)
Ordinary shares, issued and fully paid:				
At 1 January and 31 December	**2,550,811,477**	**20,174**	2,550,811,477	20,174

12 LITIGATION

As at 31 December 2024 and up to the date of this announcement, the Group is subjected to a number of legal proceedings which mainly in relation to disputes under construction contracts in respect of its various property development projects and defaults of repayment of several bank and other borrowings, which arose during the normal course of business.

In the opinion of the directors of the Company, based on the best estimation on the possible outcomes of the disputes by the management in consideration of the development of negotiations with the creditors and advice sought from the independent legal advisors and internal legal counsel, the possible further obligations (other than those liabilities/provisions have been recognised in the consolidated financial statements) arose from litigations is immaterial to the consolidated financial statements of the Group.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of the Company, I present the business review and outlook of the Group for the year ended 31 December 2024.

MARKET REVIEW

In 2024, the Chinese real estate industry gradually stabilized due to policy support and differentiation in demand. There was a certain degree of recovery in sales in first-tier and core cities, driven by the release of improved demand, while lower-tier cities still faced pressure to clear inventory. Faced with the uncertainty of the industry environment, the real estate market went through a period of deep integration. Despite this, the support of policies and gradual recovery of market demand brought us new hope.

BUSINESS REVIEW

In 2024, the PRC real estate industry continued to undergo deep adjustments, and the Company faced the dual challenges of shrinking market demand and mounting debt pressure. As a result, the Company's revenue decreased by 4.0% compared to the previous year, and contract sales dropped by 33.8% from 2023, putting the group's cash flow in a tense state. Despite this, we still strive to find a way out in adversity, promote innovation, and lay a solid foundation for long-term transformation.

1. Improving Business Model

Faced with the dual pressure of funds and from the market, we comprehensively implemented the Amoeba business model, finely controlled costs and dynamically allocated resources, reshaped our business logic, improved operational efficiency, and empowered front-line decision-making. This not only helped us maintain basic operations in the situation of tight funds but also laid a foundation for future sustainable development.

2. Seeking Business Innovation

In response to the shrinking traditional business, the Company actively explores and promotes business innovation, and is committed to revitalizing existing assets. On the one hand, we have increased our efforts to upgrade and transform existing projects, and through the introduction of new design concepts and technological means, we have improved project quality and market competitiveness. On the other hand, we actively explore the development path of new formats such as health and wellness apartments and travel apartments, and combine cultural tourism and commercial resources to create a diversified product and service system.

3. Resolving the Debt Crisis

In 2024, we were deeply embroiled in a legal quagmire and had to face a series of lawsuits and debt collection actions from creditors. These lawsuits, going on simultaneously, not only consumed a lot of time, energy, and resources but also put tremendous pressure on the Company's operations. Faced with this severe situation, our team did not back down and actively sought solutions. In the negotiation process with creditors, we always held an open, transparent, and cooperative attitude, striving to find a win-win solution that could protect the interests of creditors and leave room for the Company's future development. Despite the twists and turns in the process, through unremitting efforts and sincere communication, we ultimately successfully reached multiple settlement agreements, creating room for adjustment for the Company's development.

FUTURE OUTLOOK

In the face of a complex and ever-changing market environment, we have always believed that the market always contains infinite opportunities, and only by grasping opportunities with innovative thinking can we achieve sustainable development.

In 2025, we will continue to deepen the Amoeba business model, stimulate organizational vitality and improve efficiency, and promote the transformation of the Company to high-quality development through business innovation and asset revitalization.

We will use “stock renovation” and “business format upgrade” as the starting point to accelerate the release of asset value of existing projects. The transformation and upgrading of existing projects is not only a key measure to optimize resource allocation, but also an important path to tap the potential of properties and improve operational efficiency. At the same time, we will combine market demand and explore the deep integration of composite formats such as “cultural tourism + commerce” and “health and wellness + travel apartments”, and create new spatial scenes that combine functionality and attractiveness. The silver economy, as an important direction for future development, provides us with a new opportunity for transformation.

Throughout this process, the shaping and enhancement of brand value will run through it all. Operational capability is the foundation of brand value, and only by precipitating unique profit models and service characteristics in operations can we truly form differentiated competitiveness.

At the same time, debt restructuring is one of the important tasks that the Company is facing. After positive communication with creditors last year, we will continue to actively communicate and negotiate to develop a practical and feasible debt restructuring plan. Through debt structure optimization, debt extension, debt conversion, and other methods, we can effectively alleviate the company’s debt pressure and create a favorable financial environment for the Company’s sustainable development.

In conclusion, the future path is full of opportunities and challenges. We will face difficulties with firm confidence and determination, and forge ahead to create greater value for shareholders, customers, and society.

Thank you to all shareholders, investors, partners, customers, employees, and friends who have always supported and trusted the Company. We look forward to witnessing the future of the Company together with you!

Chairman of the Board
Yi Xiaodi

28 March 2025, Beijing

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Contracted Sales

During the Reporting Period, the Group recorded contracted sales of RMB384.4 million, representing a decrease of 33.8% from 2023, and contracted sales area of 28,825 square metres, representing a decrease of 2.8% from 2023. Moreover, the Group's average unit price for contracted sales was RMB11,610 per square metre, representing a decrease of 19.5% from 2023. Approximately 44.6% of the contracted sales amount was generated from the Yangtze River Delta regions, among which, Changzhou Sunshine 100 Zone 7 Upper East Side contributed significantly, with the contracted sales being RMB113.9 million, accounting for 29.6% of the Group's total contracted sales.

Breakdown of contracted sales of the Group by geographic location during the Reporting Period is as follows:

			For the 12 months ended 31 December					
Economic area	**City**	**Project**	**Contracted sales area** *(square metres)* [(1)]		**Contracted sales amount** *(RMB million)* [(2)]		**Unit selling price** *(RMB/square metres)* [(1)]	
			2024	2023	**2024**	2023	**2024**	2023
Bohai Rim	Shenyang	Shenyang Sunshine 100 International New Town	**1,919**	554	**25.1**	15.4	**11,337**	8,996
		Shenyang Sunshine 100 Golf Mansion	**292**	993	**4.2**	10	**12,500**	9,370
	Jinan	Jinan Sunshine 100 International New Town	**1,522**	2,131	**31.2**	56.3	**18,646**	20,669
	Dongying	Dongying Sunshine 100 Phoenix Community	**-680**	125	**-4.1**	1.3	**6,163**	4,608
	Weifang	Weifang Sunshine 100 Phoenix Community	**–**	3,587	**0.3**	33.9	**–**	9,104
	Tianjin	Tianjin Sunshine 100 Nankai Himalaya	**6,956**	327	**96.6**	8.7	**13,930**	26,486
		Tianjin Sunshine 100 Tianta Himalaya	**–**	-99	**–**	-7	**–**	70,847
		Tianjin Sunshine 100 International New Town	**–**	–	**2.0**	0.6	**–**	–
	Yantai	Yantai Sunshine 100 Himalaya	**–**	-100	**0.3**	-1.1	**–**	17,757
	Chengde	Sunshine 100 Beijing Arles[(3)]	**–**	-159	**–**	-1.8	**–**	11,531
	Sub-total		**10,009**	7,359	**155.6**	116.3	**14,633**	12,175

