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WEIYE HOLDINGS LIMITED

偉業控股有限公司*

(Incorporated in the Republic of Singapore with limited liability)

(Hong Kong Stock Code: 1570)

ANNOUNCEMENT OF FULL YEAR FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024 AND RESUMPTION OF TRADING

The board (the “**Board**”) of directors (the “**Directors**”) of WEIYE HOLDINGS LIMITED (the “**Company**”) presents the consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2024, together with the comparative figures, as follows:

* For identification purpose only

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Note	2024 RMB'000	2023 RMB'000 (Re-presented)
Continuing operations			
Revenue	3	43,131	1,528,212
Cost of sales		<u>(31,408)</u>	<u>(1,430,911)</u>
Gross profit		11,723	97,301
Other income and gains	4	9,834	7,880
Selling and distribution expenses		(5,527)	(11,813)
Administrative expenses		(38,680)	(44,237)
Other operating expenses		(73,041)	(8,646)
Write-down of development properties and prepaid costs		(146,154)	(50,545)
Impairment loss on property, plant and equipment		(110,164)	–
Loss allowances on trade and other receivables and contract assets		(18,336)	(18,418)
Share of loss from joint-ventures		<u>–</u>	<u>(111)</u>
Results from operating activities		(370,345)	(28,589)
Net finance costs	5	<u>(44,716)</u>	<u>(18,581)</u>
Loss before taxation	7	(415,061)	(47,170)
Income tax credit/(expense)	6	<u>1,676</u>	<u>(47,644)</u>
Loss for the year		<u>(413,385)</u>	<u>(94,814)</u>
Profit/(loss) for the year from a discontinued operation, net of tax		<u>7,686</u>	<u>(807)</u>
		<u>(405,699)</u>	<u>(95,621)</u>

	<i>Note</i>	2024 RMB'000	2023 <i>RMB'000</i> (Re-presented)
Loss attributable to:			
Owners of the Company		(311,294)	(52,632)
Non-controlling interests		<u>(94,405)</u>	<u>(42,989)</u>
Loss for the year		<u>(405,699)</u>	<u>(95,621)</u>
Other comprehensive income/(loss)			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation differences for foreign operations		(7,358)	(3,115)
Release of exchange reserve upon disposal of a subsidiary		<u>22,983</u>	<u>–</u>
Total other comprehensive income/(loss) for the year, net of income tax		<u>15,625</u>	<u>(3,115)</u>
Total comprehensive loss for the year		<u>(390,074)</u>	<u>(98,736)</u>
Total comprehensive loss attributable to:			
Owners of the Company		(296,514)	(57,686)
Non-controlling interests		<u>(93,560)</u>	<u>(41,050)</u>
Total comprehensive loss for the year, net of income tax		<u>(390,074)</u>	<u>(98,736)</u>
Loss per share:			
Basic loss per share (<i>RMB cents</i>)	8	(158.72)	(26.83)
Diluted loss per share (<i>RMB cents</i>)	8	<u>(158.72)</u>	<u>(26.83)</u>
Continuing operations			
Basic loss per share (<i>RMB cents</i>)	8	(162.72)	(27.41)
Diluted loss per share (<i>RMB cents</i>)	8	<u>(162.72)</u>	<u>(27.41)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	<i>Note</i>	2024 RMB'000	2023 <i>RMB'000</i>
Non-current assets			
Property, plant and equipment	9	11,236	168,531
Intangible assets		121	436
Investment properties		466,000	478,000
Joint ventures		110,000	112,253
Trade and other receivables	10	99,160	99,160
Amount due from a related party		12,542	–
Deferred tax assets		3,666	23,884
		702,725	882,264
Current assets			
Inventories		6,024	21,392
Development properties and prepaid costs		1,833,008	1,867,652
Contract costs		268	268
Trade and other receivables	10	847,062	743,502
Contract assets		214,246	216,734
Other investments		–	1,612
Prepaid tax		63,596	64,049
Cash and cash equivalents		31,220	61,553
		2,995,424	2,976,762
Current liabilities			
Loans and borrowings	13	853,996	501,233
Trade and other payables	11	789,059	686,188
Contract liabilities		86,598	116,893
Income tax payable		236,212	237,891
		1,965,865	1,542,205
Net current assets		1,029,559	1,434,557

	<i>Note</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Non-current liabilities			
Loans and borrowings	13	134,598	308,954
Deferred tax liabilities		277,668	279,927
		412,266	588,881
Net assets		1,320,018	1,727,940
Equity attributable to owners of the Company			
Share capital	12	359,700	359,700
Reserves		627,853	929,631
		987,553	1,289,331
Non-controlling interests		332,465	438,609
Total equity		1,320,018	1,727,940

NOTES

1. GENERAL INFORMATION

WEIYE HOLDINGS LIMITED (the “**Company**”) is a company incorporated in the Republic of Singapore. The address of the Company’s registered office is 10 Bukit Batok Crescent, #06–05 The Spire, Singapore 658079. The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (“**SEHK**”) since 6 April 2016.

