



## **China Merchants Land's 2024 Revenue Reaches RMB20.66 Billion, with a 10% Year-On-Year Increase in Aggregate Contracted Sales**

13 March 2025 - China Merchants Land Limited ("China Merchants Land" or the "Company", stock code: 00978.HK) together with its subsidiaries (the "Group"), has remained committed to developing quality products centered around customer needs amid persistent challenges arising from adjustments in the domestic property market. The Group has made meticulous efforts to enhance quality. For the year ended 31 December 2024 (the "year under review"), the Group, together with its associated companies and joint venture companies, achieved aggregate contracted sales of approximately RMB42,462,000,000, representing a steady year-on-year increase of 10%. The aggregate contracted sales area was approximately 1,895,802 sq m, with an average selling price of approximately RMB22,398 per sq m, demonstrating the Group's resilience and strength amidst market fluctuations.

However, due to the continued decline in the domestic property market over the past three years, the Group experienced a decrease in the carry-forward scale of property development projects during the year under review. As a result, China Merchants Land's revenue and gross profit saw a certain degree of adjustment. During the year under review, the Group recorded revenue of RMB20,661,233,000 and gross profit of RMB985,420,000, representing declines when compared to those of 2023. During the year under review, the Group recorded a loss of RMB1,689,630,000. Nevertheless, the retained profit attributable to the owners of the Company remained at a stable level of RMB7,500,000,000 at the end of the year under review, reflecting the Group's solid financial foundation and its ability to respond to market challenges.

During the year under review, China Merchants Land's projects in Nanjing and Jurong, Xi'an, Chongqing, Guangzhou, Foshan and Hong Kong accounted for approximately 40.7%, 26.98%, 21.08%, 7.29%, 3.61% and 0.34% of the total revenue of the Group, respectively.

As at 31 December 2024, the Group had 45 property development projects in Guangzhou, Foshan, Chongqing, Xi'an, Nanjing and Jurong, with a primary focus on the development of residential properties, as well as residential and commercial complex properties, and types of products including apartments, villas, offices and retail shops, etc. During the year under review, the Group added three new land development investments with significant control, all located in first-tier and strong second-tier cities such as Guangzhou and Xi'an, with a total land consideration of RMB2,778,000,000 and a total permissible area of 285,500 sq m.

The saleable gross floor area of properties which had not been sold or presold as at 31 December 2024 was 4,201,823 sq m, of which 53%, 20%, and 18% were located in Chongqing, Nanjing and Jurong, and Xi'an respectively, and the remaining 9% was located in Guangzhou and Foshan.

As at 31 December 2024, the Company had bank balances and cash of RMB12,734,449,000 (2023: RMB10,283,322,000). Its net interest-bearing debt (total interest-bearing debt minus bank balances and cash) to equity (including non-controlling interests) ratio (the “net gearing ratio”) was 67% as at 31 December 2024 (2023: 71%). The Group further leveraged the flexibility of its capital structure and resources in a rational manner according to project needs. The capital cost of the Group remained at an industry-low level. As at 31 December 2024, the weighted average finance costs of the interest-bearing debt was 3.23%, of which the average finance costs of bank and financial institution borrowings was 3.34%.

During the year under review, the Group recorded asset management services income of approximately RMB17,422,000 (2023: RMB14,971,000).

The Company will aim at “speeding up, improving quality, and enhancing efficiency”, and focus on both stability and development. For new project development, the Group will strengthen the cross-departmental collaboration mechanism, strive to shorten the development cycle, actively make good use of local policies, accelerate policy docking and resource integration to advance old renovation projects. In terms of price management, the Group will expedite the implementation of “determining price based on quality”, shifting from promotion strategy to a benign “cost-performance competition” to achieve the balance of volume and price and profit improvement. In the field of inventory digestion, for assets in core areas, the Group will reshape competitiveness through product renewal, scene upgrade and service value-added, and combine with innovative marketing strategies to enhance the premium space. The Group will speed up the sale of its inventories and adjust its asset allocation.

Facing the challenge of pressured industry profit margins, the Group will strengthen the rigid constraints of the “three expenses”, promote the slimming and strengthening of the financial structure; loss-making business units will implement ultimate cost control.

At the same time, the Group will firmly practice the overseas strategy of “deeply cultivating Hong Kong and intensively cultivating Southeast Asia”, accelerate the construction and operation of key overseas projects, build an international asset allocation and income growth pole. Through localised operation and resource collaboration, the Group will enhance the brand influence in overseas markets.

## **About China Merchants Land Limited**

China Merchants Land Limited, a company listed on the Main Board of the Hong Kong Stock Exchange under China Merchants Group, a central government owned enterprise, has a business landscape that reflects the dual brilliance of real estate development and asset management. The Company not only possesses experience in real estate development, but also has built an asset management platform, i.e. Real Estate Investment Trusts (REITs) management, which is an innovative business system that integrates industry and finance, and has built a seamless bridge between capital and industry. China Merchants Land 's strategic layout spans across Hong Kong and the Mainland, with a precise focus on first-tier and popular second-tier cities in China.

The Company is indirectly held as to 74.35% by its controlling shareholder, China Merchants Shekou Industrial Zone Holdings Co.,Ltd., which provides China Merchants Land with a continuous source of resources and impetus to ensure its steady progress in the face of fierce market competition.

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(Attached with China Merchants Land's consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024)

**China Merchants Land Limited (Stock Code: 978.HK)**  
**Consolidated statement of profit or loss and other comprehensive income**  
**for the year ended 31 December 2024**

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	20,661,233	28,800,845
Cost of sales	<u>(19,675,813)</u>	<u>(24,930,302)</u>
Gross profit	985,420	3,870,543
Other income	357,603	453,737
Finance costs	(577,247)	(740,390)
Net foreign exchange (loss)/ gain	(75,285)	6,451
Selling and marketing expenses	(761,655)	(849,323)
Administrative expenses	(169,003)	(379,112)
Impairment loss on goodwill	(160,210)	–
Impairment loss on interests in joint ventures	(211,453)	–
Allowance of expected credit losses	(335,148)	(2,497)
Fair value gain (loss) on financial asset at fair value through profit or loss	29,649	(36,420)
Loss on disposal of a joint venture	(1,820)	–
Share of results of associates	(128,635)	303,351
Share of results of joint ventures	<u>(117,677)</u>	<u>64,730</u>
(Loss)/ profit before tax	(1,165,461)	2,691,070
Income tax expense	<u>(524,169)</u>	<u>(1,439,255)</u>
(Loss)/profit for the year	(1,689,630)	1,251,815
Other comprehensive income, net of income tax <i>Item that may be reclassified subsequently to profit or loss:</i> Exchange differences arising on translation of financial statements of foreign operations	<u>12,432</u>	<u>18,932</u>
Total comprehensive income for the year	<u>(1,677,198)</u>	<u>1,270,747</u>
(Loss)/ profit for the year attributable to:		
Owners of the Company	(1,850,755)	133,414
Non-controlling interests	<u>161,125</u>	<u>1,118,401</u>
	<u>(1,689,630)</u>	<u>1,251,815</u>
Total comprehensive income for the year attributable to:		
Owners of the Company	(1,838,323)	152,346
Non-controlling interests	<u>161,125</u>	<u>1,118,401</u>
	<u>(1,677,198)</u>	<u>1,270,747</u>
(Loss)/ earnings per share		
Basic (RMB cents)	<u>(37.73)</u>	<u>2.72</u>