Economic area	City	Project	For the 12 months ended 31 December Contracted sales area *(square metres)* [(1)]		Contracted sales amount *(RMB million)* [(2)]		Unit selling price *(RMB/square metres)* [(1)]	
			2024	2023	**2024**	2023	**2024**	2023
Yangtze River Delta	Wuxi	Wuxi Sunshine 100 Arles	**9,549**	436	**71.3**	110.9	**7,359**	16,958
		Wuxi Sunshine 100 Himalaya	**–**	887	**-1.9**	13.3	**–**	14,958
	Wenzhou	Sunshine 100 Wenzhou Center	**–**	407	**–**	7.8	**–**	18,658
		Wenzhou Sunshine 100 Arles[(3)]	**–**	8,640	**–**	111.2	**–**	12,754
	Changzhou	Changzhou Sunshine 100 Zone 7 Upper East Side	**4,583**	4,573	**113.9**	65.8	**17,633**	14,363
	Yixing	Yixing Sunshine 100 Phoenix Street	**-898**	207	**-11.9**	5.8	**13,206**	25,252
	Sub-total		**13,234**	15,150	**171.4**	314.8	**10,377**	13,819
Pearl River Delta	Qingyuan	Qingyuan Sunshine 100 Arles	**86**	-2,135	**0.6**	110.9	**-2,816**	6,008
	Sub-total		**86**	-2,135	**0.6**	110.9	**-2,816**	6,008

Economic area	City	Project	For the 12 months ended 31 December Contracted sales area (square metres) [1]		Contracted sales amount (RMB million) [2]		Unit selling price (RMB/square metres) [1]	
			2024	2023	**2024**	2023	**2024**	2023
Midwest	Wuhan	Wuhan Sunshine 100 Lakeside Residence	**43**	–	**0.8**	1.6	**16,216**	–
		Wuhan Sunshine 100 Phoenix Street	**183**	1,642	**6.1**	31.2	**25,864**	13,374
	Chongqing	Chongqing Sunshine 100 Arles	**2,705**	3,463	**41.3**	53.3	**14,034**	14,432
	Changsha	Changsha Sunshine 100 Phoenix Street	**224**	503	**1.6**	9.5	**1,691**	12,063
	Liuzhou	Liuzhou Sunshine 100 Yaobu Town	**2,694**	1,094	**10.4**	14.8	**3,875**	13,121
		Liuzhou Sunshine 100 City Plaza	**-282**	-271	**-2.6**	-2.5	**9,248**	10,781
	Chengdu	Chengdu Sunshine 100 Mia Center	**-71**	–	**-1.4**	0.3	**7,731**	–
	Nanning	Nanning Sunshine 100 Upper East Side International	**–**	–	**0.3**	0.5	**–**	–
		Nanning Sunshine 100 Mountainside Garden	**–**	–	**–**	-0.1	**–**	–
	Lijiang	Lijiang Sunshine 100 COART Village	**–**	2,119	**–**	26.2	**–**	12,352
	Xi'an	Xi'an Sunshine 100 Arles	**–**	720	**–**	26.8	**–**	36,117
	Sub-total		**5,496**	9,270	**56.5**	161.6	**9,288**	15,253
Total			**28,825**	29,644	**384.4**	580.8	**11,610**	14,422

Notes:

(1) Excluding car parks
(2) Including car parks
(3) The project company has entered bankruptcy reorganization proceedings.

Breakdown of contracted sales of the Group by type of business during the Reporting Period is as follows:

	For the 12 months ended 31 December					
	Contracted sales area *(square metres)* [(1)]		Contracted sales amount *(RMB million)* [(2)]		Unit selling price *(RMB/square metre)* [(1)]	
	2024	2023	**2024**	2023	**2024**	2023
Type						
Residential properties	**8,574**	19,849	**114.3**	253.9	**13,372**	12,786
Commercial properties and car parks	**20,278**	9,795	**270.1**	326.9	**10,868**	17,735
Total	**28,852**	29,644	**384.4**	580.8	**11,610**	14,422
Proportion						
Residential properties	**30%**	67%	**30%**	44%		
Commercial properties and car parks	**70%**	33%	**70%**	56%		
Total	**100%**	100%	**100%**	100%		

Notes:

(1) Excluding car parks
(2) Including car parks

Property Construction

During the Reporting Period, the Group had no newly started construction area, remaining unchanged since 2023. The completed GFA was 32,976 square metres, representing a decrease of 94% from 2023. The total GFA under construction was 1,549,788 square metres at the end of the Reporting Period, representing a decrease of 22% from 2023, mainly due to the certain project companies undergoing bankruptcy reorganization.

The property construction of the Group during the Reporting Period is as follows:

		For the 12 months ended 31 December 2024		
Economic area	**City**	**Newly-started total GFA**	**Completed total GFA**	**Total GFA under construction at the end of the period**
		(square metres)	*(square metres)*	*(square metres)*
Bohai Rim	Shenyang	–	32,976	61,373
	Weifang	–	–	95,966
	Yantai	–	–	328,917
	Sub-total	**–**	**32,976**	**486,256**
Yangtze River Delta	Wuxi	–	–	152,352
	Wenzhou	–	–	259,382
	Sub-total	**–**	**–**	**411,734**
Pearl River Delta	Qingyuan	–	–	43,808
	Sub-total	**–**	**–**	**43,808**
Midwest	Chongqing	–	–	83,495
	Yueyang	–	–	82,552
	Guilin	–	–	31,960
	Xi’an	–	–	225,583
	Wuhan	–	–	156,511
	Lijiang	–	–	27,889
	Sub-total	**–**	**–**	**607,990**
Total		**–**	**32,976**	**1,549,788**

Investment Properties

During the Reporting Period, the GFA of investment properties of the Group decreased by 58,596 square metres. In the meantime the GFA of the Group's investment properties, both completed and under construction, was 574,094.94 square metres. Moreover, the Group's rental income for the Reporting Period was RMB151.9 million, representing a decrease of 11.1% as compared with 2023.