The consolidated results set out in this announcement do not constitute the Group’s consolidated financial statements for the year ended 31 December 2024 but are extracted from those financial statements.

The consolidated financial statements of the Group for the year ended 31 December 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”) and the Group’s interest in joint ventures.

During the year, there were no material changes in the principal activities of the Company and its subsidiaries, except the sale of Eindex Corporation Limited and its subsidiaries (collectively, “**Eindex Group**”) during the year, which has been presented as a discontinued operation in these consolidated financial statements.

The continuing operations of the Group are those of property developers for residential and commercial properties in the People’s Republic of China (the “**PRC**”), and the discontinued operation of the Group represents the manufacture and trading of heating, ventilation, air-conditioning, air purification and clean room equipment.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (“**IFRS Accounting Standards**”) and disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the SEHK.

2.2 Basis of measurement

The consolidated financial statements have been prepared under the historical cost basis except for investment properties and other investments which have been measured at fair value.

2.3 Going concern basis

During the year, the Group has incurred a loss from continuing operations of approximately RMB413.4 million. Furthermore, as at 31 December 2024, the Group had total loans and borrowings of approximately RMB988.6 million, of which approximately RMB854.0 million were classified as current borrowings, and approximately RMB361 million out of which was a secured loan from a trust finance company (the “**Lender**”), together with the interest payables of approximately RMB242 million, were remained unsettled upon maturity on 28 December 2021 according to the repayment schedule and have become repayable on demand since then (“**Defaulted Borrowings**”). However, the Group’s cash and cash equivalents excluded the restricted cash of approximately RMB23.5 million as at 31 December 2024 amounted to only approximately RMB7.7 million.

In view of these circumstances, the Directors have given careful consideration of the future liquidity and cash flows of the Group in assessing whether the Group will have sufficient resources to continue as a going concern. For this purpose, the management has prepared a cash flow forecast covering a sixteen-month period from the end of the reporting period after taking account of the following:

- (a) the Group is actively negotiating with Zhengzhou Jinshui Science and Education Zone Management Committee (鄭州金水科教園區管理委員會) (the “**Management Committee**”) for the project completion assessment and the extension of repayment of Defaulted Borrowing with the Lender (trust finance company).
- (b) the Group is actively liaising the renewal of the Group’s borrowings when they fall due. In March 2025, the Group successfully completed the scheduled renewal of bank borrowings of RMB39.6 million as it fell due;
- (c) implementation of the plans and measures to adjust the sales and pre-sales activities to achieve its budgeted sales and pre-sales of property projects; and
- (d) the Group is negotiating with contractors and suppliers on how to settle the outstanding amounts.

The Directors have reviewed the cash flow forecast and are of the opinion that, assuming the successful and timely implementation of the above plans and measures, the Group will have sufficient working capital to meet its financial obligations as and when they fall due within the forecast period. Accordingly, the Directors considered that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, there are inherent uncertainties as to whether management of the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group’s ability to generate adequate financing and operating cash flows through achieving the following:

- (a) Successfully negotiate with the Management Committee for the project completion assessment and successfully negotiate with the Lender for the settlement plan of the Defaulted Borrowing; and
- (b) Successfully negotiate with the relevant lenders on the renewal of bank and other borrowings.

These indicate the existence of a material uncertainty that may cast significant doubt on the Group’s ability to continue as a going concern and, therefore, that the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Should the Group fail to achieve the above plans and measures, it might not be able to continue as a going concern, and adjustments would have to be made to write down the carrying value of the Group’s assets to their recoverable amounts, to provide for any further financial liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

2.4 Functional and presentation currency

The Company’s functional currency is the Singapore dollar. As the Group’s operations are principally conducted in the PRC, the consolidated financial statements have been presented in the Chinese Renminbi (“**RMB**”). All financial information presented in RMB has been rounded to the nearest thousand (“**RMB’000**”), unless otherwise stated.

3. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on the products and services offered, and has two reportable operating segments as follows:

I. Property development

Property development includes the development and sales of both commercial and residential property units, construction of resettlement houses in the PRC and the leasing of investment properties to generate rental income and to derive capital gains from the investment properties in the long term.