Land Acquisition

During the Reporting Period, the Group paid an aggregate amount of RMB0 million for various land and project acquisitions.

Breakdown of the land reserves of the Group at the end of the Reporting Period is as follows:

Economic area	City	Total GFA	Proportion	Attributable GFA	Proportion
		(square metres)		*(square metres)*	
Bohai Rim	Weifang	511,026	10%	511,026	11%
	Shenyang	451,922	9%	419,211	9%
	Yantai	350,173	7%	350,173	8%
	Jinan	100,922	2%	49,452	1%
	Tianjin	85,762	2%	70,861	2%
	Dongying	40,891	1%	40,891	1%
	Sub-total	**1,540,696**	**30%**	**1,441,614**	**31%**
Midwest	Chongqing	135,764	3%	108,611	2%
	Guilin(1)	595,223	12%	595,223	13%
	Changsha	166,622	3%	166,622	4%
	Yueyang	82,552	2%	42,102	1%
	Liuzhou	239,830	5%	239,830	5%
	Nanning	143,021	3%	118,635	3%
	Wuhan	292,406	6%	292,406	6%
	Chengdu	56,223	1%	56,223	1%
	Xi'an	466,948	9%	466,948	10%
	Lijiang	265,087	5%	135,194	3%
	Sub-total	**2,443,676**	**47%**	**2,221,794**	**48%**

Economic area	City	Total GFA	Proportion	Attributable GFA	Proportion
		(square metres)		*(square metres)*	
Yangtze River Delta	Wenzhou	451,594	9%	451,594	10%
	Wuxi	236,168	5%	236,168	5%
	Changzhou	26,832	1%	13,684	0%
	Yixing	22,633	0%	18,107	0%
	Sub-total	**737,227**	**14%**	**719,553**	**16%**
Pearl River Delta	Qingyuan	447,124	9%	245,918	5%
	Sub-total	**447,124**	**9%**	**245,918**	**5%**
Total		**5,168,724**	**100%**	**4,628,879**	**100%**

Note:

(1) Reference is made to the announcement of the Company dated 18 August 2023 in relation to the disposal of the land use right pursuant to the court enforcement order. As of 31 December 2024, the transfer/change of registration procedure regarding the land use right had not been completed.

Financial Performance

Revenue

During the Reporting Period, the Group's revenue decreased by 4.0% to RMB2,018.8 million in 2024 from RMB2,101.9 million in 2023, mainly due to the decrease in the income from property management and hotel operation.

Income from sale of properties

During the Reporting Period, revenue generated from the sale of properties was RMB1,374.1 million in 2024, remaining largely unchanged compared to 2023.

Income from property management and hotel operation

During the Reporting Period, revenue generated from property management and hotel operation of the Group was decreased by 7.6% to RMB492.8 million from RMB533.3 million in 2023, mainly attributable to the decrease in hotel operation income compared to last year.

Rental income from investment properties

During the Reporting Period, rental income from investment properties of the Group decreased by 11.1% to RMB151.9 million in 2024 from RMB170.8 million in 2023, mainly due to a reduction in the leased area of the Group's investment properties compared to 2023.

Cost of sales/services

During the Reporting Period, the cost of sales/services of the Group increased by 29.4% to RMB2,208.6 million in 2024 from RMB1,706.8 million in 2023. Cost of sales of properties increased by 43.9% to RMB1,756.8 million in 2024 from RMB1,220.7 million in 2023, primarily due to the increase in the unit cost of delivered properties compared to last year. Cost of property management and hotel operation decreased by 6.8% to RMB451.8 million in 2024 from RMB485.0 million in 2023, primarily due to the decrease in the cost of hotel operation compared to last year.

Gross loss

As a result of the foregoing, for the Reporting Period, the gross loss of the Group was RMB189.7 million, and the gross profit of the Group was RMB395.1 million in 2023, primarily due to the gross loss incurred on the delivered properties.

Valuation losses on investment properties

During the Reporting Period, valuation loss on investment properties of the Group were RMB414.9 million, primarily due to the decline in investment property valuations caused by the downturn in the property market.

Other income

During the Reporting Period, the Group's other income increased by 1,334.7% to RMB355.8 million in 2024 from RMB24.8 million in 2023, primarily due to the gain from recovery of other receivables written off in previous year.

Selling expenses

During the Reporting Period, the Group's selling expenses decreased by 40.5% to RMB64.7 million in 2024 from RMB108.7 million in 2023, primarily due to the Company's intensified efforts in cost control and streamlined personnel, resulting in a decrease in the payment of salaries and advertising expenses.

Administrative expenses

During the Reporting Period, the administrative expenses of the Group decreased by 20.2% to RMB202.9 million in 2024 from RMB254.2 million in 2023, primarily due to the Company's intensified efforts in cost control and streamlined personnel during the Reporting Period, leading to a decrease in salary payments and other expenses.

Other operating expenses

During the Reporting Period, the Group recorded other operating expenses of RMB1,256.2 million, representing an increase of 178.7% from RMB450.7 million in 2023, mainly due to the increase in write-down of properties under development and completed properties held for sale and loss on disposal and debt set-off by investment properties compared to last year.

Material Impairment

The Chinese real estate market continued to be under pressure in a complex and changing economic environment, and the overall situation did not show signs of recovery as expected. Despite frequent positive policies, the domestic new housing market did not respond positively, and new housing sales data remained weak, and therefore, certain property development projects have been suspended/delayed and the recoverability of certain assets and receivables, that were advanced to the Group's business partners for certain property development projects in the Group's ordinary course of business, was deteriorated. After due and careful consideration of the potential recoverable amounts, the Group recognised significant impairments on various assets. For details, please refer to Note 5(c) to this announcement.

Finance income

During the Reporting Period, financial income of the Group increased by 32.0% to RMB461.1 million in 2024 from RMB349.3 million in 2023, mainly due to the increase in interest income derived from structure notes provided.

Finance costs

During the Reporting Period, financial costs of the Group increased by 66.2% to RMB3,046.9 million in 2024 from RMB1,833.4 million in 2023, mainly due to the increase in expensed interest expense as a result of the increase in completed projects and the suspension of some real estate development projects.

Income tax

During the Reporting Period, the income tax expenses of the Group was decreased by 15.8% to RMB531.3 million in 2024 from RMB630.7 million in 2023, mainly due to the net effect of (1) a decrease in deferred tax liabilities resulting from the disposal of investment properties and downward valuation adjustments of investment properties; (2) the reversal of previously recognized deferred tax assets associated with expired tax loss carryforwards; and (3) increased provisions for land appreciation tax obligations.

Loss for the year

During the Reporting Period, the loss of the Group increased by 82.0% to RMB5,798.0 million in 2024 from RMB3,185.8 million in 2023.

Loss attributable to equity shareholders of the Company

Due to the factors mentioned above, the loss attributable to equity shareholders of the Company increased by 87.1% to RMB5,586.2 million in 2024 from RMB2,985.8 million in 2023.

Investments in associates

During the Reporting Period, investments in associates decreased by 29.5% from RMB1,225.9 million in 2023 to RMB864.3 million in 2024, mainly due to the disposal of three of the associates in 2024.

Deferred tax assets

During the Reporting Period, deferred tax assets decreased by 35.6% from RMB1,196.5 million in 2023 to RMB770.5 million in 2024, mainly due to the reversal of previously recognized deferred tax assets associated with expired tax loss carry forwards in 2024.

Working capital, financial and capital resources

Cash and cash equivalents

As at 31 December 2024, the Group had approximately RMB631.1 million of cash and cash equivalents, remaining largely unchanged compared to 2023.

Current ratio, gearing ratio and debt to asset

As at 31 December 2024, the Group's current ratio decreased to 76.7% from 85.2% as at 31 December 2023. The Group's current assets decreased from RMB36,619.9 million as at 31 December 2023 to RMB34,265.1 million as at 31 December 2024, while current liabilities increased to RMB44,658.2 million as at 31 December 2024 from RMB42,986.9 million as at 31 December 2023.

As at 31 December 2024, the Group's gearing ratio (calculated as total loans and borrowings divided by total assets) increased to 58.0% from 53.2% as at 31 December 2023. Debt to asset ratio (calculated as total liabilities divided by total assets) increased by 12.4 percentage point to 110.8% as at 31 December 2024 from 98.4% as at 31 December 2023, which was mainly attributable to the decrease in total assets resulting from the loss from operation for the year.

Contingent liabilities

During the Reporting Period, the Group entered into agreements with certain banks to provide guarantees for the mortgage loans of purchases of its properties. As at 31 December 2024, the Group provided guarantees for mortgage loans in an amount of RMB2,140.4 million (31 December 2023: RMB3,110.1 million) to those banks in respect of such agreements.

Loans and borrowings and pledged assets

As at 31 December 2024 the Group had total loans and borrowings of RMB26,748.7 million, of which RMB22,864.3 million, RMB3,285.8 million and RMB598.6 million were payable within one year or on demand, after 1 year but within 2 years and after 2 years but within 5 years, respectively.

The Group's borrowings are denominated in Renminbi and US dollar, mostly with fixed interest rate. As at 31 December 2024, the Group had no unutilized comprehensive credit facilities granted by bank and other financial institutions. The Group currently has no interest rate hedging policy. However, the management will monitor the interest rate risks and consider taking other necessary actions if any material risks are expected.

As at 31 December 2024, the Group had pledged properties and restricted deposits with a carrying value of RMB14,060.9 million (31 December 2023: RMB14,829.2 million) to secure banking facilities granted to the Group.

Capital commitment

As at 31 December 2024, the Group's contracted capital commitment for properties under development and investment properties under construction not provided for in the financial statements was approximately RMB4,797.5 million (31 December 2023: approximately RMB5,307.8 million). Approved but not contracted for capital commitment of the Group was approximately RMB4,408.1 million as at 31 December 2024 (31 December 2023: approximately RMB4,973.5 million).

Foreign exchange exposure

The Renminbi is not freely convertible into foreign currencies. All foreign exchange transactions involving Renminbi must take place through the People's Bank of China (the "**PBOC**") or other statutory institutions. The exchange rates adopted for foreign exchange transactions are those published by the PBOC and may be subject to a managed float against an unspecified basket of currencies. Foreign currency payments, including the remittance of earnings outside the PRC, are subject to the availability of foreign currencies (depending on the foreign currency in which the Group's earnings are denominated) or must be conducted through the PBOC with government approval.

Nearly all of the Group's income and expenses are denominated in Renminbi ("**RMB**"), while certain bank deposits and loans are denominated in the Hong Kong dollar ("**HKD**") and US dollar ("**USD**"). However, the operating cash flows and working capital of the Group have not been materially impacted by fluctuations in exchange rates. The Group currently does not hedge its foreign exchange exposure but may adopt hedging measures in the future.

Major investments, acquisitions and disposals

Disposal of Land Pursuant to Court Enforcement Order

The Company's subsidiaries and associates, being Yantai Sunshine 100 Real Estate Development Co., Ltd. (煙台陽光壹佰房地產開發有限公司) ("**Yantai Sunshine 100**"), Weifang Sunshine 100 Real Estate Co., Ltd. (濰坊陽光壹佰置業有限公司), Guilin Sunshine 100 Real Estate Co., Ltd (桂林陽光壹佰置業有限公司) ("**Guilin Sunshine 100**") and Sunshine 100 Real Estate Group Co., Ltd. (陽光壹佰置業集團有限公司) (together, the "**Entities**"), have received an enforcement order issued by Beijing Financial Court (北京金融法院) dated 7 August 2023 (the "**Enforcement Order**"). The Enforcement Order was issued as a result of the Entities' failure to comply with the mediation order dated 29 July 2022 which required the Entities to repay China Huarong Asset Management Co., Ltd. (中國華融資產管理股份有限公司) (currently known as China CITIC Financial Asset Management Co., Ltd. (中國中信金融資產管理股份有限公司) (stock code: 2799) ("**China Huarong**") a loan that China Huarong made to Yantai Sunshine 100 (the "**Defaulted Loan**"). The aggregate principal amount of the Defaulted Loan, together with interest and litigation costs, as at 29 July 2022, were approximately RMB495.0 million plus interest accrued from 21 March 2022 up to the date of repayment (the "**Claim**").

Beijing Financial Court has ordered Guilin Sunshine 100, which agreed to guarantee the Defaulted Loan with land use rights over a portion of land located in Xiangshan District, Guilin, Guangxi Province (廣西壯族自治區桂林市象山區) (the "**Land**"), to sell its land use rights in the Land by way of judicial public auction to satisfy the Claim. The Land was valuated at approximately RMB586.3 million as at 20 September 2022 based on the valuation report commissioned by Beijing Financial Court, which had remained unsold after two rounds of judicial public auction. Therefore, China Huarong applied to Beijing Financial Court, and Beijing Financial Court granted the Enforcement Order for China Huarong to take the Land at the auction reserve price of approximately RMB328.0 million (including an enforcement fee of approximately RMB0.6 million and the auction reserve price of the buildings above the Land of approximately RMB8.7 million), representing a discount of approximately 44% to its valuation price, as settlement of part of the Claim. For further details, please refer to the announcement of the Company dated 18 August 2023.