II. Clean room equipment, heating ventilation and air-conditioning products, and air purification integrated solution (“Equipment manufacturing”)

During the year ended 31 December 2024, the Group disposed of the interests in equipment manufacturing segment which was presented as “discontinued operation” in note 14.

The Group’s Executive Chairman (“**Chief Operating Decision Maker**”) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm’s length basis in a manner similar to transactions with third parties.

Reconciliations of reportable revenue, profit or loss, assets and liabilities:

	Continuing operations		Discontinued operation		Total	
	Property development		Equipment manufacturing			
	2024	2023	2024	2023	2024	2023
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Re-presented)		(Re-presented)			
Revenue:						
External customers	<u>43,131</u>	<u>1,528,212</u>	<u>60,450</u>	<u>84,027</u>	<u>103,581</u>	<u>1,612,239</u>
Inter-segment revenue	–	–	–	–	–	–
Segments results from operating activities	<u>(370,345)</u>	<u>(28,589)</u>	<u>8,907</u>	<u>1,059</u>	<u>(361,438)</u>	<u>(27,530)</u>
Interest income	812	8,151	101	133	913	8,284
Finance costs	(45,528)	(26,732)	(1,327)	(1,670)	(46,855)	(28,402)
Reportable segment loss before Income tax					(407,380)	(47,648)
Income tax credit/(expense)					1,681	(47,973)
Non-controlling interests					<u>94,405</u>	<u>42,989</u>
Loss attributable to owners of the Company					<u>(311,294)</u>	<u>(52,632)</u>
Reportable segment assets	<u>3,698,149</u>	<u>3,768,270</u>	<u>–</u>	<u>90,756</u>	<u>3,698,149</u>	<u>3,859,026</u>
Reportable segment liabilities	<u>(1,389,537)</u>	<u>(1,294,979)</u>	<u>–</u>	<u>(25,920)</u>	<u>(1,389,537)</u>	<u>(1,320,899)</u>
Loans and borrowings	<u>(988,594)</u>	<u>(792,395)</u>	<u>–</u>	<u>(17,792)</u>	<u>(988,594)</u>	<u>(810,187)</u>
Total liabilities					<u>(2,378,131)</u>	<u>(2,131,086)</u>
Other segment information						
Capital expenditure	–	1,105	3,876	626	3,876	1,731
Allowance for impairment loss made on trade and other receivables (excluding prepayments) and contract assets	18,336	18,419	–	587	18,336	19,006
Depreciation of property, plant and equipment	4,098	3,655	1,998	4,289	6,096	7,944
Amortisation of intangible assets	<u>41</u>	<u>40</u>	<u>175</u>	<u>207</u>	<u>216</u>	<u>247</u>

Geographical segment

The Group's geographical segments are based on the location of the Group's assets. Revenue to external customers disclosed in geographical segments are based on the geographical location of its customers.

The following table presents revenue and certain non-current assets information regarding the Group's geographical segments as at and for the years ended 31 December 2024 and 31 December 2023.

	PRC RMB'000	Singapore RMB'000	Other countries RMB'000	Total RMB'000
31 December 2024				
Revenue				
From continuing operations	43,131	–	–	43,131
From discontinued operation	13,890	40,581	5,979	60,450
	<u>57,021</u>	<u>40,581</u>	<u>5,979</u>	<u>103,581</u>
Non-current assets*	<u>587,357</u>	<u>–</u>	<u>–</u>	<u>587,357</u>
31 December 2023				
Revenue				
From continuing operations	1,528,212	–	–	1,528,212
From discontinued operation	17,921	59,938	6,168	84,027
	<u>1,546,133</u>	<u>59,938</u>	<u>6,168</u>	<u>1,612,239</u>
Non-current assets*	<u>729,107</u>	<u>10,474</u>	<u>19,639</u>	<u>759,220</u>

* Excludes trade and other receivables, amount due from a related party and deferred tax assets.

4. OTHER INCOME AND GAINS

	2024 RMB'000	2023 RMB'000 (Re-presented)
Continuing operations		
Gain on disposal of property, plant and equipment	4	578
Gain on disposal of subsidiaries	–	281
Gain on disposal of joint venture	916	–
Government grants	3	38
Compensation income	11	54
Rental income	8,586	6,785
Others	314	144
	<u>9,834</u>	<u>7,880</u>

5. NET FINANCE COSTS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i> (Re-presented)
Continuing operations		
Interest income	812	8,151
Interest expenses on loans and borrowings	(54,754)	(31,029)
Others	(75)	(105)
	<u> </u>	<u> </u>
Finance expenses, net	(54,017)	(22,983)
Finance cost capitalised in development properties	9,301	4,402
	<u> </u>	<u> </u>
Net finance costs recognised in profit or loss	<u><u>(44,716)</u></u>	<u><u>(18,581)</u></u>