Update on completion status for disposal of 100% Equity Interest in Eminent Star

References are made to the Company's announcements dated 13 April 2019 and 31 December 2019 as well as the Company's circular dated 13 June 2019 regarding the very substantial disposal by Chang Jia International Limited (長佳國際有限公司) ("**Chang Jia**") of the share capital and loans owing by Eminent Star Group Limited(卓星集團有限公司) ("**Eminent Star**") for a total consideration of approximately RMB4,661.2 million payable in cash (the "**Eminent Star Disposal**"). Terms used below shall have the same meanings as those used in the Company's announcement dated 13 April 2019.

As at the date of this announcement, the first completion, the second completion, the third completion and the fourth completion of the Eminent Star Disposal have taken place. The Group has received cash totaling RMB4,466.4 million, which includes the Initial Deposit, the Further Deposit, the First Instalment, the part of the Second Instalment, the Third Instalment and other related payments. The parties are negotiating the payment of the balance of the Second Instalment and related matters.

Save as disclosed above, the Company had no other major investments, acquisitions or disposals during the Reporting Period.

Future plans for substantial investments or capital assets

As at the date of this announcement, there is no plan authorized by the Board for other substantial investments or additions of capital assets.

Human Resources

As at 31 December 2024, the Group employed a total of 1,603 employees (31 December 2023: 1,738 employees). The majority of our employees are based in the PRC. The staff costs of the Group for the Reporting Period were RMB308.3 million (2023: RMB321.9 million). The Group has adopted a performance based incentive system to motivate its staff. In addition to the basic salary, year-end bonuses are offered to staff with outstanding performance. In relation to staff training, the Group also provides various training programs to improve employees' skills and develop their respective expertise. Generally, salary will be determined based on the qualifications, position and experience of each employee. The Group has established a regular assessment mechanism to assess the performance of its employees. The assessment results are used as the basis for determining salary increment, bonuses and promotions. As required by regulations in China, the Group makes contributions to mandatory social security funds such as pension, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and the housing provident fund for the benefit of its employees in China. During the Reporting Period, the Group made contributions of approximately RMB22.9 million to the employee retirement scheme (2023: RMB23.2 million).

DIVIDENDS

Final Dividend

The Board does not recommend the payment of any final dividend for the year ended 31 December 2024. Information regarding the date of the annual general meeting for the year of 2025, and the relevant record dates and book close dates will be announced in due course.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standard of corporate governance to safeguard the interests of the shareholders of the Company and to enhance corporate value and accountability of the Company. During the Reporting Period, the Company adopted and complied with all applicable code provisions set out in Part 2 of Appendix C1 (the "**CG Code**") to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), except for the following deviation from code provisions C.2.1 and D.1.2 of part 2 of the CG Code and Rules of 3.05 and 3.28 of the Listing Rules as follows:

Code provision C.2.1 of the Part 2 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Yi Xiaodi has served as the chairman and chief executive officer of the Company since 11 May 2018. This arrangement deviates from the requirement that the two positions should be held separately by different individuals as prescribed in the code provision C.2.1 of the Part 2 of the CG Code. However, the Board is of the view that the roles of chairman and chief executive officer assumed by Mr. Yi Xiaodi will not impair the balance of power and authority between the Board and the management of the Company. The balance of power and authority is ensured by the operation of the Board as the majority of the Board are non-executive Directors and independent non-executive Directors. Moreover, the Board comprises experienced and high caliber individuals and meets regularly to discuss major issues affecting operations of the Company, and all Directors are properly and promptly briefed on relevant matters with adequate, complete and reliable information.

Code provision D.1.2 of Part 2 of the CG Code stipulates that management should provide all members of the Board with monthly updates giving a balanced and understandable assessment of the issuer's performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties under Rule 3.08 and Chapter 13 of the Listing Rules. During the Reporting Period, although the management of the Company did not provide monthly updates to all members of the Board, the management of the Company prepares quarterly management accounts of the Group which are available for the Directors to review and when appropriate, the management of the Company will update and keep all Directors abreast of the performance, position and prospects of the Group to enable them to discharge their duties.

With effect from 30 September 2024, Mr. Tsang Ho Yin ("**Mr. Tsang**") resigned as the company secretary (the "**Company Secretary**") of the Company and the authorised representative (the "**Authorised Representative**") of the Company under Rule 3.05 of the Listing Rules. Following the resignation of Mr. Tsang as the Company Secretary and Authorised Representative, the Company was not able to meet the requirements under Rule 3.28 of the Listing Rules and the requirement that a listed issuer should appoint two Authorised Representatives pursuant to Rule 3.05 of the Listing Rules. With effect from 25 October 2024, Mr. Han Bin ("**Mr. Han**"), the chief financial officer of the Company, has been appointed as one of the joint company secretaries of the Company (the "**Joint Company Secretaries**", each a "**Joint Company Secretary**"); and Ms. Yu Anne ("**Ms. Yu**") has been appointed as one of the Joint Company Secretaries, the Authorised Representative and the agent for the acceptance of service of process and notices on behalf of the Company in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). Following the appointments of Mr. Han and Ms. Yu, the Company has fully complied with the requirements as set out in Rules 3.05 and 3.28 of the Listing Rules. For details, please refer to the announcements of the Company dated 2 October 2024 and 25 October 2024.

STATEMENTS OF DISCIPLINARY ACTION

On 26 November 2024, the Stock Exchange issued statements of disciplinary action to the Company, seven existing Directors and a former Director, respectively.

Pursuant to the aforesaid statement of disciplinary action, the listing committee of the Stock Exchange alleged that the Company breached (1) Rules 13.46(2) (a), 13.48, 13.49(1) and 13.49(6) of the Listing Rules in respect of its failure to publish its annual and interim results and despatch its annual and interim reports within the prescribed time; and (2) Rules 14.34, 14.38A, 14.40 and 14A.35 of the Listing Rules in respect of its failure to comply with the announcement, circular and/or shareholders' approval requirements applicable to the relevant loans and/or the undisclosed transactions. The relevant Directors did not exercise due skill, care and diligence in relation to either (1) the granting and enforcement of the relevant loans; or (2) the Company's internal control deficiencies. The relevant Directors have breached Rule 3.08 of the Listing Rules and their obligations now set out in Rule 3.09B(2) of the Listing Rules by failing to use their best endeavours to procure the Company's compliance with the Listing Rules.

The Company and the relevant Directors did not contest their respective breaches and agreed to the sanctions and directions imposed on them, as set out in the statements of disciplinary action. As at the date of this announcement, the relevant Directors completed the 24 hours' training on regulatory and legal topics and the Listing Rule compliance as directed by the Stock Exchange.

For details, please refer to the regulatory announcement issued by the Stock Exchange dated 26 November 2024 and the announcement of the Company dated 5 March 2025.

AUDIT COMMITTEE

The Company has established the Audit Committee in compliance with the Listing Rules to fulfill the functions of reviewing and monitoring the financial reporting and internal control of the Company. Currently, the Audit Committee comprises three independent non-executive Directors, including Mr. Ng Fook Ai, Victor, Mr. Gu Yunchang and Mr. Li Chunping. Mr. Ng Fook Ai, Victor is the chairman of the Audit Committee.

The primary duties of the Audit Committee are: (i) to deal with the relationship with the Company's external auditors; (ii) to review the Group's financial information; (iii) to supervise the Group's financial reporting system, risk management and internal control procedures; and (iv) to perform the Company's corporate governance functions.

The Audit Committee has reviewed the accounting standards and practices adopted by the Group and discussed the internal control, risk management and financial reporting matters of the Group (including reviewing the annual results of the Group for the Reporting Period).

The Audit Committee has critically reviewed the position of the management of the Company (the "**Management**") concerning the disclaimer of opinion as to be expressed by the Company's auditor (the "**Disclaimer Opinion**") and agreed with the Management's position. The auditor reported to and discussed with the Audit Committee about going concern and the Disclaimer of Opinion with details as set out in Note 2 to the draft consolidated financial statements for the year ended 31 December 2024 and the section headed "Extract From Draft Independent Auditor's Report" of this announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standards contained in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. Each Director had been given a copy of the code of conduct regarding security transactions upon his/her appointment, and the Company issues two reminders each year thereafter, being 30 days prior to the Board meeting approving the interim results of the Company and 60 days prior to the Board meeting approving the annual results of the Company, reminding the Directors that they are not allowed to trade in the securities of the Company prior to the announcement of the results (the periods during which the Directors are prohibited from dealing in shares), and that all transactions must be conducted according to the Model Code. Having made specific enquiries by the Company with all Directors, all of the Directors confirmed that they have complied with the provisions of the Model Code during the Reporting Period.

PURCHASE, SALE AND REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

Events of Default under the 6.50% Convertible Bonds Due 2021 (the "2021 Bonds"), the 10.5% Senior Notes Due 2021 (the "2021 Notes"), the 13.0% Senior Green Notes Due 2022 (the "2022 Notes") and the 12.0% Senior Notes Due 2023 (the "2023 Notes")

On the maturity date of the 2021 Bonds, i.e. 11 August 2021, the Company failed to pay the principal and the premium in the sum of USD50,866,100 and the last instalment of interest of USD1,475,500. As such, an event of default under the terms and conditions of the 2021 Bonds occurred. The 2021 Bonds were delisted from the Stock Exchange on 11 August 2021.

On the maturity date of the 2021 Notes, i.e. 5 December 2021, the Company failed to pay the principal of USD170 million and the last instalment of interest of USD8,925,000. As such, an event of default under the terms and conditions of the 2021 Notes occurred. As at 31 December 2024, the Company has repaid approximately USD31.9 million of the principal.

On the maturity date of the 2022 Notes, i.e. 29 June 2022, the Company failed to pay the principal of USD219,600,000 and the total accrued and unpaid interest of USD28,468,700. As such, an event of default under the terms and conditions of the 2022 Notes occurred (together with the event of default under the terms of conditions of the 2021 Bonds and 2021 Notes, the "**2022 Events of Default**"). The 2022 Notes were delisted from the Stock Exchange on 29 June 2022.

On the maturity date of the 2023 Notes, i.e. 3 October 2023, the Company failed to pay the principal of USD120,000,000 and the total accrued and unpaid interest of USD38,400,000. The 2023 Notes were delisted from the Stock Exchange on 3 October 2023. As such, an event of default under the terms and conditions of the 2023 Notes occurred (together with the 2022 Events of Default, the "**Events of Default**"). The Events of Default will trigger cross default provisions under certain other debt instruments entered into by the Group.

As at 31 December 2024, the total accrued and unpaid interest of the 2021 Bonds, the 2021 Notes, the 2022 Notes and the 2023 Notes amounted to USD209,754,902.8. The Company has been proactively communicating with the relevant creditors. The Company is using all efforts to raise the necessary funds to repay the outstanding amount and to remedy the Events of Default as soon as possible. For details, please refer to the announcements of the Company dated 11 August 2021, 25 August 2021, 6 December 2021, 29 June 2022 and 3 October 2023.

Events of Default under the 8.50% Corporate Bonds Due 2022 ("2022 8.50% Bonds"), the 9.0% Corporate Bonds Due 2022 (the "2022 9.0% Bonds") and the 8.4% Corporate Bonds Due 2023 (the "2023 Bonds") (together, the "Onshore Bonds")

On the maturity date of the 2022 8.50% Bonds, i.e. 22 September 2022, the Company's subsidiary, Guangxi Vantone Real Estate Development Co., Ltd.* ("**Guangxi Vantone**"), failed to pay the principal of RMB582,000,000 and the total accrued and unpaid interest of RMB49,470,000. As such, an event of default under the terms and conditions of the 2022 8.50% Bonds occurred.

On the maturity date of the 2022 9.0% Bonds, i.e. 30 October 2022, Guangxi Vantone failed to pay the principal of RMB120,000,000 and the total accrued and unpaid interest of RMB10,800,000. As such, an event of default under the terms and conditions of the 2022 9.0% Bonds occurred.

On the maturity date of the 2023 Bonds, i.e. 24 February 2023, Guangxi Vantone failed to pay the principal of RMB1,500,000,000 and the total accrued and unpaid interest of RMB252,000,000. As such, an event of default under the terms and conditions of the 2023 Bonds occurred.

As at 31 December 2024, the total accrued and unpaid interest of the Onshore Bonds amounted to RMB667,660,000. Guangxi Vantone has been proactively communicating with the relevant creditors regarding the repayment of principal and interests with a view of reaching a solution acceptable to the creditors as soon as possible. As at the date of this announcement, the 2022 8.50% Bonds and 2022 9.0% Bonds remain listed on the Shanghai Stock Exchange and the 2023 Bonds remain listed on the Shenzhen Stock Exchange. The Company is using all efforts to raise the necessary funds to repay the outstanding amount and to remedy the defaults of the Onshore Bonds as soon as possible.

Save as disclosed above, during the Reporting Period, there was no purchase, sale or redemption by the Company or any of its subsidiaries of the Company's listed securities (including sale and transfer of the treasury shares, if any).

As at 31 December 2024, the Company has no treasury shares (as defined under the Listing Rules).

SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and to the knowledge of the Directors, the Company has maintained sufficient public float as required by the Listing Rules during the Reporting Period.

WINDING UP OF THE CONTROLLING SHAREHOLDER

The Company has been informed that a winding-up order dated 17 January 2024 has been made against Joywise Holdings Limited ("**Joywise**"). As at the date of this announcement, Joywise is the controlling shareholder of the Company and holds 1,373,805,906 ordinary shares of the Company, or approximately 53.86% of the total issued share capital of the Company including 9.21% of derivative interests and, among which, 645,370,855 ordinary shares of the Company has been pledged to Haitong International Securities Company.

For more details, please refer to the announcements of the Company dated 15 August 2023, and dated 21 February 2024.

EVENTS AFTER THE REPORTING PERIOD

Withdrawal of Winding Up Petition of the Company

On 18 June 2024, a winding-up petition (the "**Petition**") was filed against the Company by Bo Shun (HK) Limited (栢順(香港)有限公司) at the High Court of the Hong Kong Special Administrative Region (the "**High Court**") in relation to the unpaid redemption price on 11 August 2021 in the amount of US$50,467,500 and default interest of 2% per annum of the outstanding principal of US$45,000,000 from 11 August 2021 up to 22 March 2024 in the amount of US$2,385,000.

On 12 March 2025, the High Court has ordered that the re-amended Petition against the Company be withdrawn by consent.

For details, please refer to the announcements of the Company dated 20 June 2024, 28 August 2024, 23 October 2024, 14 November 2024 and 12 March 2025.

Disposal of 70% Equity Interest in Chongqing Sunshine 100

References are made to the announcements dated 16 March 2020 and 20 February 2025 and circular (the "**Circular**") dated 18 June 2020 in relation to the disposal of 70% equity interest in Chongqing Sunshine 100 Real Estate Development Co., Ltd.* (重慶陽光壹佰房地產開發有限公司) ("**Target Company**" or "**Chongqing Sunshine 100**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

Under the Dividend Adjustment Mechanism, subject to the satisfaction of certain conditions, the Company would be entitled to the Total SS100 Dividend of no more than RMB1.7 billion. As the conditions have not been satisfied, none of the Total SS100 Dividend has been declared or distributed.

In order to solve the existing debt repayment issue of the Target Company and meet the funds required for the development and construction of the development projects (the "**Development Projects**") of the Target Company, the Target Company will undertake a series of restructuring steps (the "**Restructuring**"). In connection with the Restructuring, (1) Great Wall (Tianjin) Equity Investment Fund Management Co., Ltd.* (長城(天津)股權投資基金管理有限責任公司) ("**Great Wall Investment Fund**") as the general partner, (2) Wuhu Great Wall Real Estate Risky Assets Revitalization Investment Center (Limited Partnership)* (蕪湖長城房地產風險資產盤活投資中心(有限合夥)) ("**Great Wall Risky Assets Revitalization Investment Center**") (together with Great Wall Investment Fund, the "**Great Wall Entities**") as the senior limited partner, (3) CITIC Trust Co., Ltd.* (中信信託有限責任公司) ("**CITIC Trust**") as the intermediate limited partner, and (4) China CITIC Financial Asset Management Co., Ltd.* (中國中信金融資產管理股份有限公司) ("**China CITIC Financial Asset**"), Sunac Southwest Real Estate Development Group Co., Ltd.*(融創西南房地產開發(集團)有限公司), Chongqing Songya Real Estate Development Co., Ltd.*(重慶頌雅房地產開發有限公司) (together with Sunac Southwest Real Estate Development Group Co., Ltd., the "**Sunac Entities**") and Sunshine 100 Group as the junior limited partners, entered in to a limited partnership agreement (the "**Limited Partnership Agreement**") in relation to Wuhu Changzhen Investment Center (Limited Partnership)* (蕪湖長真投資中心(有限合夥)) (the "**Limited Partnership**") on 23 January 2025. Pursuant to the Limited Partnership Agreement, (1) Great Wall Risky Assets Revitalization Investment Center as the senior limited partner proposed to make capital contribution to the Limited Partnership of not exceeding RMB2.476 billion in cash, of which, in principle, (i) not more than RMB1.326 billion will be mainly used for the development and construction of the Development Projects and other funding requirements that may affect the development of the Development Projects; and (ii) not less than RMB1.15 billion (subject to the actual amount eventually purchased by Great Wall Risky Assets Revitalization Investment Center) will be used to purchase the intermediate limited partnership interest held by CITIC Trust; (2) CITIC Trust shall subscribe for the intermediate limited partnership interest with the original debts owing by the Target Company to the trust scheme managed by CITIC Trust, for a consideration of approximately RMB3.174 billion; (3) China CITIC Financial Asset shall subscribe for the junior limited partnership interest with the debts owing by the Target Company to it; (4) Sunshine 100 Group shall subscribe for the junior limited partnership interest with the debts owing by the Target Company to it or in cash; and (5) the Sunac Entities shall subscribe for the junior limited partnership interest with the debts owing by the Target Company to them and their certain equity interests in the Target Company. The Limited Partnership will be controlled and managed by the Great Wall Entities, who are independent third parties of the Company. The Limited Partnership will provide capital and loans to the Target Company to complete the Development Projects, with a view to enabling the Target Company to repay its creditors with the development proceeds.

Sunshine 100 Group will subscribe for the junior limited partnership interest in the Limited Partnership (the "**Subscription**") by waiving the Total SS100 Dividend of RMB1.7 billion. The subscription amount may be subject to further adjustments such as the debt owing by the Group to the Target Company. Sunshine 100 Group will not be required to make further contributions to the Limited Partnership if the amount owing by the Target Company to the Group is less than RMB1.7 billion. The Subscription is expected to have minimal impact on the Group's financial statements. There will be no de-recognition or recognition of assets of significant value on the Group's balance sheet as a result of the Subscription.

SCOPE OF WORK OF FORVIS MAZARS

The financial figures in respect of Group's consolidated statement of comprehensive income, consolidated statement of financial position for the Reporting Period and the related notes thereto as set out in this preliminary results announcement have been compared by the Group's auditor, Forvis Mazars CPA Limited (formerly known as Mazars CPA Limited), *Certified Public Accountants*, to the amounts set out in the Group's draft consolidated financial statements for the year ended 31 December 2024 and the amounts were found to be in agreement. The work performed by Forvis Mazars CPA Limited in this respect did not constitute an audit, review or other 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 the Company's auditor.