6. INCOME TAX CREDIT/(EXPENSE)

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i> (Re-presented)
Continuing operations		
Current tax expense		
Current year income tax	1,076	17,351
	<u> </u>	<u> </u>
Deferred tax expense/(credit)		
Origination and reversal of temporary differences	20,304	(9,488)
	<u> </u>	<u> </u>
	20,304	(9,488)
Land appreciation tax (credit)/expense		
LAT	(23,056)	39,781
	<u> </u>	<u> </u>
Total tax (credit)/expense	<u><u>(1,676)</u></u>	<u><u>47,644</u></u>

Singapore and PRC income tax liabilities are calculated at the applicable rates in accordance with the relevant tax laws and regulations in Singapore and the PRC.

Pursuant to a PRC Enterprise Income Tax Law promulgated on 16 March 2007, the enterprise income tax for both domestic and foreign-invested enterprises have been unified at 25% effective from 1 January 2008.

According to the Implementation Rules of the Corporate Income tax Law of PRC, the Company's subsidiaries in the PRC are levied a 10% withholding tax on dividends declared to their foreign investment holding companies arising from profit earned subsequent to 1 January 2008. In respect of dividends that are subject to the withholding tax, provision for withholding tax is recognised for the dividends that have been declared, and deferred tax liability is recognised for those to be declared in the foreseeable future.

Certain subsidiaries within the Group are paying corporate income tax on a deemed tax basis as agreed with the local tax authorities. The tax obligations are determined by applying the corporate income tax rate on the deemed profit generated. The deemed profit generated is calculated based on a deemed profit rate on the revenue generated by the subsidiaries.

LAT is levied on properties in the PRC developed for sale by the Group at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds from the sale of properties less deductible expenditures which include lease charges of land use rights, borrowing costs and all property development expenditures. The provision for LAT is based on management's best estimates according to the understanding of the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon the completion of the property development projects. The Group has not finalised its LAT calculation and payments with the tax authorities for some of its property development projects. The final outcome could be different from the amounts that were initially recorded, and any differences will impact on the LAT expenses and the related provision in the period in which the difference realises.

7. LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging/(crediting) the followings:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i> (Re-presented)
Continuing operations		
Audit fees paid/payable	1,820	1,946
Amortisation of intangible assets	41	40
Allowance for impairment loss made on trade and other receivables	15,848	18,207
Allowance for impairment loss made on contract assets	2,488	212
Allowance for impairment loss made on development properties and prepaid costs	146,154	50,545
Allowance for impairment loss made on property, plant and equipment	110,164	–
Depreciation of property, plant and equipment	4,098	3,655
Gain on disposal of subsidiaries	–	(281)
Property, plant and equipment written off	51	15
	<u> </u>	<u> </u>

8. (LOSS)/EARNINGS PER SHARE

The following tables reflect the profit or loss and share data used in the computation of basic and diluted loss per share for the years ended 31 December:

	2024	2023
Loss per share is based on		
Loss for the year attributable to owners of the Company (<i>RMB'000</i>):		
Loss from continuing operations	(319,149)	(53,762)
Profit from discontinued operation	7,855	1,130
	<u> </u>	<u> </u>
	(311,294)	(52,632)
	<u> </u>	<u> </u>
Weighted average number of ordinary shares ('000)	196,133	196,133
	<u> </u>	<u> </u>
Basic and diluted (loss)/earnings per share (<i>RMB cents</i>):		
From continuing operations	(162.72)	(27.41)
From discontinued operation	4.00	0.58
	<u> </u>	<u> </u>
	(158.72)	(26.83)
	<u> </u>	<u> </u>

Basic (loss)/earnings per share is calculated on the Group's (loss)/profit for the financial year attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the financial year.

Diluted (loss)/earnings per share is calculated on the same basis as basic (loss)/earnings per share as the Group did not issue dilutive instruments.

9. PROPERTY, PLANT AND EQUIPMENT

For the year ended 31 December 2024, the Group recognised an impairment loss for property, plant and equipment of approximately RMB110,164,000.

The estimate of the recoverable amount of the cash generating unit to which the property, plant and equipment belong to was based on value-in-use calculation using discounted cash flow projections based on the financial forecasts approved by management, which reflects cash flow from property developers for residential and commercial properties, discounted at a pre-tax discount rate of 11.00%. One of the key assumptions of the cash flow projection is the annual growth rate in revenue which is based on the expected revenue projected by management. The discount rate used reflects specific risks relating to the market of property developers for residential and commercial properties.

During the year ended 31 December 2024, the Group spent approximately RMB3.9 million (2023: RMB5.5 million) on the acquisition of property, plant and equipment.

Right-of-use assets of RMB8,249,000 (2023: RMB8,881,000) were included in the carrying amount of property, plant and equipment.

10. TRADE AND OTHER RECEIVABLES

Trade receivables of the Group are non-interest bearing and are normally settled between 30 and 180 days (2023: between 30 and 180 days). They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

The ageing of trade receivables at the reporting date, based on invoice date, is as follows:

	2024 RMB'000	2023 <i>RMB'000</i>
0–30 days	–	17,099
31–90 days	–	662
91–180 days	–	756
181–365 days	2,730	62
Over 365 days	4,946	26,112
	<hr/> 7,676 <hr/>	<hr/> 44,691 <hr/>

11. TRADE AND OTHER PAYABLES

Trade payables primarily comprise construction costs payable to third parties.

The ageing profile of trade payables of the Group at the reporting date, based on invoice date, is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
0–30 days	263,385	279,362
31–60 days	–	713
61–90 days	–	2,036
More than 90 days	15,373	14,176
	<u>278,758</u>	<u>296,287</u>

12. SHARE CAPITAL

	Company <i>RMB'000</i>	Number of shares <i>'000</i>
Fully paid ordinary shares, with no par value		
As at 1 January and 31 December 2023 and 2024	<u>359,700</u>	<u>196,133</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. All shares rank equally with regard to the Company's residual assets.

During the year ended 31 December 2024, there were no share options issued by the Company.

13. LOANS AND BORROWINGS

	2024		2023			
	Secured <i>RMB'000</i>	Unsecured <i>RMB'000</i>	Total <i>RMB'000</i>	Secured <i>RMB'000</i>	Unsecured <i>RMB'000</i>	Total <i>RMB'000</i>
Amount repayable in one year or less, or on demand	769,396	84,600	853,996	484,616	16,617	501,233
Amount repayable after one year	134,598	–	<u>134,598</u>	257,070	51,884	<u>308,954</u>
Total loans and borrowings			<u>988,594</u>			<u>810,187</u>

Details of any collateral

In 2024, loans and borrowings for the Group include banker's acceptance, lease liabilities, bank overdrafts, bank loans, loans from trust finance company and other loans (2023: banker's acceptance, lease liabilities, bank overdrafts, bank loans, loans from trust finance company and other loans). The loans and borrowings, excluding lease liabilities and other loans, are secured by:

- (i) Legal mortgage of the assets of subsidiaries, development properties and investment properties;
- (ii) Legal mortgage of the property, plant and equipment;
- (iii) Corporate guarantee from the Company and its certain subsidiaries; and
- (iv) Guarantees from third parties and controlling shareholder.

14. DISCONTINUED OPERATION

The gain on disposal of a discontinued operation was determined as follows:

	2024 RMB'000
Cash consideration received	15,609
Net assets disposed of	(37,856)
Non-controlling interests	12,584
Release of exchange reserve upon disposal	22,983
	<hr/>
Gain on disposal of a discontinued operation	13,320
	<hr/> <hr/>
	2024 RMB'000
Recognised in equity	4,391
Recognised in profit or loss	8,929
	<hr/>
	13,320
	<hr/> <hr/>

An analysis of the net outflows of cash and cash equivalents in respect of the disposal of a discontinued operation is as follows:

	2024 RMB'000
Cash consideration received	15,609
Cash and cash equivalents disposed of, net	(15,988)
	<hr/>
Net cash outflows from the disposal of a subsidiary	(379)
	<hr/> <hr/>

15. DIVIDEND

The Board did not declare or recommend any dividend for the year ended 31 December 2024 (2023: Nil).

16. ADOPTION OF NEW/REVISED IFRS ACCOUNTING STANDARDS

The Group has adopted all the new and amended IFRS Accounting Standards which are effective for the Group's accounting periods beginning on or after 1 January 2024 and throughout the year ended 31 December 2024.

Amendments to IAS 1	Non- current liabilities with covenants
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the new and amendments to IFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

17. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following new/revised IFRS Accounting Standards, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective:

		Effective for annual periods beginning on or after
Amendments to IAS 21	Lack of Exchangeability	1 January 2025
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to IFRS Accounting Standards (Volume 11)	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	1 January 2026
IFRS 18	Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IFRS 10 and IAS 28 (2011)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Except for the new and amendments to IFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to IFRSs will have no material impact on the financial statements in the foreseeable future.

Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments

Amendments to IFRS 9 and IFRS 7 provide guidance on a number of areas such as the derecognition of financial liabilities settled through an electronic payment system, classification of financial assets with Environmental, Social and Governance (ESG) and similar features, contractually linked instruments and certain new disclosure requirements.

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosures are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements. Management is currently assessing the detailed implications of applying the new standard on the Group's financial statements. Based on preliminary assessment, the line items presented in the primary financial statements might change as a result of the application of the concept of "useful structured summary" and the enhanced principles on aggregation and disaggregation. The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. Moreover, there will be significant new disclosures required for management-defined performance measures. IFRS 18 is effective for annual periods beginning on or after 1 January 2027. Retrospective application is required and so the comparative information for the financial year ending 31 December 2026 will be restated in the accordance with IFRS 18.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

	2024	2023	% change
	<i>RMB'000</i>	<i>RMB'000</i>	+ / (-)
Continuing operations			
Property Development			
Revenue	43,131	1,528,212	-97%
Cost of sales	(31,408)	(1,430,911)	-98%
Gross profit	<u>11,723</u>	<u>97,301</u>	
Gross Profit Margin	27%	6%	
Discontinued operation			
Equipment Manufacturing			
Revenue	60,450	84,027	-28%
Cost of sales	(43,267)	(60,315)	-28%
Gross profit	<u>17,183</u>	<u>23,712</u>	
Gross Profit Margin	28%	28%	

Revenue and Gross Profit Margin (“GP Margin”)

Property development business

During the year ended 31 December 2024, there was a significant drop in our total net saleable floor area (“NSFA”) handed over to customers of approximately 3,340 square meters (2023: 92,503 square meters).

Revenue from property development business for the year ended 31 December 2024 was approximately RMB43.1 million, which represented a decrease of approximately 97% as compared to the corresponding period in 2023. This was mainly from the following projects, namely Sunlight Mansion, Weiye Shangcheng Sanhaoyuan, Yuediwan and Weiye Yehai Shangcheng, which contributed approximately RMB16.3 million, RMB12.0 million, RMB5.3 million and RMB5.2 million respectively.

The gross profit of the property development business for the year ended 31 December 2024 amounted to approximately RMB11.7 million, representing a significant decrease of approximately 88% as compared to the corresponding period in 2023. The GP margin increases from 6% to 27%. It was mainly because of the sales of commercial units which have higher GP margin during the year ended 31 December 2024. As a result, the overall GP margin increase significantly as compared to the corresponding period in 2023.

Equipment Manufacturing Business

Considering the challenging business environment for the coming years, the Group sold out the equipment manufacturing business on 15 October 2024. The Directors are of the view that the discontinuance of the equipment manufacturing business segment will enable the reallocation its financial resources for future development, thereby may generating higher returns for the shareholders of the Company (the “**Shareholders**”).

As at 31 December 2024, the equipment manufacturing business was classified as a discontinued business with revenue of approximately RMB60.5 million for the Period under Review.

Other Income and gains

Other income and gains increased by approximately RMB2.0 million or 25% for the year ended 31 December 2024 as compared to the corresponding period in 2023, primarily due to one-off gain on disposal of joint venture with approximately RMB0.9 million and increase in rental income of approximately RMB1.8 million for the year ended 31 December 2024.

Selling and Distribution Expenses

Selling and distribution expenses amounted to approximately RMB5.5 million for the year ended 31 December 2024, represented a decrease of approximately 53% as compared to the corresponding period in 2023. This was mainly due to less promotional and marketing activities for property projects launched for the year ended 31 December 2024.

Administrative Expenses

Administrative expenses for the year ended 31 December 2024 was approximately RMB38.7 million, which was approximately 13% lower than the corresponding period in 2023. It was mainly due to decrease in salaries, office, travelling and entertainment expenses because of continuing effective cost control measures implemented within the Group as compared with the corresponding period in 2023.

Other Operating Expenses

Other operating expenses for the year ended 31 December 2024 was approximately RMB73.0 million, which was approximately RMB64.4 million more than corresponding period in 2023. It was mainly due to increase in an impairment loss made on investment properties of approximately RMB12.0 million and increase in an impairment loss made on investment of subsidiary of approximately RMB21.9 million during the year ended 31 December 2024.

Net Finance Costs

Net finance costs was reported for the year ended 31 December 2024 at approximately RMB44.7 million, representing an increase of approximately 141% as compared to the corresponding period in 2023, which was mainly due to an increase in the loans and borrowings amount during the year ended 31 December 2024.