EXTRACT FROM DRAFT INDEPENDENT AUDITOR'S REPORT

The following is an extract of the draft independent auditor's report on the Company's draft consolidated financial statements for the year ended 31 December 2024:

Disclaimer of Opinion

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

Basis for Disclaimer of Opinion

Multiple material uncertainties relating to going concern

As set out in Note 2 to the consolidated financial statements, the Group incurred a net loss of approximately RMB5,798,007,000 for the year ended 31 December 2024 and as at 31 December 2024, the Group recorded with net current liabilities and net liabilities of approximately RMB10,393,062,000 and RMB4,990,877,000, respectively, while the Group reported capital deficits attributable to equity shareholders of the Company of approximately RMB6,010,233,000. In addition, as at 31 December 2024, the Group had total loans and borrowings of approximately RMB26,748,690,000 of which the current loans and borrowings amounted to approximately RMB22,864,264,000. However, the Group only had cash and cash equivalents of approximately RMB631,109,000. As at 31 December 2024, the Group's loans and borrowings of approximately RMB14,787,514,000, convertible bonds of USD50,866,000 (equivalent to approximately RMB365,646,000), senior notes of USD258,100,000 (equivalent to approximately RMB1,855,327,000), senior green notes with principal of USD219,600,000 (equivalent to approximately RMB1,578,573,000) and corporate bonds of approximately RMB2,202,000,000 were overdue pursuant to the relevant borrowing agreements which constituted events of default. In addition, any further liabilities or obligations arising from the legal proceedings (if any), in respect of loans and borrowings, convertible bonds, senior notes, senior green notes and corporate bonds may have significant impact on the liquidity position of the Group.

As at 31 December 2024, the Group had not finalised the land appreciation tax returns with the tax authorities for certain property development projects which had already met the requirement of finalisation of the People's Republic of China ("**PRC**") land appreciation tax ("**Land Appreciation Tax**"). The potential Land Appreciation Tax payment obligations arising from the clearance may have a significant impact on the liquidity position of the Group.

As at and subsequent to 31 December 2024, the Group is subjected to a number of legal proceedings which mainly in relation to disputes under construction contracts in respect of its various property development projects and defaults of repayment of several loans and borrowings, which arose during the normal course of business. Details of which are set out in Note 31(d) to the consolidated financial statements. Based on the best estimation on the possible outcomes of the disputes by the management in consideration of the development of negotiations with the creditors and advice sought from the independent legal advisors and internal legal counsel, the possible further obligations (other than those liabilities/provisions that have been recognised in the consolidated financial statements) arose from litigations are expected to be immaterial to the consolidated financial statements of the Group. However, it is uncertain for the timing of crystallisation of the relevant legal proceedings.

These events or conditions indicate the existence of multiple material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

In view of the above circumstances, the directors of the Company have been taking measures to improve the Group's liquidity and financial position, which are set out in Note 2 to the consolidated financial statements. The validity of the going concern assumption on which the consolidated financial statements have been prepared depends on the outcome of these measures, which are subject to multiple material uncertainties, including (i) successfully negotiating with the lenders on the renewal of or extension for repayment of outstanding borrowings, including those with overdue principal and interests; (ii) successfully negotiating with the creditors and lenders on debt restructuring of interest-bearing borrowings; (iii) successfully persuading the Group's existing lenders not to take action to demand for immediate repayment of the borrowings with interest payments in default including the prevention from the auction of the Group's pledged properties; (iv) successfully negotiating with various financial institutions and potential lenders/investors to identify various options for financing the Group's working capital and commitments in the foreseeable future; (v) successfully implemented plans to dispose several investment properties instead of generating rental income to improve the cash flow in future; (vi) successfully accelerating the pre-sales and sales of properties under development and completed properties and speeding up the collection of outstanding sales proceeds and loans to third parties, and controlling costs and capital expenditure so as to generate adequate net cash inflows; (vii) successfully looking for larger property development enterprises and cooperating with investors to develop properties under development of the Group through joint effort; (viii) successfully procuring and negotiating the preliminary terms with larger property development enterprises for the sale of property development projects at a price deemed appropriate; and (ix) successfully negotiating with the local tax authorities and postponing the finalisation and payment of Land Appreciation Tax for certain property development projects which had already met the requirement of finalisation of Land Appreciation Tax.

Accordingly, we were unable to obtain sufficient appropriate audit evidence about the appropriateness of the use of going concern basis of accounting in the preparation of the consolidated financial statements. Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively, and to provide any further liabilities which may arise. The effects of these adjustments have not been reflected in the consolidated financial statements.

Details of the Audit Modification and the Management's Position, View and Assessment on the Relevant Audit Modification

In view of the detailed conditions set out in the Note 2 to the consolidated financial statement for the year ended 31 December 2024 in this announcement, the auditor is of the view that, there's significant uncertainties that may cast significant doubt regarding the Group's ability to continue as a going concern. The Group's ability to continue as a going concern is subject to the Group's ability to generate sufficient financial and operating cash flows. As at 31 December 2024, the Group's loans and borrowings of approximately RMB14,787,514,000, convertible bonds with principal of USD50,886,000 (equivalent to approximately RMB365,646,000), senior notes of USD258,100,000 (equivalent to approximately RMB1,855,327,000), senior green notes with principal of USD219,600,000 (equivalent to approximately RMB1,578,573,000) and corporate bonds of approximately RMB2,202,000,000 were overdue pursuant to the borrowing agreements which constituted events of default. In view of these circumstances, in assessing whether the Group will have sufficient financial resources to continue as a going concern, the management has taken into full consideration of the future liquidity and performance of the Group and its available sources of finance. To mitigate the liquidity pressure and improve the cash flow position of the Group, the management has adopted and will continue to implement various measures mentioned in this announcement. Therefore, the Directors are of the opinion that it is appropriate to prepare the consolidated financial statements of the Group for the year ended 31 December 2024 on a going concern basis.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE, THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED AND THE COMPANY

The annual results announcement has been published on the respective websites of the Stock Exchange at www.hkexnews.com.hk, the Singapore Exchange Securities Trading Limited at www.sgx.com and the Company at www.ss100.com.cn. The annual report of the Company for the Reporting Period, which contains all information required by the Listing Rules, will be available electronically on the websites mentioned above by the end of April 2025.

By Order of the Board
Sunshine 100 China Holdings Ltd
YI Xiaodi
Chairman and Executive Director

Beijing, the PRC
28 March 2025

As at the date of this announcement, the executive Directors are Mr. Yi Xiaodi and Mr. Fan Xiaochong, the non-executive Directors are Ms. Fan Xiaohua and Mr. Wang Gongquan, and the independent non-executive Directors are Mr. Gu Yunchang, Mr. Ng Fook Ai, Victor and Mr. Li Chunping.