Taxation

The income tax expense was decreased by approximately RMB49.3 million for the year ended 31 December 2024 was mainly due to a decrease in provision of corporate income tax by approximately RMB16.3 million as a result of decrease in profit of the group companies during the year ended 31 December 2024 and increase in deferred tax expense of approximately RMB29.8 million. These were offset by significant decrease in provision of land appreciation tax by approximately RMB62.8 million as a result of tax refund of land appreciation tax of the completed property projects for the year ended 31 December 2024.

Review of Financial Position

The significant decrease in property, plant and equipment of approximately RMB157.3 million was mainly due to an impairment loss of approximately RMB110.2 million was made for the year ended 31 December 2024.

The decrease in development properties and prepaid cost of approximately RMB34.6 million was mainly due to an impairment loss made on the completed properties held for sale of approximately by RMB146.2 million and offset by the additional construction work for the projects during the year ended 31 December 2024.

The increase in trade and other receivables of approximately RMB103.6 million was mainly due to an advance to project owners under the project management agreement during the year ended 31 December 2024 on providing project management services to project owners for the development of a land parcel located in PRC.

The increase in trade and other payables of approximately RMB102.9 million was mainly due to the increment of construction work for Yuequan Wan Phase I project.

The decrease in contract liabilities of approximately RMB30.3 million was mainly due to the reversal of contract liabilities caused by sales recognition from certain projects, in particular Weiye Shangcheng Sanhaoyuan and Sunlight Mansion, during the year ended 31 December 2024.

The increase in loans and borrowings of approximately RMB178.4 million was mainly due to an increase of loans and borrowings during the year ended 31 December 2024.

FINANCIAL RESOURCES AND LIQUIDITY

As at 31 December 2024, the Group's net current assets amounted to approximately RMB1,029.6 million, which represented a decrease of approximately 28% as compared to the corresponding period in 2023, which was mainly due to increase in current loans and borrowings and trade and other payables of approximately RMB455.6 million, decrease in development properties and cash and cash equivalents of approximately RMB65.0 million, and partially offset by increase in trade and other receivables of approximately RMB103.6 million.

Our bank and other borrowings are denominated in Renminbi. As at 31 December 2024, our total outstanding loans and borrowings amounted to approximately RMB988.6 million.

NET GEARING RATIO

Net gearing ratio is calculated based on our total debt less cash and cash equivalents divided by total equity. Total debt includes interest-bearing loans and borrowings. As at 31 December 2024, the net gearing ratio of the Group was approximately 73% (31 December 2023: 43%).

FOREIGN EXCHANGE EXPOSURE

The Group's property development and equipment manufacturing businesses are principally conducted in RMB and SGD, which are the functional currencies of the respective subsidiaries of the Group. Most of the Group's monetary assets and liabilities are denominated in RMB and SGD. During the year ended 31 December 2024, the Group disposed of its equipment manufacturing business, as a result, the business operation was not expected to involve significant international transactions.

Accordingly, the Group considers that the Group's exposure to foreign currency risk is not significant and hence the Group does not employ any financial instruments for hedging purposes.

STRATEGY AND OUTLOOK

In 2025, unfavorable factors such as the financial environment and consumption downgrade will persist. We need to further expand revenue sources and reduce expenditure while improving efficiency. For existing assets, we will unwaveringly explore multiple channels and perspectives to accelerate cash flow return, slow down investment in incremental projects, and continue promoting the transformation and upgrade of traditional real estate through industrial drivers to achieve healthy and orderly development. Meanwhile, we will explore other new businesses to create highly stable returns.

In 2025, the Group will follow established investment regions and models, combining its own strengths, closely following the “Industry+” project advancement rhythm, and strengthening cooperation with state-owned platform companies to obtain new projects through team and technical output.

Regarding financing, with traditional financing channels showing year-on-year decreases, we need to actively arrange cooperation with large financial institutions that haven’t reached their limits; seize new financing opportunities, integrate resources, build financing platforms, and promote financing business; and continue to develop innovative financing business.

In cost control, from a global perspective and from the angle of “creating and protecting profits,” we will review cost management, control projects based on priority relationships, optimize project cost structure, and strengthen process cost management of business points. We will ensure estimates cover budgets, budgets cover final accounts, and maintain reasonable, legal, and compliant operations to effectively reduce enterprise risks and guarantee project target profits.

In terms of investment expansion, we will drive company transformation and upgrade through industry; expand projects through cooperative development performance consolidation, financing and construction management (real estate and industrial); and guide social capital investment for shared construction and use, thereby maximizing resource integration while minimizing capital occupation.

Regarding team building, we will continue to uphold our corporate culture of unity, collaboration, struggle, and progress, strengthening the work philosophy of “serious responsibility and proactive initiative.” Using the company’s authority system as guidelines and various management systems as standards, we will unify employee thinking, strengthen overall work style, and ensure management effectively serves business operations. We will improve the reward and punishment system, reward excellence and punish poor performance, strengthen process control, fully mobilize personnel enthusiasm, and enhance team effectiveness.

EMPLOYEES AND REMUNERATION

As at 31 December 2024, there were 42 employees (2023: 277) in the Group.

Total employee benefits expenses of the Group (including Directors' fee) for the year ended 31 December 2024 were approximately RMB27.9 million (2023: RMB38.6 million). Staff remuneration packages are determined based on each employee's qualifications, experience, position and seniority.

The Group also provides other staff benefits including medical and life insurance and grants discretionary incentive bonuses to eligible staff based on their performance and the Group's results of operations.

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

There was no purchase, redemption or sale of listed securities of the Company for the year ended 31 December 2024.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

Reference was made to the announcement of the Company dated 15 October 2024. The Company disposed its entire equity interest in Eindec Corporation Limited at an aggregate consideration of approximately S\$2,876,000 (equivalent to approximately RMB15,609,000) on 15 October 2024. Save as disclosed, there was no material acquisition and disposal of subsidiaries by the Group during the year ended 31 December 2024.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") comprises three independent non-executive Directors as at the date of this announcement, namely:

Ms. Chan Sze Man (*Chairman*)

Mr. Dong Xincheng

Mr. Liu Ning

The Group's annual results for the year ended 31 December 2024 had been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures were made.

CORPORATE GOVERNANCE CODE

The Directors consider that the Company had fully complied with Corporate Governance Code (the "**Code**") as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") throughout the year ended 31 December 2024.

COMPLIANCE WITH THE MODEL CODE

In compliance with Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules, the Company has adopted its own internal compliance code pursuant to the Model Code’s best practices on dealings in securities and these are applicable to all its Officers in relation to their dealings in the Company’s securities. In furtherance, specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code for the year ended 31 December 2024.

The Company and its Officers are not allowed to deal in the Company’s shares during the period commencing 30 days immediately before the announcement of the Company’s interim results and 60 days immediately before the announcement of the Company’s full year results, and ending on the date of the announcement of the relevant results.

The Directors, management and executives of the Group are also expected to observe the rules and regulations in relation to insider dealing at all times, even when dealing in securities within permitted trading period or they are in possession of unpublished price-sensitive information of the Company and they are not to deal in the Company’s securities on short-term considerations.

DIVIDENDS

The Board did not declare or recommend any final dividend for the year ended 31 December 2024 (2023: Nil).

ANNUAL GENERAL MEETING

It is proposed that the annual general meeting of the Company will be held on a date to be fixed by the Board. Further announcement(s) will be made in respect of date of the annual general meeting of the Company and book closure date in due course.

SCOPE OF WORK OF BDO LIMITED

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

EXTRACT OF INDEPENDENT AUDITOR’S OPINION

The following is an extract of the independent auditor’s report on the Group’s audited consolidated financial statements for the year ended 31 December 2024.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (“**IFRS Accounting Standards**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Material uncertainty related to going concern

We draw attention to Note 2.3 in the consolidated financial statements, which indicates that the Group incurred a net loss from continuing operations of approximately RMB413.4 million during the year ended 31 December 2024. This condition along with other matters set forth in Note 2.3, indicate the existence of a material uncertainty that may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the year ended 31 December 2024 and up to the date of this announcement.

PUBLICATION OF ANNUAL REPORT

This results announcement is published on the website of Hong Kong Exchanges and Clearing Limited (the “**HKEX**”) at www.hkexnews.hk and the website of the Company at www.weiyeholdings.com. The annual report of the Company for the year ended 31 December 2024 will be despatched to the shareholders of the Company and published on the respective websites of the HKEX and the Company in due course.

APPRECIATION

On behalf of the Board, I would like to express my heartfelt appreciation to our management team and all employees for their commitments to create greater values for the Group. I would also like to extend my heartfelt gratitude to all our shareholders and strategic partners for your unwavering trust and relentless support all these years.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2025, pending the release of the annual results of the Company for the year ended 31 December 2024 contained in this announcement.

Upon the publication of this announcement, an application has been made to the Stock Exchange for the resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 2 May 2025.

By Order of the Board
WEIYE HOLDINGS LIMITED
Chen Zhiyong
Executive Chairman

Hong Kong, 30 April 2025

As at the date of this announcement, the executive Director is Mr. Chen Zhiyong; and the independent non-executive Directors are Mr. Liu Ning, Mr. Dong Xincheng and Ms. Chan Sze Man.